

**AN INVESTIGATION OF THE MARKETING STRATEGIES AND FACTORS  
INFLUENCING THEIR IMPLEMENTATION BY GARMENT-MAKING  
MICRO-ENTERPRISES IN NAKURU TOWN, KENYA.**

By

Lydia Nkatha Kinuthia (M. Ed.)

H87/5047/04

A THESIS SUBMITTED IN FULFILLMENT OF THE REQUIREMENTS FOR  
THE AWARD OF THE DEGREE OF DOCTOR OF PHILOSOPHY IN THE  
SCHOOL OF APPLIED HUMAN SCIENCES OF KENYATTA UNIVERSITY

AUGUST, 2011

## DECLARATION

This Thesis is my original work and has not been presented for a degree in any other university or for any other award.

Signature \_\_\_\_\_

Date \_\_\_\_\_

Lydia Nkatha Kinuthia

H87/5047/04

This Thesis has been submitted with our approval as University Supervisors.

Signature \_\_\_\_\_

Date \_\_\_\_\_

Prof. Keren Gacheri Mburugu

Dept. of Fashion Design and Marketing

Kenyatta University

Signature \_\_\_\_\_

Date \_\_\_\_\_

Dr. Milcah Mulu-Mutuku

Dept. of Applied Community Development Studies

Egerton University

## **DEDICATION**

To my lovely mum and dad for inculcating the value of education and excellence in me that I may do the same to others; and dear husband David Kinuthia, lovely daughters Neema Wanjiku and Furaha Makena.

## ACKNOWLEDGEMENTS

The completion of this thesis was facilitated by the support of many people. I would like to appreciate all those who helped me in one way or another in the course of this study.

First, I would like to thank my academic advisors, Prof. Keren Mburugu and Dr. Milcah Mulu-Mutuku, for their thoughtfulness, patience, timely guidance and support. You were immeasurably generous with your time and knowledge.

I would also like to extend my gratitude to my parents Mr. and Mrs. Joseph Gikunda. Your encouragement and desire to see this work complete kept me going. To Prof Alfred Mutema, Prof. Jude Mathooko, Dr. Joseph Wamutitu, Dr. David Muigai and Dr. Hellen Muthomi; I say a very big thank you. I appreciate every effort you made to enable me to complete this work. Your unwavering concern and counsel to stay in course kept me on my toes.

My sincere appreciation is to the Management of Egerton University for granting me time off to concentrate and complete my studies. A special word of thanks is in order for Mr. George Otieno for his unstinting help during the data collection. Mr. Bojana and Mr. Wayaya deserves gratitude for the editorial contribution.

There are no sufficient words to convey my affectionate gratitude to my dear husband David Kinuthia for his unwavering encouragement, prayers and support. Finally, to my prayer partner Beatrice Njoki Mutuma for standing with me at every moment.

## TABLE OF CONTENTS

	Page
Declaration .....	ii
Dedication.. .....	iii
Acknowledgements .....	iv
List of Tables .....	x
List of Figures .....	x
Abbreviations/acronyms .....	xiii
Abstract .....	xiv

### CHAPTER ONE: INTRODUCTION

1.1 Background Information.....	1
1.2 Statement of the Problem.....	5
1.3 Purpose of the Study.....	7
1.4 Research Objectives .....	7
1.5 Hypotheses .....	7
1.6 Significance of the Study.....	8
1.7 Scope of the Study.....	10
1.8 Assumptions of the Study .....	10
1.9 Limitations of the Study .....	11
1.10 Theoretical Background.....	11
1.11 Operational Definition of Terms.....	14

### CHAPTER TWO: LITERATURE REVIEW

2.0 Introduction.....	17
2.1 Brief Description of the Textile and Garment Industry in Kenya .....	17

2.2 Marketing Strategies in Micro-Enterprises .....	20
2.3 Factors Influencing Implementation of Marketing Strategies .....	25
2.3.1 Target Market Factors .....	25
2.3.2 Entrepreneurial Orientation .....	28
2.3.3 Internal Environmental Factors .....	30
2.3.4 External Environmental Factors .....	33
2.4 Summary of Literature Review .....	36

### **CHAPTER THREE: METHODOLOGY**

3.0 Introduction .....	37
3.1 Research Design .....	37
3.2 Study Area .....	38
3.3 Target Population .....	38
3.4 The Sample Size and Sampling Procedures.....	39
3.5 Ethical Considerations .....	40
3.6 Research Instrument .....	40
3.7 Validity and Reliability of the Research Instrument .....	41
3.8 Data Collection Procedure .....	42
3.9 Data Analysis .....	43
3.10 Data Presentation.....	45

### **CHAPTER FOUR: DATA ANALYSIS, RESULTS AND DISCUSSION**

4.0 Introduction .....	46
4.1 Sample Sizes and Response Rates.....	46
4.2 Demographic Characteristics of the Respondents.....	46
4.2.1 Business Ownership by Gender and Age .....	47

4.2.2 Respondents' Education Level and Area of Specialization .....	48
4.2.3 Number and Gender Representation of the Employees .....	51
4.2.4 Year of Business Establishment .....	52
4.2.5 Type of Clothing Made .....	54
4.2.6 Business Location .....	55
4.3 The Reliability Analysis, Suitability of the Data for Factor Analysis and Determination of the Number of Factors to Retain .....	56
4.4 Use of Factor Scores.....	59
4.5 Marketing Strategies Undertaken by the Garment Making Micro-enterprises.....	59
4.5.1 Marketing Strategies Undertaken by the Respondents .....	63
4.5.2 Testing of the Hypothesis on Various Marketing Strategies.....	69
4.5.3 Summary of the Marketing Strategies Implemented by Garment Making Micro-enterprises.....	70
4.6 Identification of Target Market Factors Influencing Implementation of Marketing Strategies .....	70
4.6.1 Target Market Factors Influencing the Implementation of Marketing Strategies.....	72
4.6.2 Testing of the Hypothesis on the Influence of Target Market Factors .....	75
4.6.3 Summary on the Influence of the Target Market Characteristics.....	82
4.7 Identification of Entrepreneurial Orientation Factors .....	83
4.7.1 Entrepreneurial Orientation Factors Influencing the Implementation of Marketing Strategies.....	85
4.7.2 Testing of the Hypothesis on the Influence of Entrepreneurial Orientation	88
4.7.3 Summary on the Influence of the Entrepreneurial Orientation .....	94
4.8 Identification of Internal Environmental Factors .....	95

4.8.1 Internal Environmental Factors Influencing the Implementation of Marketing Strategies.....	97
4.8.2 Testing of the Hypothesis on the Influence of Internal Environmental Factors.....	101
4.8.3 Summary on the Influence of the Internal Environmental Factors.....	107
4.9 Identification of External Environmental Factors .....	107
4.9.1 External Environment Factors Influencing the Implementation of Marketing Strategies.....	110
4.9.2 Testing of the Hypothesis on the Influence of External Environmental Factors.....	114
4.9.3 Summary on the Influence of the External Environmental Factors .....	121

## **CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS**

5.0 Introduction.....	122
5.1 Summary of the Findings.....	123
5.1.1 The Demographic Characteristics.....	123
5.1.2 Marketing Strategies Used by Garment-Making Micro-Enterprises in Nakuru Town .....	124
5.1.3 The Target Market Characteristics that Influence the Implementation of the Marketing Strategies.....	125
5.1.4 The Entrepreneurial Orientation Factors Influencing the Implementation of the Marketing Strategies .....	126
5.1.5 Internal Environmental Factors that Influence the Implementation of Marketing Strategies.....	127
5.1.6 External Environmental Factors that Influence the Implementation of Marketing Strategies.....	128

5.2 Conclusions .....	129
5.3 Recommendations on Policy Issues .....	130
5.4 Recommendations for Further Research .....	131
REFERENCES .....	132

## **APPENDICES**

A: Letter of Introduction .....	138
B: Questionnaire .....	139
C: Interview guide.....	145
D: Sample Size, Confidence Level and Confidence Intervals for Random Samples	147
E: Random Numbers .....	148
F: Map of the Study Area (Nakuru Town) .....	149

## LIST OF TABLES

Table	Page
4.1: Business Ownership by Gender .....	47
4.2 Business Ownership by Gender and Age Category .....	48
4.3: Respondents by Area of Training .....	50
4.4: Number of Enterprises by Gender Representation of the Employees .....	52
4.5: Number of Enterprises by Period of Business Establishment .....	53
4.6: Number of Enterprises by Types of Clothing Made .....	54
4.7: Number of Enterprises by Business Location.....	55
4.8: Reliability Analyses .....	57
4.9: Rotated Component Matrix for Marketing Strategies .....	61
4.10: Implementation of the Marketing Strategies by the Micro-enterprises.....	64
4.11 Chi-square Test Statistics for Variation of Marketing Strategies .....	69
4.12: Rotated Component Matrix for Target Market Factors.....	71
4.13: Influence of Target Market Factors.....	73
4.14: Regression Model Summary for Target Market Factors .....	76
4.15: The Beta Coefficients in Regression Analysis for Target Market Factors .....	79
4.16: Rotated Component Matrix for Entrepreneurial Orientation Factors .....	84
4.17: Entrepreneurial Orientation Factors Influencing Marketing Strategies .....	85
4.18: Regression Model Summary for Entrepreneurial Orientation .....	89
4.19: The Beta Coefficients in Regression Analysis for Entrepreneurial .....	91
4.20: Rotated Component Matrix for Internal Environmental Factors .....	96
4.21: Internal Environmental Factors.....	98
4.22: Regression Model Summary for Internal Environmental Factors .....	101
4.23: The Beta Coefficients in Regression Analysis for Internal Environmental Factors .....	104

4.24: Rotated Component Analysis for External Environmental Factors .....	108
4.25: Influence of External Environmental Factors on Marketing Strategies .....	110
4.26: Regression Model Summary for External Environmental Factors .....	114
4.27: The Beta Coefficients in Regression Analysis for External Environmental ....	117

**LIST OF FIGURES**

Figure	Page
1.1 Factors Influencing Implementation of Marketing Strategies .....	14
4.1 Education Levels of Enterprise Owners .....	49
4.2 Employment Statuses .....	51

**ABBREVIATIONS/ACRONYMS**

EE	.....	External Environmental
EO	.....	Entrepreneurial Orientation
EPC	.....	Export Promotion Council
IE	.....	Internal Environmental
KAM	.....	Kenya Association of Manufacturers
RBV	.....	Resource Based View Theory
SPSS	.....	Statistical Packages for Social Sciences

### ABSTRACT

The challenges of successful marketing in the clothing industry continue to increase in a world characterized by resource constraints, inflationary tendencies, changing lifestyles, rapid technological changes and increased competition both at local and international levels. In Kenya, the clothing industry is characterized by a very dynamic environment and intense competition caused mainly by enlarging globalization, trade liberalization and the second-hand (*mitumba*) clothes. In such an environment, it is becoming increasingly difficult for an enterprise to maintain long-term success. Thus the clothing enterprises are faced with challenges that demand them to offer higher value added products that meet the demands of the customers. As a solution, a sound marketing strategy is critical to the survival and growth of micro-enterprises in the garment making sector. Such a strategy will need to be implemented effectively. However, there is limited research that has looked at the industry from a marketing strategy perspective in terms of the factors that influence the implementation of the marketing strategies. This research aimed at determining the various marketing strategies and the factors influencing their implementation by the garment making micro-enterprises. The research design used was ex-post facto while the target population was 385 garment-making micro-enterprises that have less than ten employees in Nakuru town. Using an interview guide and a questionnaire comprising of closed and open ended questions, data was collected from a sample of 265 respondents for the survey (randomly selected using a table of random numbers) and 40 respondents for the interview. The data collection instruments were pre-tested using 40 respondents (30 for the survey and 10 for the interviews). The data collected was analyzed both quantitatively and qualitatively. Exploratory factor analysis, Chi-square goodness-of-fit test ( $X^2$ ) and multiple regression analysis were used to identify the marketing strategies and determine the factors influencing strategy implementation by help of Statistical Packages for Social Sciences version 16.0 (SPSS). There were eight strategies implemented by garment-making micro-enterprises. Interactive Marketing was the most implemented strategy while E-marketing was the least implemented. Target market factors did not have any significant influence on Interactive Marketing though it had the greatest influence on Product Differentiation strategy. Entrepreneurial orientation factors had a significant influence on Branding and Cost Reduction strategy. Internal environment factors did not have any influence on E-marketing but greatly influenced Branding and Cost Reduction strategy. The External environment factors had the greatest influence on Market Penetration strategy. A major conclusion is that Benefits Sought; Innovativeness; Structure and Culture; and Enabling Environment are very vital in the implementation of the marketing strategies. Further research is recommended to explore the impact of the marketing strategies being implemented on the enterprise performance and growth.

## CHAPTER ONE

### INTRODUCTION

#### 1.1 Background Information

In developing countries such as Kenya, most people cannot find formal work. As a result of unemployment and under-employment, micro enterprises continually emerge in diverse industry sectors. To survive, and out of necessity, people start entrepreneurial ventures such as micro and small enterprises. These include garment making ventures aimed at providing specific goods and services to targeted apparel consumers.

In general, many manufacturing micro-enterprises in Nakuru have stagnated in terms of growth (Mulu-Mutuku, Namosonge & Odhuno, 2004). This is mainly due to competition especially in the garment making sector where there are a variety of substitutes and free entry and exit into business. According to Ngoze (2006), micro-enterprises in both developed and developing countries are faced by similar constraints though to different extents. Among these constraints, marketing is seen as one of the major issues that need to be addressed by the micro-entrepreneurs if they are to survive (Ngoze). It also means that if a micro-enterprise is to achieve a competitive advantage in the garment making business, there is need to aggressively market the products by implementing those strategies that will make them sell more in the market place.

Gakure (2006) indicates that in a developing economy, many principles of marketing (formulated in the developed economies) are inappropriate for micro-entrepreneurs who would like to sell at the best prices and make money. It is apparent that

marketing in micro-enterprises is fundamentally different from that of large firms (Björk, Lindquist, Poukkula, Ravald, West & Ahman, 2004; Simpton, Padmore & Tyaylor, 2005; Stokes, 2003; & Wägar, Björk, Ravald & West, 2007). Hills and Hultman (2006), argue that the difference between marketing in large firms and micro-enterprises is partly because of the way marketing is implemented. Stokes and Wendy (2008), indicate that entrepreneurs tend to act in an informal way based on individual intuition and abilities to make things work. Successful marketing strategy implementation (especially in fashion), is faced with many challenges that are on the increase due to resource constraints, inflationary tendencies, changing lifestyles, rapid technological advancement and increased competition both at local and international levels. This indicates that many garment making micro-enterprises operate in a very turbulent environment of increased risks. Such an environment demands a sound marketing strategy irrespective of whether the marketing strategy implementer is an individual or an enterprise.

Stokes and Wendy (2008) argue that marketing plays an essential role in micro-enterprises and it is an important factor in business growth. A marketing strategy identifies customers which the business can better serve (than its competitors), and tailors product offerings, prices, distribution, promotional efforts, and services towards those customers. In addition, a good strategy helps an enterprise to develop a long-range plan to ensure its survival, profitability, growth, and perpetuity (Schiffman & Kanuk, 1992; Cohen, 1983; Fifield, 1992). Ahmed and Rafiq (1995), posit that one of the pertinent areas in the field of marketing is the strategy implementation.

Strategy implementation effectiveness requires the planned execution of the appropriate activities. Pearce and Robinson (2005); and White, Conant and

Echambandi (n.d), indicate that marketing strategies are only beneficial to a firm when they are successfully implemented and specific functional tactics are identified. Implementation is critical to the success of any firm because it is responsible for putting the marketing strategy into action. According to Pearce and Robinson (2005), implementation is the cause for the difference between intended marketing strategy (what the firm wants to happen) and realized marketing strategy (the strategy that actually takes place). In implementing the marketing strategy, actions will need to be in relation to production, pricing, promotion and distribution (the marketing mix variables).

According to a study by Björk, et al., (2004), product quality is fundamental to any business. A garment manufacturer will need to understand what these customer needs and wants are. Product actions focus on improving quality, for example, by putting more design resources into garment cutting techniques to maximize the usage of the fabric, workmanship, packaging, styling and branding. Production is thus based on the distinctive elements of the product. These elements include benefits of the product to the customer, the actual product features which create these benefits and the additional features and benefits (Stokes & Wendy, 2008).

Pricing is important in marketing strategy because it is the only activity that directly generates revenues and which can easily be altered. Pricing activities are influenced by competitors pricing, demand/customer, benefits resulting from the usage of the product, cost of production; and market regulations. In pricing, an enterprise can take the approach of skimming or penetration (Stokes & Wendy, 2008). Price skimming approach aims to develop a market by attracting the least sensitive market segment and if demand begins to fall, the prices are reduced to attract more customers. On the

other hand, penetration approach aims at keeping prices as low as possible to achieve the highest potential level of sales.

Promotion is used to facilitate exchanges by informing the market regarding new styles (and everything to do with the business) with the aim of stimulating demand. The promotional mix comprises advertising, personal selling, sales promotion and publicity (Azevedo & Farhangmehr, 2005). It develops awareness of, interest in, and desire for a firm's product or service. Advertising includes direct mail, store sign, radio and television, magazines and newspapers, outdoor signs, poster and billboards; and novelties such as calendars, pens, diaries etc (Azevedo & Farhangmehr).

The main objective of distribution is to serve the demand by providing products where, when and how they are wanted by buyers. For the products to reach the customers there is need to invest in good premises, equipment and transportation services (Thelma & Whittaker, 2003). For example, the location of the fashion designers must be accessible and conveniently placed such that a prospective client is not put off.

Zarvnik and Mumel (2007), indicate that the key success factor for any business in the clothing industry is the implementation of the marketing strategies. According to Thomson (2002), there are many factors that affect the implementation of the marketing strategies. These include factors related to the strategy itself, the entrepreneur orientation, the market environment (internal and external) and the target market characteristics. Gakure (2006), argues that sales are the lifeblood of any business. Björk et al., (2004), Stokes (2003) and Wägar et al., (2007), all indicate that if an enterprise has to survive and grow, it has to find a competitive edge. However,

securing sales and gaining a competitive edge largely depend on identifying, researching and addressing the existing and potential markets correctly in such a way as to differentiate oneself from the competitors.

According to a study by Lewa (2003) on strategic management practices in Kenya's small and micro-enterprises, only 13% implemented their strategies and they performed better than those which did not. Though the marketing function is important (Björk et al., 2004), to the micro-enterprise, lack of resources and capabilities, the target market characteristics, the internal and external environment and the entrepreneurial dimensions have an impact on the way marketing strategies are implemented, (Thelma & Whittaker, 2003; Kruger, 2004; Foss & Klein, 2004). According to Wilson and Wong (2003), implementation is critical to marketing effectiveness and an area of weakness in many businesses.

In view of the importance of a sound marketing strategy, this study thus focused on the forces that influence the implementation of the marketing strategies in garment making micro-enterprises. This is because what might work best for enterprise A may not be the best for enterprise B since each enterprise has its own unique challenges.

## **1.2 Statement of the Problem**

Though the textile and clothing sector is a main focus for investment and principal in the development and growth of a country (Ikiara & Ndirangu, 2002), marketing at the micro level in Kenya has not received much attention from researchers. The sector is characterized by a very dynamic environment and intense competition caused mainly by enlarging globalization, trade liberalization and the second-hand (*mitumba*) clothes

(Kinyanjui & McComick, 2002; Malinowska-Olszowy, 2005; Mangieri, 2006). For this sector to be effective in poverty reduction, job creation and the overall economic growth and development of the economy, the factors influencing the marketing efforts need to be identified and addressed adequately. Against a background of increasing competition (from *mitumba* and imported new clothing) and low demand for locally made new clothing (Elung'ata, 2003), garment making micro-enterprises in Kenya have the challenge to implement marketing strategies that will make them more competitive and able to face the threats from the liberalized market (Gakure, 2006).

Ngoze (2006) indicates that one of the major problems for micro-entrepreneurs is how to market their products, a phenomenon attributed to how the marketing is carried out. There is limited research on marketing strategies used by owners of micro-enterprises in garment making, yet marketing is very critical for business survival and growth (Björk et al., 2004). A study by Gray (2006) reveals that though owners of micro-enterprises in Kenya try to market their products, they are not aggressive enough.

According to Li, Guohui and Eppler (2008); and Wilson and Wong (2003), strategies fail mainly because of inadequate implementation which is influenced by many factors. Li et al., (2008) also argue that strategy implementation utilizes different variables and specific factors have different effects on the strategy being implemented. Thus, different variables inherent in the enterprise have a direct effect to the success of different types of marketing strategies (Zarvnik & Mumel, 2007). There was need to explore the factors that influence the implementation of marketing strategies in the garment making micro-enterprises (Wägar et al., 2007). This would help the entrepreneur to know the factors that enable or impede the implementation of marketing strategies.

### **1.3 Purpose of the Study**

The purpose of this study was to identify the marketing strategies used as well as to determine the factors that influence their implementation among garment-making micro-enterprises in Nakuru town, Kenya.

### **1.4 Research Objectives**

The study aimed to achieve the following objectives:

- i. Establish the various marketing strategies undertaken by garment-making micro-enterprises in Nakuru town.
- ii. Determine the target market factors that influence the implementation of the marketing strategies by garment-making micro-enterprises in Nakuru town.
- iii. Investigate the entrepreneurial orientation factors that influence the implementation of the marketing strategies by garment-making micro-enterprises in Nakuru town.
- iv. Determine the internal environmental factors that influence the implementation of marketing strategies used by garment-making micro-enterprises in Nakuru town.
- v. Determine the external environmental factors that influence the implementation of marketing strategies used by garment-making micro-enterprises in Nakuru town.

### **1.5 Hypotheses**

In line with the above objectives, the following hypotheses were tested in the study:

**HO<sub>1</sub>** There is no variation in the marketing strategies undertaken by various garment-making micro-enterprises in Nakuru town.

**HO<sub>2</sub>** Target market factors do not significantly influence the implementation of marketing strategies by garment-making micro-enterprises in Nakuru town.

**HO<sub>3</sub>** Entrepreneurial orientation of garment-making micro-entrepreneurs in Nakuru town, do not significantly influence the implementation of marketing strategies used.

**HO<sub>4</sub>** Internal environmental forces do not have a significant influence on the implementation of the marketing strategies by garment-making micro-enterprises in Nakuru town.

**HO<sub>5</sub>** External environmental forces do not have a significant influence on the implementation of the marketing strategies by garment-making micro-enterprises in Nakuru town.

### **1.6 Significance of the Study**

Since marketing functions are still evolving, the knowledge generated by this study will enable the micro-entrepreneurs in garment making to improve their marketing practices and increase their competitiveness. This will translate to increased profits and growth in the long run. Since the study was concerned with factors influencing the implementation of marketing strategies, the micro-entrepreneurs are encouraged to focus on these factors as they market their products. The study also reveals strategic marketing tactics that micro-enterprises can embrace to understand their environs and serve their customers better. The results of this study will help them gain better understanding of the contemporary fashion context and the factors influencing their marketing efforts. Based on the findings, a manual *Marketing Guidelines for the Garment Making Micro-Enterprises* geared towards micro-enterprises has been developed to act as a reference for the entrepreneurs.

The results obtained will contribute to the improvement of marketing practices of the garment making micro-enterprises, thus the level of profitability is expected to increase and hence, improve the standards of living. Consequently, the entire country

will be able to benefit from this through increased Government revenue and generation of employment opportunities since strategic marketing leads to profitable micro-enterprises. This will also contribute to the realization of Kenya's Vision 2030 in boasting the Economic Pillar that aims at improving the prosperity of all Kenyans through economic development (Gakuru, 2007).

The findings of this study will also benefit potential entrepreneurs who would want to enter in garment-making business as the results provide knowledge of factors that influence the implementation of marketing strategies. Thus, venturing into a business with knowledge will enable one to deal with related challenges more effectively. At the same time this knowledge provides understanding of the market environment before starting the business.

This study contributes to the existing marketing knowledge of clothing and related articles by highlighting the factors that enable and/or inhibit the implementation of marketing strategies. This study also generated knowledge on the various marketing strategies implemented by garment-making micro-enterprises citing those that are least and most implemented. The finding from this study can be used to make choices with regard to the most appropriate strategy to implement when faced with a given phenomenon.

This study gives a list of policy recommendations which if effected will lead to empowerment of the entrepreneurs in terms of training and marketing services. The study also provides information which can act as a basis for other related researches in the garment making sector. Specifically, recommendations for further research have

been provided which effected will lead to more understanding on the impact of the marketing strategies on enterprises growth.

### **1.7 Scope of the Study**

The study focused only on the factors influencing the implementation of marketing strategies undertaken by the garment making micro-enterprises in Nakuru town. This study was limited to the implementation aspect since it was considered as the most critical step in successful marketing efforts. This study was also limited to enterprises engaged in the manufacture of garments and had less than 10 employees. The researcher chose Nakuru town because there are many garment making micro-enterprises located at close proximity with the *mitumba* and stores selling new clothing (exhibitions) who are their direct competitors.

### **1.8 Assumptions of the Study**

This study was based on the following assumptions:

- i. The garment-making micro-enterprises in Nakuru had a business plan (formal or informal) which includes a marketing component.
- ii. The garment-making micro-enterprises undertook marketing activities (formally or informally) to create and deliver services that meet the needs and wants of the customers.
- iii. The respondents were knowledgeable. Hence, would provide the information needed by responding to the interviews or the questionnaires truthfully.

### **1.9 Limitations of the Study**

- i. The study focused on the garment-making micro-enterprises (those with less than 10 employees). Therefore, the generalizations of the study may not be applied to enterprises with more than 10 employees.
- ii. The study covered Nakuru town only and therefore generalization to other towns in Kenya can only be done with caution.

### **1.10 Theoretical Background**

The theoretical foundation of this study was based on the Resource Based View (RBV) theory and the entrepreneurial orientation theory. The RBV (developed by Edith Penrose in 1959 as *The Theory of the Growth of Firm* and later advanced by Jay Barney), focuses on the ability of an enterprise to create competitive advantage by combining resources in unique ways and matching strategies to resources (Foss, Klein, Kor & Mahoney, 2006). The theory has gained popularity in the strategy literature since the mid-1980s influencing marketing capabilities and marketing competitiveness. According to Eriksson (2006), this theory has been adopted as a framework for analyzing enterprise performance as well as describing the dimensions of an enterprise positioning in the market. The principle behind this theory is that firms achieve sustainable competitive advantage by continuously developing existing resources and creating resources as well as capabilities in response to the dynamic market conditions.

According to RBV theory, enterprises need resources to improve their competitive position as well as be able to recognize, understand, create, select and modify their marketing strategies. The theory extends an understanding of the resources that

explain the alternative marketing strategies that an enterprise may consider. This theory advocates that enterprises engage the available resources (tangible, intangible and organizational capabilities) in order to produce products that meet customer needs (Bharradwaj, Clark & Kulviwat, 2005; Eriksson, 2006; Ferreira & Azevedo, 2007; Ferreira & Azevedo, 2008; Pearce & Robinson, 2005). This theory also analyses the resources and capabilities as key factors in business performance. According to Stokes (2003), business performance has a direct relationship with the marketing activities an enterprise engages in. For example, an entrepreneur in garment-making who can afford an electric sewing machine will reduce costs of operation in the long-run because s/he will make more garments, faster and be able to meet customers' needs better as opposed to one that does not have.

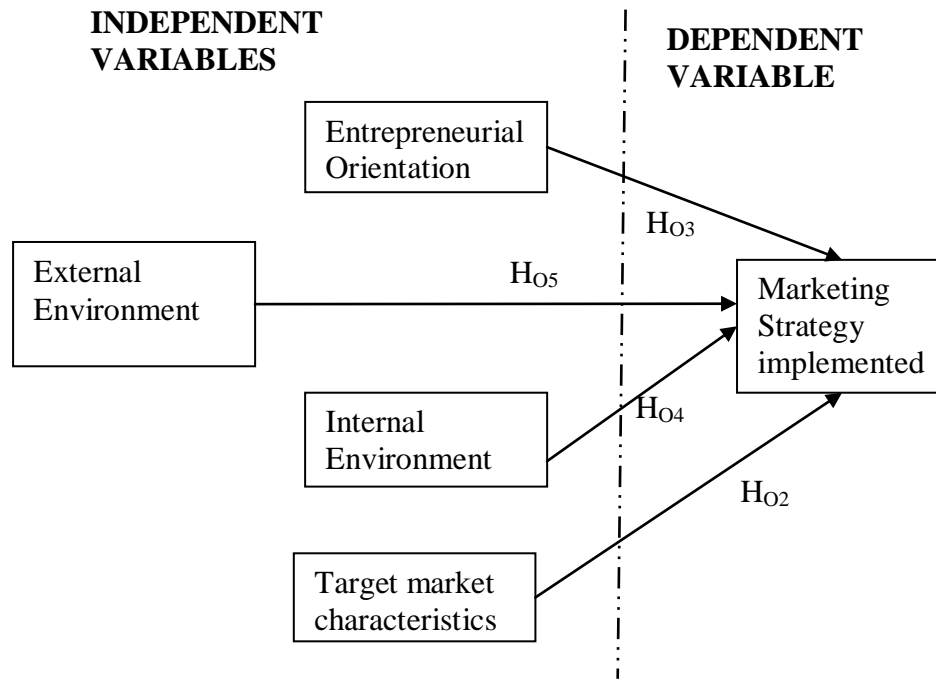
Ferreira and Azevedo (2007), indicate that a sound marketing strategy that is well-implemented is needed to ensure that the products reach the customers. However, for these strategies to be implemented, enterprises require resources. These resources are not similar to all the enterprises and hence the implementation of the strategies will also not be similar. According to a study by Ferreira and Azevedo, resources, capabilities and Entrepreneurial Orientation (EO) are highly associated. EO is an important dimension of RBV which enables an enterprise to take advantage of opportunities. The EO thus has an influence on how the internal resources are organized and managed as well as the implementation of the marketing strategies.

To produce, price, promote and get the product to the customers, an entrepreneur will need to be innovative, bold and willing to take risks. Thus, a theory of entrepreneurial orientation on how micro-enterprise owners organize and manage their resources in the efforts of marketing is utilized in this study. The entrepreneurial orientation theory

(first suggested by Covin and Slevin in 1991 and later extended by Lumpkin and Dess in 1994), identifies five dimensions that impact on strategic decisions of a firm (Krueger, 2005; Eriksson, 2006). These are innovativeness, competitive aggressiveness, risk-accepting, autonomy and pro-activeness. According to Kruger (2004), these five dimensions are necessary in order to make effective marketing decisions as well as engage in productive marketing activities. However, for the purpose of this study, competitive aggressiveness will be included under pro-activeness since according to Wang (2008), the two dimensions overlap, are linked to market orientation and have the same effects on performance in marketing.

According to Kotler and Armstrong (1994), marketing decisions and activities do not occur in a vacuum. They are affected by (at least) political, legal and regulatory, societal, consumer movement, economic and technological forces. These variables affect a marketer's ability to facilitate and expedite exchanges in various ways. First, the marketing environment influences the consumer's lifestyles, standards of living, preferences and needs for products. Second, the forces in the marketing environment influence whether and how the person in-charge of marketing can perform certain marketing activities. Third, the variables may affect marketing decisions and actions by influencing the consumer's reaction towards the enterprise's marketing mix.

In the application of these two theories, this study will focus on the following variables: target market characteristics, entrepreneurial orientation, internal and external environment, and marketing strategies implemented. The influence of the independent variables on the dependent variable is summarized in Fig.1.1.



**Figure 1.1 Factors influencing implementation of marketing strategies**  
Source: Researcher, 2008

### 1.11 Operational Definition of Terms

**Branding** – a process of assigning a distinct name to a product or clothing/fashion shop so as to differentiate it from that of its competitors or competitive product of similar nature. According to El-Gohary (2007) and Lambin (2000), the name can be used alongside the logo or a slogan that will draw attention from the customers.

**Garment making micro-enterprises** – all the individually or corporately owned garment making enterprises that are involved in converting a fabric into a garment or apparel and have less than ten (10) employees (Wägar et al., 2007; Mbithi & Mainga, 2006). The number of employees has been used to categorize the enterprises since the industry is labour-intensive (Ikiara & Ndirangu, 2002).

**Entrepreneurial Orientation (EO)** – the practices, decision-making activities, dimensions or personal attributes of an entrepreneur involved in garment making that

are associated with marketing activities. The EO was measured by how the enterprise owners were innovative, aggressive, autonomous, pro-active and/or risk-taking.

**External environmental factors** - the forces that happen outside the business that have an impact on the marketing related activities of the garment-making micro-enterprises yet the entrepreneurs have no control over them. They include market turbulence, competition, market uncertainty, political forces, economic forces, business location and technological forces.

**Internal environment factors**- the forces that happen within the business that have an impact on the marketing related activities of the garment-making micro-enterprises and could be controlled to some extent. They include resources, management culture and structure, personnel, goals and objectives.

**Marketing** - the way entrepreneurs in the garment-making micro-enterprises design and deliver viable goods and services that are aimed at satisfying the apparel customers' requirements. According to El-Gohary (2007), marketing can be seen as an attitude of mind, a way of organizing business, a range of activities or the producer of profits. In this study, marketing is taken as a range of activities undertaken by the garment-making micro-enterprises to attract customers, retain them and make profit.

**Marketing strategy** - the ways or means the garment-making micro-enterprise wished to achieve its marketing objectives based on its strengths and weaknesses; and the prevailing market state (threats and opportunities). In this study, it include the methods that entrepreneurs in garment-making use and the decisions that are taken in

order to position the business competitively in the market or gain a competitive edge over its rivals.

**Target market factors** – customers' characteristics that have an influence on the marketing efforts by the garment-making micro-enterprises. These include demographics, psychographics, geographical factors, product related factors and purchase behaviour.

**Strategy implementation** – the actions taken by the garment-making entrepreneurs to actualize the marketing strategy (also referred to as the execution of a strategy). Implementation was measured by strategy execution actions relating to the pricing, production, promotion and distribution.

## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.0 Introduction**

This chapter reviews literature under four main headings. Brief description of the textile and garment industry in Kenya gives a general background to the industry of research interest. The second section gives an overview of studies on marketing practices in micro-enterprises highlighting some of the types of strategies that an enterprise engages in. This is followed by factors influencing the marketing strategy implementation. The last section summarizes the literature review and the need for this study.

#### **2.1 Brief Description of the Textile and Garment Industry in Kenya**

The textile and garment industry in Kenya is one of the oldest and among the most important in terms of employment and for meeting the essential clothing consumption needs of the people. According to Mangieri (2006), the industry ranks first among Kenya's manufacturing sector in terms of size and employment. It consists of firms of varying sizes and technologies producing a wide range of products for domestic, regional and global markets. Its establishment dates back to the 1930s. According to Kinyanjui, Ligulu and McCormick (2002), the textiles and garments manufacturing sector had a total of 74 enterprises employing 2477 workers as early as 1954 and makes up to about 19% of all manufacturing firms in Kenya.

The garment manufacturing firms range from large factories employing 2500 workers to micro-enterprises employing one to six workers. According to Kinyanjui et al., (2002), firms are categorized using the number of workers and capital investment.

However, for the clothing industry, the number of workers is the most common criterion used. According to a study by Ongile and McCormick (1996), the micro-enterprises in the garment-making sector in Kenya can be put under five organizational models namely; the custom tailors, contract workshops, specialized small producers, mini-manufacturers and mass producers. Most of the garment making micro enterprises in Kenya are owned by Kenyans of African origin and are located in markets, kiosks and private houses rather than factory premises. However, the share of African owned enterprises fall sharply with increase in firm size. The large firms are largely owned by Kenya-Asians, mainly because the industry draws most of its technicians as well as technical know-how and engineering expertise from India.

In terms of gender ownership, most of the garments-making micro-enterprises are individually owned by women with few partnerships (Atieno, 2009; Ikiara & Ndirangu, 2002). A study by Kinyanjui et al., (2002) revealed that women own more than half of the micro-enterprises, while men dominate in both ownership and workers in the medium and large firms.

The industry is also labour-intensive, thus, employs a large number of skilled and unskilled workers, and uses family labour to a large extent. It offers employment to owners, partners, directors and casual workers. The sector is characterized by ease of entry as the capital required is little and training services are widely available (in schools, local polytechnic centres, dress making schools, and on-the-job training). It is also characterized by relatively low operational costs as the customers often supply the raw material (Ikiara & Ndirangu, 2002). The designs are sourced from magazines,

internet and sometimes from the customers. However, little adjustments are carried out depending on the customer demands.

The garment-making micro-enterprises focus mainly on making men, women and children wear mostly for the local market. However, the enterprises have been adversely affected by being faced with a major problem of low demand for new clothing and high preference for second-hand clothing (Ongile & McCormick, 1996; Elung'ata, 2003; Mangieri, 2006). Kinyanjui et al., (2002) and Kinyanjui and McCormick, (2002) posit that the trade of '*Mitumba*' clothes dates back to the 1990s as a result of trade liberalization and globalization. Fields (n.d) indicates that most Kenyans could not afford to buy new clothes and in mid 1990s, second-hand clothing accounted for 50% of the local textile market in Kenya while only 30% of the clothing was produced locally. The remaining 20% comprised new imports from Far East, Europe, North America and the US markets (Elung'ata, Fields n.d).

Currently, the Export Promotion Council (EPC) has the overall responsibility for promoting, and providing advisory services to the industries that are members of Kenya Association of Manufacturers (KAM), in which the textiles sector is included. It is worth noting that there is no organization such as EPC or KAM is responsible for local marketing of the textile products by garment-making micro-enterprises (KAM, 2005/2006).

The efforts of EPC and KAM are not significantly felt by the garment-making micro-enterprises since only the large firms that deal with exports stand to benefit. Elung'ata (2003) emphasizes the need to implement strategies in the garment sector for the

benefit of local garment making micro entrepreneurs. This calls for the need to identify the factors that influence their marketing efforts.

## **2.2 Marketing Strategies in Micro-Enterprises**

According to Stokes and Wendy (2008), entrepreneurs in the micro-enterprise sector usually have a paradoxical attitude towards marketing efforts because of shortage of resources; decision-making practices are less formalized and have a limited view of marketing. Stokes (2003) posits that most micro-enterprises regard marketing as something for large enterprises. However, according to Wang (2008), entrepreneurs actively seek information about sources of materials, customers, costs as well as adapt market-oriented practices that enable them to stay close to customers. As a result, they are flexible to respond swiftly to their needs hence they are involved in marketing. On the contrary, Stokes and Wendy, indicate that entrepreneurs in micro-enterprises mostly emphasize on production and take a passive role in marketing, while ignoring aspects such as distribution, pricing and product development.

Mbithi and Mainga (2006) posit that many local entrepreneurs in Kenya prefer to run their businesses in an informal state, which inhibits their potential for growth, innovation and expansion. Björk et al., (2004); Byrom and Pioch (2002); Stokes (2003); and Wägar et al., (2007), point out that micro-marketing differs in practice from the methods used by large firms due to unique characteristics of the individual enterprises. The entrepreneurs in the micro-enterprises only use a small range of marketing methods with limited expenditure, do not have specialized marketing departments and the responsibility of marketing is usually taken up by the owner-manager. It also emerges that these entrepreneurs are concerned with day-to-day activities rather than focusing on medium and long-term activities that demand for

strategic planning. In addition to lack of formalized planning, Wägar et al., indicates that marketing in micro-enterprises is limited in scope, simplistic and haphazard. It is evolutionary in nature, resulting to deficient formal marketing plans. Stokes and Wendy (2008); and Stokes also argue that in practice, micro-enterprises do not use the marketing mix (promotion, price, place and product) the same way as the large firms or as advocated by some theorists.

Simpson et al., (2005), point that research on micro enterprises and their marketing activities is largely limited to explanations of certain types of behaviour observed based on concepts that were developed for large businesses. A study conducted in the UK in the 1990s revealed that the main inhibitor of marketing effectiveness in micro-enterprises was poor implementation of basic marketing (Simpson, et al.). Wägar et al., (2007), indicate that a lot of research has been conducted that stresses the importance of marketing in micro-enterprises (vital for survival and growth). However, there is a consensus among many researchers that marketing in micro-enterprises cannot be managed the same way as marketing in the large firms. Marketing in micro-enterprises is deeply embedded in the context of the enterprise, influenced by and adopted by the characteristics of the owner- manager and constrained by limited resources (Simpson et al. 2005; Wägar et al.). Krueger (2005) indicates that micro-enterprises exhibit different strategies in competing with each other. Based on these arguments, this study seeks to identify the various marketing strategies implemented by the garment-making micro-enterprises.

According to studies by Lambin (2002) and Brennan et al., (2003), there are four generic competitive strategies - product differentiation, focus product differentiation, cost leadership and focus cost differentiation. Stokes and Wendy (2008), observe that

marketing strategies can be based on the marketing mix. These include product, price, promotion and place. It is worth noting here that the strategies based on the marketing mix will depend at the level in which they are being implemented since at a higher level, these will not be strategies but tactics. Yet, at a lower level, they are treated as strategies. Kinyanjui and McCormick (2002), reveals that garment-making enterprises also use e-marketing strategies and relationship marketing. The following section gives a brief description of these strategies.

**i. Product Differentiation Strategy:** This strategy endeavors to offer customers unique products or services and satisfying their needs better than the competitors. This strategy focuses on creating and exploiting differences between an enterprise's products. According to a study by Marques, Lisboa, Zimmerer and Yasin (2000), the success of this strategy is dependent on new product development; brand identification; innovation in marketing techniques and methods; and advertising. However, in garment-making micro-enterprises, this is partly dependent on the client and partly on the entrepreneur. The client brings own styles or has a partial idea about the style and once at the outlet, the partial idea is refined with assistance of the designer and available magazines for more details.

**ii. Cost Leadership Strategy:** This is a marketing strategy where a business concentrates on production efficiencies and cost control in order to be the lowest cost producer relative to competitors. According to the study by Marques et al., (2000), for the cost leadership strategy to be effective, operating efficiency, competitive pricing, procurement of raw materials and innovation in manufacturing processes are very vital. This strategy is used by many clothing firms that manufacture standardized articles that are sold in bulk. In the garment-making micro-enterprises, this strategy

mainly focuses on the usage of modern sewing machines and offering prices that are lower than those of the competitors.

**iii. Focus Differentiation Strategy (niche):** This strategy is designed to address a focused segment of the market place or product form. It is based on the concept of serving a particular target in such an exceptional manner that others cannot compete. According to the study by Marques et al., (2000), brand identification, servicing specific geographical market, and capacity to manufacture specialty products are key competitive methods. Thomson (2002) posits that successful differentiation usually creates value for the customer as well as for the entrepreneur. This strategy creates in the mind of the customers the product brand. In micro-enterprises this is a major challenge because it takes effort and resources to focus on one segment.

**iv. Focus Cost Leadership Strategy:** The focus cost leadership is usually employed when it isn't appropriate to attempt an across the board application of cost leadership. It is designed to focus on specific aspects of the business rather than the total operational costs. This strategy is appropriate for the garment making micro-enterprises since the entrepreneur is able to handle one aspect of the business at a time due to limited resources. For example, shop assistants are contracted when need be (when there are many orders) and are laid off when the work is less. Those that are contracted are also paid per piece thus ensuring maximum work is carried out and paying according to labour input.

**v. Relationship Marketing Strategy:** This strategy is based on referrals and commonly known as word-of-mouth marketing or interactive marketing. It involves identification, establishment, maintenance, and enhancement of relationships with

customers, at a profit, so that the objectives of all involved are met. This is done by mutual exchange and fulfillment of promises. Stokes and Wendy (2008), indicate that micro-enterprises specialize in interactive marketing because they are able to establish strong personal relationships with customers. As a result, they create conversational relationships in which they can listen to, reason with and understand the customer. Thus, the ability of the owner-manager to communicate and respond to the customer needs in garment making is a unique selling point. This is because when an entrepreneur interacts with a customer, relationships are built, which, not only ensure that orders are made but also generate recommendations to other potential customers (referrals). This is the most common strategy used by the micro-enterprises in the clothing industry. According to McCormick (2008), the enterprises have a very strong network and a unique style always becomes a centre of attraction to the friends.

**vi. Electronic Marketing Strategy:** Kinyanjui and McCormick (2002), in their study on e-commerce in the garment industry in Kenya, argue that most of Kenyan firms do not engage in e-marketing. According to El-Gohary (2007), e-marketing can be viewed as a modern business practice that involves buying and selling goods and services, information and ideas through the internet and other electronic means. It is beneficial to both the customers and the garment-making manufacturers since it reduces space and time barriers. However, as indicated by Nickels, Kwun and Omar (n.d), the ways enterprises make use of the internet in carrying out their activities vary.

Research reviewed on the marketing strategies had not focused on strategies by garment making micro enterprises. Therefore, in this study, the various marketing

strategies implemented by the garment-making micro-enterprises were investigated, hence, bridging the gap in marketing.

### **2.3 Factors Influencing Implementation of Marketing Strategies**

According to Ahmed and Rafiq (1995); Li et al., (2008); and Ngoze (2006), there exists factors that could inhibit or enable strategy implementation. Li et al also indicate that different factors will influence different types of strategies for various enterprises. Ngoze, (2006) posit that the existence of factors that impend or resist, yield to implementation gaps which have to be closed for effective implementation of marketing strategies. In addition, the factors that enable marketing strategy implementation will need to be enhanced or exploited for the purpose of business success. These factors could be as a result of the target market factors, entrepreneurial orientation, external environment or internal environment.

#### **2.3.1 Target Market Factors**

Any business person in garment making needs to understand the market well in order to design a strategy that is well-suited to attract and retain clients. Target market factors that will have an influence on marketing strategy implementation include:

- i. Demographic Characteristics:** These are socio-economic characteristics that are used in market analysis and as segmentation variables. Stokes and Wendy (2008), argue that customer needs vary based on demographic differences. According to a study by Ir.Samanta-Rounti (2007), these characteristics are closely related to customer's products needs and purchasing behaviour, and can be measured readily through observation or surveys. The demographic characteristics reveal ongoing trends and ability to track them can enable a marketer to evaluate the appropriateness of his/her marketing efforts and

consequently effect necessary changes. For example, age, sex, race, nationality, income, education level, family size and lifecycle, social class, religion, occupation and home ownership.

- ii. Geographical Factors:** These dictate on when the customers buy in relation to where they reside. Geographical factors include climate, terrain, natural resources, population density, market density and sub-cultural values. The variables to measure include time of the day, day of the week, month, year, or season in which a certain product is purchased. Clothing is one product whose choice is affected by geographical variables.
- iii. Psychographic Factors:** These explain why customers will buy any product based on feelings. They include how the customer spends money, his/her attitudes, interest, and opinions. Since psychographic factors are based on feelings rather than facts, they are difficult to define. According to Park and Sullivan (2009), consumers possess certain psychographic characteristics that are unique to the product consumed. The three commonly used are personality characteristics, motives and lifestyles. A garment-making entrepreneur should be able to analyze the psychographic factors in order to make garments that the customer will be proud of. For example, a young customer will prefer body hanging styles while older customers will prefer loosely fitted with more comfort than fashion trend.
- iv. Product Related Factors:** One needs to find out what the customers buy. Most of the customers of micro enterprises may be classified as heavy, moderate or low. An entrepreneur may have to be innovative to create a special product

(unique for the particular customer) and initiate special prices, promotion and distribution activities to satisfy consumers in a specific segment. For example, the dress code of the teenagers and their perception towards clothing quality is very different from that of the older people and the designs produced need to meet their specific needs (Herbust & Burger, 2002).

- v. **Purchase Behaviour:** According to Peter and Olson (2008), consumer purchase behaviour has a great influence on marketing strategies. An entrepreneur will be interested in knowing how the customers prefer to make the payments. For example, use of credit, cash or installments. This will influence where they buy and how the payments are made. Customers also want their garments ready when and where they want. With the knowledge of consumer's purchasing behaviour, marketers are able to offer special discounts to encourage customers to purchase more especially during the low seasons.
  
- vi. **Benefit Sought:** These are outcomes derived from product attributes leading to promotion of the customer's wellbeing. According to Kinley (2010), clothing customers seek to fulfill their needs by actively identifying the benefits likely to be obtained from the consumption of the particular clothing items as well as the benefits got from the retailers. Park and Sullivan (2009) as well as Kinley, posit that clothing benefits sought influences the frequency of clothing purchase and have an effect on outlet patronage. Thus, clothing marketers need to be keen on identifying these benefits so as to maximize on their advertisement campaigns.

Based on the factors of the target market, this study sought to identify factors that influence the way the entrepreneurs in garment-making micro-enterprises implement marketing strategies.

### **2.3.2 Entrepreneurial Orientation**

Eriksson (2006) suggests that Entrepreneurial Orientation (EO) is closely related to strategic decision making process in any business. This was echoed by Hills and Hultman (2006), who argue that entrepreneurs tend to implement marketing strategies dependent on their skills, own experiences and attitudes. Based on a study by Krueger (2005), this entails a strong committed orientation toward seeking opportunities for growth. An entrepreneur needs to be innovative, risk-taking, autonomous and proactive. These qualities have been identified by many researchers as the dimensions of EO (Byrom & Pioch, 2002; Eriksson; Thelma & Whittaker, 2003).

Ferreira and Azevedo (2007), indicate that EO is a main resource and capacity on 'firm growth and advocate that any study on marketing strategies should look into the dimensions of EO. According to a study by Thelma and Whittaker, pro-activeness in competition, innovativeness and willingness to take risks are critical activities in the development of competitiveness by all types of businesses that were studied. Thelma and Whittaker discovered that not all firms were equally innovative, pro-active or open to risk. The following attributes will be used in this study as indicators of EO.

**a. Innovativeness:** This is concerned with supporting and encouraging new ideas, experimentation and creativity likely to result into new styles, services, or processes. According to Thelma and Whittaker (2003), innovativeness has a direct impact on firm performance and competitive advantage. Ongile and McCormick (1996), indicate

that garment-making micro-entrepreneurs do not entirely come up with new designs by themselves but are also provided by their customers. Thus, in this study, innovativeness from the entrepreneur's part will be indicated by the level of uniqueness of the styles/designs and how often s/he explores for unique pictures and illustrations from sources that other are not able to get easily.

**b. Risk-taking:** This focuses on the behavior that might indicate willingness to take risks, in terms of level of spending in research and investment in marketing activities. Wang (2008) hypothesize that the entrepreneurs' risk propensity has a great impact on the decisions made and actions taken towards being competitive. According to Thelma and Whittaker (2003), businesses are started by entrepreneurs with different risk profiles and diverse orientations to risk. Thus, different enterprises are bound to respond to the competition in different ways. Indicators include willingness to invest with uncertain returns, level of research and development and investment in training as indicated by level of off-job training for full-time employees. In this study, risk taking was viewed in terms of the willingness to invest in training as well as to venture in activities one is not sure of.

**c. Autonomy:** Refers to the structure within a firm in which the actions and processes take place in order to utilize an idea. It is concerned with the pursuit and exploitation of an opportunity and the abilities of the individuals within the firm to make it happen. According to Eriksson (2007), the owner-manager is seen as the driving force behind any strategic decisions and how the decisions are communicated to the team players has an impact on its success or failure. According to Foss and Klein (2004), a successful entrepreneur is one who is able to communicate the plans to others. In addition, Li et al., (2008), indicate that leadership style and tactics can be critical in

the implementation of a strategy. This is because lack of shared knowledge with the employees creates a barrier that impedes strategy implementation.

**d. Pro-activeness:** Refers to the ‘first move’ and action oriented decisions aimed at seeking to secure and protect market share with a forward looking perspective reflected in actions taken in anticipation of future demand/needs. Thelma and Whittaker (2003) posit that pro-activeness is paramount in a competitive environment because customer needs and expectations are continually evolving. Thus, to meet these needs and expectations, one has to consistently deliver quality products and services which require a market-oriented approach. This approach demands a propensity to strategize proactively and take action ahead of the competitors. Indicators of pro-activeness include collaboration, innovations, activities designed to protect intellectual property and market structure; desire for more training or skill development; and strategically eliminating operations which are becoming obsolete. This study examined EO of garment-making micro-entrepreneurs in relation to the implementation of the marketing strategies in Nakuru town.

### **2.3.3 Internal Environmental Factors**

The internal environmental variables play a great role in the implementation of the marketing strategies. These are particularly related to the organization of the business itself. They include:

**i. Resources:** Stokes and Wendy (2008), indicate that combination of the limited resources to create marketing strategies is dependent on the owner-manager capabilities. The resources include financial resources, capacity, facilities and tools/equipment for implementing the marketing strategy. An entrepreneur needs to

consider the availability of these resources and the amount of funds needed to meet the enterprise goals and objectives.

**ii. Suppliers:** Hisrich and Peters (2002) indicate that the price of the suppliers, delivery times etc are likely to have an impact on many marketing decisions. For example, the price the garment maker will give to the customer will depend on the availability of the fabric, its cost and the cost of all the notions and accessories used.

**iii. Goals and Objectives:** These guide the implementer on how much needs to be accomplished. They could be long-term or short-term depending on what needs to be done (Kruger, 2004). In the absence of goals and objectives, an entrepreneur will be handicapped in terms of what to aim at. However, with common goals and objectives, individuals are committed in implementing the marketing strategy and meet customer needs.

**iv. Management Culture and Structure:** Stokes and Wendy (2008), argue that the way responsibility and authority are distributed within an enterprise forms part of its culture. Culture refers to the informal rules/regulations created and maintained by word-of-mouth that define what is good and what is bad. Holt (2004) indicates that 52% of all businesses fail because of management issues simply because it is difficult to separate structure and culture. The structure breaks up the marketing actions into well-defined activities and delegates to people. This encourages innovation and quick adaptation to changing conditions.

The internal culture also influences how the marketing decisions are made and taken. The structure and culture have an influence on new ideas, opinions, and reactions to

events around the enterprises, perceptions of the employees and how actions are taken. This means there should be congruence between culture and structure in order to avoid mixed signals across the enterprise and maintain effectiveness of the employees. In the micro-enterprises, the culture and structure are embedded in the entrepreneurial orientation because, though there may be employees, the owner is usually the manager. According to Stokes and Wendy (2008), the owner-manager has full control of the activities and decisions regarding the enterprise. This study therefore sought to indentify the culture and structure found in garment-making enterprises influencing the marketing strategies implemented.

**v. Personnel:** Thomson (2002), indicates that strategy implementation is affected by the quality, quantity, diversity and skills of the workforce. According to Kotler and Armstrong (1994), marketing activities are implemented by people. They also argue that different strategies require people with different abilities and skills. The way the personnel relate to each other is also important in the implementation of the strategies. The entrepreneur also needs to communicate with all the persons concerned efficiently and effectively. Hisrich and Peters (2002), argue that an entrepreneur will require the ability to make appropriate assignments for implementation of a marketing plan and delegating the duties to those concerned. This is echoed by Wilson and Wong (2003); and Thomson, that employee performance has a direct relationship with the leadership of an enterprise.

**vi. Strategy variables:** These are the aspects of the variable that affects how the strategy is implemented. They include fit with vision, scope, and championing. According to a study by Wilson and Wong (2003), how a strategy is perceived to fit with the business vision influences an individual's commitment. A strategy that is

seen to benefit the business more will solicit higher commitment than one that is not. Scope refers to the extent in which the strategy involves the employees or workers. Implementation efforts that are wide in scope (involve more people), are expected to result to strong network. Championing involves generating support from the workers. Within a firm, this instills higher levels of commitment.

#### **2.3.4 External Environmental Factors**

Businesses are formed and operated in a specific environment propelled by a wide variety of factors such as economic, social and political. According to Stokes and Wendy (2008), marketing decisions may be directly affected by a number of external factors within the immediate market environment. Thomson (2002), indicates that there are particular factors such as firms, markets and societies that are likely to be more important than others in determining how one can market his/her business. The external environmental variables can be summarized as follows:

**i. Political Forces:** These can be through economic policies or sometimes through the confidence inspired by apt political leadership. The political institutions create laws and regulatory units that affect business organizations. For example, the establishment of micro-enterprises in Kenya, introduction of the women and youth funds will have a great influence on the number of enterprises that may be entering the sector consequently increasing competition within the enterprises.

**ii. Economic forces:** Any changes in the state of the economy will have a great impact on the consumer and affect marketer's effectiveness in facilitating exchanges. For example, with inflation and recession, people postpone buying some kind of

garments. They eliminate some luxurious goods from their budgets and are keen on quality and value for money in all their purchases.

**iii. Technological Forces:** Technology affects people's lifestyles and standard of living, which in turn influence their desires for the products and their reactions to the marketing mixes offered by the business unit. Consumers of textiles want the latest designs in the market within the shortest time possible. An entrepreneur also needs to be aware that although technological changes bring opportunities in some areas, it also produces obsolescence in others. Keeping abreast with the recent technology translates to ready response to constant fashion changes. For example, use of computer aided design, electric embroidery machines. Due to fast technological changes, the fashion industry is characterized by uncertainty making it difficult to anticipate opportunities that can be strategically exploited.

**iv. Market Turbulence:** This refers to the rate of change in the composition of customers and their preference. The stability of a market influences the implementation of marketing strategies in several ways. For example, a business that operate in the more turbulent market will modify the products and services continually in order to satisfactorily cater for the customers changing preferences as opposed to one operating in a less turbulent market. With an increase in the market turbulence, strategy implementation is affected adversely. However, in a stable market, coping is easy for an entrepreneur. In a real world, we find that this is not the case due to the complexity of the changes taking place which are very fast for the fashion industry. Thus, coping becomes problematic for the garment makers, hence the decreased ability to understand, plan and predict how the business will be. The complex changes also have an effect on the consumer behavior of the customers and

an entrepreneur engaged in making clothes needs to be aware of what is going on in the society such as changes in the lifestyles, custom and social or cultural trends.

**ii. Competition:** In the clothing industry in Kenya, there is ease of entry owing to the low start-up-capital. According to a study by Kinyanjui and McCormick (2002), the industry is faced with stiff competition from second-hand clothing and there is no legal protection of the micro-enterprises. The industry is also faced with low-priced imports of new clothing from Singapore, Turkey, Bangladesh etc (Elung'ata, 2003)

**iii. Physical Location:** This is very critical to enterprises that offer a similar product such as clothing. Stokes and Wendy (2008), indicate that physical location is very important to the success of many enterprises. Since garment-making micro-enterprises rely mostly on the number of customers visiting them, there is need for them to be well located. According to Peter and Olson (2008), a good location allows easy access and can attract a large number of customers. Consequently, a good location can alter a customer's shopping and purchase patterns hence have an impact on customer attraction and retention as well as attitude. A good location is characterized by high human traffic count, ample parking facilities, ease of entry and exit as well as visibility.

Thomson (2002), indicates that the impact of environmental factors differs from one enterprise to another. This study therefore, sought to identify the environmental factors that influenced entrepreneurs in garment-making micro-enterprises with regard to the implementation of marketing strategies.

## **2.4 Summary of Literature Review**

In this chapter, literature has been reviewed relating to the status of the textile and clothing industry in Kenya, the marketing strategies in micro-enterprises as well as the factors that play a key role in the implementation of marketing strategies. Based on the literature reviewed it was clear that marketing in garment-making micro-enterprises had not been given much attention and the main inhibitor of marketing effectiveness was poor implementation of basic marketing strategies (Simpson et al. 2005).

It was also clear that marketing practices in micro enterprises are fundamentally different from the marketing practices in large firms. Though many scholars such as Zarvnik and Mumel (2007), Gakure (2006), and Ngoze (2006), view marketing as a major ingredient to enterprise growth and saw it as the main problem for micro-entrepreneurs, no research had focused on the factors that influence the implementation of the marketing strategies. The challenge to the garment-making micro-entrepreneurs and all stakeholders is to identify and address the factors that make them not to aggressively market their products with the aim of stimulating demand for locally manufactured garments. Therefore, to fill the gap in the body of knowledge regarding factors affecting the implementation of marketing strategies in the garment-making micro-enterprises, this study tried to identify the marketing strategies implemented and the factors that influence their implementation.

## **CHAPTER THREE**

### **METHODOLOGY**

#### **3.0 Introduction**

This chapter gives a description of the methodology used in carrying out the research. It comprises the following sub-headings: research design, study area, target population, the sample size and sampling procedures, ethical considerations, research instrument, reliability and validity of the research instrument, data collection procedure and data analysis.

#### **3.1 Research Design**

An ex-post facto design was adopted for this study. This design was considered appropriate because the independent variables (factors) were already in existence. The research started with determining the dependent variables (marketing strategies) with the view of establishing the influence of the independent on the dependent variables. Fraenkel and Wallen (2009) maintain that ex-post facto design involves a systematic empirical study whereby the researcher does not manipulate or control the variables being studied since the phenomena already exist. According to Cohen, Manion and Morrison (2007), ex-post facto is a valuable exploratory tool because it yields useful information with regard to the nature of a phenomenon in terms of what goes on and under what conditions. It tests the influence (negative or positive) of the classification variable. In this study, the factors such as target market characteristics, entrepreneurial orientation, and internal environmental factor as well as external environmental factors were already in existence; and the researcher was able to obtain information on how they influenced the implementation of the marketing strategies without controlling or manipulating them in any way.

### **3.2 Study Area**

The study area was Nakuru town. This is the administrative capital of Nakuru County. It is a cosmopolitan town. The district covers an area of 7,242 km<sup>2</sup>. At national level, Nakuru town is the fourth largest town after Nairobi, Mombasa and Kisumu. It is connected to these major towns by rail and road transport corridor. However, it is the principal urban area in the Rift Valley with over 300 market and service centres. At the municipal level, the town offers a variety of services and jobs for a population of 219,366 (Bureau of African Affairs, 2008). However, about 74.4% of the population in the district consists of youth (below 30 years) with a growth rate of 3.4 % (2005). The unemployment level is about 22%, which calls for the creation of job opportunities to match the high population (Republic of Kenya, 2005).

It is a passage for long distance travellers' en-route to Rwanda, Sudan, Uganda and the western parts of Kenya. This town was selected because it has a relatively high number of garment manufacturing enterprises and yet a lot of past studies have only tended to cover Nairobi area. McCormick and Kinyanjui (2002) indicate most garment-making enterprises are located in Nairobi, Mombasa and Nakuru. Therefore, the area was chosen because many garment-making micro-enterprises are concentrated there. It was also accessible to the researcher. The area covered was Geoffrey Kamau way, West road, Oginga Odinga Avenue, East road up to Mburu Gichua Road/Geoffrey Kamau way roundabout (Appendix F).

### **3.3 Target Population**

The target population for this study was all garment-making enterprises in Nakuru town that have less than 10 employees. The enterprises were mainly located in market stalls, shop veranda and permanent buildings.

According to a preliminary survey carried out in November, 2009, (by the researcher), there were 385 garment-making micro-enterprises. This population was chosen since these enterprises directly compete for the same customers with the traders dealing with readymade clothing and *Mitumba*.

The accessible population was the business units that were located within the town. Since the study aimed at determining marketing strategies and the factors that influence their implementation, the unit of analysis were garment-making micro-enterprises while the informants were the business owners or individuals who were directly involved in or responsible for marketing.

### **3.4 The Sample Size and Sampling Procedures**

A list generated during the preliminary survey conducted in November, 2009 served as the sampling frame. Cohen et al., (2007) indicates that, where simple random sampling is used, the sample size depends on the population, the amount of heterogeneity, the confidence level and the confidence interval chosen. For the purpose of this study, the confidence level was taken as 0.05 (95 per cent) and the confidence interval as 3.

A table (Appendix D) on sample size, confidence level, and confidence intervals for random sample was used to determine the sample size. Based on a total target population of 385, confidence level of 0.05 and confidence interval of 3, a sample of 295 respondents was selected and used for the survey and 40 respondents for the interviews (10% of total target population). The sample size figures were rounded off to the higher multiple of five. This excluded 30 respondents who participated in the pre-testing of the questionnaires and 10 in the pre-testing of the interview guide. A

preliminary survey was conducted to confirm the physical locations and whether there are some that had moved or new ones who joined the business by the time of the study. Simple random sampling was used and the sample was drawn using a table of random numbers (Appendix E).

### **3.5 Ethical Considerations**

Anonymity of the respondents was observed in order to protect their identity and assure them confidentiality. The principle of voluntary consent was applied where each respondent willingly participated in the research. The researcher commenced the interviews and administering of the questionnaires with full introduction to the respondents explaining the purpose of the research. Every questionnaire was accompanied by a covering letter explaining the purpose and scope of the research. The Government of Kenya research regulations and guidelines as well as Kenyatta University Graduate School guidelines was adhered to.

### **3.6 Research Instrument**

Data were collected by use of a questionnaire and an interview guide (Appendices B and C). The primary method used for data collection was the questionnaires that comprised three sections. The first section elicited data on the demographic characteristics and comprised open-ended responses; the second section asked questions on a 5-Point likert scale ranging from “all the time” to “never” in relation to the types of marketing strategies that were implemented (30 items), while the third section was on the factors that affect their implementation. The questions were also on a 5-Point likert scale ranging from “strongly agree” to “strongly disagree”. The Target Market factors were measured using 15 variables, Entrepreneurial Orientation had 18 items, External Environmental factors section had 18 items and the Internal

Environmental factors had 23 items. Some items were positively worded while others were negatively worded (reverse scored) to reduce response bias. For the sake of data analysis, all the scored items were reversed so that a higher response on the likert would represent the same scale.

The interview guide also comprised three sections. These include demographics characteristics, types of marketing strategies as well as the factors influencing their implementation. The interview method was chosen since it allows subjects to clarify the responses, explain their opinions and even ask the interviewer questions that they may not understand. Since this study was primarily quantitative in nature, the section of the interview was not included for statistical analysis, but rather was used to supplement data of a qualitative nature. The interviews were used in a very limited scope and targeted a few garment-making entrepreneurs.

### **3.7 Validity and Reliability of the Research Instrument**

To ascertain the reliability and validity level of the instruments used, a pre-test was conducted. According to Mugenda and Mugenda (1999), a sample size of 1% to 10% of the population may be selected for the purpose of pre-testing the research instrument. A sample of 30 respondents was thus used for the survey while 10 respondents were used for the interview. This was done in order to test whether there were any items that the respondents may have difficulty in understanding, identified items that may not provide the expected responses, items that may have been omitted during the construction of the instruments, estimated the time taken to complete the instrument and provided an indication on how the data collecting instrument would perform in the field.

Reliability for the questionnaire was measured using Cronbach's Alpha coefficient. This alpha was used to test the reliability since it requires only a single administration to provide unique estimate of the reliability for the given test. It also gives the average value of the reliability coefficients one would obtain for all possible combinations of items when split into two half-tests. Santos (1999) argues that the Cronbach's alpha coefficient can be used to describe reliability of factors from multi-point formulated questionnaires or scales. The pre-tested questionnaire had a reliability coefficient of .795. This coefficient value was more than 0.7 (the minimum value for acceptance thus the data collection instrument was taken as reliable).

To ascertain content validity, the research instruments were reviewed by three experts in research methodologies in social sciences, marketing strategies and entrepreneurship. They examined the questionnaire and the interview guide individually and provided feedback to the researcher. The feedback was used to revise the instruments accordingly. The final data collection instruments are contained in Appendices A and B.

### **3.8 Data Collection Procedure**

Permission to conduct the research was sought from the office of National Council of Science and Technology. Two research assistants were identified through the researcher's social networks. The qualifications sought for were a diploma or a degree in fashion design, clothing technology or business administration (marketing option). The research assistants were trained on how to introduce the research to the respondents; distribute and collect the questionnaires; and conduct the interviews. Since the unit of analysis was the enterprise, the questionnaires were filled by the enterprise owners or the person in-charge in the absence of the enterprise owner. The

questionnaires were hand delivered to the respondents and collected within the same day to ensure a high response rate. The respondents to the interview guide were also the owners or the person in-charge.

### **3.9 Data Analysis**

Descriptive statistics (frequencies, means and percentages) were used to analyze the data and summarize the demographic characteristics as well as the various marketing strategies used by the garment-making micro-enterprises. Exploratory Factor Analysis was used to identify the various marketing strategies implemented by the garment-making micro-enterprises. After factor analysis was performed, a scale score was calculated for each of the respondent on each strategy by obtaining the mean for all item scores comprising each strategy. This resulted to a five-point likert scale with mean scores for dependent variables (marketing strategies). This was followed by Chi-square Goodness-of-fit test to determine whether the sample frequency distribution for the types of strategies implemented was the same for all the enterprises.

Exploratory Factor Analysis was also conducted for objectives 2, 3, 4 and 5 to derive the factors that influence the implementation of the marketing strategies. The rationale for conducting factor analysis was to reduce the data by summarizing the important information contained in the variables by a fewer number of factors. Fraenkel and Wallen (2009), posit that with factor analysis, variables that are highly correlated with one another can be condensed into factors. It was also used to determine which of the variables contained in these factors were the most important when it came to the implementation of marketing strategies by garment-making micro-enterprises. Only the variables with factor loading above 0.5 were used for further analysis. Factor

loadings are parameter estimates that indicate the correlation between the observed variables and the factors extracted. Factor analysis produced descriptive summaries of data matrices which aided in the control for the extraneous variables. It also yielded regression factor scores that were used for further analysis.

Using the mean scores for the strategies and the regression factor scores for the independent factors, multiple regression analysis was conducted to determine which among the independent factors (TM, EO, IE and EE) influenced the dependent variables and determine the nature of the influence. The multiple regression procedure was used because it provides a way of analysing the influence by more than one independent variable. Regression factor scores obtained from factor analysis were used for the multiple regression analysis in order to eliminate the multi-collinearity problem. This was done at  $\alpha$  0.05 confidence level. This confidence level was chosen because it is not too strict and also not too liberal.

The coefficient of determination (R-square) was used to indicate the percentage of variability of the marketing strategy implemented that was accounted for by all the factors under analysis. R-square made it possible to examine the influence of all the independent variables combined. This was followed by determination of the standardized beta ( $\beta$ ) coefficients. These were used to indicate the direction (positive or negative) and magnitude of influence as well as compare the relative contribution of each independent factor in the implementation of the marketing strategies. The ( $\beta$ ) coefficients were used because they are not dependent on unit of measurement of the variable and allow one to assess the independent influence of each variable on the dependent variable.

The hypotheses were tested based on the p-value. This was used to determine whether the influence by the independent variables (target market factors, the entrepreneurial orientation factors, the internal environmental factors and the external environmental factors) on the dependent variables (marketing strategies implemented) was significant or not. If the p-value was less than the significant level (0.05), the null hypothesis was rejected meaning there was influence and vice versa. The statistical analysis was conducted using the Statistical Packages for Social Sciences (SPSS version 16).

The interview results were used for triangulation and clarification of information as well as convergence among the results. The analysis involved extracting issues that clarify or support aspects that arose during the discussion.

### **3.10 Data Presentation**

Tables, line charts and pie charts were used to organize, summarize and present the data collected. Summary reports and transcribed fragments were used to present the qualitative data. The results and discussions are provided in chapter four.

## **CHAPTER FOUR**

### **DATA ANALYSIS, RESULTS AND DISCUSSION**

#### **4.0 Introduction**

The chapter is divided into nine main sections, namely; the sample size and response rate; demographic characteristics; reliability analysis, suitability of the data for factor analysis and determination of the number of factors to retain; use of factor scores; the various marketing strategies used by the garment-making micro-enterprises; identification of target market factors; identification of the entrepreneurial orientation factors; identification of the internal environmental factors; and identification of the external environmental factors influencing the implementation of the marketing strategies. The results from the interviews were used to provide an understanding of the responses offered during the study and were incorporated in the discussion as supplementary information in the various sections.

#### **4.1 Sample Sizes and Response Rates**

The total number of questionnaires issued out was 295. Multiple follow-up rounds to request for the questionnaires, stressing the importance of the research and adhering to the respondents' time requests were made to deal with the problem of non-response bias. Those that were returned were 265 representing a response rate of 90%. Each returned questionnaire was reviewed for completeness. Nine (3%) of the questionnaires were unusable since most of the sections were not completed leaving a total of 256 questionnaires that were used for analysis.

#### **4.2 Demographic Characteristics of the Respondents**

The demographic characteristics of the respondents in this study are important as they are likely to influence the type of marketing strategy used. The characteristics

included in this study are gender, age, education level, area of specialization, employment status, the year of business establishment, type of clothing made and where the enterprise is located or operated from.

#### 4.2.1 Business Ownership by Gender and Age

Majority of the businesses are owned by women 148 (58%) while men own 108 (42%) (Table 4.1). The gender distribution of the enterprise ownership concurs with the results of the 1999 national survey of micro and small enterprises where 55.7% of the micro and small enterprises are owned by women (McCormick & Kinyanjui, 2002). These findings are also consistent with those of Ikiara and Ndirangu (2002) who found that most of the garment-making micro-enterprises are owned by women. Similarly, Kinyanjui et al., (2002) found that women own more than half of micro-enterprises in garment making. This implies that garment-making is not very popular among the male micro-entrepreneurs. This kind of trade is traditionally viewed as female-oriented.

Table 4.1: Business Ownership by Gender

Gender	Frequency	Percent
Male	108	42
Female	148	58
<b>Total</b>	<b>256</b>	<b>100</b>

From the results on table 4.2, 12 (5%) of the respondents were 25 years and below, 54 (21%) were aged between 26 and 30 years, 57 (22%) were aged between 36 and 40 years, 37 (16%) were aged between 41 and 45 years, 22 (9%) were aged between 46 and 50 years while those aged above 50 years were 17 (7%). The mean age for male respondents was 38 years with a minimum age of 22 years and a maximum age of 65

years while that of the female respondents was 37 years with a minimum age of 23 and a maximum age of 62. These results are in line with findings by McCormick (2008) that the mean age for micro-entrepreneurs involved in garment making was 38 years. Majority of the enterprises (about 65%), are owned by entrepreneurs aged between 26 and 40 years. Based on these findings, it can be concluded that most garment-making micro-enterprises are owned by an age group that is very active economically and has high demand for income since most are likely to have children in schools. This means the available resources will be used to meet the family needs hence less allocated to marketing efforts.

**Table 4.2 Business Ownership by Gender and Age Category**

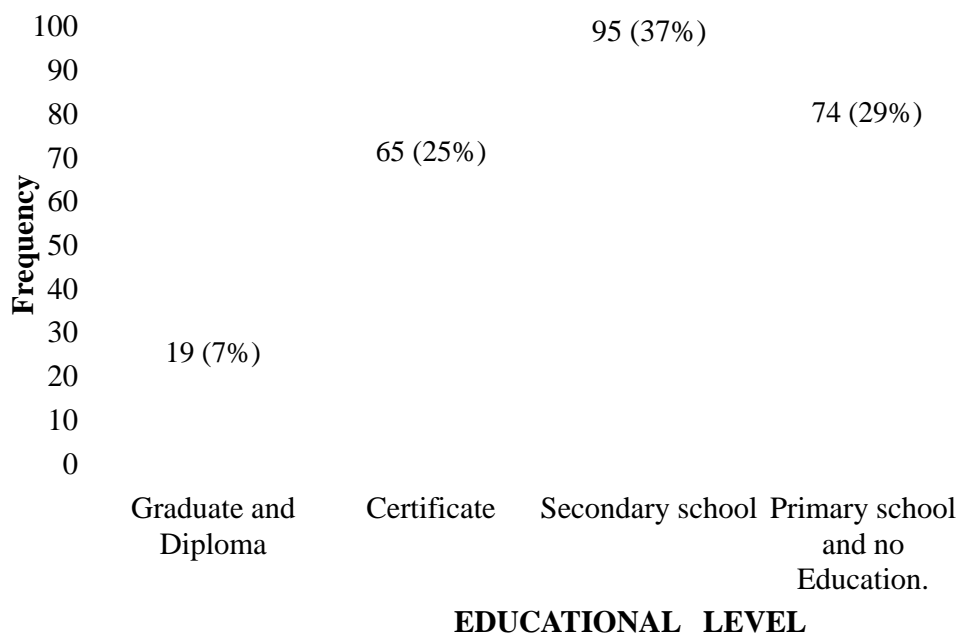
Age category	Female		Male		Total	
	Freq.	Percent	Freq.	Percent	Freq.	Percent
25 and below	7	5	5	5	12	5
26 - 30	34	23	20	19	54	21
31 -35	32	22	24	22	56	22
36 - 40	38	24	22	20	57	22
41 -45	21	14	16	15	37	16
46 - 50	13	9	9	8	22	9
Above 50	5	3	12	11	17	7
Missing system	1	1	-	-	1	-
<b>Total</b>	<b>148</b>	<b>58</b>	<b>108</b>	<b>42</b>	<b>256</b>	<b>100</b>

#### **4.2.2 Respondents' Education Level and Area of Specialization**

The education background is considered important as one of the internal influence of how strategies are implemented. Dinning (2010), indicates that lack of education is among the major challenges facing the entrepreneurs in the micro-enterprises in Kenya. The level of knowledge and skills are related to innovative activities. Also, the understanding of the marketing concept by the enterprise owner is influenced by

the level of training one has. As indicated by Bowen, Moraa and Muriethi (2009), the kind of training one has greatly influences the success of a business.

When asked about the highest education level, 95 (37%) were secondary school leavers with only 19 (7%) being degree and diploma holders, 65 (25%) were craft certificate holders and 74 (29%) of the respondents were either primary school leavers or had not completed primary school education (Figure 4.1).



**Figure 4.1: Education levels of enterprise owners**

Most of the respondents (66%) are concentrated between primary level education and secondary level education. This finding concurs with findings by Gakure (2006), McCormick's (2008) and Ngoze (2006) that majority of the micro-entrepreneurs possess primary education. This indicates that most of the respondents with this level of education fail to get employment in the formal sector thus resort to micro-enterprise activities that are unregulated and require simple labour-intensive technology. This was echoed by some respondents who said: "Could not qualify to do

anything else; don't have education to do other job; lack anything else to do; there was no job".

This means that most of the entrepreneurs engage in garment making simply because they do not qualify for other jobs which has detrimental consequences on business performance. Bowen, Morara and Mureithi (2009), indicate that there is relationship between business performance and level of education. In their study, they noted that those who had been trained indicated that their businesses were doing well. Therefore, this implies that most garment-making micro-enterprises are facing challenges that stem from lack of education or training. For the entrepreneurs in the garment-making micro-enterprises to fully benefit from marketing, there is need for more training.

**Table 4.3: Respondents by Area of Training**

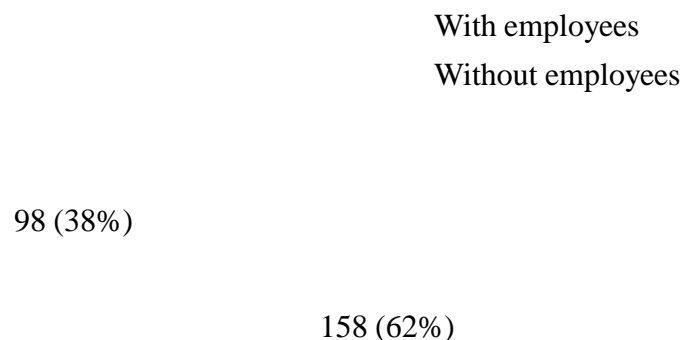
<b>Area of training specialization</b>	<b>Frequency</b>	<b>Percent</b>
No specialization	173	68
Fashion Design	74	29
Business administration	3	1
Others	6	2
<b>TOTAL</b>	<b>256</b>	<b>100</b>

As shown on Table 4.3, 173 (68%) had no specialization at all, 74 (29%) were trained in fashion design, three (1%) specialized in business administration and six (2%) had specialized in nursing, secretarial work, teaching or electrical. It is worth noting that after completing formal primary education, most entrepreneurs do not attend any formal training. They mostly acquire skills through apprenticeships. Moreover, most operators of garment-making micro-enterprises have minimal skills in creative designs hence will not have any specialization. According to Bowen et al. (2009), training related to the business one engages in is important for business performance.

This implies that most entrepreneurs in garment-making micro-enterprises are faced with the challenge of creative thinking and critical analysis of various situations. This has an impact on problem solving skills and consequently the marketing activities carried out.

#### **4.2.3 Number and Gender Representation of the Employees**

The results shown on Figure 4.2 indicate that majority of the respondents 158 (62%) had employees while those that did not have employees were 98 (38%). This contradicts McCormick (2008), finding that 70% of micro-entrepreneurs have no workers other than the owner. However, it is worth noting that McCormick's study focused on all enterprises dealing with clothing trade rather than focusing on those making garments only. In garment-making, most entrepreneurs rely on seamstresses commonly referred to as tailors. One of the interviewees indicated that employees are helpful especially when there is much work. Moreover, one cannot know how to make everything; the owner may not have skills in machine operations and therefore, need other people to help.



**Figure 4.2: Employment statuses**

Among those who had employees majority 62 (39%) had male employees only, followed by those who had employed both male and female 51 (32%). Those that had employed only female were 45 (29%) (Table 4.4).

**Table 4.4: Number of Enterprises by Gender Representation of the Employees**

	Number of employees		Employees by gender		
	Freq.	Percentage		Freq.	Percentage
No employees	98	38	Male only	62	39
With employees	158	62	Female only	45	29
<b>TOTAL</b>	<b>256</b>	<b>100</b>	Both male and female	51	32
			<b>TOTAL</b>	<b>158</b>	<b>100</b>

When asked why they employed the category of employees, they said men are more reliable and don't have many issues distracting them compared to the women. Others indicated that women are social and know how to deal with the customers. However, those who had employed both men and women indicated that women were good at handling delicate designs and fabrics while men were good at men's wear designs. Some enterprises also employed both men and women because they made all types of clothing. Based on the results of this study, it can be concluded that employment is based on the category of products one is specializing in and the perceived productivity level of the workers. According to Thomson (2002), marketing strategy implementation is influenced by the quality, diversity and skills of the employees. This implies that the entrepreneurs in garment-making micro-enterprises have to implement those strategies that are favored by the presence of employees.

#### **4.2.4 Year of Business Establishment**

Eighty-three (33%) of the businesses were established between 1996 and 2000. This was followed by those established between 2001 and 2005 which total to 70 (27%).

The number declined to 54 (21%) between 2006 and 2009. However, the oldest businesses that responded to the survey were established before 1981, these were only three (1%). Most of the firms were established within the last 15 years indicating the fluidity of the sector (Table 4.5).

**Table 4.5: Number of Enterprises by Period of Business Establishment**

<b>Period of establishment</b>	<b>Frequency</b>	<b>Percent (%)</b>
Before 1981	3	1
1981-1985	4	2
1986-1990	11	4
1991-1995	28	11
1996-2000	83	33
2001-2005	69	27
2006-2009	55	21
Not indicated	3	1
<b>TOTAL</b>	<b>256</b>	<b>100</b>

The data show that a majority (44%) of the enterprises were established in the 1990's. According to observations made by Atieno (2009), the informal sector in Kenya experienced its most rapid growth in the 1990's. This is the period when the Kenyan economy experienced significant decline in its performance with a major decline in the informal sector. In addition, the public sector reforms led to restrictive employment, and retrenchment of workers as was witnessed in the downsizing of the civil and government parastatals (Atieno, 2009). Thus, the growth of the informal sector was a spontaneous development resulting from the formal sector's inability to generate employment opportunities for the increasing labourforce. This means that most entrepreneurs in this study got into business because they had no other alternative. Their focus is to make money and therefore, would focus strategies that will lead to less cost and more revenue.

#### 4.2.5 Type of Clothing Made

This section gives results on type of clothing that the entrepreneurs specialize in making. Different types of clothing are likely to have an impact on the type of strategy used since the target groups have diverse characteristics. The results are presented in Table 4.6.

**Table 4.6: Number of Enterprises by Types of Clothing Made**

<b>Types of Clothing Made</b>	<b>Frequency</b>	<b>Percent (%)</b>
Women's wear	130	51
Men's wear	58	23
Women and children	29	11
Variety of clothes	22	9
Women's and men's wear	15	6
Children's wear	1	-
School uniform	1	-
<b>TOTAL</b>	<b>256</b>	<b>100</b>

Majority of the respondents 130 (51%) specialized in women's clothes only, 58 (23%) made men's clothing, 29 (11%) combined women and children's clothes, 22 (9%) made all types of clothing, 15 (6%) combined men's and women's clothing, only one made children's clothing and one made school uniform.

From these results, it is evident that there was no diversity of the type of clothing made as only 22 (9%) indicated having made clothes for all categories. This means there is comparatively high competition for micro-entrepreneurs specializing in women's clothes as opposed to other categories. This was because women's clothes were viewed as easy to make. From the interviews, women are very keen on fashion and the rate of buying clothes is very high as compared to men. Thus, these entrepreneurs will need to be aggressive in their marketing efforts. However, there is

untapped market for school uniform and children's clothes given that there is a large proportion (about 54.8%) of the population in Nakuru that is below 20 years that require school uniform (Republic of Kenya, 2005).

#### 4.2.6 Business Location

Business location greatly influences the accessibility of the products by the customers. The type of premise has a relationship with the business image portrayed which consequently has effects on the customer's attitude towards the business in general.

**Table 4.7: Number of Enterprises by Business Location**

<b>Business Location</b>	<b>Frequency</b>	<b>Percent (%)</b>
On a building	204	80
Verandah	52	20
<b>Total</b>	<b>256</b>	<b>100</b>

The results indicated (Table 4.7) that 204 (80%) of the respondents operated their businesses from a rented premise within a building while the rest 52 (20%) operated from the verandah (outside along the front of a building). Based on these results, there are several entrepreneurs operating from the verandah. This means they are not able to pay monthly rent and would rather pay daily fees to the municipal council for the day they are in business. According to Kinley (2010), consumers of fashion are keen on the credibility and type of store where they shop. They also have to trust the person they leave their fabrics with. This implies that such entrepreneurs may not be reliable and a potential customer may not be attracted to make orders since one is not sure whether the entrepreneur will be there or not. It also implies that most entrepreneurs in garment-making micro-enterprises are able to create relationships that are reliable.

The customers can trust them as opposed to those at the verandah whom one would not be sure they will be there the following day.

#### **4.3 The Reliability Analysis, Suitability of the Data for Factor Analysis and Determination of the Number of Factors to Retain**

The data were divided into five sections; marketing strategies, target market characteristics, entrepreneurial orientation, internal environmental factors and external environmental factors. The negatively constructed responses were re-coded and the missing values were treated as system missing.

The reliability of the data was determined for each section. This involved two stages. First, the variables that had negative item-total correlation were re-coded. Yaffee (2003) argue that if negative alphas are obtained, it means that the items were inconsistently coded and therefore, need to be recoded so that high values on the items correspond to high values on the total scale scores. The second stage involved deletion of variables with item correlation less than 0.1. This improved the reliability in all the sections. Yaffee (2003) indicates that if the alpha increases over the current total scale alpha when an item is deleted, then the rule of the thumb is to delete the item. Santos (1999), posit that though the most commonly acceptable alpha is .700 and above, lower thresholds up to 0.500 can be used based on the diversity of constructs under study. The reliability for this study was between 0.660 and 0.833. This coefficient range was considered to be significant given that the tool was being used for the first time (Table 4.8).

**Table 4.8: Reliability Analyses**

Section of the questionnaire	Reliability before recoding	Reliability before deletion	Reliability after deletion	Total variables	variables deleted	variables retained
Marketing Strategies	0.428	0.637	0.660	30	3	27
Target Market factors	0.382	0.613	0.679	15	4	11
Entrepreneurial Orientation	0.580	0.781	0.802	18	2	16
External Environmental factors	0.663	0.670	0.675	18	1	17
Internal Environmental factors	0.802	0.823	0.833	23	2	21

The marketing strategies section had 30 variables, three (assess the strengths and weaknesses of our competitors; concentrate on current customers; and make other items apart from clothes) were deleted and 27 were retained for further analysis. The section on target market characteristics had 15 variables, four (customers' needs vary hence charge different prices; customers very are particular on design; design depend on age of the customer; and customers are always satisfied with our design suggestions) were deleted and 11 were retained for further analysis. Entrepreneurial orientation had 18 variables, two (requirements more than I can handle; and I/we are sensitive to activities of my/our competitors) were deleted and 16 were retained. External environmental factors section had 18 variables, one (consumers aware of their rights) was deleted and 17 were retained. The internal environmental section had 23 variables, two (take time to respond to changes in prices; and marketing requires a lot of money which I/we cannot afford) were deleted and 21 retained. The reliability for each section is given in Table 4.8.

To determine the suitability of the data for factor analysis, it was subjected to the Kaiser-Meyer-Olkin Measure (KMO) of Sampling Adequacy. As indicated by Friel (n.d), this statistic indicates the proportion of variance in the variables that might be caused by underlying factors based on correlation and partial correlation. In this study, the values ranged between .565 and .863 indicating sufficient inter-correlations, hence the data were considered to be appropriate for factor analysis. This is because, according to DiStefano, Zhu and Mîndrilă (2009), values between 0.5 and 1.0 indicate that the sample is adequate and factor analysis may be useful with the data.

The data were also subjected to Bartlett's test of sphericity to test whether the correlation matrix is an identity matrix or not. This would indicate whether the variables are related and suitable for structure detection. In all the sections, the correlation coefficients were  $< 0.05$  meaning that there was some relationship between the variables and therefore, factor analysis was also appropriate since they were all less than 0.05. Varimax rotation was used since it tends to produce multiple group factors that are expected to be independent. This rotation maximized the loading for each variable on one of the extracted factors while minimizing the loading on all other factors.

To determine the number of factors to retain (factors that account for the most variance) in this research, the decision was based on the following rule:

- a. Minimum eigenvalue of 1
- b. KMO measure of sampling adequacy equal or greater than 0.5
- c. Minimum factor loading of 0.5 and above for each indicator variable.
- d. Cattell's scree test and simplicity of factor structure
- e. Variables related in context and explaining related concepts

- f. Factor with two or more variables loading to it

#### **4.4 Use of Factor Scores**

To determine the factors influencing the implementation of these marketing strategies, new variables were created using the factor scores. Factor scores are composite measures that were computed from the factor score coefficient matrix using the mean or sum of measured variables that load on the factor. They are the estimate of the scores that the respondents would have obtained on the factors had they been measured directly (DiStefano et al., 2009). Factor scores provided information about a respondent's placement on the component or factor(s). These scores are a standardized measure with a mean of 0.00 and a standard deviation of 1.0.

According to DiStefano et al., (2009), factor scores obtained from factor analysis can be used for further statistical analysis or to identify groups of respondents who score highly on particular factors. In this study, regression factor scores were used to predict the location of each respondent on the factor or component and to compute new scores. Factor scores that were negative indicated adverse placement (coded as 0) while those that were positive indicated favourable placement (coded as 1).

#### **4.5 Marketing Strategies Undertaken by the Garment Making Micro-enterprises**

The first objective was to establish the various marketing strategies undertaken by garment-making micro-enterprises in Nakuru town. According to Li et al., (2008), micro-enterprises and large enterprises have different characteristics or approaches to marketing. This means there is need to first identify those approaches inherent in the micro-enterprises. Principal component analysis using Varimax rotation method was

used to identify the factorial structure of 27 variables. Five variables (most of designs are from customers; tight control in usage of resources; make garments for specific groups; adjust prices to meet customer needs; and my/our old customers bring me/us new ones) had factor loadings less than 0.5 and were excluded from further analysis. The remaining 22 variables yielded eight strategies, namely;

- |                                |                            |
|--------------------------------|----------------------------|
| a. E-marketing                 | e. Interactive Marketing   |
| b. Market Penetration          | f. Pricing                 |
| c. Branding and Cost Reduction | g. Product Differentiation |
| d. Customer Focus.             | h. Product Quality         |

These strategies had eigenvalues greater than 1 and the total variance accounted for was about 64%. This means that the eight strategies are associated with marketing efforts by the garment-making micro-enterprises and have common factors (Table 4.9).

The first strategy was named E-marketing strategy. It had positive correlation with three variables (I/we sell my/our product through the internet; communicate to my/our customers through the internet and I/we source some of my/our designs from the internet). The factor loadings ranged from .731 to .860 with a mean of .811. These explained 10% of the variance.

The second strategy was identified as Market Penetration strategy and it correlated positively with three variables (look for new ways to market designs, make clothes by order only and constantly looking for new customers). This strategy accounted for 9% of the variance with loadings between .662 and .760. The mean loading was .706.

**Table 4.9: Rotated Component Matrix for Marketing Strategies**

Marketing strategy variables	Component								Communality
	1	2	3	4	5	6	7	8	
<b>E-marketing</b>									
communicate to customers thro internet	<b>.860</b>	.071	.049	.012	-.073	.012	.046	-.081	.762
sell thro internet	<b>.843</b>	-.025	.034	-.082	.132	-.017	-.036	.027	.738
source designs from internet	<b>.731</b>	.083	.074	.073	-.091	-.062	-.001	.023	.565
<b>Market Penetration</b>									
look for new ways to market designs	.073	<b>.760</b>	.118	-.079	-.018	.226	.113	.295	.755
only make clothes by order	.066	<b>.697</b>	.074	.128	.084	.147	.026	-.055	.544
constantly looking for new customers	-.022	<b>.662</b>	.206	.155	.149	-.153	-.119	-.029	.565
<b>Branding and Cost Reduction</b>									
have a business name	.057	.132	<b>.790</b>	-.048	.125	.206	-.018	-.290	.789
use modern machines	.096	.056	<b>.760</b>	.009	.025	-.261	-.010	.068	.664
employees paid for the work done	.028	.176	<b>.652</b>	.156	-.093	.041	.120	.152	.529
<b>Interactive Marketing</b>									
ask for feedback/evaluation	.030	.030	.011	<b>.782</b>	-.068	-.010	.127	-.012	.634
serving customers very important	.117	.134	.108	<b>.720</b>	.113	.171	-.014	.161	.630
Strong commitment to our customers	-.414	.092	.012	<b>.554</b>	-.034	.045	-.004	-.041	.492
<b>Customer Focus</b>									
customers opinion important in style decisions	-.088	.135	-.023	-.089	<b>.754</b>	-.138	-.011	.029	.623
focus on having as many customers as possible	.074	.079	.021	.219	<b>.681</b>	-.124	.274	.018	.614
set prices to increase flow of customers	.002	-.022	.060	-.101	<b>.656</b>	.439	.016	-.094	.646
<b>Pricing</b>									
our prices always lower than competitors	-.104	.017	-.018	.085	.011	<b>.766</b>	.027	.179	.639
prices based on market price	.046	.327	-.056	.161	-.171	<b>.630</b>	-.071	-.236	.625
<b>Product Differentiation</b>									
Keen on new designs that are on fashion	-.094	-.082	.159	-.066	.026	-.005	<b>.715</b>	-.034	.559
offer after sale services	.110	-.121	-.089	.168	.099	.136	<b>.669</b>	.076	.545
strive to have unique designs all the time	.003	.323	.000	.050	.074	-.164	<b>.662</b>	-.011	.578
<b>Product Quality</b>									
consider quality rather than price in choosing fabrics	-.114	-.079	.042	.007	.116	.212	-.066	<b>.841</b>	.791
emphasize on workmanship	.124	.257	-.051	.130	-.178	-.241	.110	<b>.703</b>	.697
<b>Initial Eigenvalues (total)</b>	<b>2.892</b>	<b>2.314</b>	<b>1.792</b>	<b>1.727</b>	<b>1.566</b>	<b>1.408</b>	<b>1.160</b>	<b>1.126</b>	
<b>% of Variance</b>	<b>10.319</b>	<b>8.742</b>	<b>7.977</b>	<b>7.606</b>	<b>7.529</b>	<b>7.290</b>	<b>7.083</b>	<b>7.018</b>	
<b>Cumulative % of variance</b>	<b>10.319</b>	<b>19.061</b>	<b>27.038</b>	<b>34.644</b>	<b>42.173</b>	<b>49.463</b>	<b>56.546</b>	<b>63.564</b>	
<b>Number of items (total = 22)</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>2</b>	<b>3</b>	<b>2</b>	

*Note.* N of Cases = 256 Extraction Method: Principal Component Analysis; Rotation Method: Varimax with Kaiser Normalization: Kaiser-Meyer-Olkin Measure of Sampling Adequacy= 0.599, Bartlett's Test of Sphericity:  $X^2 = 1145.081$ ,  $p = 0.000$ ,  $df = 231$ : Rotation converged in 8 iterations

Strategy number three was Branding and Cost Reduction strategy. This was measured by three variables (have business name, use modern machines and employees paid for

the work done). This strategy explained 8% of the variance with loadings between .652 and .790. The mean loading was .734.

The fourth strategy was named Interactive Marketing strategy. It was measured by three variables (ask for feedback/evaluation; serving customers is the most important things our business does; and I/we have a strong commitment to my/our customers). This variable explained 8 % of the variance. The factor loadings ranged from .554 to .782 with a mean of .685.

Customer Focus strategy was the fifth strategy and it correlated positively with three variables (customer's opinion important in style decision; focus on having as many customers as possible; set prices to increase the flow of customers). It accounted for 8% of the variance. This strategy had factor loadings between .656 and .754 with a mean of .697.

Strategy number six was Pricing. This correlated with two variables (our prices lower than our competitors, prices based on market price). This strategy accounted for 7% of the variance. The factor loadings were .630 and .766 with a mean of .698.

The seventh strategy was identified as Product Differentiation. This correlated with three variables (keen on new designs that are on fashion, offer after sale services, strive to have unique designs all the time). This strategy accounted for 7 % of the total variance. The three variables had loadings between .662 and .715 with a mean of .682.

Product Quality strategy was the eighth strategy that was measured by two variables (consider quality rather than price in choosing fabrics; and I/we emphasize on workmanship). This strategy explained 7% of the variance. The loadings were .703 and .840 with a mean of .772.

#### **4.5.1 Marketing Strategies Undertaken by the Respondents**

The following section gives the results and discussion on the implementation of each strategy as well as the ranking in terms of most implemented strategy (Table 4.10).

##### **4.5.1.1 Interactive Marketing**

One hundred and seventy (66%) of the respondents indicated having implemented Interactive Marketing as a strategy. Eighty-six (34%) did not implement it. This strategy was ranked first. Interactive Marketing is based on ensuring that the customers are well-taken care of. According to Gwin (2009), Interactive Marketing is considered to be the best approach to creating value for the customer. It is fundamental in satisfying customer's current and future needs. These results are consistent with Stokes and Wendy's (2008), arguments that most of the entrepreneurs spend most of their time and resources building relationships with customers who, when satisfied, recommend the business to others. Based on the interview results of this study, this strategy is enhanced by talking to the customers; listening to what they want; giving them full attention when they walk in; and as well as negotiating at a personal level.

**Table 4.10: Implementation of the Marketing Strategies by the Micro-enterprises**

Strategy	Implemented	Didn't Implement	Ranking
Interactive Marketing	170 (66%)	86 (34%)	1
Branding and Cost Reduction	155 (61%)	101 (39%)	2
Customer Focus	146 (57%)	110 (43%)	3
Market Penetration	144 (56%)	112 (44%)	4
Product Differentiation	141 (55%)	115 (45%)	5
Pricing	119 (46%)	137 (54%)	6
Product Quality	96 (37%)	160 (63%)	7
E-marketing	54 (21%)	202 (79%)	8

#### 4.5.1.2 Branding and Cost Reduction Strategy

This strategy was implemented by 155 (61%) of the respondents while 101 (39%) did not. Branding refers to identification of a product with the manufacturer. In garment-making, most branding based on the owner's name(s). From the results of this study, most of the respondents indicated that they have a business name by which the customers identified them with. About the interview results, most of the businesses are named after the name of the owner. Most of the respondents whose enterprises were referred to by their names, expressed that it is difficult to change the names since most customers were already used to refer to them that way.

According to Azevedo and Farhangmehr (2005), brands provide emotional and self-expression benefits to the customers thus leading to business success. For example, a customer who is loyal to a particular designer derives satisfaction which makes him/her make repeat purchases. Gwin (2009), argue that customers are likely to repeat purchases when they identify with a particular name (owner's name or the business name) and associate that name with the manufacturer. This means that garment making enterprises that have a business name are likely to retain customers hence more orders that translate to more profit. However, to build an image in the clothing

market, they need to advertise and focus on the quality and workmanship of the garment made.

Under this strategy, micro-enterprises also seek various ways of reducing or minimizing costs. Use modern machine such as electric sewing machines, over-lock and embroidery machines increases efficiency hence, reduction of operating costs. One of the interviewees had this view: “Electric sewing machines are faster, neater and easier to use”. This implies that when using an electric sewing machine, one is able to make many pieces within a given time as opposed to the manual machines hence reducing on time spent.

Based on the results of this study, it emerges that workers were paid for the work done. This kind of arrangement ensures minimum costs of production are incurred since the workers are contracted only when there is work to be done. This is cost effective as opposed to a waged or salaried worker who will need to be paid at the end of the month whether or not there is work. Interview results indicate that use of electric sewing machines made work easier, faster and reduce on the costs. Based on these results, it is clear that most entrepreneurs in garment making look for ways of cutting costs. This shows that they are applying the principles of remaining competitive as posited by Bharradwaj et al., (2005), Gakure (2006) and Goze (2006), that for a business to be competitive, the enterprise needs to be the lowest cost producer relative to its competitors.

#### **4.5.1.3 Customer Focus**

This strategy was applied by 146 (57%) while 110 (43%) did not apply it at all. A customer-based strategy involves planning on how to handle the customers at every

point and it is practised by enterprises that are customer-centric. All the respondents interviewed were in agreement that the customer knows what he/she wants and one has to listen to them and simply provide as per the customer needs. Stokes and Wendy (2008) indicate that micro-enterprises adopt a customer-oriented strategy in order to survive and thrive in a competitive market. Based on this study, it is clear that garment-making micro-enterprises take customer opinion as regards to prices very important while devising ways of having as many customers as possible.

#### **4.5.1.4 Market Penetration**

Market Penetration as a strategy was undertaken by 144 (56%) of the respondents while 112 (44%) did not undertake it. These results are consistent with the arguments by Stokes and Wendy (2008) who posits that enterprises that are growth oriented implement this strategy to increase their customer base as well as increase sales without making major changes on their products. Market penetration as a strategy was introduced by Ansoff as an alternative strategy which links products to the markets with the least risk in the large firms (Kotler & Armstrong, 1994). However, this strategy is also applicable to micro-enterprises because it seeks to increase the market share with the existing products. This means that one has to keep on looking for new ways to market his/her designs and constantly look for new customers.

#### **4.5.1.5 Product Differentiation**

Those that implemented this strategy were 141 (55%) while 115 (45%) did not implement it. In garment making micro-enterprises, differentiation is achieved by having new and unique designs as well as offering “after sale” services. Based on the interviews, the most after sale services offered are ironing and quantity discounts. A customer who is price-sensitive would be loyal to a specific garment maker since

he/she knows he/she will make discounts based on how many items he/she orders and the frequency of placing the orders.

The garment making entrepreneurs are also keen on what is in the market (fashion), in order to ensure that their products are unique thus creating a competitive edge. Swinker and Hines (2007), hypothesize that fashion consumers are also keen on what is on fashion and would always want to be unique since clothing is used as a way of extending oneself. Interview results also indicated that fashion consumers want unique designs that are not common. One interviewee indicated that fashion conscious customers hate to see someone else with similar designs and if this happens, they will never wear that garment even though it may be new.

#### **4.5.1.6 Pricing**

Pricing strategy was implemented by 119 (46%) of the respondents while 137 (54%) never implemented it. According to Stokes and Wendy (2008), this can be equated to the price penetration approach. They posit that this approach aims at keeping prices as low as possible in order to achieve the highest level of sales. This indicates that most of the garment-making micro-entrepreneurs will always set prices lower than the competitors using the market price as the benchmark. These results tally with the remarks from one of the interviewees who indicated that: "I cannot charge extremely high or low vis-à-vis the average market price".

#### **4.5.1.7 Product Quality Strategy**

This strategy was implemented by 96 (37%) of the respondents marketing while 160 (63%) did not undertake it. The interview results indicate that good quality is one of the demands that customers make when they order garments. According to Stokes and

Wendy (2008), product quality refers to the benefits to the customer as a result of using the product and the actual product features or characteristics that create these benefits. Based on these results, garment-making micro-enterprises would consider the quality vis-à-vis the price of the fabric as well as the workmanship. The quality of the fabric is important in garment-making because it affects the hand feel, texture and other performance aspects of the product. One of the interviewee indicated that; “Quality of a fabric is a thing one learns with experience, once you can distinguish between poor and good quality you can offer the best”.

Swinker and Hines (2007), indicate that majority of the fashion consumers (65%), consider quality as important in their clothing purchase. Thus, the entrepreneurs in garment-making micro-enterprises have the obligation to ensure that products presented to the consumers are made of good quality material with excellent workmanship.

#### **4.5.1.8 E-marketing**

A total of 202 (79%) indicated that they never undertook E-marketing with only 54 (21%) indicating that they undertook it. This means that garment-making micro-enterprises have not yet embraced the usage of internet as a means of communication or for sourcing for designs though it is viewed as a modern business practice. It also means that garment making enterprises may not be updated on the current fashion designs in the developed world.

This finding is consistent with the findings by Kinyanjui and McCormick (2002) who found that most Kenyan garment making enterprises do not engage in E-marketing. This is also consistent with observations made by Stokes and Wendy (2008), who

indicated that the full impact of internet on competitive strategies is yet to be seen. Based on the interview results, the main ways of communicating to the customers are through the cell-phone and face-to-face. However, there is need for the garment-making micro-entrepreneurs to embrace the internet as a communication tool as well as a source of inspiration for the latest designs ideas. This means there is need for computer training to equip the entrepreneurs with skills necessary for them to use this strategy effectively.

#### 4.5.2 Testing of the Hypothesis on Various Marketing Strategies

To test the hypothesis that there is no variation in the marketing strategies undertaken by garment making micro enterprises, Chi-square test was used (Table 4.11).

**Table 4.11 Chi-square Test Statistics for Variation of Marketing Strategies**

	<b>Chi-Square</b>	<b>df</b>	<b>Asymp. Sig.</b>
E-marketing	85.562 <sup>a</sup>	1	.000*
Interactive Marketing	27.562 <sup>a</sup>	1	.000*
Product Quality	16.000 <sup>a</sup>	1	.000*
Branding and Cost Reduction	11.391 <sup>a</sup>	1	.001*
Customer Focus	5.062 <sup>a</sup>	1	.024*
Market Penetration	4.000 <sup>a</sup>	1	.046*
Product Differentiation	2.641 <sup>a</sup>	1	.104
Pricing	1.266 <sup>a</sup>	1	.261

*Note.* a. 0 cells (.0%) have expected frequencies less than 5. The minimum expected cell frequency is 128.0.

\*Significant

The results indicate that there was variation in the distribution of six strategies which was statistically significant. The P-values were less than 0.05 and chi-square values more than the critical value (3.84 at 0.05 confidence level and 1 *df*). These include E-marketing; Market Penetration; Branding and Cost Reduction; Interactive Marketing; Customer Focus; and Product Quality. However, two strategies had P-values more

than 0.05 and chi-square value less than the critical value (Pricing and Product Differentiation) meaning that they did not vary in the distribution across the garment-making micro-enterprises. This means that entrepreneurs in the garment-making enterprises commonly implement Pricing and Product Differentiation strategies while there is a difference in the implementation of the other six strategies. This implies that these two strategies are very crucial in garment-making. However, entrepreneurs in garment-making micro-enterprises need to diversify their strategies in order to be unique and gain a competitive edge.

#### **4.5.3 Summary of the Marketing Strategies Implemented by Garment Making**

##### **Micro-enterprises**

The marketing strategies implemented by the garment making micro enterprises were identified as E-marketing, Interactive Marketing, Product Quality, Branding and Cost Reduction, Customer Focus, Market Penetration, Product Differentiation and Pricing. After conducting chi-square, the hypothesis that there is no variation in the marketing strategies undertaken by garment-making micro-enterprises was partly rejected with regard to six of the strategies and partly adopted with regard to two strategies. This means there are some strategies that are common among the entrepreneurs while others differ.

#### **4.6 Identification of Target Market Factors Influencing Implementation of**

##### **Marketing Strategies**

This section sought to identify the various target market factors and analyze their influence on the various marketing strategies implemented. Factor analysis identified four factors, namely;

- a. Psychographic factors

- b. Benefit Sought
- c. Demographic Characteristics
- d. Purchase Behaviour

The total variance explained by these factors was 58% meaning that the four target market factors have influence on the marketing efforts by the garment-making micro-enterprises but there remains a lot of unexplained variation. Thus, the 42% variation that is unexplained could be due to other factors that are not common (Table 4.12).

**Table 4.12: Rotated Component Matrix for Target Market Factors**

Target market variables	Component				Communality
	1	2	3	4	
<b>Psychographic factors</b>					
customers unique characteristics	<b>.754</b>	-.084	.242	.135	.653
purchase in specific months	<b>.634</b>	.048	.075	.468	.629
get upset if garments not made in time	<b>.592</b>	.200	.028	-.266	.463
<b>Benefit Sought</b>					
keep time in picking their garments	.150	<b>.742</b>	-.090	.308	.676
depend on us for different designs	-.101	<b>.733</b>	.247	-.038	.610
customers very keen on quality	.294	<b>.556</b>	-.078	-.406	.567
<b>Demographic Characteristics</b>					
income influence styles chosen	.062	.192	<b>.791</b>	-.079	.673
personality influence how we handle	.155	-.154	<b>.722</b>	.173	.599
education influence how we handle	.457	.311	<b>.520</b>	.270	.649
<b>Purchase Behaviour</b>					
most prefer to pay in installments	-.020	.009	.019	<b>.777</b>	.605
keen on prices charged	.097	.043	.081	<b>.515</b>	.283
<b>Initial Eigenvalues (total)</b>	<b>2.654</b>	<b>1.579</b>	<b>1.165</b>	<b>1.008</b>	
<b>Variance (%)</b>	<b>15.345</b>	<b>14.602</b>	<b>14.230</b>	<b>14.064</b>	
<b>Cumulative variance (%)</b>	<b>15.345</b>	<b>29.948</b>	<b>44.178</b>	<b>58.242</b>	
<b>Number of items (total = 11)</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>2</b>	

*Note.* N of Cases = 256 Extraction Method: Principal Component Analysis; Rotation Method: Varimax with Kaiser Normalization: Kaiser-Meyer-Olkin Measure of Sampling Adequacy= 0.701, Bartlett's Test of Sphericity:  $X^2= 398.825$ ,  $p = 0.000$ ,  $df= 55$ ; Rotation converged in 6 iterations

Factor 1 was named Psychographic factors and it correlated positively with three variables (unique characteristics of my customers, customers purchase in specific months, they get upset if garments are not made in good time). These explained 15%

of the variance with loadings ranging from .592 to .754. The mean factor loading was .660.

Factor 2 correlated positively with three variables (customers keep time in picking their garments; rely on us for different designs, and customers keen on quality). This factor was named Benefit Sought. The variance accounted for by these variables was 15%. The factor loadings ranged between .556 and .742 with a mean of .677.

Factor 3 correlated positively with three variables (income influences style chosen, personality influences how we handle the customers and education level influences how we handle them). This factor was named Demographic Characteristics and it accounted for 14% of the variance. The factor loadings ranged between .520 and .791 with a mean of .678.

The fourth factor (Purchase Behaviour) correlated positively with two variables (most prefer to pay in installments, and keen on prices charged). The variance explained by these variables was 14% with factor loadings of .515 and .777. The mean was .646.

#### **4.6.1 Target Market Factors Influencing the Implementation of Marketing Strategies**

Table 4.13 shows the percentage of respondents that indicated that they agree/strongly agree that target market characteristics influenced their implementation of marketing strategies. The table also gives the ranking of these factors based on the number of respondents that affirmed that they influenced the implementation.

**Table 4.13: Influence of Target Market Factors**

<b>Target Market factors</b>	<b>Influencing</b>	<b>Not influencing</b>	<b>Ranking</b>
Demographic Characteristics	162 (63%)	94 (37%)	1
Benefit Sought	129 (50%)	127 (50%)	2
Purchase Behaviour	120 (47%)	137 (53%)	3
Psychographic	107 (42%)	149 (58%)	4

#### **4.6.1.1 Demographic Characteristics**

This factor was ranked first with 162 (63%) of the respondents citing it as an influencing factor while 94 (37%) indicated it did not influence. According to Swinker and Hines (2007), the income of the customer is very critical because it determines how much they will spend on clothing. Most of those interviewed indicated that customers will first ensure they have food on the table before they think of ordering garments. This means, when economic times are hard, clothing consumption decreases as opposed to when times are “good”. According to the interviews, those with “good” income tend to purchase complicated designs as opposed to those with low income. These tallies with findings by Swinker and Hines (2007), who concluded that with more income, fashion consumers tend to choose expensive fabrics and elaborate designs. These findings indicate that the customers’ demographic characteristics are very vital and need to be considered when engaging in marketing activities for garment-making micro-enterprises.

#### **4.6.1.2 Benefit Sought**

Benefit sought was cited by almost equal number of respondents (129 - 50% and 127- 50%) as having influence and as not having influence. This factor was ranked second. Based on these results, it emerges that consumers of fashion are very particular on quality and the time to pick their garments. This tally with findings by Swinker and

Hines (2007), who indicate that quality, is an important factor in fashion consumption and garment makers need to pay particular attention to it. There is also some reliance on the garment manufacturer for the designs. This is because some customers have in mind what they want but are unable to illustrate it through drawing thus will depend on the manufacturer for the illustrations.

Based on the interviews, it is clear that some customers want to be in fashion but seek information from the manufacturers for the latest designs. This, therefore, implies that garment makers need to be keen on time taken to finish the garments, be creative in order to provide new unique designs and also make quality garments if they are to attract and retain royal customers. This implies that a garment-making entrepreneurs need to identify the reasons and motives underlying clothing consumption to be able to design effective promotional and marketing strategies as well as provide core benefits in their products and services.

#### **4.6.1.3 Purchase Behaviour**

This factor was identified as influencing by 120 (47%) while those that indicated it did not were 137 (53%). It was ranked third. According to Schiffman and Kanuk, (1992); and Peter and Olson, (2008), consumers prefer to make payments in different ways. As observed from the interview results, most consumers of clothing prefer making payments in installments and rarely will they pay cash. However, most of the respondents indicated they always asked for a deposit. This has implications on the amount of money available to the entrepreneur and he/she can only trust the customer will honour the rest of the payments.

#### **4.6.1.4 Psychographics**

One hundred and seven (42%) indicated that this factor influences their marketing strategies while 149 (58%) indicated it does not making it occupy the fourth position. Psychographics refers to the consumers' alertness, consciousness or awareness of the methods, facts or issues regarding the targeted market. This illustrates that entrepreneurs engaged in garment making understand the desire, expectations and needs of the target market. Therefore, this understanding enables them to make decisions regarding production, products and how to treat the customers. Based on the interviews, some of the areas entrepreneurs need to be keen in are; months that purchases are made, desire for uniqueness, need to keep promises, gender differences and unsatisfied needs (needs that can only be satisfied by tailor-made clothing such as figure features and desire for self-actualization).

#### **4.6.2 Testing of the Hypothesis on the Influence of Target Market Factors**

To test the hypothesis that target market factors do not influence the marketing strategies implemented by garment-making micro-enterprises, multiple regression analysis was used. The multiple regression analysis analyzed the simultaneous effect of more than one independent variable by providing a regression model summary and the Beta coefficients. The regression model summary indicates whether or not there are target market factors influencing the implementation of the marketing strategies (Table 4.14) while the beta coefficients were used to single out the specific factors influencing the implementation of each strategy (Table 15). This analysis identified whether there was any significant influence (p-value); and the specific independent factors (Beta coefficients) that were responsible for this influence if there was any as

well as explained the variation (R-square) accounted for by these factors when combined.

**Table 4.14: Regression Model Summary for Target Market Factors**

Marketing strategy	R	R Square	Adjusted R Square	Std. Error of the Estimate	Sig.
Pricing	.335 <sup>a</sup>	.112	.098	1.080	.000 <sup>*</sup>
Product differentiation	.429 <sup>a</sup>	.184	.171	.637	.000 <sup>*</sup>
Product quality	.381 <sup>a</sup>	.145	.131	.955	.000 <sup>*</sup>
Market penetration	.365 <sup>a</sup>	.133	.119	.988	.000 <sup>*</sup>
Customer focus	.226 <sup>a</sup>	.051	.036	.620	.010 <sup>*</sup>
E-marketing	.197 <sup>a</sup>	.039	.024	.438	.041 <sup>*</sup>
Branding and cost reduction	.195 <sup>a</sup>	.038	.023	1.388	.045 <sup>*</sup>
Interactive marketing	.131 <sup>a</sup>	.017	.001	.444	.363

*Note.* a. Predictors: (Constant), FAC4tmc REGR factor score, FAC3tmc REGR factor score, FAC2tmc REGR factor score, FAC1tmc REGR factor score

As indicated in Table 4.14, the R-square for Pricing was 0.112 and the p-value was .000. This means only 11 percent of the variation in the implementation of Pricing as a strategy can be explained by the target market factors and the influence was statistically significant (.000). Therefore, at  $\alpha=0.05$  level, there exists adequate evidence to conclude that at least one of the target market factors influences the implementation of Pricing strategy.

The coefficient of determinations (R-square) for Product Differentiation was 0.184. This means about 18 percent of the variation in the implementation of Product Differentiation as a strategy can be explained by the target market factors and the influence is significant (p-value=.000). Therefore, at  $\alpha=0.05$  level, there exists enough evidence to conclude that at least one of the target market factors influences the implementation of Product differentiation strategy.

The R-square for Product Quality was 0.145. This means 15 percent of the variation in the implementation of Product Quality as a strategy can be explained by the target market factors and the influence is statistically significant (p-value= .000). Therefore, at  $\alpha=0.05$  level it is clear that at least one of the target market factors influences the implementation of Product Quality strategy.

The R-square for Market Penetration was 0.133. This means about 13 percent of the variation in the implementation of Market Penetration as a strategy can be explained by the target market factors and this influence was statistically significant (p-value= .000). Therefore, at  $\alpha=0.05$  level, it can be concluded that at least one of the target market factors influences the implementation of Market Penetration strategy.

The coefficient of determination (R-square) for Customer Focus was 0.051. This implies that only five percent of the variation in the implementation of Customer Focus as a strategy can be explained by the target market factors. This influence was statistically significant (p-value=.010) indicating that at  $\alpha=0.05$  level, there is evidence to conclude that at least one of the target market factors influences the implementation of Customer Focus strategy.

Only four percent of the variation in the implementation of E-marketing as a strategy can be explained by the target market factors (R-square=.039) and their influence was statistically significant (p-value = .041). This means that at  $\alpha=0.05$  level there is evidence to conclude that one or more of the target market factors influences the E-marketing strategy undertaken.

The R-square for Branding and cost reduction was 0.038. This indicates that only four percent of the variation in the implementation of Branding and Cost Reduction as a strategy can be explained by the target market factors and the influence was significant (p-value =0.045). Therefore, at  $\alpha=0.05$  level there exists evidence to conclude that at least one of the target market factors influences the implementation of Branding and Cost Reduction strategy.

The R-square for Interactive Marketing was 0.017. This means only two percent of the variation in the implementation of Interactive Marketing as a strategy can be explained by the target market factors and the influence was not statistically significant (p-value=.363). Therefore, at  $\alpha=0.05$  level, it can be concluded that none of the target market factors influences the implementation of Interactive marketing strategy.

It can be concluded that the target market factors have some influence on the marketing strategies implemented except for Interactive Marketing. To identify the specific target market factors and the magnitude of their influence on the implementation of the remaining seven marketing strategies (found to be influenced by at least one of the target market factors), further analysis was conducted. The Beta ( $\beta$ ) weighting for the four independent factors and the seven marketing strategies is given in table 4.15.

**Table 4.15:** The Beta Coefficients in Regression Analysis for Target Market Factors

Model	Constant	Psychographics			Benefit Sought			Demographic			Purchase Behaviour		
		B	Beta	Sig.	B	Beta	Sig.	B	Beta	Sig.	B	Beta	Sig.
E-marketing	1.105	-.017	-.039	<b>.531</b>	.044	.099	<b>.112</b>	-.063	-.142	<b>.022*</b>	.038	.086	<b>.166</b>
Market Penetration	3.852	.262	.249	<b>.000*</b>	.245	.233	<b>.000*</b>	.006	.006	<b>.924</b>	.136	.129	<b>.029*</b>
Branding and Cost	3.254	.109	.078	<b>.211</b>	.229	.163	<b>.009*</b>	.053	.038	<b>.541</b>	.088	.063	<b>.313</b>
Interactive Marketing	4.828	-.011	-.024	<b>.700</b>	.037	.084	<b>.183</b>	-.031	-.071	<b>.259</b>	-.030	-.067	<b>.285</b>
Customer Focus	4.473	.081	.128	<b>.039*</b>	.064	.102	<b>.100</b>	.099	.156	<b>.012*</b>	.007	.011	<b>.863</b>
Pricing	2.656	.043	.038	<b>.527</b>	-.293	-.257	<b>.000*</b>	-.129	-.114	<b>.057</b>	.202	.178	<b>.003*</b>
Product Differentiation	4.355	-.194	-.277	<b>.000*</b>	.093	.133	<b>.021*</b>	-.154	-.221	<b>.000*</b>	-.141	-.202	<b>.000*</b>
Product Quality	2.250	.023	-.022	<b>.704</b>	.347	.338	<b>.000*</b>	-.141	-.138	<b>.019*</b>	-.108	-.106	<b>.072</b>

Note. a. Dependent Variable: most implemented marketing strategy

\*Significant

#### 4.6.2.1 Psychographics

The independent factor Psychographics had a positive statistically significant influence on the Customer Focus strategy ( $\beta = .128$ , sig. 0.039) and the Market Penetration strategy ( $\beta = .249$ , sig.000). However, there was a negative influence that was statistically significant on the Product Differentiation strategy ( $\beta = -.277$ , sig. 0.000). There was a negative weak influence that was not statistically significant on the E-marketing strategy ( $\beta = -.039$ , sig. 0.531), Interactive Marketing strategy ( $\beta = -.024$ , sig. 0.700) and Product Quality strategy ( $\beta = -.022$ , sig. 0.704). This factor was also found to have a positive influence that was not statistically significant on the Branding and Cost Reduction strategy ( $\beta = .078$ , sig.021) and Pricing strategy ( $\beta = .038$ , sig. 0.527).

The Psychographics factor was found to significantly influence the implementation of Market Penetration, Customer focus strategy and Product Differentiation. This implies that an enterprise that uses or would use these strategies, have to pay keen

attention on the unique characteristics of the customers in terms of their individual desires as well as the reactions.

#### **4.6.2.2 Benefit Sought**

The independent factor Benefit Sought had a positive influence that was statistically significant on Market Penetration ( $\beta = .233$ , Sig. 0.000), Branding and Cost Reduction ( $\beta = .163$ , Sig. 0.009), Product Differentiation ( $\beta = .133$ , sig. 0.021) and Product Quality ( $\beta = .338$ , (sig. 0.000). There was a negative influence that was statistically significant on Pricing ( $\beta = -.257$ , sig. 0.000). However, there was positive influence on E-marketing ( $\beta = .099$ , sig. 0.112), Customer Focus ( $\beta = .102$ , sig. 0.100), and Interactive Marketing ( $\beta = .084$ , sig. 0.183) that was not statistically significant.

Therefore, Benefits sought was found to significantly influence the implementation of Market Penetration, Branding and Cost Reduction, Pricing and Product quality. The implication of this finding is that garment-making micro-entrepreneurs seeking to implement these strategies will need to identify the benefits garment consumers seek for and that would give them a competitive edge. It also implies that clothing consumers will prefer garment makers who keep time, assist them with different designs (calling for creativity) and make quality clothes.

#### **4.6.2.3 Demographic Characteristics**

The independent factor, Demographic Characteristics had positive statistically insignificant influence on Customer Focus ( $\beta = .156$ , sig. 0.012). However, there was a negative influence that was statistically significant on E-marketing ( $\beta = -.142$ , sig. 0.022), Product Differentiation ( $\beta = -.221$ , sig. 0.000) and Product Quality ( $\beta = -.139$ , sig. 0.019). The influence on Market Penetration ( $\beta = .006$ , sig. 0.924) and Branding

and Cost Reduction ( $\beta = .038$ , sig. 0.541) was positive though not statistically significant. This factor was also found to have a negative influence on Interactive Marketing ( $\beta = -.071$ , sig. 0.259) and Pricing ( $\beta = -.114$ , sig. 0.057) which was not statistically significant.

Demographic Characteristics were found to significantly influence the implementation of E-marketing strategy, Interactive Marketing, Product Differentiation and Product quality. This implies that the income, personality and education of the target market impacted on the implementation of these strategies.

#### **4.6.2.4 Purchase Behaviour**

The independent factor Purchase Behaviour had a positive influence which was statistically significant on Market Penetration ( $\beta = .129$ , sig. 0.029) and Pricing ( $\beta = .178$ , sig. 0.003). The influence on Product Differentiation ( $\beta = -.202$ , sig. 0.000) it was negative but statistically significant. However, the influence on E-marketing ( $\beta = .086$ , sig. 0.166), Branding and Cost Reduction ( $\beta = .063$ , sig. 0.313) and Customer Focus ( $\beta = .011$ , sig. 0.863) positive and statistically insignificant. This factor was also found to have a negative influence which was not statistically significant on Interactive Marketing ( $\beta = -0.067$ , sig. 0.285) and Product Quality ( $\beta = -.106$ , sig. 0.072).

Purchase Behaviour was found to significantly influence the implementation of Market Penetration, Pricing and Product Differentiation. This means that Purchase Behavior is a factor that is a key for enterprises using these strategies and one need to fully understand the customers in relation to the preferred modes of payments and

their reactions to changes in price. It also implies that clothing customers with different benefits sought will have different shopping orientations.

#### **4.6.3 Summary on the Influence of the Target Market Characteristics**

The target market characteristics influencing the implementation of marketing strategies by the garment-making micro-enterprises were identified as psychographic factors, benefit sought, demographic characteristics and purchase behaviour.

The marketing strategies positively influenced by target market characteristics are Market Penetration, Branding and Cost Reduction, Customer Focus, Pricing, Product Differentiation and Product Quality. This implies that successful implementation of these strategies is dependent on how well the entrepreneur understands the target market characteristics. However, E-marketing was found to be negatively influenced while the influence on Interactive Marketing was not statistically significant. The implementation of E-marketing strategy is greatly influenced by the income and the education level of the customers. On the other hand, Interactive Marketing is not influenced by the target market characteristics and entrepreneurs implementing this strategy will need to focus their attention on other factors.

Therefore, the hypotheses that target market characteristics do not significantly influence the implementation of the marketing strategies was partly rejected and partly adopted because not all characteristics have an influence.

#### **4.7 Identification of Entrepreneurial Orientation Factors**

The level of entrepreneurial orientation in an enterprise determines how the various businesses related activities are planned and carried out. According to Ferreira and Azevedo (2007), entrepreneurial orientation is one of the intangible resources that have a direct linkage to business growth. This section sought to analyze the entrepreneurial orientation factors influencing the implementation of marketing strategies by garment-making micro-enterprise. After factor analysis was conducted, one variable (read to gain more knowledge on marketing) had loading less than 0.5 while another (like to take high financial risks) factor had only one variable loading to it. The two variables were excluded from further analysis. This section presents results for the most influencing entrepreneurial orientation factors and the ranking of these factors. There were four factors identified through factor analysis, namely:

- a. Autonomy
- b. Risk-taking
- c. Innovativeness
- d. Pro-activeness.

The total variance explained by these factors was 63% meaning that the four entrepreneurial orientation factors have influence on the marketing efforts by the garment-making micro-enterprises but there remains a lot of unexplained variation. Thus, the 37% variation that is unexplained could be due to other factors not analyzed in this study (Table 4.16)

The first entrepreneurial orientation factor was named Autonomy. This correlated with four variables with loading between .792 and .955. The variables are employees' involvement in decision-making; incorporation of employees' ideas in running the

business; employees given freedom to source for customers; and instructions are given and employees are expected to follow. This factor accounted for 24% of the variance.

**Table 4.16: Rotated Component Matrix for Entrepreneurial Orientation Factors**

Entrepreneurial Orientation variables	Component				Communality
	1	2	3	4	
<b>Autonomy</b>					
employees involved in decision making	<b>.955</b>	.131	.013	-.052	.932
employees ideas incorporated	<b>.950</b>	.117	.037	-.090	.925
employees given freedom	<b>.917</b>	.002	.093	.001	.850
expected to follow instructions	<b>.792</b>	.072	.076	.062	.641
<b>Risk-taking</b>					
don't need more training	.032	<b>.705</b>	.045	-.234	.556
learning computers not important	.136	<b>.693</b>	.130	.039	.517
stick to methods used to	.120	<b>.679</b>	.252	-.043	.540
wait to see what others are doing	-.025	<b>.650</b>	-.115	.322	.540
<b>Innovativeness</b>					
constantly generating new ideas	.018	.201	<b>.737</b>	-.019	.585
encourage new ideas	.114	-.030	<b>.728</b>	-.203	.585
find how to do biz profitably	.049	-.080	<b>.587</b>	.254	.418
keen on new styles	.013	.259	<b>.584</b>	.104	.419
<b>Pro-activeness</b>					
implement plans when sure	.090	.172	.172	<b>.760</b>	.645
require training in marketing	.238	.422	.115	<b>.646</b>	.666
<b>Initial Eigenvalues (total)</b>	<b>3.849</b>	<b>2.194</b>	<b>1.544</b>	<b>1.233</b>	
<b>Variance (%)</b>	<b>24.265</b>	<b>15.859</b>	<b>13.668</b>	<b>9.205</b>	
<b>Cumulative variance (%)</b>	<b>24.265</b>	<b>40.124</b>	<b>53.792</b>	<b>62.998</b>	
<b>Number of items (total = 14)</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>2</b>	

*Note.* N of Cases = 256 Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization: Kaiser-Meyer-Olkin Measure of Sampling Adequacy = 0.760, Bartlett's Test of Sphericity:  $X^2= 1617.209$ ,  $p = 0.000$ ,  $df= 91$ . Rotation converged in 5 iterations

Factor 2 also correlated with four variables and was named Risk-taking. This factor was explained by need for more training; learning of computers; sticking to methods one is used to; and wait to see what others are doing then follow. The factor loadings ranged between .650 and .705. The mean loading was found to be .682 and the variance explained was 16%.

Innovativeness emerged as factor number 3 correlating with four variables. These include constant generation of new ideas; encouraging new ideas; finding out how to do business in a profitable manner; and keenness on new styles. This factor accounted for 14% of the variance with factor loadings ranging between .584 and .737. The mean loading was .659.

The fourth factor was named Pro-activeness. This correlated with two variables (implementation of plans when one is sure and need for training in marketing). This factor accounted for 9% of the variance with factor loadings of .646 and .760. The mean loading was .703.

#### **4.7.1 Entrepreneurial Orientation Factors Influencing the Implementation of Marketing Strategies**

This section provides information regarding the entrepreneurial orientation factors influencing the implementation of marketing strategies as well as their ranking based on the number of respondents that indicated there was some influence. The summary is provided in table 4.17.

**Table 4.17: Entrepreneurial Orientation Factors Influencing Marketing Strategies**

<b>EO factors</b>	<b>Influencing</b>	<b>Not influencing</b>	<b>Ranking</b>
Pro-activeness	148 (58%)	108 (42%)	1
Autonomy	138 (54%)	118 (46%)	2
Risk-taking	129 (50%)	127 (50%)	3
Innovativeness	123 (48%)	133 (52%)	4

#### **4.7.1.1 Pro-activeness**

Those who identified this factor as influencing their marketing efforts were 148 (58%) while those that did not were 108 (42%). This was ranked the first. Pro-activeness refers to action oriented decisions geared towards taking measures in readiness for anticipated outcomes. Based on these results, it is clear that implementation of marketing strategies is dependent on the pro-activeness of the entrepreneur. This observation was contradicted by the results from the interviews where it emerged that the respondents had low learning orientation and did not see the need for training in marketing. The training need that emerged strongly was in fashion design. One of the respondents had this to say: “For now I don’t see the need for any training. Since I finished school of tailoring, I have never attended any but I have always done the best and my customers are happy with my work. So am fine”. This implies that entrepreneurs in garment making need to forecast and move fast in order to have a competitive advantage since the customer needs and expectations are continually changing (Thelma & Whittaker, 2003).

#### **4.7.1.2 Autonomy**

Only those with employees indicated that Autonomy had influence on the implementation of marketing strategies. One hundred and thirty eight (54%) said autonomy influenced their strategy implementation activities while 118 (46%) said it did not. Based on the results from the interviews, most of the entrepreneurs indicated that employees were well treated. One had this to say: “At best I have always handled my employees like my own children and I have worked with them for eight years”.

This implies that if an enterprise has employees, the entrepreneur will need to have a structure within which all the actions and processes in the enterprise will take place.

What the employees are expected to do will need to be communicated effectively and clearly. This is in agreement with a study by Byrom and Piach (2002) who found out that staff have a direct contact with customers hence they play an important role in marketing activities. Thus, Autonomy is a function of management and Li et al., (2008) holds the opinion that effective communication is paramount to effective strategy implementation.

#### **4.7.1.3 Risk-taking**

This was indicated as influencing by 129 (50%) of the respondents while 127 (50%) said it does not influence. Risk-taking involves looking into the future and believing that there is a probability of the occurrence of certain events. And on this basis, a decision is taken whether or not to do something. According to the interview results, there are several areas that garment making enterprises make risky decisions. These include making clothes for customers whom one is not sure they will come for; making clothes without orders or deposit; buying fabric in bulk and one is not sure the customers will buy; cutting a delicate material for a complicated design; making losses so as to retain customers; and buying expensive machines among others. One of the respondents summed this up by indicating that: “yes, making 30 shirts and trousers for a hotel, which refused to pay up, now I have 30 shirts and trousers which cannot be sold as clothing since its hotel uniform”. Another respondent indicated; “I made uniforms for a school which surprisingly did well. It was a risk”. This implies that garment making involves many risks and an entrepreneur who is risk averse may not make risky decisions that are related to marketing.

#### **4.7.1.4 Innovativeness**

Those that indicated that innovativeness influences the implementation of the marketing strategies were 123 (48%) and 133 (52%) indicated that it does not. According to Thelma and Whittaker (2003), Innovativeness reflects the tendency of the firm to move beyond the established practices and technologies by encouraging creativity. Stokes and Wendy (2008), hold on the idea that without new products micro-enterprises do not survive in a competitive market. Being too dependent on a narrow product line is suicidal. In garment manufacture, entrepreneurs aim at having unique designs all the time. Most of those interviewed indicated that they sourced their ideas from magazines, personal creativity and trends in fashion. This implies that a garment manufacturer needs to be creative. As it was echoed by most interviewees, every customer is different, want something unique and want to be handled as an individual.

#### **4.7.2 Testing of the Hypothesis on the Influence of Entrepreneurial Orientation**

To test the hypothesis that entrepreneurial orientation factors do not influence the implementation of the marketing strategies, multiple regression analysis was used. The regression model summary indicates whether or not there are entrepreneurial orientation factors influencing the implementation of the marketing strategies (Table 4.18) while the beta coefficients were used to single out the specific factors influence the implementation of each strategy (Table 4.19).

The R-square for Market Penetration was 0.331 and the p-value was .000. This means 33 percent of the variation in the implementation of Market Penetration strategy could be explained by the Entrepreneurial Orientation factors and the influence was statistically significant. Therefore, at  $\alpha=0.05$  level, there exists enough

evidence to conclude that at least one of the Entrepreneurial Orientation factors influences the implementation of Market Penetration strategy.

**Table 4.18: Regression Model Summary for Entrepreneurial Orientation**

Marketing strategy	R	R Square	Adjusted R Square	Std. Error of the Estimate	Sig.
Market Penetration	.575 <sup>a</sup>	.331	.320	.868	.000 <sup>*</sup>
Branding and Cost Reduction	.701 <sup>a</sup>	.493	.484	1.009	.000 <sup>*</sup>
Interactive Marketing	.300 <sup>a</sup>	.090	.076	.428	.000 <sup>*</sup>
Customer Focus	.333 <sup>a</sup>	.111	.097	.601	.000 <sup>*</sup>
Pricing	.514 <sup>a</sup>	.264	.252	.983	.000 <sup>*</sup>
Product Differentiation	.358 <sup>a</sup>	.128	.114	.658	.000 <sup>*</sup>
Product Quality	.421	.177	.164	.937	.000 <sup>*</sup>
E-marketing	.210 <sup>a</sup>	.044	.029	.437	.023 <sup>*</sup>

*Note.* a. Predictors: (Constant), FAC4eo REGR factor score, FAC3eo REGR factor score, FAC2eo REGR factor score, FAC1eo REGR factor score

\*Significant

The R-square for Branding and Cost Reduction was 0.493 and the p-value was .000. This means about 49 percent of the variation in the implementation of Branding and Cost Reduction strategy could be explained by the Entrepreneurial Orientation factors with the influence being statistically significant. It can therefore, be concluded that at  $\alpha=0.05$  level, there is evidence that at least one of the Entrepreneurial Orientation factors influences the implementation of Branding and Cost Reduction strategy.

Interactive Marketing had R-square of 0.090 and the p-value was .000. This means only nine percent of the variation in the implementation of Interactive Marketing strategy could be explained by the Entrepreneurial Orientation factors and it was statistically significant. Therefore, at  $\alpha=0.05$  level, there exists enough evidence to conclude that at least one of the Entrepreneurial Orientation factors influences the implementation of Interactive Marketing strategy.

The R-square for Customer Focus was 0.111. This means 11 percent of the variation in the implementation of Customer Focus strategy could be explained by the Entrepreneurial Orientation factors and the influence was statistically significant (p-value= .000). Therefore, at  $\alpha=0.05$  level, there exists enough evidence to conclude that at least one of the Entrepreneurial Orientation factors influences the implementation of Customer Focus strategy.

The R-square for Pricing was 0.264 and the p-value was .000. This means about 26 percent of the variation in the implementation of Pricing strategy could be explained by the Entrepreneurial Orientation factors and the influence was statistically significant. Therefore, at  $\alpha=0.05$  level, it can be concluded that at least one of the Entrepreneurial Orientation factors influences the implementation of Pricing strategy.

The coefficient of determinations (R-square) for Product Differentiation was 0.128 and the p-value was .000. This means about 13 percent of the variation in the implementation of Product Differentiation strategy could be explained by the entrepreneurial orientation factors. The influence was statistically significant meaning that at  $\alpha=0.05$  level, there is enough evidence to conclude that at least one of the entrepreneurial orientation factors influences the implementation of Product Differentiation strategy.

The coefficient of determinations (R-square) for Product Quality was 0.177 and the p-value was .000. This means about 18 percent of the variation in the implementation of Product Quality strategy could be explained by the Entrepreneurial Orientation factors. The influence was statistically significant meaning that at  $\alpha=0.05$  level, there

exists enough evidence to conclude that at least one of the Entrepreneurial Orientation factors influences the implementation of Product Quality strategy.

The coefficient of determinations (R-square) for E-marketing was 0.044. This means about four percent of the variation in the implementation of E-marketing strategy could be explained by the Entrepreneurial Orientation factors and the influence was statistically significant (p-value= .023). Therefore, at  $\alpha=0.05$  level there is evidence to conclude that at least one of the Entrepreneurial Orientation factors influences the implementation of E-marketing strategy.

It can be concluded that the Entrepreneurial Orientation factors have some influence on all the marketing strategies implemented. To identify the specific Entrepreneurial Orientation factors and the magnitude of their influence on the implementation of the marketing strategies, further analysis was conducted. The Beta ( $\beta$ ) weighting for the four independent factors and the eight marketing strategies is given in Table 4.19.

**Table 4.19: The Beta Coefficients in Regression Analysis for Entrepreneurial Orientation**

Strategy	Constant	Autonomy			Risk-taking			Innovativeness			Pro-activeness		
		B	Beta	Sig.	B	Beta	Sig.	B	Beta	Sig.	B	Beta	Sig.
1	1.105	.043	.098	<b>.115</b>	.057	.128	<b>.039*</b>	.021	.047	<b>.444</b>	-.056	-.126	<b>.042*</b>
2	3.852	.238	.226	<b>.000*</b>	.376	.357	<b>.000*</b>	.324	.308	<b>.000*</b>	-.252	-.240	<b>.000*</b>
3	3.254	.910	.648	<b>.000*</b>	.302	.215	<b>.000*</b>	.174	.124	<b>.006*</b>	.137	.097	<b>.031*</b>
4	4.828	.074	.166	<b>.006*</b>	-.004	-.008	<b>.889</b>	.063	.141	<b>.020*</b>	-.092	-.207	<b>.001*</b>
5	4.473	-.075	-.119	<b>.046*</b>	.054	.086	<b>.151</b>	.158	.250	<b>.000*</b>	.103	.163	<b>.007*</b>
6	2.656	.025	.022	<b>.684</b>	.180	.159	<b>.004*</b>	-.025	-.022	<b>.691</b>	-.555	-.488	<b>.000*</b>
7	4.355	.084	.120	<b>.042*</b>	.094	.134	<b>.024*</b>	.216	.309	<b>.000*</b>	-.004	-.006	<b>.915</b>
8	2.250	.214	.209	<b>.000*</b>	-.236	-.230	<b>.000*</b>	.250	.244	<b>.000*</b>	-.149	-.145	<b>.012*</b>

Note. a. Dependent Variable: marketing strategy implemented

1. E-marketing; 2. Market Penetration; 3. Branding and Cost Reduction; 4. Interactive Marketing; 5. Customer Focus; 6. Pricing; 7. Product Differentiation; 8. Product Quality

\*Significant

#### **4.7.2.1 Autonomy**

The independent factor Autonomy has a positive statistically significant influence on Market Penetration strategy ( $\beta = .226$ , sig. 0.000), Branding and Cost Reduction strategy ( $\beta = .648$ , sig. 0.000), Interactive Marketing strategy ( $\beta = .166$ , sig. 0.006), Product Differentiation strategy ( $\beta = .120$ , sig. 0.042) and Product Quality ( $\beta = .209$ , sig. 0.000). However, the influence of Autonomy on Customer Focus was negative and statistically significant ( $\beta = -.119$ , sig. 0.046). On E-marketing strategy ( $\beta = .098$ , sig. 0.115) and Pricing strategy ( $\beta = .022$ , sig. 0.684), the influence was positive and statistically insignificant.

Based on the results of the study, autonomy was found to significantly influence the implementation of Market Penetration, Branding and Cost Reduction, Interactive Marketing, Product Differentiation, and Product quality. This means that autonomy is very critical for the implementation of the five identified strategies. Communication and leadership in the micro-enterprise is very important since it deals with relationships that have a direct impact on the employees and the customers. It implies that, with employees, a strategy such as Market penetration would be appropriate because the employees will also be involved in looking for new customers.

#### **4.7.2.2 Risk-taking**

Risk-taking had a positive influence which was statistically significant on E-marketing ( $\beta = .128$ , sig. 0.039), Market Penetration ( $\beta = .357$ , sig. 0.000), Branding and Cost Reduction ( $\beta = .215$ , sig. 0.000), Pricing ( $\beta = .159$ , sig. 0.004) and Product Differentiation ( $\beta = .134$ , sig. 0.024). The influence on Product Quality ( $\beta = -.230$ , sig. 0.000) was negative but statistically significant while that on Interactive Marketing

( $\beta = -.008$ , sig. 0.889) was negative and not statistically significant. There was positive statistically insignificant influence on Customer Focus ( $\beta = .086$ , sig. 0.151).

Risk-taking was found to significantly influence the implementation of E- marketing, Market Penetration, Branding and Cost Reduction, Pricing, Product Differentiation, and Product quality. This implies that an entrepreneur that is applying these strategies needs to be a risk taker. For example, one needs to invest in training and take actions anticipating good returns. According to Ferreira and Azevedo (2007), entrepreneurs who are risk takers are able to identify and to take advantage of untapped markets.

#### **4.7.2.3 Innovativeness**

Innovativeness had a positive statistically significant influence on Market Penetration ( $\beta = .308$ , sig. 0.000), Branding and Cost Reduction ( $\beta = .141$ , sig. 0.006), Customer Focus ( $\beta = .250$ , sig. 0.000), Interactive Marketing ( $\beta = .141$ , sig. 0.020), Product Differentiation; ( $\beta = .309$ , sig. 0.000) and which was statistically significant (on Product Quality ( $\beta = .244$ , sig. 0.000)). There was a positive influence which was not statistically significant on E-marketing ( $\beta = .047$ , sig. 0.444). However, there was a negative influence which was not statistically significant on Pricing ( $\beta = -.022$ , sig. 0.691). Therefore, Innovativeness was found to significantly influence the implementation of Market Penetration, Branding and Cost Reduction, Customer Focus, Interactive Marketing, Product Differentiation, and Product quality. According to Saleemi (2009), an entrepreneur comes up with new processes, methods, ventures into new markets as well as new products. In garment-making micro-enterprises, innovation mostly entails creation of unique designs. Foss et al. (2006), indicates that innovativeness is an asset that results to a competitive edge in any enterprise.

Therefore, an entrepreneur in garment making must be innovative in order to reap full benefits of these strategies.

#### **4.7.2.4 Pro-activeness**

Pro-activeness had a positive statistically significant influence on Branding and Cost Reduction ( $\beta = .097$ , sig. 0.031) and Customer Focus ( $\beta = .163$ , sig. 0.007). This factor had a negative influence which was statistically significant on E-marketing; ( $\beta = -.126$ , sig. 0.042), Market Penetration ( $\beta = -.240$ , sig. 0.000), Interactive Marketing ( $\beta = -.207$ , sig. 0.001), Pricing; ( $\beta = -.488$ , sig. 0.000) and Product Quality ( $\beta = -.145$ , sig. 0.012). However, the influence on Product Differentiation ( $\beta = -.006$ , sig. 0.915) was negative and statistically insignificant. Therefore, Pro-activeness was found to significantly influence the implementation of E-marketing, Market Penetration, Branding and Cost Reduction, Customer Focus, Interactive Marketing, Pricing, and Product quality. Based on the results of this study, it is very clear that if an entrepreneur wants to focus on customers, he/she needs to be proactive so as to know what their needs are and meet them effectively. This means there is need to take actions ahead of the competitors, have a good understanding of the market and take necessary actions that are clear. Alignment of these marketing strategies and pro-activeness could lead to significantly great success in the strategy implementation.

#### **4.7.3 Summary on the Influence of the Entrepreneurial Orientation**

The entrepreneurial orientation factors influencing the implementation of marketing strategies by the garment making micro enterprises were identified as Autonomy, Risk-taking, Innovativeness and Pro-activeness.

All the marketing strategies were found to be positively influenced by entrepreneurial orientation in one way or the other. This implies that successful implementation of these strategies is very much dependent on the entrepreneur for example, Market Penetration is significantly influenced by all the orientations while, Pricing is influenced by only risk-taking and pro-activeness. This implies that there is need for the entrepreneur to first have an understanding of their orientation in order to appropriately implement those strategies that will be positively influenced by their type of orientation. Based on these results, the hypothesis that entrepreneurial orientation of the garment making entrepreneur does not significantly influence the implementation of the marketing strategies was rejected.

#### **4.8 Identification of Internal Environmental Factors**

Principal component analysis using Varimax rotation method was used to identify the factorial structure of 21 variables. Three variables (updated on what's happening; lack computer skills; and new machines in the market not able to afford) had loading less than 0.5 while two variables (complaints taken seriously and actions immediately; and don't see the importance of marketing) singly loaded to one factor each. These variables were excluded from further analysis. The following four factors (Table 4.20) were identified:

- a. Culture and Structure
- b. Resources
- c. Record Keeping and Financial Management
- d. Flexibility of Implementation

The total variance explained by these factors was 73% meaning that the four internal environmental factors have influence on the marketing efforts by the garment making

micro enterprises but there remains unexplained variation. Thus, the 27% variation that is unexplained could be due to other factors not captured in this study (Table 4.20).

**Table 4.20: Rotated Component Matrix for Internal Environmental Factors**

Internal Environmental variables	Component				Communality
	1	2	3	4	
<b>Culture and Structure</b>					
relations among my employees is good	<b>.979</b>	-.060	.036	.035	.964
work given based on capabilities	<b>.973</b>	.042	.041	.001	.950
current trends communicate regularly	<b>.972</b>	-.013	.054	-.025	.948
employment based on experience	<b>.969</b>	-.002	.091	-.013	.948
assist one another when much work	<b>.852</b>	-.141	.283	-.005	.825
product modified by the person concerned	<b>.846</b>	-.046	-.151	-.018	.740
every body works on own	<b>.752</b>	.056	-.205	.099	.620
<b>Resources</b>					
lack someone in marketing	.033	<b>.783</b>	.088	-.106	.633
lack finances for marketing	-.016	<b>.763</b>	.000	-.057	.586
feel inadequate in marketing skills	-.073	<b>.761</b>	.059	-.073	.593
lack professional advisers in marketing	-.043	<b>.726</b>	.073	-.139	.554
not understanding marketing	.016	<b>.644</b>	-.122	.314	.528
<b>Record Keeping and Financial Mgt</b>					
difficult to keep records on a daily basis	-.006	.068	<b>.868</b>	.121	.773
managing finances very hard work	.045	.045	<b>.854</b>	-.028	.735
<b>Flexibility of Implementation</b>					
complaints taken seriously/immediately	-.018	.025	.115	<b>.771</b>	.609
adjust prices according to current prices	.049	-.195	-.027	<b>.746</b>	.597
<b>Initial Eigenvalues (total)</b>	<b>5.835</b>	<b>2.819</b>	<b>1.676</b>	<b>1.272</b>	
<b>Variance (%)</b>	<b>36.300</b>	<b>17.444</b>	<b>10.549</b>	<b>8.223</b>	
<b>Cumulative variance (%)</b>	<b>36.300</b>	<b>53.744</b>	<b>64.293</b>	<b>72.516</b>	
<b>Number of items (total = 16)</b>	<b>7</b>	<b>5</b>	<b>2</b>	<b>2</b>	

*Note.* N of Cases = 256 Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization: Kaiser-Meyer-Olkin Measure of Sampling Adequacy = 0.863, Bartlett's Test of Sphericity:  $X^2 = 3509.446$ ,  $p = 0.000$ ,  $df = 120$ . Rotation converged in 4 iterations.

The first factor named Culture and Structure correlated positively with seven variables (relations among my employees is good; work given based on capabilities; current trends communicated regularly; employment based on experience; assist one

another when there is much work; product modified by the person concerned; and every body works on own). It accounted for 36% of the variance with loadings between .752 and .979. The mean loading was .906.

The second component was identified as Resources. This had five variables loading to it (lack someone in marketing; lack finances for marketing; feel inadequate in marketing skills; lack professional advisers in marketing; and not understanding marketing) This factor accounted for 17% of the variance with loadings between .644 and .783. The mean loading was .735.

Record Keeping and Financial Management was the third factor. This highly correlated with two variables (difficult to keep records on a daily basis; and managing finances very hard work). It accounted for 11% of the variance with loadings of .854 and .868. The mean loading was .861.

Factor number four was named Flexibility of Implementation. It had two variables loading to it (complaints taken seriously/immediately; and adjust prices according to current prices) as well as accounting for 8% of the variance with loadings of .746 and .771. The mean loading was .759.

#### **4.8.1 Internal Environmental Factors Influencing the Implementation of Marketing Strategies**

This section provides information regarding the internal environmental factors influencing the implementation of marketing strategies as well as their ranking based on the number of respondents that indicated there was some influence (Table 4.21).

**Table 4.21: Internal Environmental Factors**

<b>IE factor</b>	<b>Influencing</b>	<b>Not influencing</b>	<b>Ranking</b>
Culture and Structure	158 (62%)	98 (38%)	1
Resources	144 (56%)	112 (44%)	2
Record Keeping and Financial Mgt	118 (46%)	138 (54%)	3
Flexibility of Implementation	98 (38%)	158 (62%)	4

#### **4.8.1.1 Culture and Structure**

One hundred and fifty eight (62%) indicated that Culture and Structure of the enterprise influenced their marketing while 98 (38%) indicated it does not. This factor was ranked number one. However, it is worth noting that all those that said Culture and Structure influenced how they market their products were those with employees and those who indicated it does not were enterprises without employees. Based on this study, the typical structure found in the garment making enterprises is the entrepreneurial organization. Stokes and Wendy (2008) describe this as a situation where the owner-manager has full central control of the activities and decisions in the enterprise including delegation of responsibilities, communication and involvement of employees in organizational activities. The culture that emerges from this study is characterized by employees being responsible for their own work. However, when there is much work, they assist one another. It also emerges that work is given based on capabilities and experience; and incase modifications need to be done, the person who was involved did the changes.

#### **4.8.1.2 Resources**

This factor was cited by 144 (56%) as influencing while 112 (44%) were for the opinion it does not influence. This factor was ranked second. According to Ferreira

and Azevedo (2007), the resource factor is very critical in any entrepreneurial decisions. This also confirms Dinning's (2010) remarks that micro-entrepreneurs in Kenya lack sufficient resources and capital to run their enterprises. The results of this study indicate that resource lacking in garment making enterprises include finances; personnel in marketing; and marketing skills and knowledge. From the interview results most of the entrepreneurs indicated inability to access loans, lack of capital, high costs of electricity and high rent as major resource factors that have a great influence on marketing their businesses. This therefore implies that the garment making entrepreneurs are inhibited in terms of marketing and for any marketing efforts to bear fruits these issues will need to be addressed.

#### **4.8.1.3 Record Keeping and Financial Management**

Record Keeping and Financial Management was as an influencing factor by 118 (46%) of the respondents. However, 138 (54%) indicated this was not influencing. This factor was ranked third. Record keeping is important because an entrepreneur is able to monitor the progress of the business; know how much income has been generated and how much to expect; and be able to prepare financial statements. If an enterprise is able to keep daily records, then managing finances is easy. However, garment making micro enterprise find it difficult to keep record hence managing the finance also becomes difficult. Proper records keep one on the toes hence calling for proactive actions.

As indicated by Atieno (2008), record keeping is necessary for a growth oriented enterprise. As observed from the interviews, record keeping and financial management was a challenge for many entrepreneurs because most of them relied on the daily collections to cater for immediate family needs or used it for transport. This

therefore meant they are not able to tell how much money they collected per day or per week. Lack of proper record has an impact on the enterprise especially when accessing credit. Most of those interviewed indicated that keeping records required high discipline which was hard to maintain. However, they mentioned they were keen in keeping record related to orders. These include customers' personal measurements, sketches for garment construction and receipts indicating how much deposit has been paid and the balance yet to be cleared.

#### **4.8.1.4 Flexibility of Implementation**

A large proportion (62%) of the respondents indicated that Flexibility of Implementation was not an influencing factor while only 98 (38%) indicated it influenced. Flexibility of Implementation was in terms of ability to adjust to changes in prices and accommodate customer complaints within one's schedule. This implies that there is latitude for making adjustments allowing an enterprise to act proactively paving way for a customization in the marketing approach as well as cope with environment uncertainties.

These results are consistent with arguments by Stokes and Wendy (2008), that most entrepreneurs in micro-enterprises have the advantage that they can act quickly and opportunistically more than those in large firms because they rely mostly on their own judgment. They are also able to adapt to customers' needs due to the nature and size of their enterprises; and have ability to effect changes in a timely manner. Many scholars hold the opinion that flexibility is a function of the structure and considered as a competitive priority that must be given priority if an enterprise is seeking competitive advantage. However, as indicated in this study, it is a factor that stands on its own as far as the garment making micro-enterprises are concerned. This means that

garment-making micro-enterprises are able to adjust swiftly based on the customer needs.

#### 4.8.2 Testing of the Hypothesis on the Influence of Internal Environmental Factors

To test the hypothesis that internal environmental factors do not influence the implementation of the marketing strategies, multiple regression analysis was used. The regression model summary indicates whether or not there are internal environmental factors influencing the implementation of the marketing strategies (Table 4.22) while the beta coefficients were used to single out the specific factors influencing the implementation of each strategy (Table 4.23).

**Table 4.22: Regression Model Summary for Internal Environmental Factors**

Marketing strategy	R	R Square	Adjusted R Square	Std. Error of the Estimate	Sig.
Market Penetration	.454 <sup>a</sup>	.207	.194	.945	.000*
Branding and Cost Reduction	.772 <sup>a</sup>	.596	.589	.900	.000*
Customer Focus	.287 <sup>a</sup>	.082	.068	.610	.000*
Pricing	.503 <sup>a</sup>	.253	.242	.990	.000*
Product Differentiation	.354 <sup>a</sup>	.125	.111	.659	.000*
Product Quality	.374	.140	.126	.958	.000*
Interactive Marketing	.214 <sup>a</sup>	.046	.031	.438	.019*
E-marketing	.176 <sup>a</sup>	.031	.015	.440	.095

*Note.* a. Predictors: (Constant), FAC4ie REGR factor score, FAC3ie REGR factor score, FAC2ie REGR factor score, FAC1ie REGR factor score

\*Significant

The R-square for Market Penetration was 0.207. This means about 21 percent of the variation in the implementation of Market Penetration strategy could be explained by the internal environmental factors and the influence was statistically significant (p-value = .000). Therefore, at  $\alpha=0.05$  level, there exists enough evidence to conclude

that at least one of the internal environmental factors influence the implementation of Market Penetration strategy.

Branding and Cost Reduction had R-square of 0.596 and the p-value was .000. This means about 60 percent of the variation in the implementation of Branding and Cost Reduction strategy could be explained by the internal environmental factors and this influence was (p=.000). Therefore, at  $\alpha=0.05$  level, there exists enough evidence to conclude that at least one of the internal environmental factors influence the implementation of Branding and Cost Reduction strategy.

The R-square for Customer Focus was 0.082 and the p-value was .000. This means only eight percent of the variation in the implementation of Customer Focus strategy could be explained by the internal environmental factors and the influence was statistically significant (.000). Therefore, at  $\alpha=0.05$  level, there exists evidence to reject the null hypothesis and conclude that at least one of the internal environmental factors influences the implementation of Customer Focus strategy.

The R-square for Pricing was 0.253 while the p-value was .000. This means about 25 percent of the variation in the implementation of Pricing strategy could be explained by the internal environmental factors and the influence was significant. Therefore, at  $\alpha=0.05$  level, there was enough evidence to reject the null hypothesis and conclude that at least one of the internal environmental factors influences the implementation of Pricing strategy.

The strategy Product Differentiation had R-square of 0.125 meaning that about 13 percent of the variation in the implementation of Product Differentiation strategy

could be explained by the internal environmental factors. Though the variance was very minimal, the influence of the internal environmental factors on Product Differentiation strategy was significant (p-value = .000). Therefore, at  $\alpha=0.05$  level, there exists evidence to conclude that at least one of the internal environmental factors has some influence on the implementation of Product Differentiation strategy.

The R-square for Product Quality was 0.140 indicating that 14 percent of the variation in the implementation of Product Quality strategy could be explained by the internal environmental factors. This influence was statistically significant (.000). Therefore, at  $\alpha=0.05$  level, there is indication to conclude that at least one of the internal environmental factors influences the implementation of Product Quality strategy.

The R-square for Interactive Marketing was 0.046 and the p-value was .019 which is much less than the 0.05. This means only five percent of the variation in the implementation of Interactive Marketing strategy could be explained by the internal environmental factors and the influence was statistically significant (.019). Thus, at  $\alpha=0.05$  level, there exists indications to conclude that at least one of the internal environmental factors influences the implementation of Interactive Marketing strategy.

The coefficient of determinations (R-square) for E-marketing was 0.031 and the p-value was .095. Thus only three percent of the variation in the implementation of E-marketing strategy could be explained by the internal environmental factors and the relationship between them was not statistically significant (.095). Therefore, at  $\alpha=0.05$  level, there is revelation that none of the internal environmental factors influenced the

implementation of E-marketing strategy and if there is this could be out of chance or sampling fluctuation.

Therefore, it can be concluded that the internal environmental factors have some influence on the marketing strategies implemented. To identify the specific internal environmental factors and the magnitude of their influence on the implementation of the marketing strategies (found to be influenced by at least one of the target market factors), further analysis was conducted. The Beta ( $\beta$ ) weighting for the four independent factors and the marketing strategies is given in table 4.23

**Table 4.23: The Beta Coefficients in Regression Analysis for Internal Environmental Factors**

Strategy	Constant	Structure and Culture			Resources			Record Keeping and Financial Mgt			Flexibility of Implementation		
		B	Beta	Sig.	B	Beta	Sig.	B	Beta	Sig.	B	Beta	Sig.
1	1.105	.023	.051	<b>.411</b>	-.074	-.166	<b>.008*</b>	.003	.007	<b>.905</b>	.012	.026	<b>.676</b>
2	3.852	.239	.227	<b>.000*</b>	.192	.182	<b>.001*</b>	.349	.332	<b>.000*</b>	.115	.109	<b>.054</b>
3	3.254	1.082	.771	<b>.000*</b>	-.048	-.035	<b>.390</b>	.004	.003	<b>.948</b>	-.024	-.017	<b>.671</b>
4	4.828	.067	.151	<b>.015*</b>	-.002	-.005	<b>.939</b>	.063	.141	<b>.023*</b>	-.024	-.055	<b>.378</b>
5	4.473	-.019	-.030	<b>.622</b>	.169	.268	<b>.000*</b>	-.061	-.097	<b>.111</b>	.008	.013	<b>.826</b>
6	2.656	-.084	-.074	<b>.176</b>	.058	.051	<b>.352</b>	.512	.450	<b>.000*</b>	.234	.206	<b>.000*</b>
7	4.355	.087	.124	<b>.036*</b>	-.065	-.093	<b>.115</b>	.157	.225	<b>.000*</b>	-.157	-.224	<b>.000*</b>
8	2.250	.048	.047	<b>.424</b>	-.266	-.259	<b>.000*</b>	.216	.210	<b>.000*</b>	.166	.162	<b>.006*</b>

Note. a. Dependent Variable: marketing strategy implemented

1. E-marketing; 2. Market Penetration; 3. Branding and Cost Reduction; 4. Interactive Marketing; 5. Customer Focus; 6. Pricing; 7. Product Differentiation; 8. Product Quality
- \* Significant

#### 4.8.2.1 Structure and Culture

In reference to results on Table 4.23, the independent factor Structure and Culture had a positive statistically significant influence on Market Penetration strategy ( $\beta = .227$ , sig.000), Branding and Cost Reduction strategy ( $\beta = .771$ , sig. 0.000), Interactive Marketing strategy ( $\beta = .151$ , sig. 0.015) and Product Differentiation strategy ( $\beta = .124$ , sig. 0.036). This factor had a positive influence which was not statistically significant

on E-marketing strategy ( $\beta = .051$ , sig. 0.411) and Product Quality ( $\beta = .047$ , sig. 0.424). However, this factor had a negative statistically insignificant influence on Customer Focus; ( $\beta = -.030$ , sig. 0.622) and Pricing ( $\beta = -.074$ , sig. 0.176).

This factor positively influenced Market Penetration; Branding and Cost Reduction; and Product Differentiation while negatively influenced Interactive Marketing. This implies that the structure and culture of an enterprise is an important factor to consider in the implementation of marketing strategies. As indicated by Li et al., (2008), culture influences the perception of the employees and this has impact on how they will handle the customers. As structures and culture gets formal and complicated, the enterprise loses the personal touch with the customers. On the contrary, they are able to penetrate the market more.

#### **4.8.2.2 Resources**

Resources had a positive statistically significant influence on Market Penetration ( $\beta = .182$ , sig.001) and Customer Focus ( $\beta = .268$ , sig. 0.000). However, there was a negative influence which was statistically significant on E-marketing ( $\beta = -.166$ , sig. 0.008) and Product Quality. ( $\beta = -.259$ , sig. 0.000). A positive statistically insignificant influence was on Pricing ( $\beta = .051$ , sig. 0.352) while there was a negative statistically insignificant influence on Branding and Cost Reduction ( $\beta = -.035$ , sig. 0.390), Interactive Marketing ( $\beta = -.005$ , sig. 0.939) and Product Differentiation ( $\beta = -.093$ , sig. 0.115).

Resources as an internal factor had negative influence on E-marketing and Product Quality. On the other hand it had positive influence on Market Penetration and Customer Focus. This implies that an entrepreneur will need to align the resources

available with the type of strategy being implemented in order to gain a competitive edge. An enterprise that is experiencing difficulties in resources will have a competitive advantage if they implemented market penetration and customer service strategies as opposed to E-marketing and product quality.

#### **4.8.2.3 Record Keeping and Financial Management**

Record Keeping and Financial Management had a positive influence which was statistically significant on Market Penetration ( $\beta = .332$ , sig. 0.000), Interactive Marketing ( $\beta = .141$ , sig. 0.023), Pricing ( $\beta = .450$ , sig. 0.000), Product Differentiation ( $\beta = .225$ , sig. 0.000) and Product Quality ( $\beta = .210$ , sig. 0.000). This factor also had a positive influence which was not statistically significant on E-marketing ( $\beta = .007$ , sig. 0.905) and Branding and Cost Reduction ( $\beta = .003$ , sig. 0.948). However, the influence on Customer Focus ( $\beta = -.097$ , sig. 0.111) was negative and not statistically significant.

From these findings, it emerges that Record Keeping and Financial Management have a positive influence on Market Penetration; Customer Focus; Pricing; Product Differentiation and Product Quality strategies. This means the success of these strategies rely much on how an enterprise is able to keep records and manage the finances.

#### **4.8.2.4 Flexibility of Implementation**

Flexibility of Implementation had a positive influence which was statistically significant on Pricing ( $\beta = .206$ , sig. 0.000) and Product Quality ( $\beta = .162$ , sig. 0.006). On Product Differentiation ( $\beta = -.224$ , sig. 0.000), the influence was negative but statistically significant. E-marketing ( $\beta = .026$ , sig. 0.676), Market Penetration ( $\beta =$

.109, sig. 0.054) and Customer Focus ( $\beta = .013$ , sig. 0.826) were influenced positively though this was found to be insignificant. The influence on Branding and Cost Reduction ( $\beta = -.017$ , sig. 0.671) and Interactive Marketing ( $\beta = -.055$ , sig. 0.378) was negative and statistically insignificant. Therefore, only two strategies (Pricing and Product Quality) were influenced positively in a significant way. This implies that Pricing and Product quality strategies are dependent on how flexible the enterprise is in the implementation of decisions.

#### **4.8.3 Summary on the Influence of the Internal Environmental Factors**

The internal environmental factors influencing the implementation of marketing strategies by the garment-making micro-enterprises were identified as Culture and Structure, Resources, Record Keeping and Financial Management, and Flexibility of Implementation.

All the marketing strategies were influenced by the internal environmental factors. This indicates that successful implementation of these strategies is dependent on these factors though the influence differs based on the type of strategy being implemented. Therefore, based on these results, the hypothesis that internal environmental do not significantly influence the implementation of the marketing strategies was rejected.

#### **4.9 Identification of External Environmental Factors**

Factor analysis was used to identify the factorial structure of 17 variables. Four variables (lack support by the government; economic situation low; many people in business hard to get good profits; and lack computers no Computer Aided Design) had loading less than 0.5 while two variables (affected by municipal council requirements; and slow to detect changes in terms of competition) singly loaded to

one factor. These six variables were excluded from further analysis. The remaining 11 variables yielded five factors, namely:

- a. Enabling Environment
- b. Market Turbulence
- c. Business Location
- d. Uncertainty of the Market
- e. Second-hand Clothes and Fashion Changes.

**Table 4.24: Rotated Component Analysis for External Environmental Factors**

External Environment variables	Component					Communality
	1	2	3	4	5	
<b>Enabling Environment</b>						
new designs need high technology	<b>.789</b>	-.028	.130	-.159	-.023	.666
my competitors are better than me	<b>.785</b>	.201	.208	.230	-.089	.761
politics a great deal	<b>.682</b>	-.079	-.300	.087	.177	.600
<b>Market Turbulence</b>						
not update with technology	.106	<b>.839</b>	-.104	-.025	-.136	.745
not able to cope with changing customer lifestyles'	-.092	<b>.796</b>	.138	.027	.233	.715
<b>Business Location</b>						
not easy to find good location	-.169	.089	<b>.772</b>	.224	.103	.693
our shop not easily accessible	.294	-.070	<b>.735</b>	-.186	.050	.669
<b>Uncertainty of the Market</b>						
market environment unpredictable	-.028	-.119	-.085	<b>.789</b>	.073	.650
others able to market their businesses better than me	.237	.390	.334	<b>.663</b>	.004	.759
<b>Second-hand Clothes and Fashion Changes</b>						
our business affected by second hand clothes	.096	.312	.089	-.162	<b>.763</b>	.724
fashion changes too fast	-.049	-.227	.060	.340	<b>.743</b>	.723
<b>Initial Eigenvalues (total)</b>	<b>2.284</b>	<b>1.1672</b>	<b>1.475</b>	<b>1.187</b>	<b>1.089</b>	
<b>Variance (%)</b>	<b>17.339</b>	<b>15.565</b>	<b>13.153</b>	<b>12.510</b>	<b>11.494</b>	
<b>Cumulative variance (%)</b>	<b>17.339</b>	<b>32.904</b>	<b>46.058</b>	<b>58.567</b>	<b>70.062</b>	
<b>Number of items (total = 11)</b>	<b>3</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	

*Note.* N of Cases = 256 Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization. Kaiser-Meyer-Olkin Measure of Sampling Adequacy= 0.565, Bartlett's Test of Sphericity:  $X^2= 473.367$ ,  $p = 0.000$ ,  $df= 55$ . Rotation converged in 6 iterations

The total variance explained by these factors was 70% meaning that the five external environmental factors have influence on the marketing efforts by the garment-making

micro-enterprises but there remains 30% unexplained variation that could be due to other factors that are not common to the enterprises (Table 4.24).

The first factor was named Enabling Environment. This accounted for 17% of the variance. Three variables loaded positively to this factor. These include new designs need high technology; my competitors are better than me; and politics influences our business a great deal. The factor loadings ranged between .682 and .789 with a mean of .752.

Market Turbulence was the second factor with two variables loading to it (not update with technology; and not able to cope with changing customer lifestyles'). It accounted for 16% of the variance with factor loadings of .796 and .839. The mean found to be was .818.

The third factor was named Business Location. It correlated positively with two variables (not easy to find good location; and my/our shop not easily accessible). This factor explained 13% of the variance with factor loadings of .735 and .772. The mean was .754.

The fourth factor was named Uncertainty of the Market. This correlated with two variables (market environment unpredictable and others able to market their businesses better than me). The variance accounted for by this variable was 13%. The factor loadings were .663 and .789 with a mean of .726.

Second-hand Clothes and Fashion Changes was the fifth factor and accounted for 12% of the variance. This factor correlated with two variables (our business affected

by second-hand clothes and fashion changes too fast). The factor loadings were .743 and .763 with a mean of .753.

#### **4.9.1 External Environment Factors Influencing the Implementation of Marketing Strategies**

This section provides results for the external environmental factors influencing the implementation of marketing strategies as well as their ranking based on the number of respondents that indicated there was some influence (Table 4.25).

**Table 4.25: Influence of External Environmental Factors on Marketing Strategies**

<b>External Environmental factors</b>	<b>Influencing</b>	<b>Not influencing</b>	<b>Ranking</b>
Second-hand Clothes and Fashion Changes	166 (65%)	90 (35%)	1
Business Location	139 (54%)	117 (46%)	2
Enabling Environment	134 (52%)	122 (48%)	3
Market Turbulence	129 (50%)	127 (50%)	4
Uncertainty of the Market	123 (8%)	133 (52%)	5

##### **4.9.1.1 Second-hand Clothes and Fashion Changes**

Second-hand Clothes and Fashion Changes were ranked first with majority (65%) of respondents indicating it influenced their marketing efforts while 90 (35%) indicated it did not influence. According to different researchers, the trade of secondhand clothes has adversely affected the production, trade and consumption of apparel in Kenya (Elung'ata, 2003; Fields, n.d & Kinyanjui, et al., 2002). Most of the respondents that participated in the interviews held the view that secondhand clothes had a negative impact on their businesses. One of the respondents had this to say: "Government should ban 'mitumba' so that we don't go lacking because people will

just come to buy from us". This implies that entrepreneurs have to aggressively market their products as well as offer products that are of high quality and at reasonable prices.

#### **4.9.1.2 Business Location**

One hundred and thirty nine (54%) respondents indicated that the Business Location influenced their marketing efforts while 117 (46%) indicated that it does not. This factor was ranked second. Poor location has great impact on the business since in-house displays and signs are not visible to consumers. Given that garment making enterprises have very similar product offerings, it becomes of paramount importance they be well located. Based on the interviews, most of the respondents acknowledged that finding a good location was a major issue due to the high rent and goodwill. For example, one of the interviewees indicated that though the premise was not accessible, it was cheaper compared to other places in town. Peter and Olson (2008), posit that store location has been used intensively in regression models as a determinant of retail performance. This implies that marketing success is partly pegged on the location of the business.

#### **4.9.1.3 Enabling Environment**

One hundred and thirty four (52%) mentioned Enabling Environment has having influence on their marketing activities while 122 (48%) indicated it did not (Table 4.23). This factor was ranked third as most influencing. Enabling Environment encompasses a set of interrelated factors such as politics, technology, administration, economic situation and stakeholders. Though micro-enterprises have been acknowledged as having a positive impact on economic development, not much effort has been put to facilitate the growth of garment making micro-enterprises. This

therefore means other “able” enterprises will be better than them and will not cope with new designs coming into the market due to low technology.

As observed from the interviews, the respondents viewed the government as irrelevant, useless, oppressive, unsupportive and exploitive. Due to past experiences of post-election violence, most interviewees had a negative opinion about the political environment. These results are consistent with Dinning’s (2010), observations that micro-enterprises in Kenya suffer from unfavourable institutional environment. There was also a feeling that the economy was not conducive for business operation. This was summarized by one respondent who indicated that: “The economy is always getting tougher and tougher. This means even the price of clothes is rising, never getting down”.

Based on the interview results, most of the enterprises indicated that they have at least one electric machine. Only one interviewee had a chain stitch machine for African embroidery and most of them did not have an over-lock machine. Over-lock stitching was mostly outsourced. This indicates that the garment making sector is characterized by low technology hence not able to have new designs which require high technology. This also results to high cost of production and un-competitiveness making others to be better than themselves. Politics also have played a major role in their marketing efforts. However this not only affects the micro enterprises but all enterprises in general.

#### **4.9.1.4 Market Turbulence**

Those who indicated Market Turbulence as an influencing factor were almost the same as those who did not (129 as influencing and 127 as not influencing). This factor

ranked fourth. Market Turbulence involves unexpected, rapid changes in the market environment caused by changes in the environment. According to Wilson and Wong (2003), it also refers to the rate at which demand and competitive products evolve within a market. This kind of scenario is generated by the heterogeneity of the consumer preferences, values and ideologies regarding fashion. Market Turbulence involves dynamic changes in customer profile and demands which consequently pose a challenge to garment making entrepreneurs causing them to keep updated on the new fashions in the market. This in turn influences their marketing efforts. This means that if the market environment is not stable, marketing decisions are greatly affected.

#### **4.9.1.5 Uncertainty of the Market**

Uncertainty of the market was ranked last as most influencing. Those who indicated it had some influence were 123 (48%) while those who said it did not influence were 133 (52%). According to Bowen et al. (2009); Li et al., (2008); and Wilson and Wong (2003), uncertainty in the market is paramount in relation to strategy implementation since how an enterprise responds to the environment greatly has an impact on the success of the implementation process. Uncertainty of the market also has influence on the entrepreneurs' perception of the market and consequential actions. When there is uncertainty, there is less likelihood that innovative and risky actions will be taken. Thus, though others may be seen to do better, there is no action taken to ensure that the enterprise outshine. This implies that most of the respondents are likely to engage in risky innovation marketing activities since they are not threatened by the market uncertainty.

#### 4.9.2 Testing of the Hypothesis on the Influence of External Environmental Factors

To test the hypothesis that external environmental factors do not influence the implementation of the marketing strategies, multiple regression analysis was used (Table 4.26). The R-square for Market Penetration was 0.294 and the p-value was .000. This means about 29 percent of the variation in the implementation of Market Penetration strategy could be explained by the external environmental factors and the influence was statistically significant (.000). Therefore, at  $\alpha=0.05$  level there is enough evidence to conclude that at least one of the external environmental factors influence the implementation of Market Penetration strategy.

**Table 4.26: Regression Model Summary for External Environmental Factors**

Marketing Strategy	R	R Square	Adjusted R Square	Std. Error of the Estimate	Sig.
Market Penetration	.542 <sup>a</sup>	.294	.280	.893	.000*
Pricing	.504 <sup>a</sup>	.254	.239	.992	.000*
Product Differentiation	.337 <sup>a</sup>	.114	.096	.665	.000*
Product Quality	.513 <sup>a</sup>	.263	.249	.889	.000*
Branding and Cost Reduction	.283 <sup>a</sup>	.080	.062	1.360	.001*
Interactive Marketing	.198 <sup>a</sup>	.039	.020	.440	.075
Customer Focus	.145 <sup>a</sup>	.021	.001	.631	.376
E-marketing	.119 <sup>a</sup>	.014	-.006	.445	.614

*Note.* a. Predictors: (Constant), FAC5ee REGR factor score FAC4ee REGR factor score, FAC3ee REGR factor score, FAC2ee REGR factor score, FAC1ee REGR factor score

\*Significant

The R-square for Pricing was 0.254 and the p-value was .000. This means 25 percent of the variation in the implementation of the Pricing strategy could be explained by the external environmental factors and the influence was statistically significant

(.000). Therefore, at  $\alpha=0.05$  level, there is evidence to conclude that at least one of the external environmental factors influences the implementation of Pricing strategy.

The R-square for Product Differentiation was 0.114 and the p-value was .000. This means only 11 percent of the variation in the implementation of Product Differentiation strategy could be explained by the external environmental factors with a statistically significant (.000) influence. Therefore, at  $\alpha=0.05$  level, there exists enough evidence to conclude that at least one of the external environmental factors influences the implementation of Product Differentiation strategy.

The R-square for Product Quality was 0.263 and the p-value was .000. This means 26 percent of the variation in the implementation of Product Quality strategy could be explained by the external environmental factors and the influence was statistically significant (.000). Therefore, at  $\alpha=0.05$  level, there exists enough evidence to conclude that at least one of the external environmental factors influences the implementation of Product Quality strategy.

The R-square for Branding and Cost Reduction was 0.080 and the p-value was .001. This means eight percent of the variation in the implementation of Branding and Cost Reduction strategy could be explained by the external environmental factors and the influence was statistically significant (.001). Thus, at  $\alpha=0.05$  level, there is prove to conclude that at least one of the external environmental factors influence the implementation of Branding and Cost Reduction strategy.

The R-square for Interactive Marketing was 0.039 and the p-value was .075. This means only 4 percent of the variation in the implementation of Interactive Marketing

strategy could be explained by the external environmental factors however, this influence was not statistically significant (.075). Therefore, at  $\alpha=0.05$  level there is indication that none of the external environmental factors influence the implementation of Interactive Marketing strategy.

The R-square for Customer Focus was 0.021 and the p-value was .376. This means only two percent of the variation in the implementation of Customer Focus strategy could be explained by the external environmental factors and the influence was not statistically significant (.376). Therefore, at  $\alpha=0.05$  level, there exists enough evidence to conclude that none of the external environmental factors influence the implementation of Customer Focus strategy.

The R-square for E-marketing was 0.014. This means only 1 percent of the variation in the implementation of E-marketing strategy could be explained by the external environmental factors though the influence was not statistically significant (p-value = .614). This means that at 0.05 level, there exists evidence to conclude that at none of the external environmental factors influence the implementation of E-marketing strategy.

Therefore, it can be concluded that the external environmental factors have some significant influence on the marketing strategies implemented except for Interactive marketing, E-marketing and Customer Focus. To identify the specific target market factors and the magnitude of their influence on the implementation of the remaining five marketing strategies (found to be influenced by at least one of the target market factors), further analysis was conducted. The Beta ( $\beta$ ) weighting for the four independent factors and the five marketing strategies is given in Table 4.27.

**Table 4.27: The Beta Coefficients in Regression Analysis for External Environmental**

		E-marketing	Market Penetration	Branding and Cost Reduction	Interactive Marketing	Customer Focus	Pricing	Product Differentiation	Product Quality
	Constant	1.105	3.852	3.254	4.828	4.473	2.656	4.355	2.250
Enabling Environment	B	.002	.481	.027	.071	-.021	.471	-.005	.245
	Beta	.004	.457	.019	.160	-.033	.415	-.007	.239
	Sig. <sup>a</sup>	<b>.951</b>	<b>.000*</b>	<b>.755</b>	<b>.010*</b>	<b>.597</b>	<b>.000*</b>	<b>.910</b>	<b>.000*</b>
Market Turbulence	B	-.035	-.280	-.326	-.009	-.007	.161	.028	-.229
	Beta	-.079	-.266	-.232	-.020	-.011	.141	.040	-.224
	Sig. <sup>a</sup>	<b>.207</b>	<b>.000*</b>	<b>.000*</b>	<b>.753</b>	<b>.862</b>	<b>.010*</b>	<b>.507</b>	<b>.000*</b>
Business Location	B	.010	.119	.091	-.015	.055	.058	.045	-.365
	Beta	.023	.113	.065	-.033	.087	.051	.064	-.536
	Sig. <sup>a</sup>	<b>.714</b>	<b>.034*</b>	<b>.287</b>	<b>.596</b>	<b>.164</b>	<b>.351</b>	<b>.285</b>	<b>.000*</b>
Uncertainty of the Market	B	-.036	.031	-.195	.044	-.005	-.276	.203	.136
	Beta	-.082	.029	-.139	.099	-.008	-.242	.290	.133
	Sig. <sup>a</sup>	<b>.192</b>	<b>.582</b>	<b>.023*</b>	<b>.112</b>	<b>.900</b>	<b>.000*</b>	<b>.000*</b>	<b>.015*</b>
Second-hand Clothes and Fashion Changes	B	-.010	.023	.070	-.021	.069	.027	.109	-.110
	Beta	-.022	.022	.050	-.047	.110	.024	.155	-.108
	Sig. <sup>a</sup>	<b>.731</b>	<b>.683</b>	<b>.411</b>	<b>.451</b>	<b>.080</b>	<b>.662</b>	<b>.010*</b>	<b>.048*</b>

Note. a. Dependent Variable: marketing strategies implemented  
\*Significant

#### 4.9.2.1 Enabling Environment

The Enabling Environment had a positive statistically significant influence on Market Penetration strategy ( $\beta = .457$ , sig. 0.000), Interactive Marketing strategy ( $\beta = .160$ , sig. 0.010), Pricing strategy ( $\beta = .415$ , sig. 0.000) and Product Quality strategy ( $\beta = .239$ , sig. 0.000). There was a positive influence on E-marketing strategy ( $\beta = .004$ , sig. 0.951); and Branding and Cost Reduction strategy ( $\beta = .019$ , sig. 0.755) which was not statistically significant. However, there was negative statistically insignificant influence on Customer Focus strategy ( $\beta = -.033$ , sig. 0.597) and Product Differentiation strategy ( $\beta = -.007$ , sig. 0.910)

From these findings it can be concluded that, Enabling Environment positively influenced the implementation of Market Penetration, Interactive Market, Pricing and

Product Quality. This implies that these strategies are appropriate to implement if the entrepreneur views the environment as appropriate or conducive.

#### **4.9.2.2 Market Turbulence**

The independent factor Market Turbulence had a positive statistically significant influence on Pricing ( $\beta = .141$ , sig. 0.010) while there was a negative influence on Market Penetration ( $\beta = -.266$ , sig. 0.000), Branding and Cost Reduction ( $\beta = -.232$ , sig. 0.000) and Product Quality ( $\beta = -.224$ , sig. 0.000) which was statistically significant. However, Product Differentiation ( $\beta = .040$ , sig. 0.507) was positive but not statistically significant while on E-marketing ( $\beta = -.079$ , sig. 0.207), Interactive Marketing ( $\beta = -.020$ , sig. 0.753) and Customer Focus ( $\beta = -.011$ , sig. 0.862) the influence was negative and statistically insignificant.

Based on these findings, Market Turbulence negatively influenced the implementation of Market Penetration; Branding and Cost Reduction; and Product Quality. This means a garment making entrepreneur adopting these strategies need to be keen and be updated on the rapid changes in the market environment failure to which the implementation of these strategies will not be effective. On the other hand, this factor had a positive influence on the Pricing strategy meaning that it can be an option in a turbulence environment. This implies that this strategy is appropriate in a market environment that is dynamic since the garment making entrepreneur is able to adjust the prices based on the current market prices.

#### **4.9.2.3 Business Location**

Business Location had a positive influence which was statistically significant on Market Penetration ( $\beta = .113$ , sig. 0.034) while that on Product Quality ( $\beta = -.536$ , sig.

0.000) was statistically significant but negative. There was a positive statistically insignificant influence on E-marketing ( $\beta = .023$ , sig. 0.714), Branding and Cost Reduction ( $\beta = .065$ , sig. 0.287), Customer Focus ( $\beta = .087$ , sig. 0.164), Pricing ( $\beta = .051$ , sig. 0.351) and Product Differentiation ( $\beta = .064$ , sig. 0.285). However, there was a negative statistically insignificant influence on Interactive Marketing ( $\beta = -.033$ , sig. 0.596).

From these findings it can be concluded that, Business Location positively influenced the implementation of Market Penetration. This indicates that this strategy is appropriate even if the garment-making enterprise is not located in a strategic place. This means the entrepreneur needs to endeavor in looking for new ways to market their products as well as get new customers. On the other hand, this factor had negative influence on Product Quality implying that garment making enterprises that are not well-located due to high rent are also not able to focus on quality. It also implies that they do not receive many customers translating to low returns hence are keen on prices and compromise on quality. Therefore, for a business that is not well located, market penetration strategy will be the best option.

#### **4.9.2.4 Uncertainty of the Market**

This factor had a positive and statistically significant influence was on Product Differentiation ( $\beta = .290$ , sig. 0.000) and Product Quality ( $\beta = .133$ , sig. 0.015). There was a negative and statistically significant influence on Branding and Cost Reduction ( $\beta = -.139$ , sig. 0.023) and Pricing ( $\beta = -.242$ , sig. 0.000). The influence on Market Penetration ( $\beta = .029$ , sig. 0.582) and Interactive Marketing ( $\beta = .099$ , sig. 0.112) was positive but statistically insignificant while on E-marketing ( $\beta = -.082$ , sig. 0.192) and

Customer Focus ( $\beta = -.008$ , sig. 0.900) it was negative influence which was not statistically significant

From these findings it can be concluded that, Uncertainty of the Market positively influenced the implementation of Product Differentiation and Product Quality. This indicates that these strategies can be adapted when the market environment is unpredictable because it provides the garment-making entrepreneurs with a platform of coming up with new unique designs and will focus on product attributes that will offer them a competitive edge. However, this factor had a negative influence on Branding and Cost Reduction strategy; and Pricing. This implies that these strategies are not appropriate if the garment-making entrepreneur views the market as uncertain. This is because such an entrepreneur would not be willing to invest in new machines or even adjust their prices since he/she is not able to predict the market

#### **4.9.2.5 Second-hand Clothes and Fashion Changes**

Second-hand Clothes and Fashion Changes had a positive statistically significant influence on Branding and Cost Reduction ( $\beta = .050$ , Sig. 0.411) and Product Differentiation ( $\beta = .155$ , sig. 0.010). There was negative and statistically significant influence on Product Quality ( $\beta = -.108$ , sig. 0.048) while the influence on E-marketing ( $\beta = -.022$ , sig. 0.731) and Interactive Marketing ( $\beta = -.047$ , sig. 0.451) was negative and not statistically significant. This factor also had a positive influence on Market Penetration ( $\beta = .022$ , sig. 0.683), Pricing ( $\beta = .024$ , sig. 0.662) and Customer Focus ( $\beta = .110$ , sig. 0.080) which was not statistically significant.

From these findings it can be concluded that, Second-hand Clothes and Fashion Changes had positive influence on the implementation of Product Differentiation.

This implies that the second hand clothes poses competition forcing the entrepreneur to be keen on new designs as well as strive to have unique designs all the time. Moreover, a market situation characterized by fashion changes offers the entrepreneur an opportunity to constantly produce new designs which gives him/her a competitive advantage since the fashion conscious consumer is keen on new designs getting to the market. On the other hand, this factor adversely influenced Product Quality strategy since they are lowly priced and yet they are said to be of better quality than locally made clothes (Elung'ata, 2003).

#### **4.9.3 Summary on the Influence of the External Environmental Factors**

The external environmental factors found to influence the implementation of marketing strategies by the garment-making micro-enterprises were Enabling Environment; Market Turbulence; Business Location; Uncertainty of the Market; and Second-hand Clothes and Fashion Changes.

The marketing strategies that were influenced by external environment factors are Market Penetration, Branding and Cost Reduction, Interactive Marketing, Pricing, Product Differentiation and Product Quality. However, E-marketing and Customer Focus were not influenced significantly. Therefore, based on these results, the hypothesis that external environmental factors do not significantly influence the implementation of the marketing strategies was partly rejected and partly adopted because not all strategies are influenced by the external environmental factors. This implies that garment making entrepreneurs will need to scan the external environment so as to implement only those strategies that are enabled by such an environment.

## CHAPTER FIVE

### SUMMARY, CONCLUSION AND RECOMMENDATIONS

#### 5.0 Introduction

This chapter presents the summary of the findings based on the demographic characteristics, marketing strategies, factors influencing the implementation of marketing strategies by garment-making micro-enterprises. It also presents the conclusions as well as recommendations with regard to policy matters and further research.

Based on the literature reviewed, it was clear that marketing in garment-making micro-enterprises had not been given much attention. As identified by Simpson et al., (2005) the effectiveness of the marketing strategies is attributed to the circumstances under which it is implemented. However, it also emerged that marketing strategies in micro enterprises are fundamentally different from the marketing practices in large firms. Therefore, there is need to identify the marketing strategies that are implemented by the garment-making micro-enterprises. Though Zarvnik and Mumel (2007), Gakure (2006), and Ngoze (2006), saw marketing as a major problem for micro-entrepreneurs, no research had focused on the factors that influence the implementation of the marketing strategies. This research endeavored to determine the factors that influence the implementation of the marketing strategies hence contributing to the body of knowledge regarding these factors.

The study sought to identify the marketing strategies implemented by the garment-making micro-enterprises as well as to determine the factors influencing their implementation in Nakuru town, Kenya. The objectives were to establish the various

marketing strategies undertaken by garment making micro enterprises; and determine the target market factors, entrepreneurial orientation factors and the environmental factors (external and internal) that influence the implementation of the marketing strategies by garment-making micro-enterprises in Nakuru town.

The research design adopted was ex-post facto. The data was collected using a questionnaire and an interview guide, analyzed and results presented based on the study objectives and hypothesis. The hypothesis on various strategies was tested using chi-square while the other four were tested using multiple regression analysis. The results for multiple regression included the R square (0.xxx), ANOVA ( $p < 0.xxx$ ) and the standardized  $\beta$  coefficient of each component variable. The following section gives a summary of the results.

## **5.1 Summary of the Findings**

This section gives a summary of the findings on demographic characteristics of the garment making micro-enterprises, the various marketing strategies used, the target marketing factors, entrepreneurial orientation and the environmental (internal and external) factors that influence the implementation of the strategies.

### **5.1.1 The Demographic Characteristics**

This study has revealed that out of a sample of 256 respondents, 48% were male while 52% were female entrepreneurs. The mean age of the enterprise owners was 38 years, with majority falling between 26 and 40 years. Majority of the respondents had up to primary school education and no specialization. Majority also indicated as having employees with most of the entrepreneurs preferring to employ men only. Thirty three

percent of the enterprises were established between 1996 and 2000. Based on the findings, majority of the enterprises operated from a building while others had their businesses along the shop verandahs. About half of the enterprises (51%) specialized in ladies wear only with a very negligible number specializing in children and school uniform.

What strikes out from the demographic characteristics is that most entrepreneurs have very little education and have not specialized in garment making. This implies that there is need for training these entrepreneurs especially in the area of marketing and book keeping.

### **5.1.2 Marketing Strategies Used by Garment-Making Micro-Enterprises in Nakuru Town**

The study indentified eight strategies namely; E-marketing; Market Penetration; Brand Identity and Cost Reduction; Customer Focus; Interactive Marketing; Pricing; Product Differentiation; and Product Quality. The most widely used strategy was Interactive marketing while the least implemented strategy was E-marketing. The results also indicate that there was variation in the distribution of six strategies whose P-values were less than 0.05 and chi-square values more than the critical value (3.84 at 0.05 confidence level and 1 df). These are E-marketing; Market Penetration; Brand Identity and Cost Reduction; Customer Focus; Interactive Marketing; and Product Quality. However, in Pricing and Product Differentiation, there is no variation in their distribution.

The hypothesis that there was no variation in the distribution of the marketing strategies was partly rejected for six strategies and partly adopted for two strategies.

Based on this study, it is very clear that entrepreneurs in garment-making micro-enterprises have not embraced the use of E-marketing and rely mostly on interactive marketing. This implies that they are lagging behind in terms of technological advancement.

### **5.1.3 The Target Market Characteristics that Influence the Implementation of the Marketing Strategies**

Factor analysis identified four characteristics, namely; Psychographics; Benefits Sought; Demographic; and Purchase Behavior. The results indicate that Psychographics had positive significant influence on the implementation of Market Penetration and Customer Focus while it had a negative significant influence on Product Differentiation. Benefits Sought had a positive significant influence on Market Penetration; Branding and Cost reduction; Customer Focus; Product differentiation; and Product Quality while the influence on Pricing was negative. Demographic Characteristics significantly influenced Customer Focus positively while on E-marketing, Product Differentiation and Product Quality the influence was negative. Purchase Behaviour demographics significantly influenced Market Penetration; and Pricing in a positive manner while negatively on Product Differentiation.

The hypothesis that target market characteristics did not significantly influence the implementation of marketing strategies by garment-making micro-enterprises was partly rejected and partly adopted since not all the characteristics identified have an influence. Interactive Marketing was the only strategy that was not influenced by any of the target market factors identified. This strategy deals with the customers directly

yet there were no target market factors that had a significant influence on its implementation. This implies that there could be other factors that will have significant influence and entrepreneurs need not focus much attention on the target market characteristics.

#### **5.1.4 The Entrepreneurial Orientation Factors Influencing the Implementation of the Marketing Strategies**

Factor analysis identified four factors namely Autonomy, Risk-taking, Innovativeness and Pro-activeness. The results indicate that Autonomy positively influenced Market Penetration; Branding and Cost Reduction; Interactive Marketing; Product Differentiation; and Product Quality. However, this factor had a negative significant influence on Customer Focus. Risk-taking significantly influenced E-marketing; Market Penetration; Branding and Cost Reduction; Pricing; and Product Differentiation in a positive way while the influence was negative on Product Quality. Marketing strategies that were positively influenced by Innovativeness were Market Penetration; Branding and Cost Reduction; Interactive Marketing; Customer Focus; Product Differentiation; and Product Quality. Pro-activeness as a factor influenced E-marketing; Market Penetration; Interactive Marketing; Pricing; and Product Quality negatively in a significant way. However, this factor had a positive significant influence on two strategies (Branding and Cost Reduction; and Customer Focus).

The hypothesis that entrepreneurial orientation did not significantly influence the implementation of marketing strategies by garment-making micro-enterprises was rejected and concludes that there is significant influence. Innovativeness was the only entrepreneurial orientation factor that had a positive significant influence on the

marketing strategies implemented. However, pro-activeness had a negative significant influence on most (5 out of 8) of the strategies. This implies that with the identified strategies, an entrepreneur in garment making need to be more innovative as opposed to being proactive. Therefore, innovativeness is very vital in the implementation of the marketing strategies.

### **5.1.5 Internal Environmental Factors that Influence the Implementation of Marketing Strategies.**

Five internal environmental factors identified through Factor analysis include Culture and Structure; Resources; Record Keeping and Financial Management; and Flexibility of Implementation. The results indicate that Culture and Structure had positive significant influence on Market Penetration; Branding and Cost Reduction; Interactive Marketing; and Product Differentiation. Resources had significant negative influence on E-marketing; Focus; and Product Quality while the influence was positive on Market Penetration; and Customer Focus. Record Keeping and Financial Management had positive significant influence on Market Penetration; Interactive Marketing; Pricing; Product Differentiation; and Product Quality. Flexibility of Implementation had positive significant influence on Market Penetration; Pricing; and Product Quality while the influence was negative on Product Differentiation.

All the eight marketing strategies were influenced by the internal environmental factors. However, Structure and Culture; and Record Keeping and Financial Management were the only factors that had a positive significant influence on the implementation of the marketing strategies. This implies that micro-enterprises need

to focus on how records are kept, finances are managed, communication is done and the enterprise is structured in order to effectively implement the marketing strategies. The hypothesis that internal environment did not significantly influence the implementation of marketing strategies by garment-making micro-enterprises was rejected and concludes that there is significant influence.

### **5.1.6 External Environmental Factors that Influence the Implementation of Marketing Strategies**

Factor analysis identified five external environmental factors, namely; Enabling Environment; Market Turbulence; Business Location; Uncertainty of Market; Second-hand Clothes and Fashion Changes. The results indicate that Enabling Environment had positive significant influence on Market Penetration; Interactive Marketing; Pricing; and Product Quality. Market turbulence significantly influenced Market Penetration; Branding and Cost Reduction; and Product Quality negatively while the influence was positive on Pricing Strategy only. Market Penetration was positively influenced by Business Location while Product Quality was influenced negatively. Uncertainty of the Market had negative influence on Branding and Cost Reduction; and Pricing while the influence on Product Differentiation and Product Quality was positive. Second-hand Clothing and Fashion Changes significantly influenced Customer Focus and Product Differentiation positively while the influence on Product Quality was negative.

Only two strategies were not influenced by external environmental factors. These are E-marketing and Customer focus while Enabling Environment factor significantly influenced the most number of factors. This indicates that garment-making entrepreneurs will need to be keen on the new technology, competitors and the

political situation in order to effectively implement the marketing strategies. It also implies that implementation of E-marketing and Customer Focus strategies would be a better option since these are not influenced by the external environment. The hypothesis that external environmental factors do not significantly influence the implementation of the marketing strategies was partly rejected and partly adopted because not all strategies are influenced by the external environmental factors.

## **5.2 Conclusions**

Based on the findings of this study, the following conclusions were made:

- a. Most entrepreneurs who engage in garment making business are women, semi- illiterate, of middle age and specialize on making ladies wear.
- b. There are various strategies that micro-enterprises can embrace as they try to market their products. Interactive Marketing is the most implemented while E-marketing is the least implemented.
- c. Target market factors have significant influence on the implementation of various marketing strategies either positively or negatively depending on the type of strategy being implemented.
- d. Entrepreneurial Orientation also influence the marketing strategies either positively or negatively based on the type of strategy being implemented.
- e. Internal environmental factors (Culture and Structure; Record Keeping and Financial Management; Resources; and Flexibility of Implementation) play a role in implementation of marketing strategies and enterprises.
- f. Marketing actions in garment-making micro-enterprises are also affected by external environmental factors.

### 5.3 Recommendations on Policy Issues

Based on the findings, the following recommendations are made:

- i. There is need for the learning institutions to design short courses in entrepreneurship education, on technical, managerial and marketing skills. This will not only improve the marketing skills of the entrepreneurs in garment-making but will also improve record keeping and financial management practices.
- ii. There is need for the government through the Ministry of Education to restructure the education system to include entrepreneurship education at all levels within the education system
- iii. The government of Kenya also needs to take affirmative action to promote micro enterprises in garment making and facilitate them to participate in trade fairs and exhibitions. There is also need to set up an organization that can facilitate the marketing as well as identify the factors that will positively have an influence on the marketing strategies since KAM and EPC setups to promote business are not attractive to garment-making micro-enterprises.
- iv. There is also need for the entrepreneurs to form social business clubs or business support groups that can pool resources and conduct joint marketing campaigns to reduce marketing expenses.
- v. Entrepreneurs in garment making micro enterprises need to create linkages and sub-contracting with large firms.
- vi. Need to be assisted by the government to access the markets. A system where the entrepreneurs can be cushioned against fraud, lack sale agreements – that can be used to sue the defaulters. There is also need to regulate not only the second-hand clothing but also the importation of new ready-made clothes.

#### **5.4 Recommendations for Further Research**

- a. Investigate the most effective strategy/strategies to use in garment-making micro-enterprises highlighting those that are important and relate them to business performance/growth.
- b. Determine the factors influencing the implementation of marketing strategies based on control variables such as type of clothing being made, gender of the business owner, education level and business location need to be investigated since these are also compounding factors.
- c. Replicate this study to other major towns such as Kisumu, Mombasa, Nairobi, Eldoret and Nyeri and make comparison.
- d. Determine how the garment-making micro-enterprises attempt to cope with the factors that have a negative influence on their marketing efforts.

## REFERENCES

- Ahmed, P. K., & Rafiq, M. (1995). The role of internal marketing on implementation of strategies. *Journal of marketing practice: Applied Marketing Sciences*. 1 (4), 32-51. Retrieved October 6, 2008, from <http://www.emeraldinsight.com/insight/viewcontentServlet?filename=publshed/EmeraldFullText/Articles/1550010402.html>
- Atieno, R. (2009). *Institutional Arrangements and the Performance of Micro and Small-Scale Clothing Enterprises in Kenya*. Retrieved July 17, 2010 from <http://www.csae.ox.ac.uk/conferences/2009-EDiA/papers/305-Atieno.pdf>
- Azevedo, A. & Farhangmehr, M. (2005). Clothing branding strategies: Influence of brand personality on advertising response. *Journal of textile and Apparel, Technology and Management*. 4 (3) 1-13.
- Bharradwaj, S., Clark, T., & Kulviwat, S. (2005). Marketing, Market growth and Endogenous growth theory: An inquiry into the case of market growth. *Journal of the academy of marketing science*. 33 (3) 347-359.
- Björk, P., Lindquist, L. J., Poukkula, K., Ravald, A., West, B., & Ahman (2004). *A theory of marketing-in-use in micro firms - preliminary findings*. Finland. Retrieved December 15, 2007, from [http://web.bi.no/forskning/lncsb2004.nst76ef4dJ\\$FILE/Bj%C3%B6rk&al.pdf](http://web.bi.no/forskning/lncsb2004.nst76ef4dJ$FILE/Bj%C3%B6rk&al.pdf)
- Bowen, M., Morara, M., & Mureithi, S. (2009). Management of business challenges among small and micro enterprises in Nairobi-Kenya. *KCA Journal of Business Management* 2 (1) 16-31.
- Brennan, R., Baines, P., & Grneau, P. (2003). *Contemporary Strategic Marketing*. New York: Paigrave Macmillan.
- Bureau of African Affairs. (2008), *Background note: Kenya* Retrieved July 15, 2008, from <http://www.state.gov>
- Byrom, J. W., & Pioch, E. (2002). *Owner-manager autocracy and staff autonomy: Investigating marketing decision-making in the entrepreneurial small firm using a grounded theory approach*. Retrieved July 15, 2008, from [http://smib.vuw.ac.nz:8081/WWW/ANZMAC2002/papers/pdfs/p030\\_byrom.pdf](http://smib.vuw.ac.nz:8081/WWW/ANZMAC2002/papers/pdfs/p030_byrom.pdf)
- Cohen, L., Manion, L., & Morrison, K. (2007). *Research methods in education*. New York, Routledge: Taylor & Francis grp,
- Cohen, W. A. (1983). *The Practice of Marketing Management: Analysis, planning and implementation*. New York: Macmillan publishing company.
- Dinning, R. (2010). *Micro Enterprise in Kenya*. Retrieved July 17, 2010, from <http://www.slideshare.net/fhk/micro-enterprise-in-kenya>

- DiStefano, C., Zhu, M., & Mîndrilă, D. (2009). Understanding and Using Factor Scores: Considerations for the Applied Researcher. *Practical Assessment, Research & Evaluation*. 14 (20). Retrieved January 20, 2010, from <http://pareonline.net/pdf/v14n20.pdf>
- El-Gohary, H. (2007). *The effect of E-marketing on the marketing performance of Small Business Enterprise: A comparative study between Egypt and the UK* Retrieved March 4, 2009, from <http://www.bradford.ac.uk/hub/studentnews/emarketing.doc> 4/3/09
- Elung'ata, B. (2003). *Factors influencing the business viability of local apparel traders within a liberalized market. A case of Nairobi, Kenya*. Unpublished manuscript, MSc TCD, Kenyatta University.
- Eriksson, J. (2006). *Resources and Entrepreneurial Orientation: Empirical findings from the software industry of Sri Lanka* Retrieved May 25, 2008, from [http://www.divaportal.org/diva/getDocument?urn\\_nbn\\_se\\_hj\\_diva-786-1\\_fulltext.pdf](http://www.divaportal.org/diva/getDocument?urn_nbn_se_hj_diva-786-1_fulltext.pdf).
- Ferreira, J., & Azevedo, S. G. (2007). *Entrepreneurial Orientation as a main Resource and Capacity on small firms' growth*. Retrieved July 22, 2008, from <http://204.19.44.91/FondationEntrepreneurial%20orientation.pdf>.
- Ferreira, J. & Azevedo, S. O. (2008). Entrepreneurial Orientation (EO) and growth of firms: Key lessons for managers and business professionals. *Problems and perspectives in Management*, 2 (1), 81-87. Retrieved May 12, 2008, from <http://www.businessperspectives.org>
- Fields, S. (n.d). *The beneficial nature of the second hand clothing trade in Sub-Saharan Africa*. Retrieved July 19, 2010, from <http://www.lmb.co.uk/downloads/TextilesInAfrica.pdf>
- Fifield, P. (1992). *Marketing Strategy*. New Delhi: Butterworth Heimann.
- Friel, C. M. (n.d). *Factor Analysis*. Retrieved April 14, 2010, from [www.shsu.edu/~icc\\_cmf/cj\\_742/stats9.doc](http://www.shsu.edu/~icc_cmf/cj_742/stats9.doc)
- Foss, N. J., & Klein, P. G. (2004). *Entrepreneurship and the economic gain of the firm: Any gains from trade?* Retrieved December 14, 2007, from [www.mises.org](http://www.mises.org)
- Foss, N. J., Klein, P. G., Kor, Y. Y. & Mahoney, J. T. (2006). *Entrepreneurship, Subjectivism, and the Resource-Based View: Towards a new Synthesis*. Retrieved September 12, 2010 from [http://www.business.uiuc.edu/Working\\_Papers/papers/06-0121.pdf](http://www.business.uiuc.edu/Working_Papers/papers/06-0121.pdf)
- Fraenkel, J. R., & Wallen, N. E. (2009). *How to design and evaluate research in education* (Seventh Edition). New York: McGraw-Hill.
- Gakure, R. W. (2006). *Factors affecting growth of small and medium hand craft enterprises in Nairobi, Kenya*. Paper presented during the 3<sup>rd</sup> International Entrepreneurship conference held at USIU 29<sup>th</sup> to 30<sup>th</sup> May 2006.

- Gakuru, W. (2007). *Kenya Vision 2030: Transforming National Development*. Retrieved January 12, 2011 from <http://nairobi.iom.int/CountryInformation/Kenya/Vision2030-Kenya.pdf>
- Gray, K. R. (2006). *Entrepreneurship and small business management in Africa: Prospects for future development*. Paper presented during the 3<sup>rd</sup> International Entrepreneurship Conference held in USIU 29<sup>th</sup> to 30<sup>th</sup> May, 2006.
- Gupta, S. P. (2004). *Statistical Methods*. New Delhi: Sultan Chad & Sons Educational publishers.
- Gwin, C. F. (2009). *The Impact of Trust and Brand Relationship Quality on Perceived Value and Loyalty in a Consumer Goods Environment*. Retrieved April 14, 2010, from <http://www.swdsi.org/swdsi2009/Papers/9N01.pdf>
- Herbust, F., & Burger, C. (2002). Attributes used by young consumers when assessing a fashion product: a conjoint analysis approach. *Journal of Family Ecology and Consumer Sciences*, 30, 40 - 45
- Hills, I. E., & Hultman, C. M. (2006). Entrepreneurial marketing. in Stefan Lagrosen & Goran Svensson (eds), *Marketing — Broadening the Horizons* (pp. 219-223). Retrieved November 11, 2007, from [http://www.kmu.unisg.ch/rencontres/RENC2006/Topics06/C/Rencontres2006Hultman\\_Hills.pdf](http://www.kmu.unisg.ch/rencontres/RENC2006/Topics06/C/Rencontres2006Hultman_Hills.pdf)
- Hisrich, R. D., & Peters M. P. (2002), *Entrepreneurship*. (5th edition) New Delhi: Tata McGraw-Hill publishing company.
- Holt, D. H. (2004). *Entrepreneurship: New venture creation*. New Delhi: Prentice Hall
- Ikiara, M. M., & Ndirangu, L. K. (2002). *Developing a revival strategy for the Kenyan cotton-textile industry: A value chain Approach* Kenya Institute for Public Policy Research and Analysis (KIPRRA). Unpublished manuscript.
- Ir.Samanta-Rounti, (2007). *The differentiation on decision making process between you men and women into consumer goods*. Paper presented during the POMS 18 Conference, Dallas, Texas, U.S.A May 4, to May 7, 2007. Retrieved June 5, 2008, from [http://www.porns.org/conferences/poms2007/CDProgram/Topics/fulljength\\_papers\\_files/007-0067.pdf](http://www.porns.org/conferences/poms2007/CDProgram/Topics/fulljength_papers_files/007-0067.pdf)
- KAM (2005/2006) *Kenya Association of Manufacturers members' directory*.
- Kinley, T. R. (2010). Fit and shopping preferences by clothing benefits sought. *Journal of Fashion Marketing and Management*. Volume 14, No. 3, Pp 397-411. Retrieved October 19, 2010, from [www.emeraldinsight.com/10.1108/13612021011061852](http://www.emeraldinsight.com/10.1108/13612021011061852)

- Kinyanjui, M., Ligulu, P., & McCormick, D. (2002). *The clothing and footwear industries in Kenya*. Institute for Development Studies. University of Nairobi. Unpublished manuscript.
- Kinyanjui, M., & McCormick, D. (2002). *E-commerce in the garment industry in Kenya: Usage, obstacles and policies*. Retrieved June 12, 2008, from <http://www.ids.ac.uk/Userfiles/file/globalisation.teamfB2Bkenyagarmentsfinal>
- Kotler, P., & Armstrong, O. (1994). *Principles of Marketing*. New Delhi: Prentice-Hall of India.
- Krueger, N. F. (2005). *Identifying growth opportunities: Testing a personal 'Entrepreneurial Orientation'*. Retrieved June 16, 2008, from <http://www.sbaer.uca.edu/researchlusasbe/2005/pdffiles/papers/36.pdf>
- Kruger, M. E. (2004). *Entrepreneurship theory and creativity*. Retrieved January, 2008, from [www.upetd.up.ac.za](http://www.upetd.up.ac.za)
- Lambin, J. J. (2000). *Market-Driven Management: Strategic and Operational Marketing*. New York: Paigrave Macmillan.
- Lewa, P. M., (2003). *Strategic practices in Kenya 's small and Micro enterprises*. Paper presented during the 1<sup>st</sup> International Entrepreneurship conference held at USIU 15th to 25th April, 2003.
- Li, Y., Guohui, S., & Eppler, M. J. (2008). *Making Strategy Work: A Literature Review on the Factors influencing Strategy Implementation*. ICA Working Paper 2/2008. Retrieved May 14, 2010, from <http://www.knowledge-communication.org/pdf/making-strategy-work.pdf>
- Malinowska-Olszowy, M. (2005). Brand strategy in the clothing and textile market. *Fibres and Textiles in Eastern Europe*. January/March 2005n, 13 (49) 8-17 Retrieved May 15, 2008, from <http://www.fibtex.lodz.pl/>
- Mangieri, T. (2006). *African Cloth, Export Production, and Secondhand Clothing in Kenya*. Retrieved November 22, 2009, from <http://www.cgdc.duke.edu/pdfs/workshop/Kenya%20cloth%20&%20clothing.pdf>
- Maplandia.com, (n.d). *Nakuru Map- Satellite Images of Nakuru*. Retrieved June 3, 2011, from <http://www.maplandia.com/kenya/rift-valley/nakuru/>
- Marques, A., Lisboa, J., Zimmerer, T. W., & Yasin, M. M. (2000). The effectiveness of strategies employed by dominant firms in the Portuguese crystal glass industry: a empirical investigation. *European Business Review*. 12 (1), 34-40. Retrieved October 06, 2008, from [ttp://emeraldinsight.com/insightlviewPDF.jsp](http://emeraldinsight.com/insightlviewPDF.jsp)
- Mbithi, M., & Mainga, J. (2006). *Doing business in Kenya, procedures and regulations, opportunities, sources of finance and incentives. A handbook for local investors*. Retrieved August 28, 2007, from [www.ke.undp.org](http://www.ke.undp.org)

- McCormick, D. (2008). *Micro and Small enterprises in Africa: Characteristics and contribution to development*. Retrieved June 23, 2010, from [www.tips.org.za/files/.../Micro\\_and\\_Small\\_Enterprises.TIPS\\_SA.ppt](http://www.tips.org.za/files/.../Micro_and_Small_Enterprises.TIPS_SA.ppt)
- Mulu-Mutuku, M., Namusonge, G. S., & Odhuno, A. (2004). *Effects of Training on Manufacturing Micro-enterprises' Growth in Nakuru, Kenya*. Paper presented during the 2nd International Entrepreneurship conference held at USIU 12<sup>th</sup> to 14<sup>th</sup> May 2004.
- Mugenda, D., & Mugenda, A. (1999). *Quantitative and Qualitative Approaches: Research Methods*. Kenya Act Press.
- Ngoze, M. L. (2006). *Barriers inhibiting growth of small enterprises in Kenya*. Paper presented in the Second Annual 2006 San Francisco-Silicon Valley Global Entrepreneurship Research Conference on March 22-25, 2006 San Francisco, California. Retrieved July 16, 2008, from <http://www.usfca.edu>
- Nickels, D. W., Kwun, O., & Omar, A. (n.d). *The effect of organizational culture on e-commerce adoption*. Retrieved October 13, 2010, from <http://www.swdsi.org/swdsi08/paper/SWDSI%20Proceedings%20Paper%20S152.pdf>
- Ongile, O., & McCormick, D. (1996). "Barriers to small firm growth: Evidence from Nairobi's garment industry" in Dorothy McCormick and Poul Ove Pedersen, eds., *Small Enterprises: Flexibility and net working in an African Context*. 40-62. Kenya: Nairobi, Longhorn.
- Park, H., & Sullivan P. (2009). Market segmentation with respect to university students' clothing benefits sought. *International Journal of Retail & Distribution Management*, 37 (2), 182-201. Retrieved October 19, 2010, from [www.emeraldinsight.com/journals.htm?articleid=1770663&show=html](http://www.emeraldinsight.com/journals.htm?articleid=1770663&show=html)
- Pearce II, J. A., & Robinson, R. B. (2005). *Strategic Management*. (Ninth Edition) New Delhi: McGraw-Hill.
- Peter, J. P., & Olson, J. C. (2008). *Consumer behavior and marketing strategy*. New Delhi: McGraw-Hill
- Republic of Kenya, (2005). *Nakuru district strategic plan 2005-2010 for implementation of the national population policy for sustainable development*. Retrieved June 6, 2011, from <http://www.ncapdke.org/UserFiles/File/District%20Strategic%20Plans/Nakuru%20FINAL%20modified.pdf>
- Saleemi, N. A. (2009). *Entrepreneurship simplified*. Kenya: Saleemi publications Ltd.
- Santos, J. R. A. (1999). *Cronbach's Alpha: A tool for Assessing the Reliability of scales*. Retrieved November 10, 2008, from [http://www.oswego.edu/academics/colleges\\_and\\_departments/departments/psychology/downloads/spss/cronbach.pdf](http://www.oswego.edu/academics/colleges_and_departments/departments/psychology/downloads/spss/cronbach.pdf).

- Schiffman, L. G., & Kanuk, L. L. (1992). *Consumer Behavior*. New Delhi: Prentice-Hall of India.
- Stokes, D., & Wendy, L. (2008). *Marketing: A brief introduction*. Thomson Learning
- Stokes, D. (2003). *Thomas learning small business management*. Retrieved November 20, 2007, from [www.mhlw.go.jp](http://www.mhlw.go.jp)
- Simpson, M., Padmore, J., & Taylor, N. (2005). *Marketing in SMEs* Session paper No. 2005.08, University of Linneolin. Retrieved November 13, 2007, from [www.shef.ac.uk/managementresearch/2005-08.pdf](http://www.shef.ac.uk/managementresearch/2005-08.pdf)
- Swinker, M. E., & Hines, J.D. (2007). Understanding consumer's perception of clothing quality: a multidimensional approach. *International journal of consumer studies*, 30 (2), 218-223.
- Thelma, Q., & Whittaker, H. (2003). *Entrepreneurial Orientation and Entrepreneurs' Intentions and Objectives*. ESRC Centre for Business Research, University of Cambridge, Working paper No. 271. Retrieved May 26, 2008, from <http://www.cbr.cam.ac.uk/pdf/wp271.pdf>.
- Thomson, L. (2002). *Chapter 10: Marketing implementation*. Retrieved March 28, 2009, from <http://people.senecac.on.ca/angela.zigras/mkm8O6wO4/chl0.ppt>.
- Wägar, K., Björk, P., Raval, A., & West B. (2007). *Exploring marketing in micro firms*. Retrieved July 22, 2008, from <http://www.openax.shh.fimarketing.pdf>
- Wang, C. L. (2008), *Entrepreneurial orientation, learning orientation, and firm performance*. Retrieved November 26, 2008 from <http://www.entrepreneur.com/industry/article/181897976.html>
- White, J. C., Conant, J. S., & Echambadi R. (n.d). *Marketing strategy development styles, implementation capacity and firm performance: Investing the curvilinear impact of multiple strategy-making styles*. Retrieved July 22, 2008, from <http://www.bus.ucf.edu/eehambadi/Review/Planning.pdf>.
- Wilson, K., & Wong, S. M., (2003). *Key determinants of successful marketing strategy implementation*. Retrieved November 28, 2008, from [http://smib.vuw.ac.nz.808/WWW/ANCMAC2003/papers/STO6\\_wilsonk.pdf](http://smib.vuw.ac.nz.808/WWW/ANCMAC2003/papers/STO6_wilsonk.pdf)
- Yaffee, R. A., (2003). *Common correlation and reliability analysis with SPSS for windows*. Retrieved July 1, 2010, from <http://www.nya.edu/its/statistics/docs/correlate.html>
- Zarvnik, B., & Mumel, D., (2007). The use of marketing communications in the Clothing Industry in Slovenia. *Fibers and Textiles in Eastern Europe*. January/March 2007, 15 (60) 11-15. Retrieved October 11, 2008, from [http://www.fibtex.lodz.pl/160\\_06\\_11.pdf](http://www.fibtex.lodz.pl/160_06_11.pdf).

**Appendix A: Letter of Introduction**

Lydia Nkatha Kinuthia,  
Dept. of Fashion Design and Marketing,  
P. O Box 43844, 00100 Nairobi.

Dear Sir/Madam,

I am a postgraduate student taking Doctor of Philosophy (PhD) at Kenyatta university department of Fashion Design and Marketing. I intend to investigate the factors influencing the implementation of marketing strategies by garment-making micro-enterprises in Nakuru town.

The purpose of this letter is to request you to complete the attached questionnaire, which will help me accomplish my task. Please respond to all the questions honestly and faithfully as they apply to your business.

The intended study is purely for academic purpose and therefore your responses will be treated with strict confidence. Please do not write anything that can easily lead to identification such as phone no., business name or your name on the questionnaire.

Answering all the questions will be greatly appreciated. Thanks in advance for your cooperation.

Yours sincerely,

L. N. Kinuthia

**Appendix B: Questionnaire**

This questionnaire is divided into three sections. The first section requires you to fill information about yourself and your business. The second section is meant to determine the various ways you market your products/services, while the third section seeks to determine the factors that have an effect on your efforts as you try to market your products and services. The information will be treated with confidentiality.

**Section A: demographic characteristics**

1. Gender of business owner (please tick one)

(a) Female ( )

(b) Male ( )

2. Age of business owner \_\_\_\_\_ years

3. Highest formal education attained (please tick one) and area of specialization

(a) Graduate ( ) Area of specialization \_\_\_\_\_

(b) Diploma ( ) Area of specialization \_\_\_\_\_

(c) Certificate ( ) Area of specialization \_\_\_\_\_

(d) High school

(e) Primary

(f) No education

4. Number of employees: Female  Male

5. Year when the business was established

6. What type of clothing do you make? (Please tick where appropriate)

	Specialize	Sometimes make	Never make
(a) Women's wear	( )	( )	( )
(b) Children's wear	( )	( )	( )
(c) Men's wear	( )	( )	( )

Please explain the reasons for your specialization

i .....  
 .....  
 .....

ii.....  
 .....  
 .....

iii.....  
 .....  
 .....

**Section B: MARKETING STRATEGIES**

This section seeks to find out the various ways you market your products/services. Please indicate what you do in your business by circling (O) the appropriate response.

Key: 1 = Never, 2= rarely, 3= Not sure, 4=Several times, 5 =All the time

		Never	Rarely	Not sure	Several times	All the time
1	I/we have a strong commitment to my/our customers	1	2	3	4	5
2	I/we ask my/our customer for feedback or evaluation on my/our quality of work after the garments have been made	1	2	3	4	5
3	I/we serving customers is the most important thing my/our company does	1	2	3	4	5
4	I/we mostly sell my/our products through the internet	1	2	3	4	5
5	Communicate to my/our customer through the internet	1	2	3	4	5
6	I/we source our design from the internet	1	2	3	4	5
7	Keen on new designs that are on fashion	1	2	3	4	5
8	Most of our/my designs are from clients rather than us	1	2	3	4	5
9	I/we always offer after sale services such as repairs and care information to my/our customers	1	2	3	4	5
10	I/we have tight control measures regarding the usage of resources on innovation and advertisement	1	2	3	4	5
11	Our/my employees are only paid strictly when they meet the set targets	1	2	3	4	5
12	In choosing the fabric to use I/we consider the price rather than the quality	1	2	3	4	5
13	Our/my prices are based on the market prices rather than customer needs	1	2	3	4	5
14	I/we always look for new ways to market my/our designs	1	2	3	4	5
15	I/we strive to have unique designs all the time	1	2	3	4	5
16	I/we have a business name by which my/our customers refer to me/us with	1	2	3	4	5
17	I/we use modern machines (automated/electric) in making our garments	1	2	3	4	5
18	Our/my main emphasize is on the workmanship/finishing quality rather than the style	1	2	3	4	5
19	In deciding on the style to make, our/my customer's opinion is very important	1	2	3	4	5
20	Set prices to increase the flow of customers	1	2	3	4	5
21	I/we make garments for a specific group of people	1	2	3	4	5
22	Our/my prices are always lower than those of our/my competitors	1	2	3	4	5
23	I/we adjust our/my prices to meet specific customer needs	1	2	3	4	5
24	Our/my main focus is to have many customers	1	2	3	4	5
25	I/we assess the strengths and weaknesses of my/our competitors	1	2	3	4	5

26	I/we concentrate on my/our current customers rather than looking for new ones	1	2	3	4	5
27	I/we are constantly looking for new customers	1	2	3	4	5
28	Apart from clothes we/I also make other items such as bedcovers, table clothes etc	1	2	3	4	5
29	Our/my old customers bring us/me new customers	1	2	3	4	5
30	I only make clothes by order	1	2	3	4	5

### **Section C: FACTORS AFFECTING THE IMPLEMENTATION OF THE MARKETING STRATEGIES**

This section has four parts and seeks to find out the factors that affect how you market your products/services. Please indicate your opinion regarding the following statements in relation to your business by circling (O) the appropriate response.

Key: 1= Strongly Disagree, 2= Disagree, 3= Neutral, 4= Agree, 5= Strongly Agree

		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
<b><u>Part one: Target market characteristics</u></b>						
1	I/we have knowledge of the unique characteristics of our/my customers	1	2	3	4	5
2	Our /my customers needs vary forcing us/me to charge different prices	1	2	3	4	5
3	Our /my customers are very keen on what we/I charge them and will always go to a cheaper shop	1	2	3	4	5
4	Our /my customers are very particular on the designs	1	2	3	4	5
5	The personality of our/my customer influence how we/I handle them	1	2	3	4	5
6	The income of our/my customer influence the styles they choose	1	2	3	4	5
7	The education level of our/my customer influence how we/I handle them	1	2	3	4	5
8	I/we design made depend on the age of the customer	1	2	3	4	5
9	Our/my customers have specific months of the year when they make clothes/purchases	1	2	3	4	5
10	Our /my Customers are very keen on the quality of the garments made e.g. seams, stitches, how the sections are joined	1	2	3	4	5
11	Most of my/our customers prefer to pay for the garments in installments	1	2	3	4	5
12	Our /my customers get upset if the garments are not made in time	1	2	3	4	5
13	Our /my Customers keep time in picking their garments (as agreed)	1	2	3	4	5
14	Our/my customers depend on us/me for different designs	1	2	3	4	5
15	Our/my customers are always satisfied with our/my suggestions of the design	1	2	3	4	5

16. In your own opinion, what are some of the specific issues not listed above concerning the customers that one needs to be keen on?.....  
 .....  
 .....

**Part two: Entrepreneurial Orientation**

		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	I/we like to take high financial risks	1	2	3	4	5
2	I/we like implementing plans only if am sure they will work	1	2	3	4	5
3	I/we don't take wok that is more than I/we can handle	1	2	3	4	5
4	I/we stick to methods I/we are used to	1	2	3	4	5
5	I/we wait to see what others are doing then I/we copy	1	2	3	4	5
6	I/we encourage new ideas	1	2	3	4	5
7	I/we always find out how to do business in the best profitable way	1	2	3	4	5
8	I/we constantly generating new ideas	1	2	3	4	5
9	One does not require training in marketing to do business experience is what matters	1	2	3	4	5
10	I/we am/are keen on new styles getting into the market	1	2	3	4	5
11	I/we am/are always sensitive to the activities our/my competitors	1	2	3	4	5
12	I/we read magazines related to marketing to gain more information on how to do business	1	2	3	4	5
13	Learning computer is not important for my/our business	1	2	3	4	5
14	The employees are given freedom to source for customers on their own	1	2	3	4	5
15	The employees are involved in decisions related to designs, pricing, advertising or where I/we are located	1	2	3	4	5
16	Employees ideas are incorporated in making decisions	1	2	3	4	5
17	I/we don't need any more training to run my/our business	1	2	3	4	5
18	Instructions given and employees expected to follow	1	2	3	4	5

**Part three: External Environmental factors**

		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	We/I lack of support by the government	1	2	3	4	5
2	The municipal council requirements affect our/my business	1	2	3	4	5
3	The political environment affect my business in a great deal	1	2	3	4	5
4	Our /my consumers have become increasingly aware of their rights hence have to be very keen on their needs	1	2	3	4	5
5	The economic situation in the county is generally low	1	2	3	4	5
6	Am/we are not able to keep abreast with the new technological changes	1	2	3	4	5
7	I/we are not able to cope with the fast changes of lifestyle for my/our customers	1	2	3	4	5
8	Our/my shop is not easily accessible	1	2	3	4	5
9	It is not easy to find a good location where there is a flow of customers	1	2	3	4	5
10	My/our competitors are better than me/us in terms of the designs they make	1	2	3	4	5
11	The others in the business are able to market their business better than me/us	1	2	3	4	5
12	We/am are slow to detect changes in terms of competition	1	2	3	4	5
13	fashion changes are too fast	1	2	3	4	5
14	Our/my business is affected by the second-hand clothing	1	2	3	4	5
15	There are so many people in this business making it hard get good profits	1	2	3	4	5
16	Most of the new designs require high technology/machines which we do not have	1	2	3	4	5
17	I/we lack computers making it hard to use Computer Aided Drawing programs	1	2	3	4	5
18	The market environment is unpredictable (keeps on changing)	1	2	3	4	5

**Part four: Internal Environmental factors**

Answer questions 18-24 if you have people working for/with you

		Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1	I/we am/are updated on what is happening in the clothing business	1	2	3	4	5
2	I/we lack computer skills	1	2	3	4	5
3	It takes forever to respond to changes in prices	1	2	3	4	5
4	We/I adjust prices according to the prices in the market	1	2	3	4	5
5	Our /my customers' complaints are taken seriously and immediately	1	2	3	4	5
6	Am/we are not able to afford new machines in the market	1	2	3	4	5
7	Marketing requires a lot of money which we/I cannot afford	1	2	3	4	5
8	I/ we operate just like that without goals or objectives	1	2	3	4	5
9	I/we don't see the importance of marketing	1	2	3	4	5
10	I/we lack professional advisors on issues relating to marketing	1	2	3	4	5
11	I/we lack the finances needed for our marketing activities	1	2	3	4	5
12	I/we do not understand the whole issue of marketing	1	2	3	4	5
13	I/we find it difficult to keep records on a daily basis	1	2	3	4	5
14	Managing finances is one of the hardest things to do	1	2	3	4	5
16	I/We feel inadequate in terms of marketing skills	1	2	3	4	5
17	I/we lack someone good in marketing	1	2	3	4	5
18	I/we employ workers based on experience rather than level of education	1	2	3	4	5
19	When I/we find that customers would like us to modify a product, the person involved makes efforts to do it	1	2	3	4	5
20	When there is work to be done we all assist one another	1	2	3	4	5
21	Everybody deals with his/her own work without involving the others	1	2	3	4	5
22	Current trends are communicated to my/our employees	1	2	3	4	5
23	Work is given to employees based on their capabilities	1	2	3	4	5
24	Relationship among my employees is good	1	2	3	4	5

25. In general, what are the problems that may not have been captured above, that you are currently facing in marketing your business?

.....  
 .....

26. In your opinion, have you been able to achieve your marketing objectives?

Yes ( ), No ( ).

Please explain .....

.....  
 .....

*Thank you, for your cooperation and taking time to respond to this questionnaire.*

## **Appendix C: Interview guide**

### **A. DEMOGRAPHIC DATA**

1. Gender of business owner
2. Age of business owner
3. Highest level of education and area of specialization
4. Year when the business was established
5. Number of employees (currently)
6. Category of clothing made and reasons for making this category

### **B. MARKETING STRATEGIES**

1. Explain how you relate with your customers?
2. What are the main ways do you use to communicate with your customers?
3. Where do you get your designs from?
4. What are some of the after sale services you offer your customers?
5. Do you have a business name?
6. Why did you choose the name you have for the business?
7. How are the employees paid?
8. What do you consider in choosing the fabrics to use?
9. What determines how much to charge a customer?
10. Please explain what you think are the strengths and weaknesses of your competitors.
11. Do you make/sell other items apart from making clothes? Why?

### **C. FACTORS AFFECTING THE IMPLEMENTATION OF MARKETING STRATEGIES**

#### **Target market characteristics**

1. In your opinion, do you think you have knowledge of the unique characteristics of your customers? Please explain these unique characteristics.
2. How do your customers like to make payments?
3. What are some of the demands your customers make when they order for garments?
4. In your opinion, are you able to meet those demands? Please explain.
5. In your opinion what are some of the things that you do that keep your customers coming back?

#### **Entrepreneurial Orientation**

1. Do you take high risks?
2. What are some of the risks you have taken for the last one year?
3. Do you require any training to run your business? What training do you think would be appropriate for you?
4. How is information communicated to your employees?
5. How do you keep yourself up-dated of what is happening in the market?
6. What would you say about your relationship with your employees? Please explain.

#### **External Environmental factors**

1. How does the government support or affect your business?
2. In your opinion how does the political environment affect your business?
3. Does the current economic situation affect your business in any way? Please explain.

4. Why did you locate your business where it is currently?
5. How does this location affect your customers in terms of accessibility?
6. Who are your main competitors and how do they affect your business?
7. What impact do you think new technology (machines, computers, mobile phone) has on your business?

**Internal Environmental factors**

1. How do you handle customer complaints?
2. How do you adjust prices?
3. What are some of the records that you keep?
4. What are some of the challenges you are facing in running this business?
5. Does your business have goals/objectives?

**Appendix D: Sample Size, Confidence Level and Confidence Intervals for  
Random Samples**

Population	Confidence level 90%			Confidence level 95%			Confidence level 99%		
	Confidence interval			Confidence interval			Confidence interval		
	1	2	3	1	2	3	1	2	3
30	27	28	29	28	29	29	29	29	30
50	42	45	47	44	46	48	46	48	49
75	59	64	68	63	67	70	67	70	72
100	73	81	88	79	86	91	87	91	95
120	83	94	104	91	100	108	102	108	113
150	97	111	125	108	120	132	122	131	139
200	115	136	158	132	150	168	154	168	180
250	130	157	188	151	176	203	182	201	220
300	143	176	215	168	200	234	207	233	258
350	153	192	239	183	221	264	229	262	294
400	162	206	262	196	240	291	250	289	329
450	170	219	282	207	257	317	268	314	362
500	176	230	301	217	273	340	285	337	393
600	187	249	335	234	300	384	315	380	453
650	192	257	350	241	312	404	328	400	481
700	196	265	364	248	323	423	341	418	507
800	203	278	389	260	343	457	363	452	558
900	209	289	411	269	360	468	382	482	605
1,000	214	298	431	278	375	516	399	509	648
1,100	218	307	448	285	388	542	414	534	689
1,200	222	314	464	291	400	565	427	556	727
1,300	225	321	478	297	411	586	439	577	762
1,400	228	326	491	301	420	606	450	596	796
1,500	230	331	503	306	429	624	460	613	827
2,000	240	351	549	322	462	696	498	683	959
2,500	246	364	581	333	484	749	524	733	1,061
5,000	258	392	657	357	536	879	586	859	1,347
7,500	263	403	687	365	556	934	610	911	1,480
10,000	265	408	703	370	566	964	622	939	1,556
20,000	269	417	729	377	583	1,013	642	986	1,688
30,000	270	419	738	379	588	1,030	649	1,002	1,737
40,000	270	421	742	381	591	1,039	653	1,011	1,762
50,000	271	422	745	381	593	1,045	655	1,016	1,778
100,000	272	424	751	383	597	1,056	659	1,026	1,810
150,000	272	424	752	383	598	1,060	661	1,030	1,821
200,000	272	424	753	383	598	1,061	661	1,031	1,826
250,000	272	425	754	384	599	1,063	662	1,033	1,830
500,000	272	425	755	384	600	1,065	663	1,035	1,837
1,000,000	272	425	756	384	600	1,066	663	1,036	1,840

Source: Cohen L., Manion L. & Morrison K. (2007) Pg 104

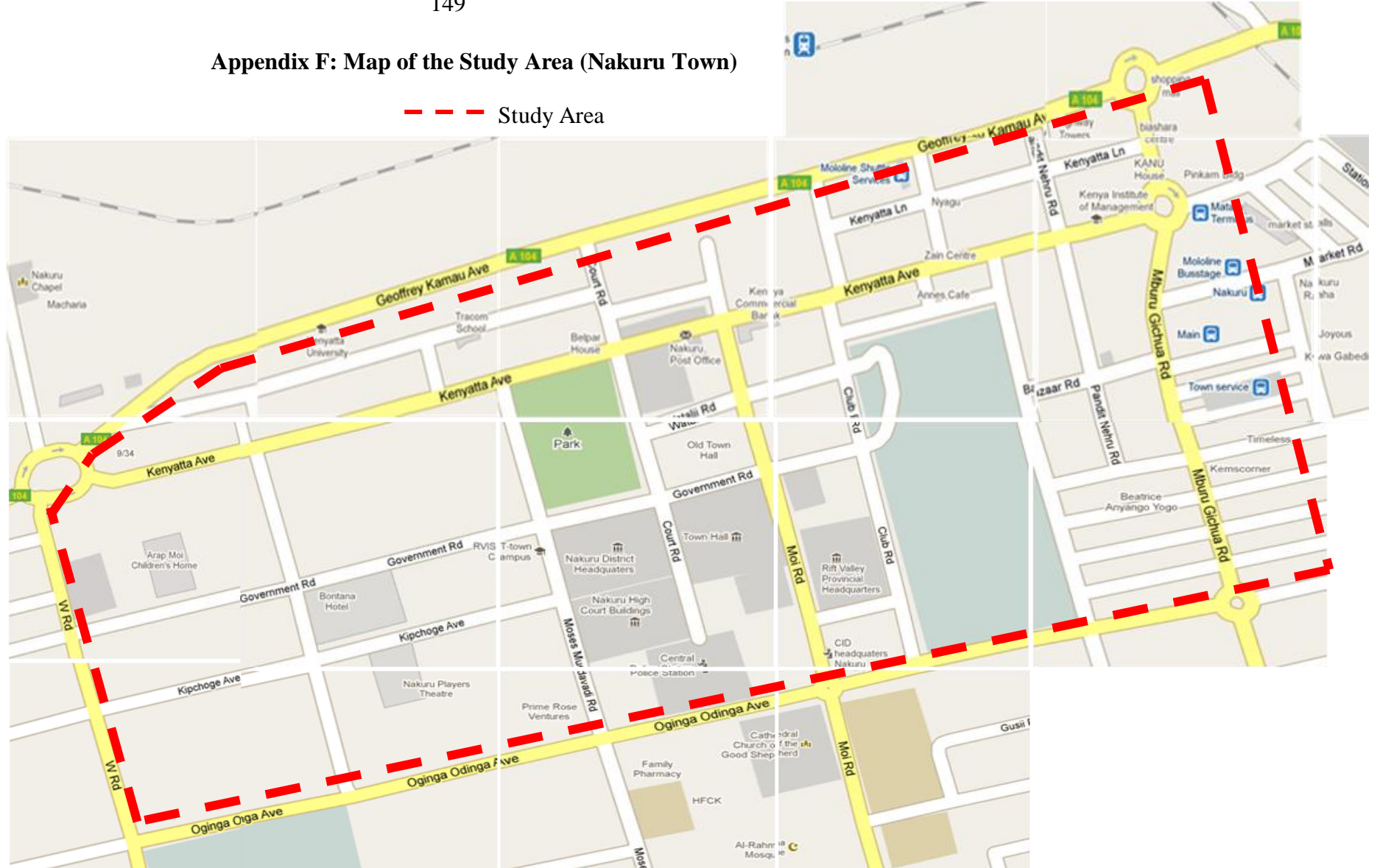
**Appendix E: Random Numbers**

58941	72711	39408	91620	27963	96478	21559	19246	88097	44026
02349	71389	45608	60947	60775	73181	43264	56895	04232	59604
89210	44546	27174	27499	53523	63110	57106	20865	91683	80688
11826	91326	29664	01603	23156	89223	43429	95353	44662	59433
69810	17100	35066	00815	01552	06392	31437	70385	45863	75971
81060	33449	68055	83844	90942	74857	52418	68723	47830	63010
56135	80647	51404	06626	10042	93629	37609	57215	08409	81906
57361	65304	93258	56760	63348	24949	11839	29793	37457	59377
24548	56415	61927	64416	29934	00755	09418	14230	62887	92683
66504	02036	02922	63569	17906	38076	32135	19096	96970	75917
45068	05520	56321	22693	35089	07694	04252	23791	60249	83010
99717	01542	72990	43413	59744	44595	71326	91382	45114	20245
05394	61840	83089	09224	78530	33996	49965	04851	18280	14039
38155	42661	02363	67625	34683	95372	74733	63558	09665	22610
04319	04318	99387	86874	12549	38369	54952	91579	26023	81076
18134	90062	10761	54548	49505	52685	63903	13193	33905	66936
32012	42710	34650	73236	66167	21788	03581	40699	10396	81827
78101	44392	53767	15220	66319	72953	14071	59148	95154	72852
23469	42846	94810	16151	08029	50554	03891	38313	34016	18671
35342	56119	97190	43635	84249	61254	80993	55431	90793	62603
65846	18076	12415	30193	42777	85611	57635	51362	79907	77364
22184	33998	87436	37430	45246	11400	20986	43996	73112	88474
83668	66236	79665	88312	93047	12088	86937	70794	01041	74867
90083	70696	13558	98995	58159	04700	90443	13168	31553	67891
97765	27552	49617	51734	20819	70198	67906	00880	82899	66065
49988	13176	94219	88698	41755	56216	66832	17748	04963	54859
78257	86249	46134	51865	09836	73966	65711	41699	11732	17173
30946	22210	79302	40300	08852	27528	84648	79589	95295	72895
19468	76358	69203	02760	28625	70476	76410	32988	10194	94917
30806	80857	84383	78450	26245	91763	73117	33047	03577	62599
42163	68332	98851	50252	56911	62693	73817	98693	18728	94741
39249	51463	95963	07929	66728	47761	81472	44806	15592	71357
88717	29289	77360	09030	39605	87507	85446	51257	89555	75520
16767	57345	42285	56670	88445	85799	76200	21795	38894	58070
77516	96648	51868	48140	13583	94911	13318	64741	64336	95103
87192	66483	55649	36764	86132	12463	28385	94242	32065	45233
74078	64120	04643	14351	71381	26133	68269	65145	28152	39087
94119	20108	78101	81276	00835	63835	87174	42446	08882	27067
62180	27453	18567	55524	86088	00069	59254	24654	77371	26409
56199	05993	71201	78852	65889	32719	13758	23937	90740	16866
04994	09879	70337	11861	69032	51915	23510	32050	52052	24004
21725	43827	78862	67699	01009	07050	73324	06732	27510	33761
24365	37661	18956	50064	39500	17450	18030	63124	48061	59412
14762	69734	89150	93126	17700	94400	76075	08317	27324	72723
28387	99781	52977	01657	92602	41043	05686	15650	29970	95877

Source: Gupta S. P. (2004) Pg 1425

Appendix F: Map of the Study Area (Nakuru Town)

--- Study Area



source: Maplandia.com (n.d)