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ANALYSIS OF MARKETING COMMUNICATION TOOLS
EMPLOYED BY SUPPLIERS OF ELECTRICAL CONSTRUCTION
MATERIALS:- A CASE STUDY OF FIRMS IN NAIROBI

BY

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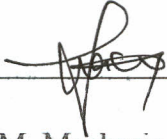
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*Analysis of marketing
communication tools*



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DECLARATION

This research project report is my original work and has not been presented for a degree in any other university or any other award



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DEDICATION

This research project report is dedicated to my wife Catherine and our three Wonderful daughters Joyce, Faith, and Sharon for their continued moral support and bearing with my continuous absence from their social life during the period of study.

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ABSTRACT

The objectives of this study were to establish the methods used to identify the target audiences to whom the marketing communication should be directed; to establish the extent of use of various marketing communication techniques in the industry; to identify the constraints hindering appropriate and effective marketing communication in the industry, and to come up with the necessary recommendations on improvements that need to be effected by those in the industry to address the information requirements of the different stakeholders.

A descriptive survey aimed at determining the marketing communication tools used by suppliers of electrical materials to the construction industry in Nairobi was applied. A census was conducted as the firms in question were only twenty one in Nairobi. A semi structured self completion questionnaire was used to collect the data. Data was analyzed using descriptive statistics.

The findings show that 69% of the firms use either advertising in building professional magazines and daily papers or sales promotion/exhibitions as their topmost marketing communication techniques. Other techniques in popular usage were direct contact with customers and word of mouth at 54% and use of database of contractors. The findings also indicate that most (93%) of the firms make use of marketing tools with only 7% failing to use the tools in reference. The findings indicate that lack of marketing departments, differences in pricing of goods based on their countries of origins,

competition and the high cost of advertising are the key constraints in the industry. Some of the suggestions were that the advertising companies must improve on their output.

The study recommends that there is need for the establishment of a marketing department based on the firms needs and resources available where it is lacking. This will help the companies to improve on their marketing orientation that could spur demand of their products. Another was in assigning of more resources to marketing. Advertising companies must improve their output. The companies also need to invest some money to encourage innovation and develop new ideas. They could develop customer intimacy programs similar to one used by General Electric.

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INTRODUCTION

1.1 Background of the study

According to the economic survey of 2004, development of infrastructure is one of the key pillars in achieving the economic recovery and has been identified as a priority area in economic recovery strategy for employment and wealth creation. Based on the same report the total value of building plans approved in 2003 was Kshs. 10.9 Billion. The total estimated cost of new private buildings completed was Kshs. 1.55 billion. The number of people employed in the construction industry in the year 2003 was 53,100.

The construction industry is responsible for developing and maintaining adequate and effective infrastructure to facilitate the provision of safe efficient transport services, promoting efficient and effective communication systems throughout the country, and promoting and fostering sustainable human settlements. All these contribute to the socio-economic development of the country.

The electrical works in average constitutes between 10 to 20% of the total cost of the building construction. The electrical services enhances the utility value of the buildings and some buildings would not be habitable without the electrical services. An example would be the usage of the thirty two floors Times Tower building without all the important electrical services installations like lifts, emergency power supplies, air conditioning, artificial lighting, communication services, etc. Lack or disruption of these facilities would render most of the building unoccupiable.

To ensure serviceability and cost effectiveness, the right materials and equipments should be used in the buildings. Failure to use the right materials could lead to destruction of life and entire buildings due to fires caused by electrical faults, high costs of maintenance as well as frequent damage to connected sensitive electronic equipments. The failures also lead to disruption of services in areas like hospitals, security installations, telecommunication facilities and much down time in industrial and manufacturing sectors.

The materials used to carry out the electrical works are supplied through various outlets and channels. To cope with competition and increase their market share, the suppliers carry out marketing activities. Modern marketing calls for more than developing a good product, pricing it attractively, and making it accessible (Kotler, 2002). Companies must also communicate with present and potential stakeholders and the general public. Every company is inevitably cast into the role of communicator and promoter. The marketing communications mix consists of five major modes of communication namely advertising, sales promotion, public relations and publicity, personal selling, and direct and interactive marketing.

In the recent past, there has been a proliferation of counterfeit electrical products in the market from the Far East countries. The poor quality materials are sometimes sold at the same price as genuine products to the unsuspecting end users. Usage of these materials leads to economic drain due to high replacement costs, poor electrical power energy utilization, and systems that are prone to electrically caused fires. All these factors expose users to disruption of services and danger to life and property.

Recently the Kenya Airports Authority (KAA) installed an electro flow system which is an energy saving and power conditioning system that would minimize electrical power losses the

airports have been experiencing. According to the Authority's technical manager, the system would result with a saving of Kshs. 2.5 million per month. The losses previously experienced by the KAA have been due to the quality of power supplied by Kenya Power & Lighting Company Limited. The quality of power supplied depends on the quality of materials and equipments used in the network installations.

Another example of supply of poor quality materials is the recent war of words between Kenya Power & Lighting Company Limited (KP&LC) and the East African Cables on poor performance of cables supplied by the latter to the former and installed at Kikuyu Power substation (Daily Nation, March 15th, 2005). The KP&LC engineers reported that the cables were kinking and this affects the performance and safety of the cables when on full load condition.

Kenya Power & Lighting Company Limited has been giving notices in the local print media virtually on daily basis regarding power disruptions in various parts of the country for purpose of carrying out maintenance on the installations. These regular disruptions could be attributable to failure of materials used in the installations.

Some suppliers also stock both the genuine and counterfeit products and openly sell them based on the buyers financial capability. However, with proper and effective marketing communication, it is possible to sell the genuine product even though they may appear to be more expensive. Communication changes customer perception and attitudes towards the products. Lowest price is not always lowest cost and often lead to poor delivery, poor labour and safety practices and often leads to a poor industry image.

Marketing communication is the element of marketing mix that involves informing target markets about a product or influencing them to buy it (Churchill, 1995). Any product or brand of a company introduced in the market must be supported by marketing communications. Brand superiority occurs due to consistent marketing communications. This approach works with customers who identify with the brand's values or seek the reassurance that brands provide (Doyle, 2000).

Marketing communications is a management process through which an organization enters into a dialogue with its various audiences by developing and presenting messages for its identified stakeholder groups and evaluating and acting upon the responses received (Fill, 2002). The stakeholders include among others the consumers, government agencies, distributors, and the community. Hence by lobbying government agencies, manufacturers and suppliers can influence legislation that makes importation, manufacture and trading in counterfeit and poor quality electrical materials difficult.

1.2 Statement of the Problem

From the foregoing, the importance of marketing communication to spur demand of genuine products, eradicate and reduce trading in counterfeit and poor quality materials used in the construction industry need not be over emphasized. The usage of quality materials would result in major savings and reduction of damage to property and life. The saved resources could go a long way in enhancing other sectors of the economy.

There is an important need for the suppliers to use appropriate communication tools for the different stakeholders in order to differentiate their products; remind and reassure target audiences about the products so as to encourage repurchase; persuade the audience to buy the

genuine products or brand; and stabilize sales of products by creating and maintaining loyal customer base for the products.

The study sought to establish the marketing communication techniques currently employed in the industry and their suitability to achieve the desired results of adding value to business owners and the customers.

1.3 Objectives of the Study

The study was meant:

- 1) To find out methods used to identify the target audiences to whom the marketing communication should be directed.
- 2) To find out the extent to which various marketing communication techniques are employed in the industry.
- 3) To identify the constraints hindering appropriate and effective marketing communication in the industry.
- 4) To come up with the necessary recommendations on improvements that need to be effected by those in the industry to address the information requirements of the different stakeholders.

1.4 Research Questions

- 1) What methods are used by the suppliers of electrical materials to identify their target audiences?
- 2) To what extent do the suppliers of electrical materials apply various tools of marketing communication?
- 3) What are the key marketing communication modes practiced by the industry?

- 4) What are the key marketing communication themes? Are they general or product related?
Do they promote brands or generic categories?
- 5) What challenges do the manufacturers and suppliers face in achieving appropriate and effective marketing communication in the industry?

1.5 Significance of the Study

The findings of the study could be used by the following groups:

- i) Suppliers and manufacturers of electrical materials in identifying the shortcomings of the marketing communication tools they are currently using and how they could be improved to be more effective.
- ii) Government policy makers in formulation and enforcement of legislation that would reduce usage of poor quality electrical materials used in the construction industry.
- iii) The general public to appreciate the importance of using the right quality materials with the notion that they are satisfying immediate needs at low costs and the dangers exposed to life and property. The researcher intends to forward the findings of the study to the print media by contributing to "letters to the editor" forum.
- iv) Creating consumer awareness on the available product range, prices and their quality.

1.6 Scope of the Study

The study targeted all specialized suppliers of electrical materials used in construction industry. It focused on entities operating in Nairobi area who have supplied electrical materials for major construction projects in Kenya. The study did not cover general suppliers like hardware and operators in down street Nairobi.

CHAPTER TWO

LITERATURE REVIEW

Introduction

Promotion or marketing communication is one of the elements of marketing mix. The various communication platforms include advertising, sales promotion, public relations, personal selling and direct marketing. However, company communications goes beyond the specific platforms listed above. The product's styling and price, the shape and color of the package, the sales person's manner and dress, the store décor, the company's stationery - all communicate something to the buyers. Every brand contact delivers an impression that can strengthen or weaken a customer's view of the company. The whole marketing mix must be integrated to deliver a consistent message and strategic positioning.

Marketers need to understand the fundamental elements of effective communication. Senders of information must know what audiences they want to reach and what responses they want to get. They must encode their messages so that the target audience can decode them. They must transmit the message through media that reach the target audience and develop feedback channels to monitor responses. The more the sender's field of experience overlaps with that of the receiver, the more effective the message is likely to be.

Developing effective communication

This involves eight steps as follows:- Identify target audience, determine objectives, design message, select channels, establish budget, decide on media mix, measure results, and manage integrated marketing communications. All these steps are discussed here below.

- i) **Identify the target audience:** This comprises of potential buyers of the company's products, current users, deciders, or influencers: individuals, groups, particular publics, or the general

Saliency Framework: Advertisement/marketing communications works by standing out and being different from other advertisements, especially those in the same category.

- iii) **Design the message:** Ideally the message should gain attention, hold interest, arouse desire, and elicit action. Formulating the message will require solving four problems: what to say (message content), how to say it logically (message structure), how to say it symbolically (message format), and who should say it (message source).

In determining message content, management searches for an appeal, theme, idea, or unique selling proposition. Appeals could be rational, emotional, and moral.

Message structure together with content determines the effectiveness of the message (Kotler, 2002). Structure issues include order of presentation, conclusion drawing, message sidedness, verbal and nonverbal messages.

According to Kotler (2002) Message format needs to be strong. In a print advertisement, the communicator has to decide on the headline, copy, illustration, and colour. For a radio message, the communicator has to choose words, voice qualities and vocalizations. If the message is to be carried on television or in person, all these elements plus body language (nonverbal clues) have to be planned.

Message source: Messages delivered by attractive or popular sources achieve higher attention and recall. This is why advertisers use celebrities as spokespeople.

iv) **Select the communication channel**

The communicator must select efficient channels to carry the message. Communication channels may be personal or non-personal. Personal communication channels may involve two or more persons communicating directly with each other face-to-face, person-to-audience, over the telephone, or through e-mail. Personal communication channels derive their effectiveness through the individualized presentation and feedback. Many companies are becoming acutely aware of word of mouth or buzz.

Research conducted by Renee Dye (Harvard Business Review, 2000) suggests that buzz evolves according to basic principles. Dye contends that companies seeking to take advantage of buzz must first overcome five misconceptions about marketing contagion:

- 1) Only outrageous or edgy products are buzz-worthy. The most unlikely products like prescription drugs can generate tremendous buzz.
- 2) Buzz just happens. Buzz is increasingly the result of shrewd marketing tactics in which companies seed a vanguard, ration supplies, use celebrities to generate buzz, leverage the power of lists, and initiate grassroots marketing.
- 3) Your best buzz-starters are your best customers. Often a counterculture has a greater ability to start buzz.
- 4) To profit from buzz, you must act first and fast. Copycat companies can reap substantial profits if they know when to jump in and when not to.
- 5) The media and advertising are needed to create buzz. When used either too early or too much, the media and advertising can squelch buzz before it ignites.

The two chief advantages of word of mouth are:

- 1) **Word of mouth sources are convincing:** Word of mouth is the only promotion method that is of consumers, by consumers, and for consumers. Not only are satisfied customers repeat buyers, but they are also walking, talking billboards for your business.
- 2) **Word of mouth sources are low cost:** Keeping in touch with satisfied customers and making them providers costs the business relatively little. The business might reciprocate by referring business to the referrer, or by giving the referrer enhanced service or a discount, or by offering a small gift.

Non-personal communication channels include media, atmospheres and events (Kotler, 2002).

Media consists of print media, broadcast media, network media, electronic media, and display media.

Atmospheres are "packaged environments" that create or reinforce the buyer's leanings towards product purchase. A five-star hotel will use elegant chandeliers, marble columns, and tangible signs of luxury.

Events are occurrences designed to communicate particular messages to target audiences. Public relations departments arrange news conferences, grand openings, and sports sponsorships to achieve specific communication effects with a target audience.

v) **Establish the total marketing communications budget**

According to Kotler (2002), firms vary considerably in how much they spend on promotion. Four common methods used to determine the promotion budget are the affordable method, percentage of sales method, competitive parity method, and objective and task method.

In affordable method, many companies set the promotion budget at what they think the company can afford. The method completely ignores the role of promotion as an investment and the immediate impact of promotion on sales volume.

In percentage of sales method, companies set promotion expenditures at a specified percentage of sales or of the sales price.

In competitive-parity method, some companies set their promotion budget to achieve share-of-voice parity with competitors. Two arguments are made in support of the method. One is that competitor's expenditures represent the collective wisdom on the industry. The other is that maintaining competitive parity prevents promotion wars. Neither argument is valid. There are no grounds for believing that competitors know better. Furthermore, there is no evidence that budgets based on competitive parity discourage promotional wars.

The objective-and-task method calls upon the marketers to develop promotion budgets by defining specific objectives, determining the tasks to be performed to achieve these objectives. The sum of these costs is the proposed promotion budget. The method has the advantage of requiring management to spell out its assumptions about the relationship among dollars spent, exposure levels, trial rates, and regular usage.

vi) **Deciding on the Marketing Communications Mix**

Companies must allocate the promotion budget over the promotional tools - advertising, sales promotion, public relations and publicity, sales force and direct marketing.

The various promotion tools have their own unique characteristics and costs.

ADVERTISING

Advertising may be defined as non-personal paid-for communications targeted through mass media with the purpose of achieving set objectives. Advertising is a means of reaching large audiences in a cost-effective manner. Personalized feedback from an advertising message is not usually obtained. (BPP CIM Study Text, 2004)

Advertising can be used to build up a long-term image for a product or trigger quick sales.

Consumers might believe that a heavily advertised brand must offer "good value".

Advertising objectives vary depending on the following factors.

- The result of the context analysis
- The nature of the product service to be advertised
- The stage it has reached in its life cycle
- The market place in which it operates
- The role the advertising is to play

PERSONAL SELLING

Personal selling has been defined as "the presentation of products and associated persuasive communication to potential clients, which is employed by the supply organization. It is the most direct and longest established means of promotion within the promotional mix" (Baron et al, Macmillan Dictionary of Retailing, 1991) (BPP CIM Study Text, 2004). All organizations have employees with responsibility for contacting and dealing directly with customers and potential customers. The employees provide a vital function to the organization as they form a direct link to the buyers.

The sales force needs the support of other groups within the organisation if it is to operate effectively. Kotler identifies the following groups whose activities impact upon the effectiveness for the sales force.

- a) Top management can be increasingly involved in the selling process; particularly with big orders or key accounts.
- b) Technical sales personnel who supply technical information and service to the customer before, during or after the sale of the product.
- c) Customer service representatives who provide installation, maintenance and other services to the customer.
- d) Office staff including sales analysts, administrators and secretarial staff.

Indeed, Kotler maintains that selling should increasingly be regarded as a team effort involving all these groups.

The tasks performed by the salespersons includes prospecting, communicating with existing and potential customers, selling, servicing, information gathering, allocating of products to customers during shortages, and shaping relationships with major customers.

The mix of the salespersons tasks vary according to the purchase decision process, company marketing strategy and the overall economic conditions of the time.

SALES PROMOTION

The Institute of Sales Promotion (ISP) defines sales promotion as " a range of tactical marketing techniques, designed within a strategic marketing framework, to add value to a product or service, in order to achieve a specific sales and marketing objective." (BPP CIM Study Text, 2004).

- a) Sales promotion encompasses a range of techniques appropriate for targeting consumers, for instance via price reductions, competitions or gifts with purchases. However, trade and sales force incentives are also included under the general heading of sales promotion.
- b) The majority of companies will use sales promotion as a means of achieving a short term sales objective, such as an increase in sales volume or to encourage trial and brand switching by a rival manufacturer's consumers.
- c) Although it is used as a tactical tool, sales promotion works within a strategic marketing framework and should support the strategic objectives for the brand.
- d) Sales promotion always seeks to add value to a product or service. Thus, consumers are offered something extra for their purchase, or the chance to obtain something extra.

Sales promotion includes both pull and push techniques. Sales pull techniques incentivise the consumers to buy. Sales push techniques ensure that the distribution pipeline is loaded, and sales are pushed along the distribution chain.

Sales promotion objectives include the following:-

- a) Increase awareness and interest amongst target audiences
- b) Achieve a switch in buying behavior from competitors brands to your brands
- c) Incentivise consumer to make a forward purchase of your brand, thus shutting out competitor purchase opportunities
- d) Increase display space allocated to the brand in the stores
- e) Smooth seasonal dips in demand for the product
- f) Generate a consumer database from mail-in applications

PUBLIC RELATIONS

The Institute of Public Relations has defined PR as "the planned and sustained effort to establish and maintain goodwill and mutual understanding between an organization and its publics." (BPP CIM Study Text, 2004).

The Public Relations Consultants Association (PRCA) says that:

Public relations is the name given to the managed process of communication between one group and another. In its purest form it has nothing to do with marketing, advertising or 'commercialism'. It will however, often promote one's group's endeavours to persuade another group to its point of view and it will use a number of different methods, other than (although often alongside) advertising to achieve its aim. (BPP CIM Study Text, 2004).

The scope of public relations is very broad but if implemented effectively should embrace the whole organization.

- a) Programmes should be managed strategically
- b) There should be a single integrated public relations department
- c) Public relations managers should report directly to senior management
- d) The senior public relations person should be a member of the organisation's dominant coalition
- e) Public relations should be a separate function from marketing
- f) Communication should adhere to the two-way symmetrical model.

DIRECT MARKETING

The Institute of Direct Marketing in the UK defines direct marketing as 'The planned recording, analysis and tracking of customer behavior to develop relational marketing strategies.'

The Direct Marketing Association in the US defines direct marketing as 'An interactive system of marketing which uses one or more advertising media to effect a measurable response and/or transaction at any location'. (BPP CIM Study Text, 2004)

Direct marketing helps create and develop direct relationships between the company and each of its prospect, on an individual basis. It is a form of direct supply, embracing both a variety of alternative media channels (like direct mail), and a choice of distribution channels (like mail order). Because direct marketing removes all channel intermediaries apart from the advertising medium and the delivery medium, there are no resellers, therefore avoiding loss of control and loss of revenue. In developing a comprehensive direct marketing strategy, organisations will often use a range of different yet complimentary techniques.

Direct mail tends to be the main medium of direct response advertising. Newspaper advertisements can include coupons to fill out and return, and radio and TV can give a phone number to ring. However, direct mail has a number of strengths as a direct response medium.

- a) The advertiser can target down to an individual level.
- b) The communication can be personalized.
- c) The medium is good for reinforcing interest stimulated by other media. It can supply the response mechanism (a coupon) which is not yet available in that form.
- d) The opportunity to use different creative formats is almost unlimited.

- e) Testing potential is sophisticated: a limited number of items can be sent out to a 'test' cell and the results can be evaluated. As success is achieved, so the mailing campaign can be rolled out.

The cornerstone upon which the direct mailing is based, however, is the mailing list. It is far and away the most important element in the list of variables, which also include the offer, timing and creative content. An extension of the mailing list is the database marketing. A database is a collection of available information on past and current customers together with future prospects, structured to allow for the implementation of effective marketing strategies. Database marketing is a customer-oriented approach to marketing, and its special power lies in the techniques it uses to harness the capabilities of computer and telecommunications technology. Building accurate and up to date profiles of existing customers enables the company to:-

- a) Extend help to a company's audience
- b) Stimulate further demand
- c) Stay close to them. Recording and keeping an electronic database of customers and prospects, and of all communications and commercial contacts.

Telemarketing is the planned and controlled use of the telephone for sales and marketing opportunities. Unlike all other forms of direct marketing it allows for immediate two-way communication.

ii) **Measure the Communications' results**

After implementing the promotional plan, the communicator must measure its impact on the target audience. Members of the target audience are asked whether they recognize or recall the message, how many times they saw it, what points they recall, how they felt about the message,

and their previous and current attitudes towards the product and company. The communicator should also collect behavioral measures of audience response, such as how many people bought the product, liked it, and talked to others about it. (BPP CIM Study Text, 2004).

viii) **Managing the Integrated Marketing Communications Process**

As defined by the American Association of Advertising Agencies, integrated marketing communications (IMC) is a concept of marketing communications planning that recognizes the added value of a comprehensive plan. Such a plan evaluates the strategic roles of a variety of communications disciplines- for example, general advertising, direct response, sales promotion and public relations- and combines these disciplines to provide clarity, consistency, and maximum impact through the seamless integration of discrete messages. (BPP CIM Study Text, 2004).

A study of top management and marketing executives in large consumer companies indicated that over 70 percent favored the concept of integrated marketing communications. IMC produces a stronger message consistency and greater sales impact. It forces management to think about every way the customer comes in contact with the company, how the company communicates its positioning, the relative importance of each vehicle, and timing issues. It gives someone the responsibility - where none existed before - to unify the company's brand images and messages as they come through thousands of company activities. IMC will help the company's ability to reach the right customers with the right messages at the right time and in the right place.

2.3 OVERVIEW OF APPLICATION OF MARKETING COMMUNICATION TOOLS

The major suppliers and manufacturers of electrical materials in Nairobi are about twenty in number. The main buyers of their products are contractors and retailers. However, they also sell their products to individuals and institutions.

Some of the notable marketing communications techniques used by suppliers of electrical materials include:

- a) Advertising: Some few firms have been advertising in the daily papers like the Daily Nation. Examples are Creative Innovations Limited and Vishelectric Limited who are suppliers of light fittings and accessories and often advertise in the print media. Other firms have also been placing adverts in the professional magazines like the Kenya Engineer which is a Journal of the Institution of Engineers of Kenya as well as in the Construction Review which is a Journal of the construction industry.
- b) Exhibitions: A number of suppliers have been participating in the annual Build Expo normally held at Kenyatta International Conference Centre. The exhibition comprises of suppliers of different materials used in the construction industry. Suppliers also often hold exhibitions at their premises or in hotels to introduce new products to the stakeholders in the construction industry.
- c) Direct Marketing: Some suppliers once in a while supply product catalogues to professionals in the construction industry. Using these catalogues, the professionals are able to select materials and fittings that can be used in various projects. Some suppliers also use face-to-face selling approach which involves visiting professionals in their places of work and discussing specific projects and how their products could be used.

d) Word of Mouth: Majority of those in the industry do not take any active role in communicating about their products but rely on word of mouth from their satisfied customers.

Generally, various marketing communication tools are used by different sectors of the economy to reach different stakeholders. The extent of use of these tools depends on their suitability to the target audiences.

Advertising is used to increase the sales of goods and services out of season. Tourist hotels in Kenya advertise heavily to local residents during the off season. It is also often used by marketers simply to maintain brand loyalty among customers or to put it in another way, to keep the customers 'sold'. Thus Coca-Cola, Tusker and OMO, which are among the most popular brands in Kenya continue to be heavily advertised. (Francis Kibera and B. Chege Waruingi, 1998).

A study conducted by Julius Murungi (2000) on the promotional tools used by private training colleges in Nairobi found out that most colleges rated advertising as an excellent way of carrying out promotion while publicity and personal selling were rated almost to have equal effects.

William Stanton (1987) pointed out that product planning, pricing, and distribution are marketing activities that are promoted mainly within the company. However, in its promotional activities, the firm gets its chance to communicate with its potential customers to "beat the drum" about its products i.e. the combination of advertising, personal selling and sales promotion are used to reach but nothing happens until somebody sells something. It expresses rather well the place of promotional activities in today's business scene yet promotion is the most criticised of all the

marketing activities and perhaps deservedly so. Without question, some adverts are misleading and some sales people act in poor taste. However, we shall not confuse the tool with the use.

In Kenya, various advertising media have been used by various firms.

Table 2.1 below indicates where firms in Kenya spent their advertising shillings in four selected years (Francis Kibera and B. Chege Waruingi, 1998).

Table 2.1: Shares of advertising expenditures of various Media in Kenya.

Medium	Year and Share			
	1976	1978	1980	1982
Print	47%	44%	46%	51%
Radio	29%	27%	26%	31%
Static Cinema	12%	13%	12%	6%
Mobile Cinema	10%	11%	10%	6%
Television	3%	5%	6%	7%

Source: Corcoran and Tyrell. Kenya Annual Advertising Reviews.

Among the sales promotion methods used in Kenya, trade exhibitions are very common.

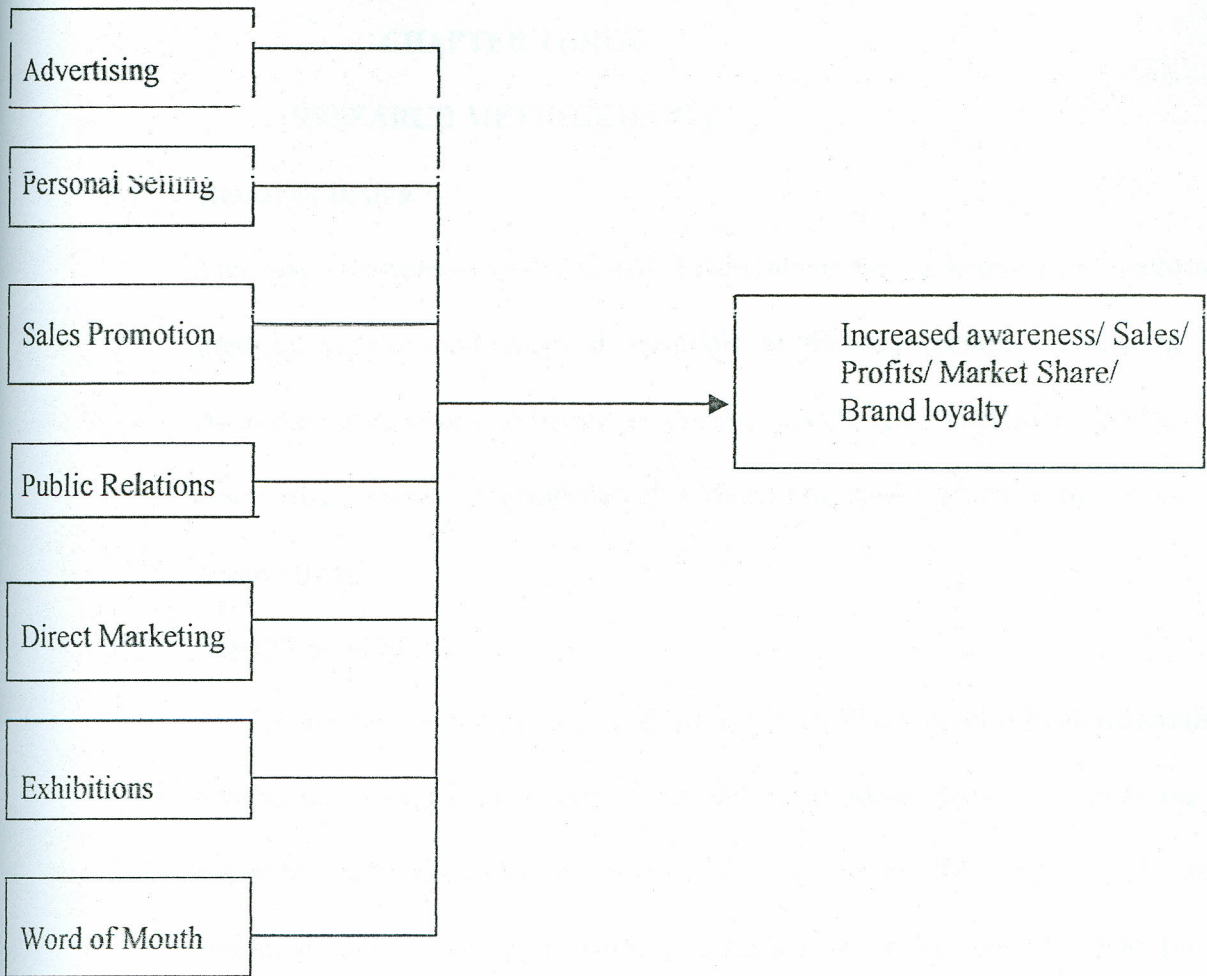
Participation in trade exhibitions like the Nairobi International Show and other Provincial shows around Kenya is one of the most effective, interesting sales promotion devices a manufacturer can use. The shows lend themselves extremely well to the purpose of giving out sample merchandise to prospective customers, distributing brochures, pamphlets and other advertising material to show goers. In this selling environment, many orders are written for new customers and buyers.

A booth at a show is an excellent device for generating good public relations with customers and with competitors. Representatives of the participating company can gain insights into the attitudes of people towards the company and the competitors just by listening to the comments that are made. To be successful, a show must be very carefully planned and coordinated.

In view of the above analysis, the role played by marketing communications is can not be overemphasized. However, most manufacturers and suppliers of electrical materials appear not to appreciate the importance of marketing communications since very few of them employ the tools to reach their various customers. The high level of poor quality materials and use of counterfeit products could be attributed to the poor usage of marketing communication tools by the industry players.

The preliminary study also reveals that information on the marketing communication techniques used by the industry is not available. The proposed study would therefore go along way in making available information on the area. This information could be used in the future by the industry players to make decisions on the most appropriate tools to be used to reach their target audiences.

2.4 CONCEPTUAL FRAMEWORK



(Independent Variables)

(Dependent Variable)

Different organizations use different or a multiple of communication tools. The success of these communication tools depends on the message to be communicated as well as the target audience. To be appropriate, communication tools are therefore varied by the various suppliers of electrical materials in order for them to achieve their objectives.

The use of marketing communications creates awareness of the products to the target audience. Increased awareness may lead to increased sales, profits and market share. Communication also helps to remind and reassure the regular users of products.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Research Design

This was a descriptive survey aimed at determining the marketing communication tools used by suppliers of electrical materials to the construction industry in Nairobi. According to Cooper and Schindler (1998), a study concerned with finding out what, where and how of a phenomenon is a descriptive study, which is the concern of the current study.

3.2 Population of Study

The population of interest included all major suppliers of electrical materials to the construction industry in Nairobi. The ideal respondents were the marketing or any manager responsible for developing or overseeing the process of marketing communication in the organization. A schedule of the 21 suppliers who formed the population of study is attached as appendix vi.

3.3 Sample Design

In this research, a questionnaire was administered to all the major suppliers of electrical materials in Nairobi. This was a census study, as all qualifying players were approached to participate. The main reason for a census is that the Nairobi electrical material suppliers are about twenty only and hence it was important to target all players. Since there was no existing complete list of manufacturers and suppliers of electrical materials to the construction industry in Nairobi, the researcher developed an initial list from trade directories and then used a 'snow balling' approach to identify other participants to create the list on appendix vi. This also involved getting leads from the known players.

3.4 Data Collection Methods

Secondary Data Review

The researcher reviewed existing data on the area of study. This included data sources like books, past research reports, and the internet.

Primary Data Collection

Structured interviews comprising of semi-structured questions were used for collecting primary data. The questionnaires were delivered and collected by hand from the respondents.

3.5 Data Analysis

The information gathered was edited, coded and analysed using descriptive statistics. Microsoft excel and SPSS software were used for the analysis. Data was presented in tables and charts accordingly. Measures of central tendency, mean and mode and measures of variation, standard deviation were used as appropriate for further analysis of data. The analysis was aimed at meeting the study objectives.

3.6 Expected Output

From the data collected the researcher expected to find out the marketing communication tools used by the suppliers of electrical materials for the construction industry in Nairobi. The output was expected to specify the most popular tools and identify the challenges in quality communication to the consumers. This output has been adequately achieved.

CHAPTER FOUR

FINDINGS AND DISCUSSIONS

4.1 Introduction

This chapter details the findings and discussions of the research study. The data is summarized into percentages and frequencies. These are subsequently presented in tables as appropriate. There is a discussion of the implications of the findings on the research subject after each table. The analysis has been presented in one section which details the following: data on the companies' profiles, methods used to identify the target audiences, marketing communication techniques employed, recommendations on improvements that need to be effected by those in the industry to address the information requirements of the different stakeholders.

4.2 Response Rate

The data is based on the 14 questionnaires that were completed out of the 21 that were dropped to the respondents. This gives a response rate of 67% which is higher than the response rate from a similar study of investors in Kenya of 40% (UNIDO,2003).

4.3 Respondents Profiles

Table 4.1 through 4.11 below shows various attributes of the profile of the respondents and the companies they represent. Majority (79%) had served for at least five years while 21% had served for a shorter period. Hence the sample was fairly balanced and representative of firms of varied descriptions.

In terms of age, most of the organizations were established between the years 1930 and 2003. This establishes that most of the companies have been in existence for a while implying that the industry is well developed in the country. The data from these findings is presented inn table 4.1 below.

Table 4.1: Year incorporated or established in Kenva

	Freq	%
BASE	14	100
None / no answer	4	29
1986	1	7
1930	1	7
1980	1	7
1990	1	7
1999	1	7
1994	1	7
2003	1	7
1992	1	7
1993	1	7
1966	1	7

Table 4.2: Measure of firm in terms of capital employment

	Freq	%
BASE	14	100
No answer	8	57
1,000,000	3	21
25,000,000	1	7
5,000,000	1	7
6,000,000	1	7

In terms of capital employment, most of the firms have a capital employed of between 1 million and 6 million.

Table 4.3: Measure of firm in terms of Asset value

	Freq	%
BASE	14	100
No answer	7	50
100,000,000	2	14
500,000	1	7
2,000,000	1	7
120,000,000	1	7
7,000,000	1	7
2,300,000	1	7

The firms had asset bases of between 2.3 million and 100million.

Table 4.4: Measure of firm in terms of sales turn over

	rreq	%
BASE	14	100
No answer	6	43
15,000,000	2	14
150,000,000	1	7
40,000,000	1	7
180,000,000	1	7
3,500,000	1	7
70,000,000	1	7
700,000,000	1	7

Most of the firms had a sales turnover amounting to between 15 million and 700 million implying that the industry is quite profitable bearing in mind that the firm with the highest asset base has an asset base of 120 million.

Table 4.5 : Type of market

	Freq	%
BASE	14	100
Domestic and foreign markets	9	64
Domestic markets only	5	36

In terms of product market, most (64%) of the firms serve both the domestic and foreign markets with only 36% serving the domestic market exclusively.

Table 4.6: Products offered in the market

	Freq	%
BASE	14	100
Light fittings	6	42
Data cables	3	21
High/Medium/ low voltage products & systems	3	21
Electric cables	2	14
Electrical switchboard	2	14
Electrical items	2	14
PVC / S/C cables	2	14
Switches	2	14
Conductors	1	7

Car systems	1	7
Fans	1	7
Industrial items	1	7
Home appliances	1	7
Furniture	1	7
Electrical accessories	1	7
Central panel	1	7
Automation of Industrial Processors	1	7
Single core PVC cables	1	7
Insulated cables	1	7
Accessories	1	7
Control gear	1	7
Twin with earth PVC insulated cables	1	7
Armored PVC / SWA / PVC / M/ G cables	1	7
Flexible cables	1	7
Multi-core control cables	1	7
Winding wires	1	7
Wiring accessories	1	7
Fabrication of metal products	1	7
Contactors	1	7
Protective devices	1	7
Networking cabinets	1	7
Fire protection equipment / Fire services	2	14

When it comes to the type of products offered in the market, light fittings lead with a share of 42% of the market followed by data cables and products of different voltages which take 21% each in terms of the market share. Electric cables, electric switch boards, other electrical items like PVC cables and normal switches follow with a market share of 14% each.

Table 4.7: Existence of a marketing department

	Freq	%
BASE	14	100
Yes	7	50
No	7	50

From table 4.7 above it is evident that half of the firms have a marketing department in place and the other half doesn't.

Table 4.8: Minimum qualification needed to head marketing department

	Freq	%
BASE	7	100
Degree	3	43
MBA	1	14
Higher diploma	1	14
BEd Electronics	1	14
KCSE	1	14
Commercial courses	1	14
BSc in Electrical Engineering	1	14

The minimum qualifications required to head most of the firm's marketing department is a degree with only 14% having a minimum requirement of an MBA. This is a clear indication of the extent of the marketing orientation of the firms. Most firms appear not to place major importance in recruiting marketing professionals.

Table 4.9: Importance of profitability to the firms

	Freq	%
BASE	14	100
Most important	9	64
3Rd	3	21
2 nd	2	14

On the issue of profitability most of the firms value profitability with 64% placing profitability as their important performance criteria. Ideally, survival, growth and profitability are the major driving forces in any organization. Without profitability, firms are bound to wind up hence the high placing of profitability in most firms.

Table 4.10: Other factors considered

	Freq	%
BASE	14	100
No answer / N/A	12	86
Customer satisfaction	1	7
Leader in quality products, hence most preferred	1	7

Some of the unique factors that some firms give priority that the questionnaire had overlooked were customer satisfaction and attaining leadership in provision of quality products. However, these factors constitute only 7% of the respondent's considerations.

Table 4.11: Nature of demand of products

	Freq	%
BASE	14	100
Regular	14	100

On the issue of how best they would describe the nature of demand of their products, all (100%) of the firms claimed to have regular demand implying that there is indeed a big ready and able market for electrical materials used in the construction industry.

Table 4.12: Methods used by company to identify the target audiences

	Freq	%
BASE	14	100
Advertising	4	29
Direct contact with customers / word of mouth	4	29
Basically electrical contractors / data base of contractors	3	21
Based on trade	2	14
Engineers / sponsorship by engineering associations	2	14
Service & sales support	2	14
Consulting firms / going to consultants	2	14
Special offers / promotional material	2	14
No answer	1	7
Consultants	1	7
Direct mail	1	7
Competitive prices with excellent products	1	7
Public relations	1	7
Manufacturing plants	1	7
Personal contacts	1	7
Show rooms	1	7
Price lists	1	7
Presentation	1	7

From the responses received, it appears most of the respondents did not understand the question asked hence no conclusion can be drawn from the information given.

Table 4.13: Reasons for Marketing Communication Effectiveness

	Freq	%
BASE	12	100
No answer / N/A	3	25
Effective since results show improved sales figures	3	25
Feedback from audience asking about products	1	8
I close the order effectively	1	8
Reliable products at good price & backup service	1	8
Target user gets / obtains knowledge of products	1	8
Due to personal relation	1	8
Trust in quality of products	1	8
Business of growing	1	8

On the issue of whether the methods used by their organizations were effective in identifying the target audience, most (25%) of those who felt that their employers' idea was effective gave the reason for this as the evidence in terms of improved sales figures. However, without asking the customers where they got the information regarding the firms, it might be difficult to measure the effectiveness of the tools used. The higher enquiries could be due to improved overall economic growth rather than due to marketing communications.

Table 4.14: Reasons for marketing communication being ineffective

	Freq	%
BASE	2	100
Not enough awareness created	1	50
Not giving enough resource to activity	1	50
The best way of knowing about new projects in advance	1	50

On the same issue, all those who felt that their method was not effective gave the reasons for this as failure to create enough awareness, failure to allocate enough resources for marketing communication and inability to know the about new projects in advance.

Table 4.15: Use of marketing communication

	Freq	%
BASE	14	100%
Yes	13	93%
No	1	7%

On use of marketing communication tools, most (93%) of the firms make use of marketing tools with only 7% failing to use the tools in reference.

Table 4.16: Types of marketing tools used

	Freq	%
BASE	13	100%
Advertising	9	69%
Sales promotions / exhibitions / special offers	9	69%
Word of mouth/direct & interactive marketing	7	54%
Direct marketing	5	38%
Customer visits / Public relations	4	31%
Seminars	2	15%
Product literature	1	8%
Regular visits to professionals	1	8%
Visiting consultation & engineers	1	8%
Tele-marketing	1	8%

As evidenced by table above, the marketing tools employed taking the lead were advertising (69%) in building profession magazines and daily newspapers , sales promotions (69%) and direct and interactive marketing (54%). Based on the kind of products, these methods are the most appropriate. Advertising is an important tool of

creating mass awareness about products while exhibitions and direct marketing can be very important tools for targeting the building professionals who are likely to attend exhibitions or advise suppliers on new projects that are in the pipeline respectively. The other marketing tools like direct marketing (38%), customer visits (31%) and seminars (15%) also constitute a relatively substantial overall percentage showing their potential as suitable tools of communication.

Table 4.17: Effective tools for communication

	Freq	%
BASE	13	100%
Public relations	11	85%
Advertising / publicity	11	85%
Personal selling	11	85%
Sales promotion	8	62%
Direct marketing / Direct & interactive marketing	8	62%
Reference from other clients	2	15%
Show rooms	1	8%
Seminars	1	8%
Product literature	1	8%
Regular visits to professionals	1	8%

The three most favored tools for communication were public relations, advertising, publicity and personal selling. This information however does not tally very well with the methods currently in use as indicated on table 4.16 above.

Table 4.18: Reason for effectiveness

	Freq	%
BASE	13	100%
They are effective	3	23%
Help us achieve sales target	2	15%
Create brand quality which personal selling can use	1	8%
A personal touch gives buyers confidence	1	8%
Reach desired audience	1	8%
Majority of business relies on Public relations	1	8%

User gets knowledge on product	1	8%
No answer	1	8%
Clients need trouble free products at competitive price	1	8%
They look around before giving an order	1	8%
Nature of products	1	8%
Based on achieved results	1	8%
Direct Interactive – Public relations with quality product	1	8%

The reasons for these three most favored tools for communication namely public relations, advertising, publicity and personal selling were given as their overall effectiveness in achieving sales target.

Table 4.19: Company's marketing theme

	Freq	%
BASE	14	100%
None	3	21%
Quality & bespoke products	2	14%
Quality	1	7%
To create product knowledge awareness	1	7%
Best affordable quality products & better technical support	1	7%
Media and public relations with good will	1	7%
Catalogues	1	7%
Customer satisfaction through provision of quality products	1	7%
To backup every client	1	7%
Company image, think global, act local	1	7%
Word of mouth	1	7%

Most (21%) of the companies lack a marketing theme with those with one in place preferring to emphasize on quality products. This shows that the firms are more quality oriented.

Table 4.20: Promotion of brand or generic categories

	Freq	%
BASE	14	100%
Brands	11	79%
Generic categories	3	21%

On the question of whether they prefer to promote the popular brands or generic categories, most (79%) of the firms were in favor of brands with only a minority opting for the generic categories. The firms are quality oriented hence the high preference of brand promotion that reflects the quality of products sold.

Table 4.21: Reasons for brand promotion

	Freq	%
BASE	14	100%
None	4	29%
They promote brands directly	1	7%
The brand is East Africa Cables	1	7%
Majority of clients look at pricing not quality	1	7%
First thing is to get confidence of customer	1	7%
Because brands are reliable	1	7%
People still like to say they own a particular brand	1	7%
Brands are known products	1	7%
Because it covers a wide range in electrical field	1	7%
Royalty	1	7%
We deal with products from many manufacturers	1	7%

Some of the reasons given as the ones behind promotion were that majority of clients put more emphasis on pricing as opposed to quality and customer confidence as being paramount.

Table 4.22: Challenge faced in achieving appropriate and effective marketing communication

	Freq	%
BASE	14	100%
Resources not enough; lack of marketing department	2	14%
Cheap goods in the market	2	14%
When competing with generic products	2	14%
High cost of advertising	2	14%
None	1	7%
No communication attitude	1	7%
Product knowledge	1	7%
Direct marketing. Recognition in higher places	1	7%
Need re-organization with better staff requirements	1	7%
Too much red tape	1	7%
Government does not assist in providing infrastructure	1	7%
Market is not well educated	1	7%
Conmen	1	7%
High cost of personal selling	1	7%
Not reaching target	1	7%
Treatment of our products as a commodity	1	7%
Cost	1	7%
Limiting effective execution of brilliant & workable ideas	1	7%
Competition	1	7%

The key challenges faced in achieving appropriate and effective marketing communication were identified to be lack of a marketing department, the issue of pricing of goods which come from different sources leading high variance in pricing, competition and the high cost of advertising.

Table 4.23 Challenges faced by other suppliers in achieving effective communication

	Freq	%
BASE	14	100%
No answer	3	21%
Not receiving payments in time	2	14%
Facing problems with substandard products	1	7%
Undercutting	1	7%
Lack of proper industrial growth	1	7%
Economy stagnancy	1	7%
Same	1	7%
Large companies have resources to monopolize sector	1	7%
No resources	1	7%
Lack of marketing departments	1	7%
Use aggressive methods to advertise products	1	7%
Uninformed market	1	7%
Perception of product as a commodity	1	7%
Not reaching appropriate target audience	1	7%
High cost of advertising	1	7%
Lack of product knowledge	1	7%
Lack of market forces knowledge	1	7%
Competition with generic products	1	7%
Cost	1	7%
Poor planning	1	7%
Too much competition	1	7%

The key challenge facing other manufacturers in achieving appropriate and effective marketing communication was identified as failure to receive payment from the customers for products sold. This could be attributed to poor credit control and the high economic decline in the past which forced many contractors to operate within very low margins that leads to liquidity problems.

Table 4.24: What the company should do to improve the marketing communication tools

	Freq	%
BASE	14	100%
No answer	4	29%
Establish marketing department	2	14%
Assign more resources / increase resources	2	14%
Service	1	7%
Competitive pricing	1	7%
Reorganize sales	1	7%
More awareness with end users	1	7%
Have a website	1	7%
Customer data base	1	7%
Seminars on technical issues	1	7%
Monthly letter on all consultants & contractors	1	7%
Improve to reach end users on wider net	1	7%
Increase advertising budget	1	7%
Increase interactive selling	1	7%
ISO certification has improved efficiency	1	7%
Specific targeting	1	7%
Create forums for architects & consultants	1	7%

On the issue of the suggestions they would give to the company on how best to improve the marketing tools, the two most featured suggestions were establishment of a marketing department and assigning of more resources to the marketing communication. However, based on the organizational structures of most firms, it might be difficult to establish marketing departments. Most businesses are family owned and the top managers lack marketing orientation. Without drastic changes in the operations of most firms, it would not be easy to establish the marketing departments.

Table 4.25: What the industry should do to improve its marketing communication tools

	Freq	%
BASE	14	100%
None	5	36%
Advertising company must be able to produce good output	1	7%
Client requirement	1	7%
Employ more people in marketing	1	7%
Press government to give some form of refund	1	7%
Adopt the reputed & proven safety standards	1	7%
Fairness in competition	1	7%
Awareness of environment detection regulation	1	7%
New tested ideas	1	7%
Interact more with consulting firms even at social level	1	7%
Be more visible in retail	1	7%
Distribution channels countrywide	1	7%
Marketing tools use for against counterfeit & dumping	1	7%
Establish marketing department	1	7%
Assign more resources	1	7%
Customer data base	1	7%
Seminar on technical issue	1	7%
Technical-monthly letter to all consultants & contractors	1	7%

On the issue of the suggestions they would give to the industry on how best to improve the marketing tools, some of those forwarded were that the advertising companies must improve good output, more resources to be allocated to marketing activities, increase interaction between the suppliers and the consulting and contracting firms who are the link to major product consumers, increase distribution networks and prepare customer database amongst others.

CHAPTER FIVE

DISCUSSION, CONCLUSION AND RECOMMENDATION

5.1 Introduction

This chapter addresses the objectives outlined in chapter one. The study objectives of this study were to establish the methods used to identify the target audiences to whom the marketing communication should be directed, to establish the extent of use of various marketing communication techniques in the industry, to identify the constraints hindering appropriate and effective marketing communication in the industry and to come up with the necessary recommendations on improvements that need to be effected by those in the industry to address the information requirements of the different stakeholders.

5.2 Discussion

One of the objectives of this study was to establish the methods used to identify the target audiences to whom the marketing communication should be directed.

The findings show that most respondents were not very clear on the methods used to identify the target audiences. However, for those who responded logically, word of mouth (29%) from industry players, identification of contractors (21%) and consulting engineers (14%) handling construction projects appears to be the main methods. Ideally, the target audience should include current users, deciders, or influencers of the firm's products. Hence by targeting this groups, it is possible to tailor the communication to suit the needs of the different groups.

The second objective of this study was to find out the extent to which various marketing communication techniques are employed in the industry. The findings indicate that most (93%) of the firms make use of marketing tools with only 7% failing to use the tools in

reference. Among the various tools, Advertising has the highest usage (69%), followed by sales promotion/exhibitions (69%), word of mouth/direct interactive marketing (54%), and direct marketing (38%) respectively. Advertising is a good technique for reaching the mass market at the lowest cost while the other methods have a lower reach but a higher feedback. Based on the types of products, exhibition is a good tool for introducing new products to the industry professionals. Direct and interactive marketing is a good method for promoting products for specific projects since it is possible to identify the needs and source products that are appropriate.

The third objective was to identify the constraints hindering appropriate and effective marketing communication in the industry. The findings indicate that lack of marketing departments (14%), the issue of pricing of goods (7%) from different sources and availing them to customers who are not knowledgeable about the products as well as price sensitive, competition (7%) and the high cost of advertising (7%) are some of the key constraints in the industry. These factors are attributable to the nature of the industry where most firms are family businesses which are managed by individuals who are not marketing oriented as well as the lax law enforcement on counterfeit goods which has lead to inferior products getting into the market..

The fourth objective was to come up with the necessary recommendations on improvements that need to be effected by those in the industry to address the information requirements of the different stakeholders. Some of the suggestions were that the advertising companies must improve good output (7%), more resources allocated to marketing activities (7%), have customer database (7%), and increase interaction with the building professionals (7%). Implementation of these suggestions could result with

improved standards of communication with the target audiences. However, the issue of setting up of marketing departments is a thorny one due to the resources required. The best way to approach the issue is to start with a few trained marketing staff and to allow the department to grow organically as their services are required.

5.3 Conclusions

From the foregoing it is evident that, advertising is the most used tool (69%) followed by sales promotion/exhibitions (69%), word of mouth/direct interactive marketing (54%), and direct marketing (38%) respectively.

Advertising was the leading tool. It has traditionally held this position and this implies that modern tools like internet have just cemented its place in the industry and not otherwise. Direct contact with customers was the second most important marketing tool. It is only effective if the customers visit your selling point in the first place while word of mouth is only effective if the product sells itself. Contractor database was the third most important marketing technique. This depends on whether the firm can be able to maintain consistent quality service which means that customers will keep coming back.

It can be concluded that advertising firms and the government play a bigger role in influencing the functioning of the industry than would normally be expected if the research was carried out adopting an inter industrial approach.

5.4 Recommendations

Several recommendations were made based on the foregoing. One was establishment of a marketing department. Half of the companies studied had no marketing department

which means they may not necessarily be marketing oriented. Another was in assigning of more resources to the course. In terms of the industry, it was felt that the advertising companies must improve their output.

The organizations are in dire needs of new workable ideas. In this case they are calling for more creativity which means need for advertising industry to develop better advertising copies for electrical products. The companies also need to invest some money to encourage innovation and develop new ideas. They could develop customer intimacy programs similar to one used by General Electric in USA where they spend time with customers to unlock opportunities for product development. This will also help them to gain from real life customer experiences.

5.5 Limitations of The study

The study had several limitations. One was that some of the respondents are technical and not purely marketing people and as such were slow to understand and respond to some of the marketing terminologies employed in the research.

The method of administration was self completion and hence some respondents even filled sections which were not meant for them creating a lot of editing work for the researcher. However, the research was completed successfully and it can be viewed to be a true representation of the situation on the ground.

5.6 Suggestions for Further Research

Further research could be conducted in future on the buyers of electrical materials that are used in the construction industry. Such a research would help explain how the target

audience responds to various marketing communication tools. Other research could also be conducted to establish the media spend and use of future marketing methodologies.

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7.0 APPENDIX I

Specimen Letter of Respondents

Dear Sir or Madam:

The attached questionnaire has been designed to help gather data for a research project on the marketing communication tools namely advertising, sales promotion, personal selling, public relations and publicity, and direct marketing employed by suppliers of electrical materials used in the construction industry in Kenya.

With respect to this purpose, your firm has been identified as one of the players in the market. I therefore kindly request you to facilitate the collection of the necessary data by answering the questions therein as precisely and factually as possible.

The information sought is purely for academic purpose and thus I assure you of strict confidentiality.

Yours Faithfully

Zachary M. Macharia

INTRODUCTION LETTER FROM THE DEPARTMENT

KENYA UNIVERSITY OF SCIENCE AND TECHNOLOGY



KENYATTA UNIVERSITY
SCHOOL OF BUSINESS

TEL: 810901-19 EXT 57215
FAX: 811455/811575

P.O. BOX 43844,
NAIROBI,
KENYA.

Website: ku.ac.ke, E-mail: kuvc@nbnet.co.ke

15/07/2005

TO WHOM IT MAY CONCERN:

Dear Sir/Madam,

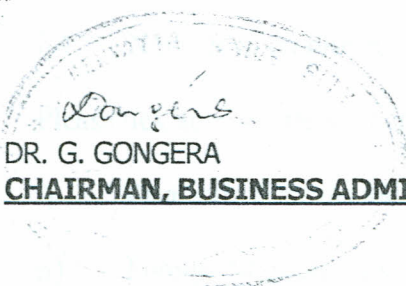
RE: RESEARCH PROJECT: DATA COLLECTION

ZACHARY M. NACHAMZIA. STUDENT NO. DS3/OL/M/0530/02

This is to confirm that the above named is an M.BA student in the School of Business, Kenyatta University, and she/he is embarking on her/his project this semester before she/he completes her/his degree programme.

Any assistance you may accord her/him will be highly appreciated.


DR. G. GONGERA
CHAIRMAN, BUSINESS ADMINISTRATION DEPARTMENT



RESEARCH QUESTIONNAIRE

1. Please fill the following blank spaces

Name of the firm

Address.....
.....

Telephone Number

Location

Year Incorporated or established in Kenya.....

Title of respondent.....

2. Who owns the company? (Please tick appropriately)

Foreign owned [] Locally owned [] Jointly owned (Foreign and Locally) []

3. In which sector can you group your company

Private [] Public []

4. The following are parameters which indicate the size of the firm. Please fill in the respective

blank spaces of the measure which best indicate the size of your firm..

i) Capital employed

ii) Asset values.....

iii) Sales turnover

iv) Number of employees.....

5. Please tick appropriately where you sell your products:-

i) Domestic Markets only []

ii) Foreign Markets only []

iii) Domestic and Foreign Markets []

6. Which products do you offer the markets? List a few.

.....

7. (a) Most firms have marketing departments which perform activities such as product development, pricing, distribution and promotion. Does your firm have such a marketing department? Yes [] No []

(b) If yes, what is the minimum qualification needed for a person to head this department?

.....

8. Among the following items, please indicate their order of importance to your firm such that 1 is the most important and 4 is the least important.

a) Profitability []

b) Competitive position []

c) Survival []

d) Increased market share (Growth) []

d) Other (Specify).....

9. Which of the following describes the nature of demand for your main products:-

a) Regular []

b) Seasonal []

c) Irregular []

e) Other (Specify).....

10. Which methods does your company use to identify the target audiences to communicate to?

.....

.....

11. Are the methods used by your organization effective in identifying your target audience? (Tick the appropriate response)

Yes []

No []

12. Why do you think the methods used to identify your target market are effective or not effective (depending on the response given in question 11 above)?

.....
.....

13. In your opinion does your company use any marketing communication tools? (Tick the appropriate response)

Yes []

No []

14. If the answer to the above question is No, go to question 22.

15. If the answer to the above question is yes, list the marketing communication tools your company uses in order of importance starting with the most important.

.....
.....
.....

16. In your opinion to what extent does the company use the following marketing communication tools listed below?

	Very large Extent (5)	large extent (4)	some extent (3)	small extent (2)	no extent at all (1)
Advertising	[]	[]	[]	[]	[]
Sales promotion	[]	[]	[]	[]	[]
Public relations	[]	[]	[]	[]	[]
Publicity	[]	[]	[]	[]	[]
Personal selling	[]	[]	[]	[]	[]
Direct & interactive marketing	[]	[]	[]	[]	[]

Other (please specify)

17. How effective are the following tools in communicating effectively? (Circle the appropriate response)

	Excellent	Good	Fair	Poor	Very poor
Advertising	5	4	3	2	1
Sales promotion	5	4	3	2	1
Public relations	5	4	3	2	1
Publicity	5	4	3	2	1
Personal selling	5	4	3	2	1
Direct & interactive marketing	5	4	3	2	1

Other (please specify)

18. Which in your opinion are the 5 most effective communication tools? (Rank them beginning with the most effective)

.....

.....

.....

.....

19. Why are they (the communication tools mentioned above) the most effective?

.....

.....

20. Please assess the effectiveness of **advertising** as an element of the marketing communication mix along the following aspects: on a scale of 5-1 where **5 is excellent** and **1 is very poor**.

	Excellent	Good	Fair	Poor	Very poor
Building long term image For a product	5	4	3	2	1
Triggering quick sales	5	4	3	2	1
Larger audience reach	5	4	3	2	1

Cost effectiveness	5	4	3	2	1
Improved perception on brand quality	5	4	3	2	1
Enabling personalized feedback	5	4	3	2	1
Other (please specify)					

21. Please assess the effectiveness of **personal selling** as an element of the marketing communication mix along the following aspects: on a scale of 5-1 where **5 is excellent** and **1 is very poor**.

	Excellent	Good	Fair	Poor	Very poor
Prospecting for potential customers	5	4	3	2	1
Communicating with existing & potential customers	5	4	3	2	1
Information gathering	5	4	3	2	1
Shaping relationships With major customers	5	4	3	2	1
Selling products & services	5	4	3	2	1
Other (please specify)					

22. Please assess the effectiveness of **sales promotion** as an element of the marketing communication mix along the following aspects: on a scale of 5-1 where **5 is excellent** and **1 is very poor**.

	Excellent	Good	Fair	Poor	Very poor
Increased awareness amongst target audience	5	4	3	2	1
Achieving switch in consumer behavior	5	4	3	2	1
Increasing display space of brands in stores	5	4	3	2	1
Generating consumer database from mail-in applications	5	4	3	2	1

Smoothing seasonal dips in demand for products	5	4	3	2	1
--	---	---	---	---	---

Other (please specify)

23. Please assess the effectiveness of **public relations** as an element of the marketing communication mix along the following aspects: on a scale of 5-1 where 5 is excellent and 1 is very poor.

	Excellent	Good	Fair	Poor	Very poor
Maintaining goodwill Between company & its publics	5	4	3	2	1
Building corporate image	5	4	3	2	1
Promoting company's interest	5	4	3	2	1
Increasing awareness of company & its products	5	4	3	2	1
Persuading existing & potential Customers	5	4	3	2	1

Other (please specify)

24. Please assess the effectiveness of **publicity** as an element of the marketing communication mix along the following aspects: on a scale of 5-1 where 5 is excellent and 1 is very poor.

	Excellent	Good	Fair	Poor	Very poor
Media liaison	5	4	3	2	1
Community activities	5	4	3	2	1
Product launches	5	4	3	2	1
Loyalty/ customer clubs	5	4	3	2	1
Company's newsletter	5	4	3	2	1
Websites	5	4	3	2	1
Trade shows/ ASK	5	4	3	2	1

Other (please specify)

25. Please assess the effectiveness of **direct & interactive marketing** as an element of the marketing communication mix along the following aspects: on a scale of 5-1 where **5 is excellent** and **1 is very poor**.

	Excellent	Good	Fair	Poor	Very poor
Creating direct relationship between company and customers	5	4	3	2	1
Stimulating further demand	5	4	3	2	1
Extending help to a company's audience	5	4	3	2	1
Recording & keeping customers contacts	5	4	3	2	1
Reinforcing interest Stimulated by other media	5	4	3	2	1
Other (please specify)					

26. What is your company's key marketing communication theme?

27. In your opinion are they general or product related? (Tick the appropriate response)

General []

Product related []

28. Why do you think they are general/ product related (Depending on the response mentioned in question 27 above)

29. Do they promote brands or generic categories? (Tick the appropriate response)

Brands []

Generic categories []

30. Why do you think they promote brands or generic categories?

.....

.....

31. What challenges does your company face in achieving appropriate and effective marketing communication in the industry?

.....

.....

32. In your opinion, to what extent does the industry use the following marketing communication tools listed below?

	Very large Extent (5)	large extent (4)	some extent (3)	small extent (2)	no extent at all(1)
Advertising	[]	[]	[]	[]	[]
Sales promotion	[]	[]	[]	[]	[]
Public relations	[]	[]	[]	[]	[]
Publicity	[]	[]	[]	[]	[]
Personal selling	[]	[]	[]	[]	[]
Direct & interactive marketing	[]	[]	[]	[]	[]

Other (please specify)

33. In general, what challenges do you think other manufacturers / suppliers face in achieving appropriate and effective marketing communication in the industry?

.....

.....

.....

.....

34. What do you think the company should do to improve the marketing communication tools they are currently using in order to be more effective?

.....

.....

.....

.....

35. What in your opinion should the industry do to improve the marketing communication tools they are currently using in order to be more effective.

.....

.....

.....

.....

10.0 **APPENDIX IV - BUDGET**

ACTIVITY	AMOUNT (Kshs)
1. Proposal preparation including typing, photocopying and binding	10,000.00
2. Production of questionnaire	3,000.00
3. Data Collection	10,000.00
4. Data Analysis	12,000.00
5. Project report writing, typing Photocopying and binding	<u>10,000.00</u>
TOTAL	<u>55,000.00</u>

11.0 APPENDIX V

PROGRAMME FOR RESEARCH ACTIVITIES

		NUMBER OF WEEKS						
PHASE	DESCRIPTION	WEEK 1	WEEK 2	WEEK 3	WEEK 4	WEEK 5	WEEK 6	WEEK 7
I	PREPARATION & PILOT STUDY							
II	DATA COLLECTION							
III	DATA ANALYSIS & CODING							
IV	REPORT WRITING & SUBMISSION							

12.0 APPENDIX VI

TARGET POPULATION OF SUPPLIERS OF ELECTRICAL MATERIALS

1. Power Techniques Ltd. Mombasa Road. P O Box 49197 – 00100
2. Specialized Power Svstems Ltd. Tel: 530660
3. Electric Link Ltd – Mombasa Road - Tel: 824414
4. Creative Innovations Ltd – Road A off Enterprise Road, Industrial Area –
Tel: 555661
5. Doshi & Co. (Electrical) Ltd – Mombasa Road – Tel: 821291
6. Filmico Agencies Ltd – Dar-e salam Road. - Tel: 553453
7. Nabico Enterprises Ltd, Kirinyaga Road - Tel: 224088
8. Nationwide Electrical Industries Ltd, Road one Baba dogo Road – Tel: 860636
9. ABB – Baba dogo Road – Tel: 861571
10. Power Inovations Ltd – Vision Plaza, Mombasa Road – Tel: 535246
11. Sitima Enterprises Ltd, Kijabe Street: - Tel:223535
12. Vish Electric Ltd, Alpha Centre – Mombasa Road, Tel. 823292
13. East African Cables Ltd, P O Box 18243 – 00500 Nairobi Kitui Road.
14. Metsec Ltd, Tel: 350055, 821294
15. Power Engineering International Ltd, P O Box 49155, Nairobi
16. Switchgear & Controls Ltd, Dunga Close, off Dunga Road, P O Box 42503 –
00100, Nairobi
17. Kenwestfal Works Ltd. - Tel. 554497
18. Lighting and Power Tel. 554497
19. Mullard Electronics Tel. 554497
20. Power Controls Technique Ltd. Tel. 554497
21. Thorlite Limited Tel. 554497