INFLUENCE OF ETHICAL MARKETING PRACTICES ON BRAND PERCEPTION OF SELECTED ONLINE STORES IN NAIROBI CITY COUNTY

BY

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DECLARATION

I hereby declare that this research project is my original piece of work and has not been presented in any other institutions. No part of this research project is to be reproduced without the prior written permission of the author or the University of Nairobi.

Signature: …………………………. Date: ………………………………………..

Eudie Wanjiru Vito

D65/5507/2017

Supervisors Declaration

This research project has been submitted for examination with my approval as the University supervisor.

Signature…………………………………… Date: ……………………….……….

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DEDICATION

I would like to dedicate this research to my family, mentor and colleagues for their relentless support, encouragement and invaluable input throughout this master's program. My sincere gratitude.

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I would like to express my utmost gratitude to my supervisor Dr. Victor Ndambuki, for his patience, guidance and support that enabled successful completion of this research project.

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ABBREVIATIONS AND ACRONYMS

B2B: Business-to-Business

B2C: Business-to-Consumer

C2C: Consumer-to-Consumer

CA: Communications Authority of Kenya

ERC: Ethics Resource Centre

EWASCO: Embu Water and Sewerage Company

I.T: Information Technology

KNBS: Kenya National Bureau of Statistics

KRA: Kenya Revenue Authority

USA: United States of America

ABSTRACT

Online stores have increasingly been under scrutiny by the members of the society in the recent times. To this end, most of them are making conscious efforts to include ethical practices within their marketing operations. In other words, businesses are increasingly getting concerned about the company's brand perception. Kiluva (2006) observed a successful sale relies on judgment of buyers of a business' reputation. Their ethical practices go a long way in building consumers' and other stakeholder experiences with the brand. A 2018 research conducted by Kenya National Bureau of Statistics (KNBS) in conjunction with Communications Authority of Kenya (CA) revealed that 27% of businesses in Kenya now sell their products online. Nevertheless, the potential of e-commerce remains huge and will see many more businesses join the bandwagon. To date, it has attracted multinational companies like Alibaba Group Holdings Limited, Jumia, Avechi, Kilimall, and Africa Sokoni among many others. In addition to the multinationals, we also have locally owned online stores like Masoko by Safaricom, Cheki, BidorBuy, and Vitu Mob amongst many others. Nevertheless, the online stores in Kenya are struggling to win customer trust as many have had prior bad experiences relating to ethical marketing practices which have been shared through word of mouth and on social media platforms. To this end, the study sought to investigate the influence ethical marketing practices on brand perception of selected online stores in Nairobi City County. The study was based on cross sectional descriptive survey design and data was collected through online questionnaires. The study found that ethical marketing practices influence brand perception of the selected online stores in Nairobi City County. When it comes to ethical marketing practices, the study concluded that the ethical marketing practices among the selected online stores in Nairobi City County are average. In regards to the brand perception, it concluded that the brand perception of the online stores in Nairobi City County is positive. The study recommends further research to be done on influence of ethical marketing on performance of online stores in Kenya.

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

Today, businesses around the world are increasingly becoming cognizant of their ethical marketing practices and what the different publics think about their brand. This is because their actions have a direct impact to the stakeholders and the society in general. This sharper focus comes against the background of an ongoing revolution in the conduct of business. Twenty to thirty years ago, it would have been inconceivable to think that one could sit at the comfort of his/her home and shop right from their laptops or mobile phones. The technology has ushered new opportunities that have led to great transformations on how we go about our personal lives and business.

Online stores are one of those opportunities that have been unlocked by internet technology and this has since revolutionized the way business is done today globally as well as locally. Pare (2002); Darley (2003); Rwigema & Venter (2004) and Lane et al., (2004) contend that the transformation of businesses include nudging access of the global marketplace with minimal logistical costs, conduct of business in real time beyond borders and across the globe, and connecting buyers and sellers at a lower cost in terms of transaction as well as information aspects. While this is an impressive stride, it has created new facets of ethical marketing practices as online stores compete for market share in a very cut throat business environment. In striving to outdo each other, the degree of ethical marketing practices adopted can profoundly affect how stakeholders perceive the company thus in the process creating a certain brand perception.

In probing the nexus between ethical marketing practices and brand perception, the study was anchored by the theory of Aaker's brand equity theory, Kapferer's brand identity theory and deontological ethics theory. Brand theories by Aaker (1992) and Kapferer (1986; 2004) provided a basis of understanding the components of brand equity and identity respectively which when combined influences the overall brand perception. These two theories address different aspects of brand management and as such when combined, they bring a more holistic approach. The deontological theory offered the framework upon which ethical marketing practices by online stores can be measured against. This ultimately determines which marketing practices can be deemed ethical and those that can be said to be unethical. In other words, it provides understanding of how marketers can make ethical decisions in the organization.

In the recent years, the number of online stores in Nairobi City County has been on an upward trend. This has been buoyed by a number of factors including but not limited to increase in internet penetration, financial technology innovation and changing lifestyles just but to mention a few. In the end analysis, online stores are now playing a critical role in meeting the daily needs of Nairobi city residents. However, given the non-personal nature of online businesses, ethical issues come into sharp focus, and in this respect, it is vital to understand how various aspects of marketing ethics can influence the customer perception towards online stores. The study investigated how ethical marketing practices influences brand perception of selected online stores within Nairobi City County.

1.1.1 Ethical Marketing Practices

Marketing practices vary from one industry to the next and is largely dependent on the customers being targeted. It can however be defined as a set of marketing activities involving product, pricing, distribution and promotion decisions (Kotler, 2005). In this case, online stores are expected to make decision regarding electronic promotion, distribution, pricing and products in the day to day performance of their duties. However, the practitioners worldwide are facing unique ethical challenges as operating environments become complex requiring entities to make crucial decisions that determine their survival in the marketplace. Ethics in the context of business determines the relationship and resulting obligations to various stakeholders. However, what each of these different stakeholders recognize to be ethical varies by and large.

Scholars in the field of ethics have argued about the two perspectives of moral judgments, that is; if they are based on reason or emotion (Mizzoni, 2009). Ferrel (2005) contends that ethical marketing is a branch of marketing focused on the formulation of principles and standards guiding acceptable conduct in the business environment. Abela& Murphy (2008) added their voice in understanding the concept whereby they argued that ethical marketing is systematic study of how moral standards are applied to marketing decisions. Rajan (2016) on the other hand posits that it is an area of applied ethics that is concerned with the moral principles that underpin marketing operations and regulation of the practice. From the three definitions above, it can be deduced that ethical marketing practices entails making morally right marketing decisions and abiding by acceptable conduct within a marketing environment.

Granted, many organizations are today taking a much closer attention to their marketing and business ethics in general. Online stores particularly must now focus on making ethical decisions around product, pricing, distribution and promotion. This has been occasioned by the realization that the concept poses threats with far much greater impact on the bottom-line through the influence it has on various facets of the organization. These threats can include scandals that can result to negative brand perception and legal entanglements which can lead to lose of revenue in due damaged reputation (Ferrel, 2005). In this regard, marketing professionals are increasingly taking the lead in ethical practices as they spawn the interface between the organization and the customers. Thus, they are responsible for the choices they make within their companies and in doing so, they will either consider rightness or wrongness of the consequence or the intention of their action/decision.

Some of the ethical issues being witnessed in business today include misleading advertising, unsafe and harmful product, overbilling, abuse of distribution channel power, promotion of materialism, price fixing, invasion of online privacy, and deceptive sales methods among many others. These ethical violations have become quite rampant among many businesses in general. These circumstances have led to the formulation of a code of marketing ethics to guide marketers as well as businesses in making the morally right decisions. These code of marketing ethics are formulated by industry associations or in some cases by board of directors. They focus on setting principles and standards that define acceptable marketing conduct that provide guidance on business marketing activities based on ethical marketing principles are honesty, responsibility, fairness, respect, and transparency (Patrick et. al 2005).

It is therefore incumbent upon businesses to enforce ethical marketing practices within their organizations and while at it ponder on the ramifications of violations on their brand perception.

1.1.2 Brand Perception

Perception is one of the most powerful concepts in the marketing practice today. It is concerned with how humans process information in their environment. The interaction with the surroundings feeds both the conscious and sub-conscious mind. In this regard, brand perception is an accumulation of customers' sensory experiences with a brand which leads to interpretation and formation of meaning (Simms &Trott, 2006).In other words, it denotes how customers think, feel, and react to a brand based on their previous and current encounters. It is a process that begins with awareness where customers encounter the brand, logo, symbols, slogans, and characters among other associations. The mental reflection formed thereafter ultimately culminates to brand perception. The perception can either be positive, neutral or negative with differing parities.

Certainly, marketers have come to recognize and appreciate just how pivotal brand perception has become in rolling out marketing strategies. A lot depends on it; the brand meanings formed on the customer's mind go a long way in influencing their purchase decisions (Kardes et. al., 2011). In this regard, businesses have become cognizant of how they are perceived not only by the customers but also other stakeholders of the business. This realization has led to concerted efforts by businesses to shape the perception among the various publics. This, in turn, has resulted to use of public relations as a marketing promotional tool to nurture and cultivate the image of the business that desirable.

Barry (2000) suggests that in addition to the presented brand communications, businesses should monitor external brand communications, that is, word of mouth and publicity. Customers tend to trust independent sources of brand information and not the company's own initiated communication. This is crucial because customers have a high propensity to associate with businesses entities that possess a positive image and disassociate with those with a negative image. Given the fact that businesses operating online do not have physical locations where customers interact with them on a one to one basis, they need to invest heavily in nurturing and maintaining trust among the customers. It is imperative to note that brand perception changes over time. The more encounters a customer has with a brand, the higher the likelihood of their perception about the brand to change. Ethical marketing practices by online stores can influence their perception among the customers. There is definitely the need to investigate the repercussions of these ethical violations on the brand perception of the businesses involved.

1.1.3 Online Stores in Nairobi City County

The nature of commerce has undergone several transformations since the concept of trade became a phenomenon. Today, the world is accustoming itself to the idea of online stores which basically entails selling and buying of goods as well as services over the internet-mediated by electronic media like computer or smartphone (Rwigema and Venter, 2004). The internet has unveiled various forms of online stores that range from Business-to-Business (B2B), Business-to-Consumer (B2C) and Consumer-to-Consumer (C2C) models (Kabuba, 2014). Based on these models, online stores are adapting to the changing times and trying to meet customers' needs in more personalized ways.

The concept, pioneered in America by companies like eBay, Amazon, and Alibaba among others has diffused across the world leading to massive adoption although at different levels. It has since compelled companies more so retail stores to go back to the drawing board and rethink their business models. In developed countries like America, online shopping has been so much entrenched in the lifestyle to an extent that it has posed an existential threat to the traditional brick and mortar model. Already retail stores like Walmart are cutting back on the physical branches as they are increasingly becoming unprofitable (Nusca, 2017).

While the phenomenon of an online store is causing massive disruption in developed countries, the waves of change have made a landing in developing countries like Kenya. Already, it is one of the fastest growing areas in the Kenyan technology space (Kabuba, 2014). Granted, online stores are emerging at an astounding rate as entrepreneurs move with speed to leverage the power of the internet. Majority of these online stores are operating from Nairobi City County making it the leading hub of ecommerce in Kenya. This can perhaps be attributed to it being the capital city with a fast paced lifestyle that leaves little time for personal shopping. A 2018 research conducted by Kenya National Bureau of Statistics (KNBS) in conjunction with Communications Authority of Kenya (CA) revealed that 27% of businesses in Kenya now sell their products online with almost 95% set up in Nairobi City County.

1.2 Research Problem

The study sought to investigate influence of ethical marketing practices on the brand perception of selected online stores in Nairobi City County. From general perspective, online stores have increasingly been under scrutiny by the members of the society in the

recent times. To this end, most of them are making conscious efforts to include ethical practices within their marketing operations. In other words, businesses are increasingly getting concerned about the company's brand perception. Kiluva (2006) observed successful sales relies on judgment of buyers of a business' reputation. Their ethical practices go a long way in building consumers' and other stakeholder experiences with the brand. These experiences then lead to the establishment of a particular brand perception in their minds which ultimately influence purchase decisions.

Online stores have now become the premier consumer gateway benefiting millions of people across the globe with companies like Amazon, Alibaba and ebay influencing the online market significantly. As the trend picks up throughout the world, Africa is gradually picking up with online stores taking root in countries like South Africa, Nigeria and Egypt. Locally, Kenya has not been left behind. This far, online business has attracted multinational companies like Alibaba Group Holdings Limited, Jumia, OLX, Kilimall, and Africa Sokoni among many others. In addition to the multinationals, we also have locally owned online businesses like Masoko by Safaricom, Cheki, BidorBuy, Kaymu, Ravenzo, and Vitu Mob amongst many others.

However, the biggest challenges for online stores in Kenya are issues to do with ethical marketing practices. The businesses are struggling to win customer trust as many have had prior bad experiences which have been shared through word of mouth further dimming the prospects of the companies to fix the mess. Specifically, the issues that are causing problems are defective products, delays in delivery, lack of redress on complaints raised or poor handling, and misrepresentations (Kuzic et al., 2002). From the listed problematic areas, we can see there are fundamental issues pertaining to marketing ethics.

There have been reports on social media where customers who have made purchases online complain about mainly misrepresented products, and extreme delays. Several studies have been done on ethics and online stores. Kimani et al (2005) carried out a documentary research on the confluence of corporate governance and business ethics in Kenya. The researchers concluded that the organization's ethics disposition has more to do with individual people and not corporate culture. Hassim, Kajewski, and Bambang (2010) sought to look into the ethical issues in procurement planning in Malaysia based on a case study approach. It was observed that ethical issues arose before the beginning of the procurement process and these interfered with the execution of the project. MacDonald (2012) conducted a study pertaining access to e-commerce in the ethical trade arena: a case study of artisans in Kenya and found that wholesale buyers from the west remain critical components of e-commerce participation by artisan groups in Kenya. In another study done in the same year, Okwiri (2012) investigated the role of ethics in supply chain management of oil marketing firms in Kenya. He discovered that business practices, relativism, and ethical measures are positively correlated. Syengo (2015) did a study on ethical practices and supply chain performance at the Kenya Revenue Authority (KRA). The findings indicated that the authority has put in place measures to enforce ethical practices to a great extent but these practices influenced the performance of the supply chain to a great extent.

From the preceding discourse, there were compelling knowledge gaps. From the conceptual gap perspective, it can be observed that most of the studies focus mostly on analyzing aspects of ethics in relation to procurement management. This was observed in studies by Hassim, Kajewski, and Bambang (2010), Okwiri (2012) and Syengo (2015).

The review also revealed a significant time gap. Majority of the studies done over five years ago; Kimani et al (2005),Hassim, Kajewski, and Bambang (2010), MacDonald (2012), Okwiri (2012) and Syengo (2015). This is a significant period upon during which a lot could have taken place thus necessitating a new research to investigate the problem and to test if the previous findings still stand or have been altered over time.

There was also a methodological gap. The review revealed that most researchers opted for case study research design in conducting their investigations. This was noted in the research by Hassim, Kajewski, and Bambang (2010), MacDonald (2012) and Syengo (2015). Conversely, this study used cross sectional descriptive research design that allows for investigation in greater detail and increased generalization of the findings. To this end, the principal question investigated during the study was: what is the influence of marketing ethics on the brand perception of online businesses in Nairobi City County?

1.3 Research Objectives

To examine the influence of ethical marketing practices on the brand perception of selected online stores in Nairobi City County.

1.4 Value of the Study

This study will be quite beneficial to a cross-section of stakeholders. First, the government will find the findings useful in policy formulation that focuses on how to further support the existing online businesses and encourage more entrepreneurs to take opportunities brought about by the internet. The acumen uncovered by the study will help the government to find frameworks and mechanisms of fusing ethical marketing practices into policies. This way, they'd helping thousands of online businesses operating in the country reach their potential.

Secondly, the entrepreneurs will find the findings useful in improving their performance of their entities. The findings will reveal the ethical marketing practices that are a concerned to the customers and consequently help them take corrective measures to improve their brand perception. This is because online stores are increasingly playing a central role in the economies where they are operating. They are creating job opportunities that were previously none existent and in turn contributing to the country's development.

Lastly, other researchers looking into issues around marketing ethics, brand perception, and online business will find literature that they can use to build their own original studies. The findings of the study will demonstrate how various factors ethical marketing practices can influence brand perception and these findings provide a fresh perspective on application of branding theories.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

The subject of marketing ethics has emerged as one of the most important but hushed aspects of business operations yet it is without doubt a very crucial phenomenon that all enterprises ought to have embraced. In this regard, this section will review some of the theoretical frameworks and empirical studies.

2.2 Theoretical Foundation of the Study

This section captures a review of the theoretical foundations postulated by Aaker (1992) in his theory of Brand Equity Model and the other by Kapferer (1986; 2004) in his theory of Brand Identity. These two theories provided insights into the measurement of the influence of ethical marketing practices on brand perception, a case of online stores in Nairobi.

2.2.1 Aaker Brand Equity Model

Aaker (1992) proposed one of the most profound models in marketing currently that has by far shaped the practice of brand management in today's competitive marketplace. He argued that each brand has an inherent value which he referred to as brand equity. He defined brand equity as a set of brand assets and liabilities linked to a brand, its name, and symbol that add to or subtract from the value provided by a product or service to a firm/or to that firm's customers. He contended that brand equity is influenced by five assets and liabilities factors namely brand name awareness, brand loyalty, perceived brand quality, brand associations, and other proprietary brand assets.

Brand name awareness is considered to be the genesis of brand equity. It entails drawing attention to the brand name so that potential customers can recognize and recall it when making purchase decisions. This is critical because humans and by extension consumers are creatures of habit and consequently tend to buy things they find familiar. In view of this argument, companies should work on creating awareness of the brand name among the potential customers in order to boost the brand value. Those that fail to do so will end up with brands that have low or zero brand equity. This awareness can be generated from within the company through promotional activities like advertising or externally through word of mouth/referrals. In the context of the study, the researcher explored the brand recognition and recall of the online stores.

When it comes to perceived brand quality, Aaker (1992) contends that this element of brand equity anchors the customer's purchase decision as it offers rationalization. It is the consumer's evaluation of a brands overall excellence or superiority in comparison to other similar offers in the marketplace. Most customers experience cognitive dissonance when making purchases and they constantly want an assurance that they are indeed making the right decision by going for a particular brand. Therefore, the perceived quality of a brand provides some level of assurance to the customers. To this end, customers will select brands that they deem to be of good quality. Perceived brand quality can be an instrumental strategy; it can be a brand differentiation strategy, brand extension strategy, channel strategy or premium pricing strategy. It is therefore imperative for companies to produce products and services that are of a superior quality so that they can be ahead of the competition.

In consideration of the study, the researcher measured the perceived product quality of the various online stores in Nairobi City County. The perceived brand quality and brand name awareness leads to the next aspect of brand equity which is brand associations. These are connotations that are linked to customer's memory when they are exposed to a brand. Customers tend to remember a brand for something for instance benefits it confers, a unique attribute or even country of origin. Brand association helps customers to process, organize, and retrieve information while making purchases. Companies, therefore, need to analyze and address the areas influencing their brand image or perception (Lee at el, 2006). The aspect of brand associations as postulated in the theory will guide the researcher in measuring the various associations to online stores and see how these connotations have influenced their brand perception.

Brand loyalty is the other factor and it basically refers to a situation whereby a customer has favorable feelings towards a brand and consequently repeatedly dedicated to purchasing the same product or services for a lifetime regardless of the changes in the marketplace environment. Brand loyalty contributes to brand value creation through reduction of marketing costs because acquiring new customers is costlier than retaining existing customers. Hence, it is critical for companies to build upon the core dimensions of brand loyalty and at the same time design ingenious brand loyalty schemes. During the study, the researcher was keen on measuring the levels of brand loyalty among the online stores in Nairobi City County.

Lastly, there is brand asset which include patents, trademarks, and channel relationships. According to Aaker (1992), these proprietary brand assets can provide a company with a formidable competitive advantage in a given business environment.

A brand patent can prevent competitors from replicating unique products that the company is already undertaking. Trademark, on the other hand, provides cover from competitors who are keen on copying elements of a product that is considered to be successful in the market. It is important to note that when it comes to channel relationships, that companies with channel member relationships will be able to control the distribution of their products and in the process build strong brand equity.

When applying the Aaker's brand equity model, it is vital for companies to recognize and understand the robust interrelationships that exist between the various dimensions of brand equity. These dimensions provide the basis upon which they can create value for customers. Accordingly, businesses should channel marketing efforts on achieving awareness, managing associations, managing perceived quality, and maintaining and enhancing loyalty. The ethical marketing practices can influence these dimensions thus ultimately affecting the brand equity.

2.2.2 Kapferer's Brand Identity Prism Theory

Having successfully applied the principles of brand equity model as espoused by Aaker (1992), the focus now shifts to the resulting effect of those marketing activities; the brand identity. Brand managers ponder on how the various publics perceive the brand. Kapferer (1986; 2004) proposed the brand identity theory, a tool now commonly used by marketing professionals and in extension brand managers in analyzing brand perception and experience. The theory states that the identity of a brand comprises six distinctive elements namely physique, personality, culture, relationship, reflection, and self-image.

The concept of physique is concerned with salient features exhibited by products being sold by companies under a brand name. These features are physical hence the name physique and it constitutes brand color, logo, shape etc. These features allow customers to differentiate between various products in the market and hence build a brand identity. These salient features come immediately to the mind of the customers and hence are associated with the identity of the brand (Park and Lennon, 2009).

Personality is likened to humans who should have a character; disposition of qualities that define a person for whom they are. In order to build a brand's character, Barry (2002) proposes that companies need to communicate in line with the desired identity. By employing various marketing efforts, the company will be able to advance a precise personality. Over time, this person comes to be synonymous with the brand itself.

In order to have to have a brand identity, companies must embody values, beliefs, and customs that inspire its existence. The culture connects the brand to the company as well as the customers and it, therefore, plays a crucial role in differentiating from other players. Therefore when communicating with the publics, the messaging should demonstrate this particular culture the company has adopted for itself.

When it comes to the prism of relationship, he argued that companies should establish, cultivate and maintain an exciting relationship between the brand and the customers. This is because customers highly regard companies that focus on having a personalized relationship with them and hence they are more likely to make a purchase. Brands are shifting from transactional customer approaches to relationship approach that will see the customer engaging the brand for a lifetime (Sheth and Parvatiyar, 2000).

The reflection prism is concerned with how a brand should portray the personality of the target market. The key focus is on ensuring the brand fits the standards of the customers because they'll only connect with those brands that they perceive to be connecting with them at all levels (Palmatier et al. 2007). In this light, brands should reflect the interests, lifestyle and behavior of the customers.

The last prism, self-image, addresses the self-consciousness of customers when associating with the company's brands. By most measurement, most customers would like to be associated with brands that would enhance their image on the eyes of persons or group of people in the society that they consider important. In this regard, companies should develop superior brands that are in line with the image desired by the target customers.

This brand identity theory provides a framework upon which one can understand components of brand identity. More often than not, many confuse brand identity and brand image. They are interlinked but are essentially different, granted that the difference between the two comes in terms of focus. Brand identity focuses on a projected character by the company to the various publics whereas brand image focuses on the perception by the different publics (Marconi, 2004). Companies should go beyond brand names and create strong brands that connect deeply with customers.

Companies that can interlace all dimensions of the prism into a functional whole can create strong entities that have a concise, clear, and appealing brand identity. The six brand identity elements form six dimensions of the prism relative to one another in view of their position between the company (the sender) and the customer (the recipient), and back again.

The areas it defines between these points range from internal (subjective, implied, emotional) to external (objective, defined, tangible), and the shape of the prism makes it clear that many paths can be drawn to join them up.

The concepts espoused in the theory have lived on to help companies position their brand in this increasingly competitive world. However, it is important to note that a brand does not single-handedly guarantee any competitive advantage (Janonis et al., 2007). Companies must consider other optics that can influence the brand identity and perception. Indeed, there are many factors that contribute to a brand's identity and image. One of those issues can be ethical marketing practices. The study examined personality, culture, relationship, reflection and self-image aspects of selected online stores in Nairobi City in relation to their ethical marketing practices and how ultimately it influences their brand perception among the city residents.

2.2.3 Deontological Ethics Theory

The deontological theory is one of the normative ethical group of theories attributable mainly to Kant (1964). Theory contends that the rightness or wrongness of an action should be based on the inherent morality of the action itself in consideration of a given set of rules as opposed to the consequences of the action. In other words, deontology is concerned with one's moral intention in doing a particular action and judgments made based solely on the intention behind the action.

Bruce (2005) argues that it is one's obligation or duty to make right decisions regardless of the consequences. In the context of the study, ethical marketing practices by online stores were evaluated by virtue of their inherent rightness or wrongness.

The study measured the influence of the ethical marketing practices identified through the deontology theory framework on the brand perception of the online stores.

2.3 Empirical Studies and Knowledge Gap

Business ethics has been a subject of intense debate in the recent years. Global phenomenon like climate change, corporate social responsibility, and manufacturing pollution among others have led to increased interest by various stakeholders ranging from the customers to members of the surrounding communities where they operate. The spotlight has been mainly motivated due to the fact that the actions performed by the enterprises have some degree of influence on its publics, whether positive or negative. Noren (2004) notes that businesses have obligations to each stakeholder in every society that they operate. Given these responsibilities, they then must be conscious in the actions they take and these actions should be morally acceptable as well as meet the best interest of everyone involved.

A survey on National Business Ethics by the Ethics Resource Centre (ERC) in the USA revealed that one in two employees witnessed at least one specific type of misconduct (ERC, 2008). Going by cases of ethical violations being reported, it's quite evident that many organizations have not been able to uphold ethical practices while conducting their business. This has been attributed to various reasons. Ferrell (2005) contends that unethical practices in most instances develop due to the pressure to attain the set performance targets. However, Onyango (2015) holds a different view where he argues that unethical practices by business are solely dependent on one's personal moral compass. From these two arguments, it can be said that ethics has both internal and external causal factors.

Granted, Wolfenson (2002) quipped that the need for proper ethical corporate governance would be a crucial as the need for governance of countries. Indeed, businesses are now waking up to the realization of the importance of business ethics. Kiluva (2006), Mwaponda (2009), and Onduso (2011) demonstrated in their studies the importance of ethical practices within organization. They established that ethics contributes to the performance of an organization. In light of this, the concept is being devolved to functional areas of the organization like marketing. In this regard, the significance of ethical practices in business cannot understate because it impacts performance as well as reputation (Kiluva, 2006). The discourse is now narrowing down to the role of marketing ethics given the fact that they interface with the most important constituent of a business. This has shifted the focus to the role of ethical marketing practices and reputation of the business.

Reputation is largely associated with brand perception. Keller (2004) contends that perceptions about a brand as reflected by the brand associations held in consumer memory. Therefore, brand perception is a critical aspect of a business that should be well nurtured and cultivated. Park and Lennon (2009) noted that brand perceptions are by and large influenced by one's experience with the business or subjective judgments of their actions upon the various stakeholders. Further, they observed that stakeholders assess business' societal responsibilities and the extent of their culpability. Redy (2014) confirmed the arguments in his research on the role of marketing ethics in reputation management established that while there are many threats to reputation, unethical marketing practices can damage the reputation of a business.

He concluded that recovering from marketing ethics misconduct can be much difficult as compared to other factors influencing reputation. The above findings were confirmed by Weber and Heuberger (2016) in their research that measured the potential threats to business reputation and established that ethical conduct is one of the leading threats. The study revealed that poor product quality has the highest propensity to influence the reputation of a business. Nyengerai et. al (2017) sought to investigate determinants of reputation and they observed that positive reputations are built progressively and that it takes a successive number of exceptional positive experiences and symbolic actions to carefully craft a positive reputation. This demonstrates the importance of businesses to consistently partake ethical actions in the eyes of the stakeholders.

From the above review, researchers notably have had a lot of interest on the role of ethics on the business reputation. It is quite evident reputation is a critical intangible asset that businesses should be constantly monitor and work on improving since it's the first signal that customers as well as other stakeholders use in deciding whether to engage. Reputation is linked with the brand perception of the company. It is therefore important for businesses to focus on the factors that influence their reputation and consequently their brand perception in the marketplace.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter presents the research methodology that was applied on this study alongside justifications of the approach chosen. Specifically it highlights the research design, population of the study, sampling technique, data collection methods and the analysis techniques that was used to draw insights from the data.

3.2 Research Design

In investigating the relationship between ethical marketing practices and brand perception, the study was based on cross-sectional descriptive research design. This particular approach is usually suitable when investigating research problems in much greater detail with the objective of providing a holistic explanation of the state of the variables at specific point in time (Mugenda & Mugenda, 2003). In this case, the study was keen on establishing the specific ethical marketing practices by the selected online stores in Nairobi City County. Having identified out these practices, it will also help in uncovering the existing correlations with brand perception. Mwaponda (2009) and Makali (2015) successfully applied this research design approach in studies investigating ethics related problems.

3.3 Population of the Study

A population refers to a group of individuals, objects or items with common characteristics from which data is collected for analysis (Kombo & Tromp, 2003). The study targeted selected online store sellers and buyers within the precincts of Nairobi City County.

When it comes to the selected online store sellers, the study sought to assess their ethical marketing practices. These were business entities selling goods and services over the internet channels (Kabuba, 2014). The buyers were consumers in Nairobi City County who have interacted with the online stores when looking for products or services. The study sought to assess their experience of ethical marketing practices by the selected online stores and how it has influenced their brand perception of the stores in a general perspective.

3.4 Sample Selection

The study used simple random sampling method administering online survey. This approach was preferred because it gave each member of the target population an equal chance to participate in the study and hence the results were more representative. The survey used non-list based online random sampling through web and email given that there were no existing official records of online buyers and sellers in Kenya, the study selected120respondents; 40 selected online stores and 80 online store customers. At least 30 respondents are required for a representative study (Wanjau et al., 2012).

3.5 Data Collection

The data collection was done using online questionnaires sent through web and email. The questionnaire was set up using Google Survey and dispatched online to the targeted population. The questionnaires will contain closed ended questions. This was motivated by the fact that the target population is quite large and questionnaires are easy to administer, more suitable in collecting relevant and comprehensive data as well as analyze the resulting data hence saving time. The survey used restricted email to avoid multiple submissions from the same person so as not to distort the data.

3.6 Data Analysis

The data collected was subjected to preliminary quality checks to ensure they were properly completed and the data was consistent i.e. no abnormal responses that could distort the true position of the findings. This was followed by coding of the data collected and followed by descriptive statistics such as frequencies, percentages, and mean scores. The analyzed data was presented in tables. The inferential statistics was used to measure the relationship between ethical marketing practices and brand perception.

CHAPTER FOUR

DATA ANALYSIS, FINDINGS AND DISCUSSION OF RESULTS

4.1 Introduction

This chapter presents an analysis of the data collected, the findings arising thereof, and a discussion of results pointing out striking results. Thus, the section will focus on the response rate, data analysis as well as findings on ethical marketing practices and brand perception among the selected online stores. This will be followed by the data analysis and findings of the same but among the online shoppers of the selected stores.

4.2 Response Rate

In conducting the study, a total of 120 respondents were sampled to participate in the study. In the sampling plan, 40 online stores were selected and out of this 32 respondents completed the questionnaire resulting into a response rate of 80%. When it came to the online shoppers, 2 respondents were sampled for each selected store translating to a total of 80 and out of this, 64 respondents participated representing a response rate of 80%. In this regard, the data collected was sufficient for analysis and drawing valid conclusions as well as generalization given that it has surpassed the 50% mark of the originally targeted respondents (Mugenda & Mugenda, 2004).

Table 4.1 Response Rate

Response Rate	Frequency	Percentage
Responded	96	80%
No Response	24	20%
Total	120	100%

Source: Research Data

4.3 Ethical Marketing Practices Among Selected Online Stores

The study sought to investigate the extent of ethical marketing practices among the selected online stores in Nairobi City County. A triangulation was used to assure validity of the data and this involved collecting data from the sellers of the selected online stores as well as their buyers. This was measured by use of Likert scale and the results are presented below sections in the 4.3.1 and 4.3.2.

4.3.1 Extent of Ethical Marketing Practices As Described by the Selected Sellers

The sellers at the selected online stores were asked the extent to which statements relating ethical marketing practices applied to them in a scale of 1-5 where; 5 = Very Great Extent, 4=Great Extent, 3 = Neutral, 2 = Small Extent and 1 = Very Small Extent. The findings were as indicated on the Table 4.2 below.

Table 4.2.Ethical Marketing Practices As Stated by the Selected Online Stores

Statement	N	Mean	Std. Deviation
Our products are certified by the Kenya Bureau of Standards	32	3.6563	1.57827
Our products are labeled with relevant product information	32	4.0625	1.13415
Our packaging materials are biodegradable	32	3.7500	1.16398
Our product packages are safe for the consumers	32	4.6250	0.70711
There are no hidden charges on our listed prices	32	4.6250	0.70711
We disclose all the terms and conditions when promoting our products	32	4.4375	0.84003
We use actual images when promoting our products	32	4.5313	0.71772
We meet the delivery timelines as promised to the customers	32	4.3125	0.69270
We buy contact database for promotions	32	3.0000	1.43684
Overall Mean	**32**	**4.1111**	**0.9975**

Source: Research Data

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From Table 4.2, the respondents oscillated between very great extent and great extent with one exception case of neutral. Ethical marketing practices that selected online store sellers said applied to them to very great extent were product packages are safe for consumer use, no hidden charges on their listed prices, and use of actual images when promoting their products. When it comes to great extent, the statements were products being certified by the Kenya Bureau of Standards, products being labeled with relevant information, packaging materials used being biodegradable, disclosing terms & conditions when promoting their products, and meeting delivery timelines promised to customers. The only neutral position by the online store sellers was captured on the use of contact database for promotion. From this analysis, it can be deduced that majority of the selected online stores consider their firms to be practicing ethical marketing to a great extent.

4.3.2 Extent of Ethical Marketing Practices As Described by the Selected Shoppers

The questions asked to the online store sellers were transposed and then put to their customers to establish the level of disparity when it comes to the ethical marketing practices. The online store shoppers were asked about the extent to which they've experienced the statements in their online shopping experience in a scale of 1-5 where; 5 = Very Great Extent, 4=Great Extent, 3 = Neutral, 2 = Small Extent and 1 = Very Small Extent. The findings were as indicated on the Table 4.3 below.

Table 4.3 Extent of Ethical Marketing Practices As Stated by the Selected Shoppers

Statement	N	Mean	Std. Deviation
I have been overbilled or encountered hidden charges	64	2.3281	1.16911
I have bought defective/poor quality product from the online store	64	2.7500	1.44749
I have bought a product with non-biodegradable packaging	64	3.4688	1.39123
I have bought a product whose package is not safe for the consumers	64	2.0469	1.17419
Some products lack proper information on the labeling	64	2.7500	1.19523
I have encountered a discrepancy between the product delivered and what was posted on the website	64	3.4531	1.55257
I have never seen the terms and conditions when purchasing	64	2.5156	1.29703
The online store meets delivery timelines as promised	64	3.1250	1.25357
I receive unsolicited promotional messages from the online store	64	1.9375	1.29560
I can raise complaints to the online store effectively	64	3.3594	1.33770
Overall Mean	**64**	**2.7734**	**1.31137**

From Table 4.3, it can be concluded that majority of the online store shoppers were neutral on most statements as indicated by the respective means. The neutral positions were recorded on buying defective or poor quality product from the online store, buying a product with non-biodegradable packaging, products that lack proper information on the labeling, discrepancy between product delivered and the one promoted, seeing terms & conditions when purchasing, receiving deliveries within the timelines promised, and having effective ways to raise complaints. On the remaining statements, the respondents categorized them as small extent namely: being overbilled or encountering hidden charges, buying a product whose package is not safe, and receiving unsolicited promotional messages from the online stores.

In view of the findings, it can be deduced that majority of the respondents haven't encountered unethical marketing practices by the online stores to a large extent.

4.4 Brand Perception of Selected Online Stores

To understand the influence of the ethical marketing practices on brand perception of online stores, the respondents were asked a number of statements to ascertain extent of their brand perception. As was done for the ethical marketing practices, the questions were posed to both the online sellers as well as the online shoppers. The essence of this was to establish the level of congruence between response of the sellers and buyers hence providing assurance in terms of data validity. This approach gave an internal and external view of the brand perception as argued by Kapferer (2008; 1986) in his theory of brand identity prism. In this case, the selected online store sellers are internal facing side of the prism while the shoppers are the external facing prism. On this too, a Likert scale was used to measure the brand perception and the results presented in the subsequent sections, 4.4.1 and 4.4.2 respectively.

4.4.1 Extent of Brand Perception As Described by the Selected Sellers

In measuring the extent of brand perception by the selected online store sellers, they were asked about applicability of predetermined statements to their stores. The statements were related to ethical marketing and brand management concepts but designed in such way that they could measure the underlying perception. Aakers (1991) brand equity concepts of Brand Awareness, Brand Loyalty, Brand Assets, and Brand Associations were weaved into the statements. Kapferer's (2008; 1986) personality, self-image, and culture which form internalization elements of the brand identity prism were also used to formulate the statements.

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The sellers at the selected online stores were asked the extent to which statements relating to brand applied to them in a scale of 1-5 where; 5 = Very Great Extent, 4=Great Extent, 3 = Neutral, 2 = Small Extent and 1 = Very Small Extent. The findings were as indicated on the Table 4.4 below.

Table 4.4.Brand Perception As Described by the Selected Online Stores

Statement	N	Mean	Std. Deviation
We have a logo/brand	32	4.1875	1.17604
The store has high awareness	32	3.8750	1.21150
We engage with the customers on a long term basis with a view of creating 'brand relationship'	32	4.5313	0.71772
We consistently portray our desired perception to the customers	32	4.4063	0.71208
We have loyal customers	32	4.4063	0.71208
We have a marketing ethics policy/guideline in place	32	3.8750	1.12880
We have an ethical culture in our store	32	4.0625	1.13415
We are known for our ethical marketing practices	32	4.0938	0.89296
Our customers perceive us negatively	32	2.0000	0.95038
Overall Mean	**32**	**3.9375**	**0.9595**

Source: Research Data

From Table 4.4, it can be seen that majority of the selected online store sellers said that statements apply to them on a great extent going by the indicative mean. The statements that respondents perceived to apply to them in a great extent were: having a logo, their

stores having high awareness, consistently portraying their desired perception to customers, having loyal customers, having an ethical policy in place, having an ethical culture, and being known for their ethical marketing practices. Also worth noting is the fact that engaging with the customers on a long term basis with a view of creating brand relationship was applicable to a very great extent and was the only statement that attained category five. Also, majority of the respondents held that their customers don't perceive them negatively as this statement was rated to small extent. These results indicate that majority of the online selected store sellers have a positive perception of their brand.

4.4.2 Extent of Brand Perception As Described by the Selected Online Store Shoppers

In order to establish the extent of brand perception by the selected online stores' shoppers, they were asked applicability of some statements regarding from their shopping experience from those particular stores. Similarly as done with the selected online store sellers, the statements were coined from Aaker's brand equity theory (Aaker, 1991) and brand identity theory (Kapferer, 1986). However, with this the focus was on externalization i.e. how external perception of online store brands since customers they are not part of the company. These findings would then be compared to those of the online store sellers to establish the level of congruency. The respondents were to rate the statements in a scale of 1-5 where; 5 = Very Great Extent, 4=Great Extent, 3 = Neutral, 2 = Small Extent and 1 = Very Small Extent. The findings were as indicated on the Table 4.5 below.

Table 4.5.Brand Perception As Described by the Selected Online Store Shoppers

Statement	N	Mean	Std. Deviation
I have relationship with the brand of the online store	64	2.7500	1.34519
The online store portrays my personal ethical values	64	2.5156	1.05397
I think the store has an ethical brand culture	64	2.8438	1.12995
The online store represents my personality	64	2.6563	1.28753
I am treated right all the time	64	2.8906	0.92783
I am loyal to one online store	64	2.3125	1.29560
I only buy from the online stores that are known	64	3.9688	1.09789
I am satisfied with the online store's marketing practices	64	3.2656	1.13028
I think highly of this online store	64	3.4375	1.05221
I am likely to make my future purchase from the online store	64	3.8750	1.21499
Overall Mean	**64**	**3.05157**	**1.15348**

Source: Research Data

From Table 4.5, the findings indicate that majority of the selected online store shoppers have neutral brand perception going by the indicative means. Out of the 10 statements, 7 were rated to be neutral this included having a relationship with the brand of the store, portrayal personal ethical values by the store, whether the store has an ethical brand culture, the store representing their personality, being treated right, being satisfied with the store's ethical marketing practices, and their regard for the online store.

Two statements; buying only from stores they know and prospects of making future purchase from the online store, were rated to be a great extent. However, the respondents indicated that they are loyal to one online store in a small extent. These findings imply that brand perception of the online based on their current ethical practices stores are by and large neutral/average.

4.5 Discussion of Findings

The study revealed a number of striking findings that will be discussed in depth in the succeeding sections 4.5.1, 4.5.2 and 4.5.3. The findings are first categorized in terms of variables measured drawing out key results and ultimately tying these to the ultimate influence as revealed by the study.

4.5.1 Ethical Marketing Practices of the Selected Online Stores

The study showed that in general, the extent of ethical marketing practices by the selected online stores in Nairobi City County is largely neutral (average) with a mean of 3.4422. Even so, a number of important insights were revealed in terms of specific ethical marketing practices by the selected online stores when the data was further analyzed for each practice. The findings indicate that the selected online stores are actively engaging in the following ethical marketing practices: providing effective avenues for customer redress, sending opt in promotional messages, providing safe packaging for consumers, properly labeling their products, proper display of terms & conditions to the customers when they are purchasing, fair & transparent pricing, and providing quality products.

Conversely, it was established that the online stores are engaging in some unethical marketing practices. These included failing to meet delivery timelines as promised, providing packaging that is not environmentally friendly and misrepresentation of the products. Also, it was determined that the online stores have put in place a policy or guidelines relating to marketing ethics and this finding can be demonstrated by the seven practices established to have been embraced by them. However, on the whole, it can be argued that the ethical marketing practices among the online stores in Nairobi City County is average hence the reason the Likert scale recorded a neutral rating.

4.5.2 Brand Perception of Selected Online Stores

The study also sought to measure the brand perception of the online stores in relation to their ethical marketing practices. In overall perspective, the study established that the selected online stores in Nairobi City County have a positive brand perception. The brand perception was rated 3.49453 which falls on the great extent of Likert scale used for measurement when rounded off to nearest one. The positive brand perception position was demonstrated by the fact that majority of the respondents think highly of online stores, are satisfied by their ethical marketing practices, and are likely to make future purchases from them. This could be an indication of above average online shopping experience that the customers have thus far encountered when making purchases. These findings provide validation of the critical role of brand equity in determining purchases as espoused by Aaker (1991).

On the other hand, the study also showed that brand perception of the selected stores wasn't all that perfect. On the first part, the customers consider the online stores not to have an ethical brand culture and further, they don't consider them to portray their

personal ethical values. These sentiments are backed up by the unethical practices that customers have encountered in their course of shopping experience with the particular online stores. However, these negative experiences weren't enough to downgrade the overall assessment of the brand perception to neutral or below but they could have surely impeded the highest rating of a very great extent.

On the second part, the study indicated that majority of the customers are not loyal to one online store, don't have an attachment or relationship with their brands and that they only buy from online stores that are known. These findings could be an indication of the changing times tastes and preferences among customers who are not loyal to any brand. In this regards, it can be argued that majority of the customers are transactional and could be staying with the particular online store for the sole reason that they are familiar with the brand. Indeed, it is likely that they will switch brands at a moment's notice when the need to do so arises. This can include a breach of ethical marketing practices that the customers would consider to be the most important. In a nutshell, the brand perception of the selected online stores is positive.

4.5.3 Influence of Ethical Marketing Practices on Brand Perception of the Online Stores

In addressing the crux of the study, a correlation bivariate analysis was conducted to identify the relationship between ethical marketing practice and brand perception of the online stores. The findings showed that there's a strong relationship between ethical marketing practices and brand perception as indicated by the positive correlation value of 0.8771. In other words, this essentially means that when value in ethical marketing practices increase, value of brand perception increases as well. Correspondingly, when

ethical marketing practices decreases in value, the value of brand perception decreases in value. The correlation analysis revealed a significant relationship between the ethical marketing practices on one hand and the brand perception elements on the other. However, the highest correlations were as were indicated in Table 4.6.

Table 4.6 Factors with the Highest Positive Correlation Value

	Statements	○c
1	I have been overbilled or encountered hidden charges I am satisfied with the online store's marketing practices	0.942
2	I have bought a defective /poor product from the online store I have relationship with the brand of the online store	0.978
3	I have bought a product with non-biodegradable packaging I have relationship with the brand of the online store	0.946
4	I have bought a product whose package is not safe for the consumers I have relationship with the brand of the online store	0.912
5	Some products lack proper information on the labeling I have relationship with the brand of the online store	0.948
6	I have encountered product discrepancy, delivery and promoted one I am likely to make my future purchase from the online store	0.939
7	I have never seen terms & conditions when purchasing I have relationship with the brand of the online store	0.948
8	The online store meets delivery timelines as promised I have relationship with the brand of the online store	0.932
9	I receive unsolicited promotional messages from the online store I have relationship with the brand of the online store	0.933
10.	I can raise complaints to the online store effectively I am loyal to one online store	0.929

CHAPTER FIVE

SUMMARY, CONCLUSION, AND RECOMMENDATIONS

5.1 Introduction

This chapter outlines summary of the key findings, the resulting conclusions, limitations, suggestions and recommendations arising out of the study.

5.2 Summary of Findings

In recap, the study sought to investigate influence of ethical marketing practices on the brand perception of selected online stores in Nairobi City County. The objective was to establish the extent of ethical marketing practices embraced the stores and determine the influence it has had on their brand perception. The study revealed a number of key findings that would go a long way in providing a deeper understanding of the concept of ethical marketing practices in relation to brand perception. These would benefit existing or aspiring entrepreneurs looking forward to venturing into online store business, researchers interested in matters to do with ethical marketing practices as well as brand perception and lastly the government in formulation of policies relating conduct of online business in Kenya.

Majority of the selected online stores were found to be cognizant of ethical marketing practices and have put some form of policy or guidelines in place. The data from the study indicated that they have embraced significant number of ethical marketing practices. From the list of ten that was surveyed, the study established that they were practicing seven quite significantly though at varying degrees. All of them cut across to ethical decisions related to product, promotion and pricing.

These included providing effective avenues for customer redress, sending opt in promotional messages, providing safe packaging for consumers, properly labeling their products, proper display of terms & conditions to the customers when they are purchasing, fair & transparent pricing, and providing quality products. Out of these seven practices, use of safe packaging for consumers, effective complaint redress, and providing quality products were rated as the leading ethical marketing practices by the selected online stores. This implies that they are reasonably aware of their moral duty when it comes to marketing and the impact it may have on their business reputation. However, on the flipside, the online stores were found to flouting marketing ethics when it comes to adhering to delivery timelines, providing non-biodegradable packaging, and representation of the products. These could be because of challenges in sourcing for products when customers make orders, use of plastic packaging despite the ban, and enticing the customers to make orders. Evidently, ethical decisions relating to distribution are not up to par compared to the other elements of 4Ps discussed above.

In regards to the brand perception of the selected online stores in relation to their ethical marketing practices, the study established that the general brand perception was positive. It was revealed that majority of the customers thought highly about the stores because they were satisfied by their ethical marketing practices. Consequently, the customers expressed their likelihood to make their future purchases from those particular stores basing on their experience thus far. This could also be due to the concerted efforts by the store proprietors to work on having a long term relationship with the customers as the findings revealed. These findings thus indicate that the online stores are doing averagely well in view of their customers.

However, despite the positive perception, the study established that majority of the respondents didn't think the online stores have an ethical culture. This could imply that while the stores are largely ethical, they violate the practices from time to time and as a result the customers don't perceive them to have an ethical culture. In other words, they haven't consistently sustained their ethical marketing practices. Further, the study revealed that majority of the customers are not loyal, they don't have a relationship with the brands, and that they only buy from online stores that are known. This implies that the positive episodes of experience that the customers have had with the stores resulted to the favorable brand perception evaluation but do not in any way indicate their loyalty or relationship to the stores. Further, it could also point the growth of new age consumers who are increasingly becoming less interested in brand loyalty but instead solely focused on the value for money. To this end, they will stay as so long as they feel their needs are being met by the store and are likely to make a switch when triggered for example one or more violation of the most valuable ethical marketing practice.

5.3 Conclusion of the Study

From the findings, it can be concluded that ethical marketing practices influence brand perception of the selected online stores in Nairobi City County. When it comes to ethical marketing practices, the study concludes that the ethical marketing practices among the selected online stores in Nairobi City County are average. In regards to the brand perception, it can be concluded that the brand perception is positive.

5.4 Recommendations of the Study

The study found that even though the online stores are doing averagely in most ethical marketing practices, they were not doing well when it came to adhering to delivery timelines, providing non-biodegradable packaging, and representation of the products. In this regard, it is recommended that they improve their delivery timelines, use biodegradable packaging especially given the fact there is increased concern on environmental conservation by the government that has led to banning of plastics, and lastly use actual product images when running promotions online.

When it came to brand perception, the study established that majority of the customers are not loyal and have no relationship with the brand. In light of these findings it is imperative for the online stores to come up with creative brand loyalty schemes to keep the customers. As it stands, they have no attachment and thus they should work harder in cultivating long term relationship with the customers.

5.5 Limitations of the Study

The scope of study was limited to selected online stores in Nairobi City County. Consequently, the results are only limited to the selected stores and cannot be generalized to the rest of the online stores in Nairobi City County. Finding the physical operations offices for some of the online stores was quite difficult. It took a lot of time and those that couldn't be located were replaced.

5.6 Recommendations for Further Research

As highlighted in section 5.5, it is therefore recommended that researchers to expand the scope of the study to include all the online stores in Nairobi City County and beyond. A study can also be conducted to investigate the influence of ethical marketing activities on the performance of the online stores in Kenya.

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APPENDICES
APPENDIX I: QUESTIONAIRE FOR SELECTED ONLINE STORES

Influence of Ethical Marketing Practices on Brand Perception of Online Stores in Nairobi City County

Part A: Ethical Marketing Practices

a) To what extent do the following statements apply to your company, in a scale of 1-5 Where; 5 = Very Great Extent, 4=Great Extent, 3 = Neutral, 2 = Small Extent and 1 = Very Small Extent.

Statement	1	2	3	4	5
Our products are certified by the Kenya Bureau of Standards					
Our products are labeled with relevant product information					
Our packaging materials are biodegradable					
Our product packages are safe for the consumers					
There are no hidden charges on our listed prices					
We disclose all the terms and conditions when promoting our products					
We use actual images when promoting our products					
We meet the delivery timelines as promised to the customers					
We buy contact database for promotions					

Part B: Brand Perception

a) To what extent do the following statements apply to the store, in a scale of 1-5 Where;

5 = Very Great Extent, 4=Great Extent, 3 = Neutral, 2 = Small Extent and 1 = Very Small

Extent

Statement	1	2	3	4	5
We have a logo/brand					
The store has high awareness					
We engage with the customers on a long term basis with a view of creating 'brand relationship'					
We consistently portray our desired perception to the customers					
We have loyal customers					
We have put a marketing ethics policy/guideline in place					
We have an ethical culture in our store					
We are known for our ethical marketing practices					
Our customers perceive us negatively					

APPENDIX II: QUESTIONAIRE FOR ONLINE SHOPPING CONSUMERS

Influence of Ethical Marketing Practices on Brand Perception of Selected Online Stores in Nairobi City County

Part A: Ethical Marketing Practices

a) To what extent do the following statements apply to you from your experience in online shopping, in a scale of 1-5 Where; 5 = Very Great Extent, 4=Great Extent, 3 = Neutral, 2 = Small Extent and 1 = Very Small Extent.

Statement	1	2	3	4	5
I have been overbilled or encountered hidden charges					
I have bought defective/poor quality product from the online store					
I have bought a product with non-biodegradable packaging					
I have bought a product whose package is not safe for the consumers					
Some products lack proper information on the labeling					
I have encountered a discrepancy between the product delivered and what was posted on the website					
I have never seen the terms and conditions when purchasing					
The online store meets delivery timelines as promised					
I receive unsolicited promotional messages from the online store					
I can raise complaints to the online store effectively					

Part B: Brand Perception

a) To what extent do the following statements apply to you from your experience in online shopping, in a scale of 1-5 Where; 5 = Very Great Extent, 4=Great Extent, 3 = Neutral, 2 = Small Extent and 1 = Very Small Extent.

Statement	1	2	3	4	5
I have relationship with the brand of the online store					
The online store portrays my personal ethical values					
I think the store has an ethical brand culture					
The online store represents my personality					
I am treated right all the time					
I am loyal to one online store					
I only buy from online stores that are known					
I am satisfied with the online store's marketing practices					
I think highly of this online store					
I am likely to make my future purchase from the online store					

APPENDIX III: LIST OF SELECTED ONLINE STORES IN NAIROBI

1. Bidrobuy
2. Buyandsell.co.ke
3. Cakes.co.ke
4. Cheki.co.ke
5. Closet 49.co.ke
6. Eatout.co.ke
7. Farmfreshkenya
8. Kilimall
9. Jumia
10. Mama Meals on Wheels
11. Masoko By Safaricom
12. Olx.co.ke
13. Pigiame
14. Fresh & more
15. Mamamikes
16. Mystrawberrystore.co.ke
17. Rupu
18. Africa Sokoni
19. Kaymu
20. Ravenzo
21. Vitu Mob
22. Zetort Communications Online Shopping Site
23. AliExpress Online Shopping
24. Kikapu Online- Online Shopping Redefined
25. Dakika Online
26. Avechi - Online Shopping Marketplace for Kenya & Africa
27. R&M Online Shopping
28. Flashdeals Kenya Online shopping
29. Chandaranfoodplus.co.ke
30. Zuri Online Shopping
31. Masaimarket.co.ke
32. Kuselect