PERCEPTIONS OF COFFEE BRANDING USING A GEOGRAPHICAL INDICATION BY THE COFFEE BOARD OF KENYA

BY

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DECLARATION

This management research project is my original work and has not been presented for examination to any other university

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This management research project has been submitted for examination with my approval as a University Supervisor

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DEDICATION

With deep appreciations I dedicate this management research project and completion of the Master's degree to my parents who started my life toward outcomes that I could not understand at the time and for being my role models. May God bless them immensely.

ABSTRACT

Every society develops a certain knowledge base over a long period of time. Development of such knowledge base owes its origin to the geographical environment and human interactions and becomes an important part of the society's economy and tradition. In a globalized society these knowledge are assets and are vulnerable to misuse and hence the process of preserving the knowledge and heritage is important. This was the idea behind the initiative by the Coffee Board of Kenya to develop and register a geographical indication in form of a certification trademark and protect the quality, reputation and other characteristics of Kenya Coffee essentially attributable to Kenya's agro-ecological zones.

Increasingly, customers consume brands not for the products they designate, but for the affiliation with the brands themselves. It was under this premise that the study explored the perceptions of coffee branding through the use of geographical indications as a potential tool in promoting Kenya coffee, a strategy that could also be applied to other agro-based products in a developing country like Kenya. The study examined the opinions of the coffee industry players on factors attributable to Kenya Coffee that would make it a successful brand in the local market and therefore exploit that opportunity in converting them into marketable products.

The study also explored Kenya Coffee brand awareness and brand associations among local customers and provided a detailed factual analysis based primarily on the study results and demonstrated that there is an opportunity in exploiting the positive benefits brought about by branding agro-products with geographical indications especially when these efforts are promoted through a well designed and sustained marketing activities. The objectives of the study were to establish whether local customers and key stakeholders are aware of Kenya Coffee brand and also to assess what local customers associated the brand with. A descriptive cross-sectional research design was used to guide on data collection through the use of a questionnaire with the population drawn from technical people in the coffee industry. The study found out that the level of awareness of Coffee Kenya Brand is quite high and there were strong feelings on brand association in the market. Also the study found out that reputation and quality of Kenya Coffee are the very most important determinants that currently affect its perception in the market.

The study concluded that marketing efforts on the brand needed to be taken beyond its launch to influence customers purchase decision. These needed to be done by positioning the brand through establishing correct points of difference to give customers compelling reasons to buy the brand. This research study recommends a further research be conducted to identify core brand associations to create a detailed mental map and accurately portray all salient Coffee Kenya brand associations and responses for each particular target market.

ABBREVIATIONS AND ACRONYMS

AMA	-	American Marketing Association
AMIGHA	–	Association Marocaine de’ I’ Indication Geographique de’ I’ Huila d’ Argane
CBK	-	Coffee Board of Kenya
CRF	-	Coffee Research Foundation
GIs	-	Geographical Indications
KIPI	-	Kenya Intellectual Property Institute
NCE	-	Nairobi Coffee Exchange
TBK	-	Tea Board of Kenya
TRIPS	-	Trade Related Aspects of Intellectual Property Rights
WTO	-	World Trade Organization

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CHAPTER ONE

INTRODUCTION

1.1 Background

Geographical indications according to Article 22.1 of the Trade Related Aspects of Intellectual Property Rights (TRIPs) Agreement are defined as "indications which identify a good originating in the territory of a member, or a region or locality in that territory, where a given quality, reputation or other characteristic of good is essentially attributable to its geographical origin". This Agreement under the World Trade Organization (WTO) requires all member countries to establish a national legal framework for protection and use of geographical indicator names for specific products (Vandecandelaere, Arfini, Belletti and Marescotti (2009).

Most governments have adopted legal instruments to protect geographical indicators, although there are significant differences among them like Kenya where there is no legislation. The tools for protection of geographical indicators range from general national laws on business practices relating to the repression of unfair competition or the protection of consumers, to specific regulations for the registration of geographical indicators. By utilizing geographical indicators, producers' market geographical origin products through differentiation and in exchange of the required investment (that is, production of quality products) public authorities ensure a monopoly right over the relevant geographical names used to commercialize origin products (Bagal and Vittori, 2011).

Unlike other methods of intellectual property rights protection such as patents and trademarks, which require innovative knowledge and a technology capable of industrial application, geographical indicators are generally based on traditional knowledge generated and transmitted over generations. Therefore appropriate use of geographical indicator scheme can help producers in developing countries like Kenya transform this knowledge into marketable products. This is an initiative that has been done by organizations like Coffee Board of Kenya (CBK), Tea Board of Kenya (TBK) in order to brand and reposition coffee and tea respectively in the world market.

It is worth mentioning the successes in Africa that have used geographical indicator scheme - Argane oil of Morocco used for nutritional and cosmetics purposes. As a result of this process of establishing the geographical indicator, Argane oil's exportation appeal increased significantly from about 40 tonnes in 2003/04 to more than 320 tonnes in 2007/08. In addition, activities linked to the production of the oil increased representing between 25-45% of the local population's income, determined by the area of production (AMIGHA website: www.argane-igp.org).

According to American Marketing Association (AMA) the term brand is defined as a name, term, sign, symbol, or design, or a combination of them, intended to identify the goods and services of one seller or group of sellers and differentiate them from those of competition (Keller, 2008). Technically speaking it means when a marketer (seller) creates a new name like a geographical indication, a logo, symbol, or a trademark for a new or an existing product, he or she has created a brand. This in turn will identify distinctly the product in the market and the value of such brand will gain widespread acceptance in the marketing community (Aaker, 1991; Keller, 1997). This realization has led to producer organizations in Kenya to initiate marketing strategies that will reposition products that has been presented in the market for a long time as commodities (unbranded) with identifier names and signs (branded).

The study will therefore assess the extent to which the market is aware of the initiative of branding coffee by Coffee Board of Kenya and to assess levels of awareness and recognition of this brand among the customers.

1.1.1 Concept of Branding

The branding practice has been around for centuries as a means to distinguish goods of one producer from those of another. The word brand is derived from the word 'brandr' meaning 'to burn' a practice that was used by livestock producers to burn their mark (or brand) onto their animals to identify them (Keller, 2008).

According to Farquhar (1989), a brand is defined as a name, symbol, design or mark that enhances value of a product beyond its functional purpose. A brand has also been defined as a bundle of functional economic and psychological benefits for the end-user (Ambler, 1995).

Many practicing managers refer to a brand as more than that, that is, something that has actually created a certain amount of awareness, reputation, prominence etc in a market place (Keller, 1998). According to AMA definition, the key to creating a brand is to be able to choose a name, logo, symbol, package design, or other characteristics that identifies a product and distinguishes it from others.

A product is anything offered to a market for attention, acquisition, use, or consumption that might satisfy a need or want (Keller, 1998). A brand is more than a product because it can have dimensions that differentiate it in some way from other products designed to satisfy the same need. These differences may be rational and tangible or may be symbolic, emotional and intangible. A brand distinguishes itself from its unbranded commodity counterpart by the equity it generates which is the sum total of consumer's perceptions and feelings about the product's attributes and how they perform, about the brand name and what it stands for, and about the company associated with the brand (Keller, 1998).

By creating perceived differences among products through branding (for example through a geographical indicator scheme) and developing a loyal consumer franchise, marketers (sellers like agro-based producers) create value that can translate to financial profits for their firms. The reality therefore is that the most valuable assets organizations have may not be tangible ones like plants or equipments but intangible assets such as management skills, marketing, financial and operations expertise, and most important the brands themselves. Such value was recognized by Stuart (1922-1956), who said that if his Oats company were to split up he would give out the property, plant and equipment and then he would take the brands and trademarks and would fare better (Keller, 2008). It demonstrates how much brands are valued in markets and therefore taking up the opportunity in branding their products, coffee producers in Kenya are expected to reap much more benefits than they had before.

1.1.2 Concept of Geographical Indications

The concept underlying geographical indications (GIs) depends on the identity and uniqueness of products that are rooted in well defined geographical and cultural areas. The Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) of the World Trade Organization (WTO) provides the first internationally accepted definition of geographical indications. They are defined as “indications which identify a good as originating in the territory of a member, or a region or locality in that territory, where a given quality, reputation or other characteristic of the good is essentially attributable to its geographical origin” (Bagal and Vittori, 2011),

The concept behind the geographical indications is that they are geographical names used to identify goods that can only be produced in a given geographical and cultural zone. The environment, by virtue of its soil composition, climate, biodiversity, local know-how and other human factors confers specific characteristics on these products that make them unique. It is because of these quality characteristics attributable to Kenya’s agro-ecological zones that differentiate Kenya coffee from other coffees of the world, a competitive advantage producers in Kenya can exploit and transform into a marketable brand.

Branding producer products with a geographical indication enhances the relations between people, places, agricultural and food products. This is an important pathway to sustainable rural development. Consumers are increasingly concerned with specific attributes of agricultural and food products, in relation to culture, identity, and sustainable ways of production. Such geographical indicator branded products is potentially contributing to biodiversity, world cultural heritage preservation, socio-cultural development and rural poverty reduction.

Branding origin-based products gives them the potential to create added value through market recognition, by providing access to new niche markets for differentiated products thereby ensuring an increased income for local producers.

A higher selling price is often one of the first aims of supporting a strategy for origin-based products, but increased economic value also means better access to markets, either new ones or by securing access to existing ones (Vandecandelaere, Arfini, Belletti and Marescotti, 2009).

1.1.3 Coffee Marketing in Kenya

Coffee is an important export crop in Kenya earning a reputable position in the international coffee markets because of its unique characteristics especially the taste and flavour. Kenya coffee has a sharp pointed acidity, heavy winey characteristic, chocolatey, caramelly flavours, a black currant aftertaste and a soft and smooth finish. It is because of these unique characteristics that Kenya coffee stands out in the world market.

Marketing of Kenya coffee is done either through the central auction or the direct sales system. The central auction takes place at Nairobi Coffee Exchange (NCE) where coffee (as a commodity) is sold and purchased by licensed traders through a process of competitive electronic bidding every Tuesday of the week. The licensed traders (also called dealers) who purchase coffee in turn sell it either locally to roasters, retailers and/or to overseas buyers after adding a little value. The direct sales system is where licensed growers participate directly or through the marketing agents to market coffee to overseas buyers. This system is aimed at shortening the supply chain to maximize returns to the growers and also establish direct producer-buyer relationships.

In order to reposition Kenya's coffee in the world market and make it stand out from other coffees, Coffee Board of Kenya undertook an initiative of branding Kenya coffee through the development of a distinctive geographical indication mark to be adopted by industry players while trading with this coffee. However, several private coffee brands do exist in the local retail market and are marketed by individual companies who process and package these coffees. For example, Dormans, Java, Savanna, Gibsons and Africaffe etc. International brands like Nescafe also do exist in the local market complimenting domestic consumption.

1.1.4 Coffee Board of Kenya

The Coffee Board of Kenya is a state corporation, established in 1933 under the Coffee Act CAP 333 which was later amended to the current Coffee Act No. 9 of 2001, with the mandate of regulation and promotion of the coffee industry. In pursuance of this mandate, the Board regulates production, processing and marketing by identifying, developing and facilitating prioritized marketing strategies (Coffee Act, 2001).

Globally, consumers have become conscious and sensitive of quality and safety requirements especially in the food industry. To this end, certification and branding as a phenomenon has emerged as one of the marketing strategies for meeting consumer demands in this area. Given that Kenya's coffee is globally traded and mostly sought by world renowned coffee connoisseurs, Coffee Board of Kenya responded to this market need by developing and registering a geographical indication in form of a certification mark called “Coffee Kenya” as an identifier of the high quality coffee grown and produced in Kenya.

1.2 Statement of the problem

Geographical indications are names used to identify and commercialize natural agricultural products and foodstuffs, wines and spirits, other traditionally made products such as handicrafts. These agro-based products are deeply rooted in a given geographical and cultural environment. The unique qualities and characteristics of such products depend fundamentally on their origin by virtue of the climate, soil composition, human and other factors inherent in a particular geographical region. These characteristics make these products create a niche in the market making them an opportunity that can be exploited by marketers or sellers to their benefits.

Such quality characteristics are also identifiable and distinguishable in some of our local products making Kenyan consumers attach a specific liking to some products in the market. For example, most consumers are able to develop a quality perception and differentiate Meru, Maragwa, Kisii bananas from other areas, Kikopey, Kitengela meat from other areas.

Because geographical indications products are a result of decades of hard labour and require investments (that is, costs associated with abiding by strict production rules, ensuring quality etc) state authorities need to empower communities from such delimited regions and ensure a monopoly right over the commercial use of these geographical names. States also need to ensure standards that are set forth by geographical indicators are adhered to. This is done with a proper legal system chosen to protect geographical indications at national levels (Bagal and Vittori, 2011).

Consumers worldwide increasingly seek transparency and information on the quality of the goods they wish to purchase, their production techniques and the health effects among other qualities, and because the geographical indicator scheme responds to such needs, consumers are ready to pay a premium price for origin products. Through geographical indicators therefore, products are able to be differentiated in the market based on their geographical source. This is a form of brand positioning strategy (Bagal and Vittori, 2011).

According to Keller (2008), brand positioning is the act of designing the firm's (Region) offer so that it occupies distinct and valued place in the target consumer's mind. It means finding the proper "location" in the minds of a group of consumers or market segment, so that they think about a product in the "right" way to maximize potential benefit to the sellers.

Despite the social, economic and financial benefits that the geographical indication scheme has brought to producers in most developed and some developing countries, Kenyan producers have not been able to reap from such benefits. This has been due to several factors among them lack of information on the use of geographical indications as a form of creating identity in the market for the agro-based products; lack of legislative framework governing the use of geographical indications revealing probably the reason that has led to agro-based products to continuously fetch less value. Many producers in Kenya to-date sell their products as commodities that serve as raw materials for industries that subsequently add a little value via branding to these products and reap better premiums.

Several researches have been done on the subject of branding, for example, Maguru (2011), studied on the influence of co-branding on customer perception, Mwiti (2011), studied the effect of customer perception on marketability of new products. Nyagechi (2011), studied on the perception of brand equity of daily newspapers by media buying agencies in Nairobi while Mathenge (2010) studied on the effectiveness of brand personality on the choice of lubricant by matatu drivers. Nyambura (2009), studied on the perceived influence of market promotion on brand equity while Chokera (2011) studied on the challenges affecting coffee marketing by coffee firms in Kenya and came up with the conclusion that the fast changing consumer tastes and preferences as well as economic uncertainties are some of the main challenges. In the study, he recommended that product innovation through encouraging producers to adopt product differentiation could be the best way of dealing with these challenges. However, none of the previous researches have studied on perceptions of branding coffee with a geographical indication (a form of product differentiation) thereby creating a knowledge gap. This study sought to fill this gap.

Therefore, the study sought to address these questions; to what extent has coffee branding using geographical indications succeeded in creating customer awareness? What do customers associate the brand with?

1.3 Research Objectives

The broad objective of the study was to investigate the effect of branding coffee with a geographical indication using Coffee Board of Kenya (CBK) as the case study.

The specific objectives of the study were to;

i. Establish whether local customers and key stakeholders are aware of the Coffee Kenya Brand.

ii. Assess what local customers associate Kenya Coffee Brand with.

1.4 Value of the study

The policy makers especially in agricultural sector will find the study useful as it will serve as a foundation of formulating branding policies which can effectively be implemented in a better and easier way when branding agro-based products through utilization of the advantage of their geographical source. The study will also bridge the informational gap between the market and Kenyan producers, the Government which acts as a facilitator of trading infrastructures regarding national investments and building brands for agricultural produce through legislations of Geographical Indications Act.

It is anticipated that the research findings will prompt marketers in Agricultural Parastatals and other Marketing Boards to more actively participate in setting up institutional infrastructures that will affect their field of practice in a positive way. It is also hoped that marketers will develop keen interest in researching on other successes in agro-based product' branding initiatives and be able to define the best path and strategy to take in answering the question as to whether branding agro-based products with geographical indications like in Europe is the future for Kenyan producers.

The researchers and academicians could also use this study as a foundation for their further researches on branding growers' products based on their delimited geographical sources. The research findings may also serve as a source of information to Coffee Board of Kenya' management when developing strategies of promoting "Coffee Kenya" brand as well as in building and maintaining the brand image in the world coffee market.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

Branding is the process that is used by businesses to utilize marketing strategies to enhance their product or service image so that it is more readily recollected by the customers. These brands represent enormously valuable prices of legal property, capable of influencing customer behavior, being bought and sold, and providing the security of sustained future revenues to their owners. The value directly or indirectly accrued by these various benefits is often called brand equity (Kapferer, 2005 and Keller, 2003).

The value of branding (brand equity) is that "added value" endowed to a product in the thoughts, words, and actions of consumers. Infact, the basic premise of brand equity is that power of a brand that lies in the minds of consumers and what they have experienced and learned about the brand over time. There are many different ways that this added value can be created for a brand. Similarly, there are so many different ways the value of brand can be manifested or exploited to benefit the firm in terms of greater revenue and/or lower costs.

According to Aaker (1996), brand equity (value of brand) is a set of assets (and liabilities) linked to a brand's name and symbol that adds to (or subtracts from) the value provided by a product or service to a firm and/or that firm's customers. These major assets are categorized as; brand name awareness, brand loyalty, perceived quality and brand associations. The management of brand equity involves investment to create and enhance these set of assets that make up brand equity.

2.1.1 Branding strategy

There was a time when brands were a clear, singular entity. Today there are sub-brands and brand extensions. There are also ingredient brands, endorser brands and corporate brands (for example, General Electric). Coke logo can be found on a dozen of products, for example, diet coke, Diet cherry coke – it doesn't stop there. In the grocery store, coke is a product brand; at sporting events, it's a sponsoring brand; and in communities where its bottling plants operate, coke is a corporate brand. In addition to knowing the brand identity, each brand needs to understand its role in each context in which it's involved. The relationships between brand (and sub-brands) must be clarified both strategically and with respect to customer perceptions (Aaker, 1996).

Branding strategies are an important determinant of the strength of association from the brand to the company/country and any other existing brands. There are three branding options that exist for a new product namely: creating a new brand; adopting or modifying an existing brand and combining an existing brand and a new brand.

Existing brands may be related to the corporate brand. Besides the company that makes the product, the country, geographical location from which it originates may also become linked to the brand and generate secondary associations. Many countries have become known for expertise in certain categories or for conveying a particular type of image. Consumers are now able to pick and choose brands originating in different countries, based on their beliefs about the quality of certain types of products from certain countries or the image that these brands or products communicate for example, Italian suits, German cars.

Thus, a number of brands are able to create a strong point of difference, in part because of consumers' identification of and beliefs about the country of origin. Marketers can therefore establish a geographic or country-of-origin association in different way and reposition their products to suit specific market needs (Keller 2008).

2.1.2 Value of branding to customers

Brands identify the source or maker of a product and allow customers to assign responsibilities. Most important brands take a special meaning to customers. Because of the past experiences with the product and its marketing program over the years, consumers find which brands satisfy their needs and which ones do not (Keller, 2008).

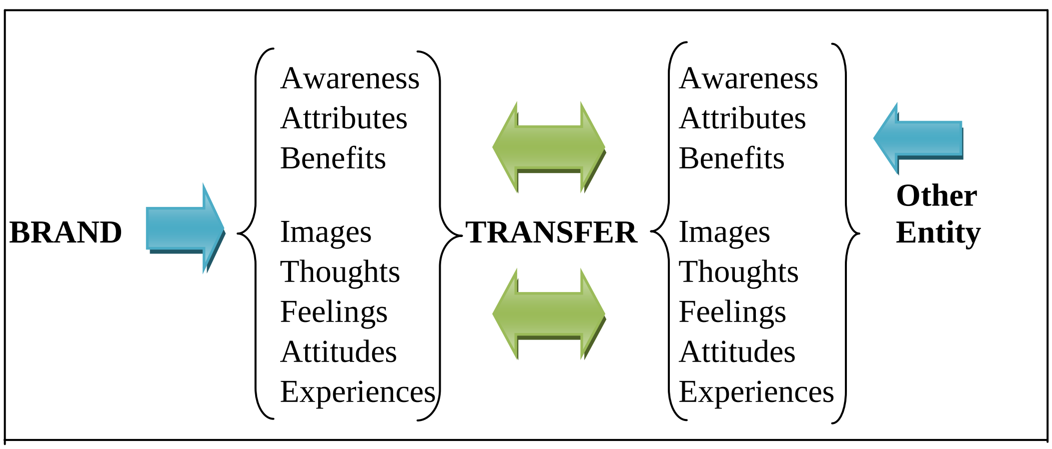
If consumers recognize a brand and have some knowledge about it, then they don't have to engage in a lot of additional thought or processing of information to make a product decision. Thus, from an economic perspective, brands allow consumers to lower search costs for products both internally (how much they have to think) and externally (how much they have to look around). Based on what they already know about the brand (its quality, product characteristics etc) consumers can make assumptions and form reasonable expectations about what they may not know about the brand (Keller, 2008).

Brands also play a significant role in signaling certain product characteristics to consumers. They also reduce the risks in product decisions. Consumers may perceive many different types of risks in buying and consuming a product that is, functional, physical, financial, social, and psychological and time risks. Consumers can certainly handle these risks in a number of ways, but one way is obviously to buy well-known brands especially those with which consumers have had favourable past experiences (Keller, 2008).

2.1.3 Brand knowledge

Theoretically, consumers can infer any aspect of knowledge from other entities to the brand as demonstrated in Figure 1 below showing how brand knowledge is transferred. However, some types of entities are more likely to inherently create or affect certain kinds of brand knowledge than other. For example, events may be conducive for the creation of experiences.

Figure 1. Understanding transfer of brand Knowledge



Source: Keller (2008), Strategic Brand Management, Building, Measuring an Managing Brand Equity, 3-ed, Pearson Education International, Page 283.

Some types of entities are more likely to inherently create or affect certain kinds of brand knowledge that others. For example, events may be especially conducive to the creation of experiences; people may be especially effective for the elicitation of feelings; other brands may be especially well suited for establishing particular attributes and benefits.

For example, consider the effects on knowledge of linking the brand to a cause, like Avon’s breast Cancer Crusade. A cause marketing program could build brand awareness via recall and recognition; enhance brand image in terms of attributes such as brand personality or user imagery like kind and generous; evoke brand feelings like social approval and self-respect; establish brand attitudes such as trustworthy and likeable; and create experiences through a sense of community and participation in cause-related activities (Keller, 2008).

2.1.4 Perceived quality

Perceived quality is customer’s perception of the overall quality or superiority of a product/service compared to alternatives and with respect to its intended purpose. Achieving a satisfactory level of perceived quality has become more difficult as continual product improvements over the years have led to heightened consumer expectations (Keller, 2008).

Consumer belief about the product’s performance, features, conformance to quality, reliability, durability, serviceability, style and design define quality and in turn influence attitudes and behavior toward a brand. For example, Kenya coffee is particularly known worldwide in the coffee trade as having superior taste and flavor with notes of blackberry mostly sought by coffee connoisseurs in the market thereby making it stand out from the other origin coffee in the same category (Keller, 2008). Perceived quality can therefore be measured with scales such as: High quality versus shoddy quality; best in category versus worst in category; consistent quality versus inconsistent quality; finest quality versus average quality versus inferior quality (Aaker, 1996).

2.1.5 Brand associations

By making connection between the brand and another entity, consumers may form a mental association from the brand to this other entity and, consequently, to any or all associations, judgments, feelings, and the like linked to that entity (Keller, 2008).

In general, this secondary brand knowledge is most likely to affect evaluations of a new product when consumers lack either the motivation or the ability to judge product-related concerns. In other words, when consumers either don't care much about or don't feel that they possess the knowledge to choose the appropriate brand, they may be more likely to make brand decisions on the basis of secondary considerations such as what they think, feel or know about the country from which the product came from (Keller, 2008).

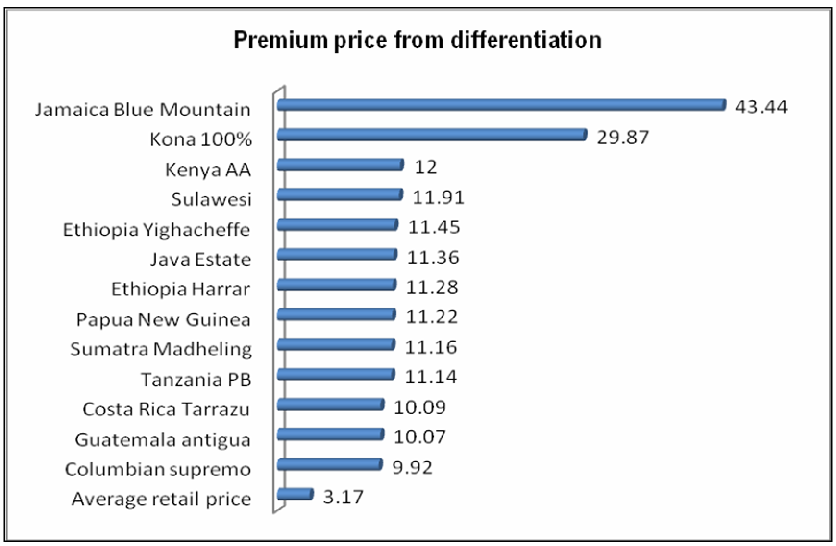
2.1.6 Brand loyalty

The value of any brand to an entity is created by the customer loyalty it commands. Considering that loyalty as an asset of a brand, encourages and justifies loyalty-building programs which then help create and enhance brand equity. Brand loyalty is a key consideration when placing a value on a brand as highly loyal customer base is expected to generate very predictable sales and profit stream. It is simply less costly to retain customers than to attract new ones (Keller, 2008). A common and expensive mistake is to seek growth by enticing new customers to the brand while neglecting existing ones. The loyalty of existing customers also represents a substantial entry barrier to competitors in part because the cost of enticing g customers to change loyalties if often prohibitively expensive. To enhance loyalty of fence sitters and the committed is through developing or strengthening their relationship with the brand via brand awareness, perceived quality, and an effective clear brand identity (Keller, 2008).

2.1.7 Price premium

A basic indicator of loyalty is the amount a customer will pay for the brand in comparison with another brand offering similar or fewer benefits (Aaker, 1996). For example, consumers are willing to pay 4 times as much to Kenya AA coffee, 14 times more to Jamaica Blue mountain coffee, 3.6 times more to Ethiopia Yighacheffe coffee than to other non-differentiated coffees as is shown in Figure 2 below.

Figure 2. Comparisons of coffee prices between origin-differentiated and non-differentiated coffees on international markets.



Source: Teuber R, 2007. Linking people, Places and Products, Page 20,

In measuring price premium, or any brand equity measure, it is useful to segment the market by loyalty. For example, the market might be divided into loyal buyers of the reference brand, customers who are brand switchers, and noncustomers (Aaker, 1996). The price premium measure is defined with respect to a competitor or a set of competitors, who must be clearly specified. A set of competitors is preferred because the brand equity of a single competitor can decline while the equity of the other competitor as a point of comparison would give an erroneous perspective of the brand's health. The price premium can be determined by asking customers how much more they are willing to pay for the brand (This is called a *dollar metric*) (Aaker, 1996). For example, you may ask a customer how much more s/he would pay to be able to buy a *Brookside* packet of fresh milk instead of *Fresha* fresh milk.

2.1.8 Global brands

A global brand is one which is perceived to reflect the same set of values around the world. Global brands transcend their origins and create strong enduring relationships with consumers across countries and cultures (Keller, 2008). They are brands sold in international markets e.g. Facebook, Apple, Pepsi, Coca-cola, McDonald's, Jamaica Blue mountain, Café' de Columbia, Kenya coffee. These brands are used to sell the same product across multiple markets and could be considered successful to the extent that associated products are easily recognizable by the diverse set of consumers

2.1.9 Value of brand to the country/firm

The world is becoming a "cultural bazaar" where consumers can pick and choose brands originating in different countries based on their beliefs about the quality and image communicated of some type of products from certain countries and even specific regions (Keller, 2008). For example, tequila from Tequila region of Mexico, Napa Valley wine from Napa region of California USA, BMW from Germany. Marketers may embed the location in the brand name such as Idaho potatoes, Irish Spring soap, Kenya Airways, or combine it with a brand name in some way as in Bailey's Irish Cream, or they can make the location the dominant theme in brand advertising campaigns to promote products of a particular country. For example, “Rums of Puerto Rico” advertise that they are the finest quality rums, leading to a 70% share of the U.S. brand sales (Keller, 2008).

Because it is typically a legal necessity for the country of origin to appear somewhere on the product or package, associations to the country of origin almost always have the potential to be created at the point of purchase and to affect brand decisions there. These in turn brings the benefits of lowering marketing costs, lays groundwork for future extensions, maintains consistent brand imagery, quicker identification of products, preempting international competitors, possibility to charge premiums, increases international media reach and increases international business and tourism. However, events or actions associated with the country may colour people’s perceptions, for example, strong connections to a country may pose problems if the firm desires to move production elsewhere (Keller, 2008).

2.2 Consumer perception to a branded product

Perception is the process by which we attribute meaning to incoming stimuli received through our five senses of vision, taste, and touch, hear and smell (Kibera, 2007). Consumer perception of a product/service is partially based on his actual experience with the good (Mercer, 2011). Marketing research also suggests that a consumer’s view of a product is also conditioned by other factors like its price and quality as well as less tangible factors like manufacturer’s reputation, experience with service and quality of packaging and branding, and other interrelated psychological factors (Mercer, 2011).

Price has a complex effect on consumer perception. Some consumers appreciate a bargain and are often likely to favour an economically-priced item. On the other hand, sophisticated or skeptical consumers are prone to distrust a product that is considerably cheaper than the alternatives. Thus, price should be part of a comprehensive marketing plan (Kotler, 2006; Zeithaml, 1988). Quality of a product is a vital part of a consumer's perception of a good or service. Quality describes any attribute in a set of characteristics that satisfy or disappoint a consumer, including usability, reliability and durability. Marketing can influence consumer's perception of quality, but for non-durable goods, consumer's actual experience with a product will determine his perception of quality (Zeithaml, 1988).

Service quality can often overshadow a negative experience with the product itself. If a consumer feels he/she has received exceptional attention when encountering a problem with a product, that consumer is somewhat more likely to trust the brand knowing that the manufacturer provides a prompt and effective response to problems (Zeithaml, Parasuraman and Berry, 1990). Reputation is built over time and is usually a combination of actual experience with the product, word-of-mouth recommendations and marketing campaigns that attempt to establish a status or shared view of the product or brand. A consumer's perception of a product's reputation, moreover, is not only determined by the product's brand identity but by the whole chain of distribution. Packaging and branding have a huge effect on consumer perceptions particularly at the point of purchase. When consumers are purchasing a type of product for the first time, the way the product is presented can wholly determine their perception of the item (Zeithaml, 1988).

2.3 Relationship between brands and trademarks

Article 15.1 of the TRIPS Agreement (WTO Trade Negotiations Committee, 2008), defines a trademark as “any sign, or any combination of signs, capable of distinguishing the goods or services of one undertaking from those of other undertakings, shall be capable of constituting a trademark”. A trademark therefore provides its owner with an exclusive right to designate products and services with that trademark or to authorize another entity to use it. The length of protection might be different from one country to another normally lasting for ten years. A trademark may also be renewed indefinitely (Bagal and Vittori, 2011).

On the other hand a brand name (often used interchangeably with ‘brand’) constitutes a type of trademark, if the brand name exclusively identifies the brand owner as the commercial source of products or services. A brand owner may therefore seek to protect proprietary rights in relation to a brand name through trademark registration and such trademarks are called “Registered Trademarks” (Bagal and Vittori, 2011).

2.4 Challenges of branding using certification marks (GIs)

Geographical indications are defined in Article 22 of the WTO’s 1995 Agreement on Trade related Aspects of Intellectual Property Rights (TRIPS), as indications “which identify a good as originating in the territory of a Member, or a region or locality in that territory, where a given quality, reputation or other characteristic of the good is essentially attributable to its geographical origin”. A geographical indication therefore signals a link between a product and its specific place and the unique production methods and distinguishing qualities of a product (Vandecandelaere, Arfini, Belletti and Marescotti, 2009).

While the TRIPS Agreement was an important step in geographical indication protection, two major sets of issues remain unresolved, that is, first TRIPS does not have a mechanism for enforcement and instead Member countries determine the appropriate method of implementing the agreement within their own legal systems; and second, Article does not provide specific criteria for how a geographical indication is defined. Countries may establish a geographical indication on rather loose criteria i.e. reputation, or characteristics "essentially attributable to its geographical origin". Consequently, a patchwork of national and regional systems has emerged that employ different criteria, legal standards, registries, and means of enforcing geographical indications protection (Tara Capsuto, 2012).

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

The chapter discusses the research design which is the basic plan that guided data collection and analysis of the research project. The chapter also defines the population and the sample design, data collection methods and analysis techniques used in conducting the study.

3.2 Research design

The study used a descriptive cross-sectional research design. A descriptive research design is conclusive and describes a happening associated with a subject or to estimate proportions of a population that have certain characteristics under study. The objective of a descriptive study according to Cooper and Schindler (2003) is to learn who, what, when, where, and how of a topic. The descriptive design attempts to describe possible behaviors, attributes, values and characteristics (Mugenda, 2003). A descriptive research as the name implies aims at describing the characteristics of the population under study (Quee, 1999). The design has successfully been used in the past by Nyambura (2009) in a study on “Perceived influence of market promotion on brand equity” and Mwele (2009) on “Perceived impact of packaging on alcohol consumption” research project.

3.3 Population of the study

A population is the aggregate of all of the cases that conform to some designated set of specifications (Hoyle et al, 2002). The study covered technical people in the coffee industry from coffee traders, Coffee Board of Kenya, Kenya Intellectual Property Institute and the Coffee Research Foundation. Table 1 shows the structure of target population drawn from different sampled organizations.

Table 1. Structure of the Target Population

Organization	Population (Technical staff)	Sample size (10%)
Coffee Board of Kenya	30	3
Kenya Intellectual property Institute	40	4
Coffee Research Foundation	90	9
Coffee Traders (5 staff on average from a sample of 48 licensed traders)	240	24
TOTAL	**400**	**40**

Source: Secondary data

3.4 Sample design

Deming (1990) argues that the quality of a study is often better with sampling than with census. Mugenda, (2003) noted that convenience sampling involves selecting cases or units of observations as they become available to the researcher. Ngau and Kamssa, (2004) noted that convenience sampling selects respondents who are close at hand and therefore saves time. Cooper and Schindler (2006) also noted that convenience sampling is cheapest and easiest research design to conduct as researchers have the freedom to choose whomever they find accessible, convenient and easy to measure, cooperative, or articulate. The basic idea about sampling is that by selecting some of the elements in a population, we draw conclusion(s) about the entire population (Cooper et al, 2003).

In view of the above, a sample of forty (40) respondents were selected through convenience sampling from organizations which deal with coffee and those that were involved in branding Kenya coffee.

3.5 Data collection

The data were collected using a questionnaire administered to the technical staff in Marketing, Quality Assurance, Operations, Trademarks examination and Trading departments of the Coffee Board of Kenya (CBK), Kenya Intellectual Property Institute (KIPI), Coffee Research Foundation (CRF) and coffee traders. Primary data was gathered using a questionnaire that contained Likert type of questions. The questionnaires were self administered through interviews.

3.6 Data analysis

The data were edited to identify and eliminate any errors followed by pertinent coding and tabulation. The data were then analyzed using descriptive statistics such as mean scores, percentages and frequencies.

CHAPTER FOUR

DATA ANALYSIS AND INTERPRETATION OF RESULTS

4.1 Introduction

This chapter presents the results of the study. The data were analyzed and evaluated according to the research objectives using descriptive statistics such as the mean scores, percentages and frequencies. The data were presented in tables and charts where necessary.

4.2 Profile of the Respondents

The study covered fourty (40) respondents in Nairobi who are technical and working in the organizations that were involved in branding Kenya coffee, coffee industry in the departments of quality assurance, operations, trading and in trademark examination. The questionnaires were either sent or personally delivered to the respondents. Out of fourty (40) questionnaires sent out and personally delivered to the respondents, 36 questionnaires were filled and returned as tabulated in Table 4.2.1 which was considered sufficient for the study. The respondents sampled were distributed among different departments as tabulated in Table 4.2.1.

4.2.1 Sample Response rate

Out of fourty (40) questionnaires issued a response rate of 90% was realized and the researcher deemed this as adequate and sufficient for purposes of data analysis.

4.2.2 Respondents Departmental Distribution

The researcher had asked respondents to indicate departments in which they were working and the response rates are as shown in Table 4.1.

Table 4.1 Distribution of Respondents by Department

Department	Frequency	%
Quality assurance	12	33.3
Trading	16	44.4
Operations	6	16.7
Trademark examination	2	5.6
Total	**36**	**100 %**

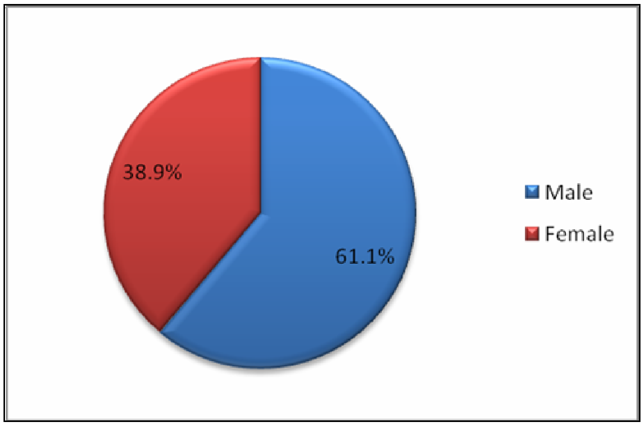
Source: Primary data

The results in Table 4.1 show that majority of the responses were from the Trading (44.4%) and Quality Assurance Departments (33.3%). These are departments that directly deal with coffee marketing and trading on daily basis. The findings of the study may therefore be more inclined towards their views.

4.2.3 Demographic Distribution of the Respondents

In terms of respondents' gender 61.1% (n = 22) were males and 38.9% (n = 14) were females. This is shown in Figure 4.1.

Figure 4.1 Distribution of respondents by gender



Source: Primary data

4.2.4 Organizations' experience in Kenya Coffee

The respondents had been asked to indicate the duration in which their organizations had dealt with Kenya Coffee. The relevant responses are as shown below in table 4.2.

Table 4.2 Organization years of experience with Kenya Coffee

Experience (Years)	Frequency	%
≤ 4 Years	4	11.1
5-10 Years	29	80.5
11-15 Years	2	5.6
≥ 16 Years	1	2.8
Total	**36**	**100%**

Source: Primary data

Results depicted in Table 4.2 show that an overwhelmingly majority (80.5 percent) of the respondents were working in organizations which had experience in dealing with Kenya

Coffee for a period of between 5 and 10 years. Another 11.1% of the organizations had experience of four years and below. These results are considered insightful because majority of the responses were from experienced organizations.

4.2.5 Coffee Kenya Brand Awareness Level

The respondents had also been asked to indicate whether they had ever heard about the Coffee Kenya Brand and to state when they heard about it. All the respondents (100%) stated that they were aware of it. Their responses on when they first heard about it are presented in Table 4.3.

Table 4.3 First time to hear about coffee Kenya brand

Year	Frequency	%
1 Year ago	19	52.8
2 Years ago	16	44.4
3 Years ago	1	2.8
Total	**36**	**100%**

Source: Primary data

As shown in Table 4.3 more than half (52.8 %) of the respondents heard about the brand 1 year ago followed by those who heard about it 2 years ago (44.4 %). The level of awareness is therefore quite high.

4.2.6 Determinants of Coffee Kenya Brand

The study respondents were asked to indicate on a 5-point scale from “Very poor” (a score of 1) to “Excellent” (a score of 5) how various determinants have performed in positioning Kenya Coffee in the market. The relevant results in terms of frequencies and mean scores are summarized in Table 4.4

Table 4.4 Determinant of Brand Association

S/No	Characteristics/ Attributes	n	Computation	Actual Score (A)	Ideal Score (B)	Index (A/B x 100)
1	Reputation	36	26x5=130 4x4=8 6x3=18 0x2=0 0x1=0	156	180	86.7%
2	Quality	36	4x5=20 28x4=112 4x3=12 0x2=0 0x1=0	144	180	80%
3	Price	36	4x5=20 22x4=88 10x3=30 0x2=0 0x1=0	138	180	76.7%
4	Service quality	36	2x5=10 20x4=80 12x3=36 2x2=4 0x1=0	130	180	72.2%
5	Labeling & Branding	36	0x5=0 23x4=92 5x3=15 8x2=16 0x1=0	123	180	68.3%
6	Packaging	36	0x5=0 10x4=40 19x3=57 7x2=14 0x1=0	111	180	61.7%
7	Sustainable supply	36	0x5=0 0x4=0 4x3=12 24x2=48 8x1=8	68	180	37.8%
	Grand Total (N)	**252**		**870**	**1,260**	**69.06%**

Legend: Excellent - (5); Very Good – (4); Good – (3); Poor – (2); Very Poor – (1)

Source: Primary data

The results in Table 4.4 indicate that reputation (86.7%) quality (80%), and price (76.7%) of Kenya Coffee are the most important determinants that make it stand out in the market among local customers. These results suggest the main reason why Kenya Coffee is one of the most sought coffee by world coffee connoisseurs to blend other origin coffees an opportunity that local producers can exploit to differentiate the Coffee Kenya Brand. Branding and labeling (68.3%) and packaging are also important as can be deduced from the results. Sustainable supply (37.8%) as a determinant scored a low perception index showing that the brand performs very poorly in terms of potential stocks to replenish the market therefore a challenge to investors in the sector. Generally, all the seven determinants were shown to be important as can be seen from the mean perception index of 69.06%.

4.2.7 Brand Knowledge

The respondents had in addition been asked to indicate the extent to which they agreed with a number of statements related to brand knowledge. Their responses are contained in Table 4.5

Table 4.5 Responses on Brand Knowledge

S/No	Characteristic/Attributes	N	Computation formula	Actual Score (A)	Ideal Score (B)	Index (A/B x 100)
1	I can differentiate the brand from those of competitors	36	28x5=140 8x4=32 0x3=0 0x2=0 0x1=0	172	180	95.6%
2	When I think of coffee, I think Coffee Kenya brand	36	0x5=0 29x4=116 4x3=12 3x2=6 0x1=0	134	180	74.4%
3	Promotional advertising campaigns for coffee Kenya brand is frequent	36	0x5=0 0x4=0 0x3=0 19x2=38 17x1=17	55	180	30.6%
	Grand Total (N)	**108**		**361**	**540**	**66.9%**

Legend: Strongly Agree – (5); Agree – (4); Indifferent – (3); Disagree Somewhat – (2); Strongly Disagree – (1)

Source: Primary data

From the results in Table 4.5 it is clear that the Coffee Kenya Brand enjoys high brand knowledge with majority of the respondents agreeing with a perception index of 95.6%, that they recognize the brand from competitors. A high number of respondents also agreed that when they think of coffee, they think of Coffee Kenya Brand with a perception index of 74.4%. However, results reveal that promotional campaigns for the brand are not frequent as shown by a low perception index score of 30.6%. The mean perception index score was 66.9% demonstrating that customers are aware of the brand. However, promotional campaigns are important in supporting this brand in the market an area that CBK needs to address and allocate more resources.

4.2.8 Brand Associations

The particular associations of a brand that people recall and their salience depend on the strength of association, retrieval cues present and the context in which people consider the brand (Keller, 2008). Brand associations make up the brand image and may be reinforcing or strengthening favorability and therefore help add to a brand's distinctiveness. The respondents had been asked to indicate the extent to which they agreed or disagreed with a number of statements which are indicants of brand association. The pertinent responses are given in Table 4.6

Table 4.6 Responses on Brand Associations

S/No	Characteristics/Attributes	n	Computation formula	Actual Score (A)	Ideal Score (B)	Index (A/B x 100)
1	I recommend coffee Kenya brand to customers	36	29x5=145 4x4=16 3x3=9 0x2=0 0x1=0	170	180	94.4%
2	Traders in coffee Kenya are kind and satisfies my needs always	36	9x5=45 15x4=60 0x3=0 7x2=14 5x1=5	124	180	68.9%
3	Using this brand is good experience for me	36	0x5=0 16x4=64 18x3=54 2x2=4 0x1=0	122	180	67.8%
	Grand Total (N)	**108**		**416**	**540**	**77.04%**

Legend: Strongly Agree – (5); Agree – (4); Indifferent – (3); Disagree Somewhat – (2); Strongly Disagree – (1)

Source: Primary data

The results in table 4.6 reveal a positive feeling towards Coffee Kenya Brand with a mean brand association perception index of 77.04%. The results also reveal that respondents who agreed to have recommended the brand to other customers were many as is shown by a strong positive perception index of 94.4%. This demonstrates that the brand enjoys very strong and positive feelings in the market an opportunity that CBK and coffee producers can exploit.

4.2.9 Perceived Quality

Perceived quality refers to customer's perception of the overall quality or superiority of a product or service compared to alternatives and with respect to its intended purpose (Keller, 2008). The respondents expressed their opinions on the Coffee Kenya Brand by providing responses which are summarized in Table 4.7

Table 4.7 Responses on Perceived Quality

S/No	Characteristics/Attributes	N	Computation formula	Actual Score (A)	Ideal Score (B)	Index (A/B x 100)
1	This brand always cares about the customer's needs	36	4x5=20 25x4=100 0x3=0 5x2=10 2x1=2	132	180	73.3%
2	Whatever happens, I believe that this brand would help me	36	9x5=45 14x4=56 13x3=39 4x2=8 0x1=0	148	180	82.2%
3	This brand keeps its promises	36	0x5=0 9x4=36 22x3=66 5x2=10 0x1=0	112	180	62.2%
	Grand Total (N)	**108**		**392**	**540**	**72.59%**

Legend: Strongly Agree – (5); Agree – (4); Indifferent – (3); Disagree Somewhat – (2); Strongly Disagree – (1)

Source: Primary data

The results reveal that a strong mean perceived quality perception index of 72.59%. The statement that the brand always cared about the customer needs scored a perception index of 73.3% while the statement that the brand keeps its promises scored a perceived quality perception index of 62.2%. A strong perceived quality perception index reveal that loyalty towards this brand is strong an opportunity that CBK need to sustain through reminding customers via marketing campaigns of the benefits of Coffee Kenya Brand.

CHAPTER FIVE

SUMMARY, DISCUSSIONS AND RECOMMENDATIONS

5.1 Summary

The study intended to find out the perceptions of coffee branding using geographical indications by Coffee Board of Kenya. From the analysis the following conclusions and recommendations were made. The analyses were based on the objectives of the study. The study revealed that majority of the respondents (88.9%) were working in organizations which had experience in coffee spanning from 5 years and over, an indication that they are well versed with the Kenya coffee industry. Additionally, most of the respondents (77.7%) were working in Quality Assurance and Trading departments. These are departments that directly deal with marketing of coffee on daily basis thus giving the study insightful views on the determinants that currently affect perception of Coffee Kenya Brand in the market namely reputation (86.7%), quality (80%), price (76.7%), service quality (72.2%), labeling and branding (68.3%), packaging (61.7%) and finally supply (37.8%) in order of importance.

The study also revealed that more than half (52.8%) of the respondents heard about the brand 1 year ago and therefore the level of awareness is quite high. This is also revealed by a high mean perception index of brand awareness (66.9%). Respondents also agreed with the statement that they recognize and differentiate the brand from its competitors with a perception index (95.6%). The study also found out that respondents disagreed with the statement that there are frequent promotional campaigns about the brand as is shown by a low perception index of 30.6%. The study also found out that the responses on brand association were positive with a mean perception index of 77.04% revealing that the brand enjoys strong feelings in the market with majority of the respondents agreeing to have recommended the brand to other customers. The results also show that the perception of the overall quality of the brand with respect to its intended purpose was positive with majority of the respondent expressions at mean perception index of 72.59%. Respondents also perceived that the brand keeps its promises. This is an opportunity that decision makers at Coffee Board of Kenya need to exploit to make the brand even more popular in the market thereby creating a strong loyalty.

5.2 Conclusions

The objectives of the study were; to establish whether local customers and key stakeholders are aware of the Coffee Kenya Brand and to assess what local customers associate the brand with. The study found out the following;

5.2.1 Coffee Kenya Brand Awareness

Brand awareness is achieved through various promotional marketing activities. It was found out that most respondents recognize Coffee Kenya Brand from its competitors. Majority of the respondents are therefore aware of the brand. The study also found out that majority of the respondents learnt about the brand during its launch and through word-of-mouth. Therefore, efforts to reach most customers through communication channels like television and radio advertisements, billboards, ads in-transit among others need to strategically be explored and more resources allocated in an effort to exploit the opportunity that majority in the market are aware and differentiate the brand from those of competitors. It is crucial also for marketers to take marketing efforts beyond brand recognition and awareness to levels where customers make decisions and commitments to purchase the brand.

The challenge with Coffee Board of Kenya is therefore to aggressively launch and sustain brand promotional campaigns in all media to reach majority of customers, exploiting positive perceptions revealed by the study. This will subsequently create pull demand for the branded coffee.

5.2.2 Coffee Kenya Brand Association

Core brand associations are those abstract associations (that is, attributes and benefits) that characterize the most important aspects or dimensions of a brand. These associations serve as the basis of brand positioning in terms of how they create points of parity and points of difference (Keller, 2008). It was found out from the study that reputation, quality, price and service quality are key important attributes associated with Coffee Kenya. However, reputation and quality stood out as overriding benefits creating the brand's point of difference that customers associate the brand with and could not find to the same extent with competitive brands.

From the findings the challenge is therefore for Coffee Board of Kenya to create a proper brand positioning by establishing correct points of difference associations to give customers compelling reasons to buy the brand that competitors could not match through designing ads communicating distinctive and unique Coffee Kenya Brand benefits.

5.3 Recommendations

The research has some important implications for practitioners, policy makers and marketers that branding efforts goes beyond its launch. Customers are always bombarded with very many promotional stimuli daily. Therefore a single customer exposure time is not enough to last in their memory to sustain brand recognition and brand awareness for long to influence customers to make purchase decisions and commitments. Use of well designed, continuous promotional efforts in communicating established points of difference and points of parity of a brand give customers the compelling reasons to like, prefer and to choose a brand thereby resulting to a purchase decision. This is an important direction that Coffee Board of Kenya needs to embark on in promoting its Coffee Kenya brand.

Branding agro-based products using geographical indications is an asset to producers. It is an initiative they need to invest in for long-term benefits. This will reposition their produce in the market on the basis of their inherent attributes and benefits compared to other competitor products. This is achievable through promotions of well designed and sustained brand communication messages.

The researcher recommends marketers from Coffee Board of Kenya to conduct a further research in identifying core brand associations through a structured process of asking customers to create a detailed mental map to accurately portray all salient Coffee Kenya Brand associations and responses for each particular target market. For example, by asking what comes into their mind when they think of the brand? This will create a mental map for their top-of-mind brand association thereby serving as a basis of brand positioning strategy applicable during promotional campaign plans.

5.4 Limitations of the study

The results of this study may have been limited due to the fact that the study was only done within Nairobi and perception of respondents within this area may differ from those of people in other Kenyan cities, peri-urban and rural areas. Thus, such results may not be generalized with a lot of certainty. The sample size of fourty respondents (n = 40) could also have limited the confidence level of the results and this may limit generalizations. The study also relied on convenience sampling of respondents and this may be unclear as to what population they truly represented and consequently could have affected the results.

The use of predetermined questions in the survey questionnaire may have limited the respondents to respond to questions without even understanding them well thereby affecting the results. Some targeted respondents didn’t hand in their questionnaires reducing the response rate to 90 percents subsequently reducing the probability of reaching a more conclusive study. Finally, inadequacy in time for the researcher to carry out a project of this magnitude and financial constraints were also encountered and were a limit to the study.

5.5 Suggestions for future study

The study dealt broadly on perceptions of coffee branding using geographical indications as a factor affecting Coffee Kenya Brand knowledge and associations among local customers. The researcher suggests that a future study may be done in creating a detailed mental map to accurately portray in detail all salient Coffee Kenya Brand associations and responses for each particular target market to guide in repositioning the brand through well designed promotional campaigns.

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APPENDICES

APPENDIX I

INTRODUCTION LETTER

Simon N. Mwangi
P.O. BOX 757 - 01000
THIKA

Dear Sir/Madam

RE: REQUEST FOR RESEARCH DATA

I am a graduate student at the School of Business, University of Nairobi. In partial fulfillment of the requirements for the award of a Master degree in Business Administration (Marketing), I am conducting a research titled *"Perceptions of coffee branding using a geographical indication by the Coffee Board of Kenya"*. You have been selected to assist in providing the required information as your views are considered important to this study. I am therefore, kindly requesting you to fill this questionnaire.

Please note that the information in this questionnaire will be treated confidentially and will not be used for any purpose other than academic.

Thank you very much for your anticipated cooperation.

Simon N. Mwangi — Professor Francis N. Kibera
MBA, Student — Supervisor, University of Nairobi

APPENDIX II

QUESTIONNAIRE

A SURVEY ON PERCEPTIONS OF COFFEE BRANDING USING A GEOGRAPHICAL INDICATION BY THE COFFEE BOARD OF KENYA.

Please answer the following questions by ticking appropriately or writing in the space provided your personal view. There is no right or wrong answer (s) to these questions.

Information in this questionnaire will be treated confidentially and will not be used for any purpose other than academic. The questions have been set in the context of the study.

PART I: Classification and Identification Information

Please answer the following questions (tick appropriately)

Gender: Male ( ) Female ( )

Please indicate the name of your company ……………………………………………

Located in …………………......................................

Working in the Dept/Section of…………………………………………….

Q1. How long has your company been trading or dealt in any way with Kenya coffee?

≤ 5 years ☐ 6-10 years ☐

11-15 years ☐ 16 years and over ☐

Q2. How long has your company traded or dealt in any way with other origin coffees?

None ☐ 1 - 4 years ☐ 5-10 years ☐

11-15 years ☐ 16 years and over ☐

Q3. Do you know or have you ever heard of Coffee Board of Kenya? Yes ☐ No ☐

Q4. Have you ever heard of Kenya’s coffee brand “Coffee Kenya”? Yes ☐ No ☐

Q5. If yes to Q4 when did you first hear about "Coffee Kenya" Brand? Specify from the list;

Advertisements – Radio	☐	Television	☐	Billboards	☐
Word of mouth - From friends	☐	CBK staff	☐	Family	☐
Coffee Board's – Circular	☐	During its launch	☐	Workshops	☐

Any other, please specify……………………………………………………

Q6. If yes to Q4 when did you first hear about "Coffee Kenya" Brand?

3 months ago	☐	2 years ago	☐
6 months ago	☐	3 years and above	☐
1 year ago	☐		

PART II: Basic Determinants of the Brand

Q7. Please indicate how well Kenya's coffee has performed on the following determinants in positioning itself in the coffee market;

Determinant	Excellent (5)	Very Good (4)	Good (3)	Poor (2)	Very Poor (1)
Quality	( )	( )	( )	( )	( )
Price	( )	( )	( )	( )	( )
Reputation	( )	( )	( )	( )	( )
Service quality	( )	( )	( )	( )	( )
Packaging	( )	( )	( )	( )	( )
Sustainable supply	( )	( )	( )	( )	( )
Labeling & Branding	( )	( )	( )	( )	( )

Q8. Is there any other factor that makes Kenya Coffee distinctly standout from others in the market? Yes ☐ No ☐ Don't know ☐

Q9. If Yes, which one (s)? Kindly explain your view……………………………………

PART III: Basic Information on Brand Knowledge and Associations

Q9. Below is a list of statements about Kenya Coffee as a brand ("Coffee Kenya"). Please indicate the extent to which you agree or disagree with each statement by circling the number that closely describes your view

Dimension	Strongly Agree	Somewhat Agree	Neither Agree nor Disagree	Disagree Somewhat	Disagree Strongly
Brand Knowledge					
1. I can differentiate the brand from those of competitors	5	4	3	2	1
2. When I think of coffee, I think "Coffee Kenya" brand	5	4	3	2	1
3. Promotional advertising campaigns for "Coffee Kenya" brand is frequent	5	4	3	2	1
Brand Associations					
4. I recommend "Coffee Kenya" brand to customers	5	4	3	2	1
5. Traders in "Coffee Kenya" are kind and satisfies my needs always	5	4	3	2	1
6. Using this brand is a good experience for me	5	4	3	2	1
Perceived Quality					
7. This brand always cares about the customer's needs	5	4	3	2	1

8. Whatever happens, I believe that this brand I don't regret choosing this brand would help me	5	4	3	2	1
9. This brand keeps its promises	5	4	3	2	1
Customer Loyalty/Satisfaction					
10. This brand is exactly what I want	5	4	3	2	1
11. I don't regret choosing this brand	5	4	3	2	1
12. The performance of this brand is better than I expected	5	4	3	2	1
Behavioral Commitment					
13. I don't have to consider other brands because I have this one	5	4	3	2	1
14. I want to keep using this brand	5	4	3	2	1
15. I enjoy my relationship with this brand, so I want to keep trading/dealing with it	5	4	3	2	1

16. Please any other comments that are related with the whole question on coffee branding; …………………………………………………………………………………
…………………………………………………………………………………………
…………………………………………………………………………………………

THANK YOU VERY MUCH FOR YOUR COOPERATION

APPENDIX III

LIST OF SAMPLED ORGANIZATIONS

A. Organizations involved in coffee branding initiative;

1. Coffee Board of Kenya
2. Coffee Research Foundation
3. Kenya Intellectual Property Institute

B. Coffee traders;

1. Africoff trading company
2. Bekas systems limited
3. Cdormans limited
4. Central Kenya mill limited
5. Dewji coffee washing company
6. Diamond coffee company
7. Fair to good coffee company
8. Gatto estate limited
9. Highlands mill limited
10. Ibero (K) limited
11. Josra coffee company
12. Jowam coffee company
13. Kofinaf company limited
14. Kyandu trading company
15. Louis dreyfus commodity (K) limited
16. NKG coffee mill limited

17. Nyambene coffee mill limited
18. Oaklands coffee marketing limited
19. Rejitek coffee company limited
20. Sangana commodities (K) limited
21. Sasini mill limited
22. Sondhi trading limited
23. Super gibs limited
24. Taylorwinch coffee limited