

**THE EFFECTIVENESS OF POSITIONING STRATEGIES  
ON CUSTOMER LOYALTY BY CLIENTS OF THE ATLAS  
COPCO EASTERN AFRICA LIMITED**

**BY  
STANLEY KALILE MUSAU  
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Nairobi**

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# DECLARATION

This research is my own original work and has not been presented for award of any degree in any University or institution. The information from other sources has been duly acknowledged.

Signed ----- Date -----

**NAME: STANLEY KALILE MUSAU    Reg. No. D61/62674/2010**

This research is his original work and has not been presented for examination in any university.

Signed----- Date -----

Dr. Raymond Musyoka,  
Senior Lecturer,  
Department of Business Administration,  
School of Business – University of Nairobi

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Finally, I thank God the almighty for his love and mercies that have made my life worthy living.

## **DEDICATION**

To my daughter Ms. Penzi Kalile and my lovely wife Mrs. Nelima Kalile for being my daily inspiration.

To my parents Philip and Winfred Musau Mbandi for helping me understand the value of hard work at a very tender age.

To my present employer Atlas Copco Eastern Africa Limited for believing in my capabilities.

## **ABSTRACT**

The study was set out to determine the effectiveness of positioning strategies on customer loyalty as perceived by customers of Atlas Copco Eastern Africa Limited. The objectives of the study were to establish the effectiveness of positioning strategies on customer loyalty as perceived by the customers as well as find out the challenges the clients face as result of the positioning strategies used by the firm.

The research adopted the descriptive survey research design while the sampling design adopted was the quota sampling design. The total population was 500 customers and a sample of 100 customers was drawn using the quota sampling design representing 25% of the customer base. A structured questionnaire was used to collect data. The method of data collection was mainly through electronic mail and personal visits. The response rate was 71%. Questionnaires were coded and edited for completeness using the Statistical Package for Social Services (SPSS). The data collected in section I was analyzed using frequencies and percentages while that in section II was analyzed mean and percentages to determine the effect of the positioning strategies used by Alas Copco its customer loyalty. All quantitative data was descriptively analyzed using SPSS. Qualitative analysis was only carried on those aspects of the data that were quantifiable. The findings are presented in form of tables and percentages or means obtained quantitatively.

The research was able to determine that staff competence in handling the customers topped at 94% as among the reasons customer prefer Atlas Copco products and services followed by staff skills at 68% and concern for safety at 48%. Staff competence and

skills, which are among the expanded variables of benefits and attributes positioning, had the greatest effect on customer loyalty with a score of 4.27 as shown in table 4.2.

Based on the research findings, a number of challenges were identified key among them stringent terms of payment where 29% of the customer sampled noted, lack of decentralized services at 21% and frequency of stock outs at 11%. It is worth noting that the company can convert the challenges faced by the customers into opportunities as suggested in Chapter five. This may include entering into long term service agreements and thereby having relaxed payment terms such as quarterly payments instead of advance payments; further the company can propose rental services during planned maintenance programmes and during unplanned plant shutdowns. The company may utilize the study as a first way of determining which locations to set up local centres for handling customers who are far away from the regional centre in Nairobi, Mombasa and Kisumu.

Finally, the findings in this study support the arguments put forth by Batra, Myers and Aaker (1996) who see the most used positioning as the one of the association of an object with the product characteristics and customer benefits.

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## **LIST OF ABBREVIATIONS**

ACEA	Atlas Copco Eastern Africa Limited
ACKL	Atlas Copco Kenya Limited
CCK	Communications Commission of Kenya
CNN	Cable News Network
DHL	Dalsey Hillblom Lynn
EU	European Union
IBM	International Business Machines
ICT	Information & Communications Technology
PPE	Personnel Protective Equipment
SAB	South Africa Breweries
SPSS	Statistical Package for Social Sciences
SHEQ	Safety, Health, Environment and Quality
UK	United Kingdom
USA	United States of America
VCR	Video Cassette Recording

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# **CHAPTER ONE:**

## **INTRODUCTION**

### **1.1 Background of the Study**

The power of globalization of markets and other forces such as information technology, deregulation, changes in legislative framework, increased advertising and stiff competition has made customers more educated, more inquisitive and demanding (Capron & Hulland, 1999). The marketing environment has therefore changed, posing serious challenges to the survival and profitability of firms. The global economy is yet to fully recover from the severe financial downturn caused by massive financial and an actual loss of confidence. Africa and Kenya in particular, has also been adversely affected by the global economic downturn. This year, Kenya is expected to grow at less than 5% economic growth, less than the projected growth of 8% in 2008 (World Bank, 2011). The country is still in the recovery path from the post-election violence of early 2008 and the longest and extremely dry weather condition since the 1960's.

A wide range of critical business challenges characterize the changing environment in which organizations operate today (Higgins, 1991). The forces of globalization have yielded significant effects on the levels of competition, efficiency and productivity of many companies in the world (Lings, 2004). Successful organizations will be those that are able to quickly turn strategy into action, manage processes intelligently and efficiently, maximize employee contribution and commitment, listen to their customers keenly and with undivided attention and finally create conditions that are seamless for change (Ulrich, 1998). The marketing environment has therefore greatly changed, posing

serious challenges to the survival and profitability of firms. It is for this reason that firms have embarked on serious marketing strategies to ensure their survival and competitive advantage.

As customers are bombarded with cheaper substitute products to choose from, they become more aware of their tastes and preferences (Kotler, 1995). To win the consumers, businesses have to ride on unique selling propositions to stay ahead of the competitors (Weihhrich, 2008). Any brand, which succeeds overtime, has something to show about it, which is better than its competitors (Kapferer, 2008). The advantage must be salient and unique to consumers, or to the trade, and can flow from the product itself or from other factors such as technology, production cost, consumer franchise and distribution among others. Companies are spending large sums of money in training and development programs meant to improve their competitiveness and ability to deliver high quality service through their staff (Lings, 2005).

Many companies and organizations in East Africa's biggest economy have adopted various strategies in dealing with the challenges brought about by globalization, liberalization as well as increased appetite for the frontier markets by investors from the developed nations (Kibera & Waruingi, 1998). Such strategies include exporting, joint ventures, franchise holding and foreign direct investment (Pearce & Robinson, 2003). Others include mergers & acquisitions, specialization, diversification, product development, transfer pricing policy and distribution for competitive advantage (Lings, 2005; Porter, 1985).

### **1.1.1 The Concept of Positioning**

Marketers can rarely satisfy everyone in the market. This is mainly due to the wide ranging consumers' tastes and preferences and not everyone will like the same meal or the same restaurant (Kotler, 2006). Marketers start by dividing the market up into segments whereby they identify and profile distinct groups of buyer who might prefer or require varying products and services mixes by examining demographic, psychographic and behavioral differences amongst buyers. The marketer then decides which markets present the greatest opportunity, and these are the target markets. For each chosen target market, the firm develops a market offering. The offering is positioned in the minds of the buyers as delivering some central benefits. If a company does an excellent job of positioning, then it can work out the rest of its marketing planning and differentiation from its positioning strategy.

Positioning is the act of identifying a market niche for a brand, product or service utilizing traditional marketing placement strategies (i.e. price, promotion, distribution, packaging, and competition). Also positioning is defined as the way by which the marketers create impression in the customers mind (Kotler, 2003). It is also the act of designing the company's offerings and image to occupy a distinctive place in the target market's mind (Aaker, 1991). The essence of brand positioning is achievement of valued distinction/differentiation in a consumer's mind. Finally a brand position is the part of the brand identity and value proposition that is to be actively communicated to the target audience and that demonstrates an advantage over competing brands (Kapferer, 2008). The end result of positioning is the successful

creation of a customer-focused value proposition, a cogent reason why the target market should buy the product.

### **1.1.2 The Concept of Customer Loyalty**

An increase and retention of customer loyalty has become a key factor for long-term success of any organization, loyal customer will also help promote the organization. They will provide strong word-of-mouth, create business referrals, provide references, and serve on advisory boards. According to Raman (1999) loyal customers serve as a fantastic marketing force by providing recommendations and spreading positive word-of-mouth; those partnership like activities are the best advertising a company can get. Bowen and Shoemaker (1998) found loyal customers had higher purchases than non loyal customer.

Trustworthiness of the partner is another factor that has certain impact on the establishment of loyalty, nobody expects a long-term relation with a partner that cannot be trusted. Trustworthiness is one criterion for measuring the value of the partner (Doney & Cannon, 1997). Uncertainty may be caused by dependence or large choice; people tend then to prefer popular or familiar brands or partners. Morgan and Hunt (1994) point that trust is a major determinant of relationship commitment; brand trust leads to brand loyalty because trust creates exchange relationships that are highly valued. Chauduri and Holbrook (2001) have showed that brand trust is directly related to both purchase and attitudinal loyalty. Many more authors have accented that trust is important in conditions of uncertainty (Morman et al.1992; Doney & Canon, 1997; Morgan & Hunt, 1994).

The main emphasis in marketing has shifted from winning new customers to retaining existing ones. Traditionally, these are two approaches to treat customer loyalty. Ehrenberg, Gooharst and Barwiso, (1990) investigated the nature of different levels of loyalty; others (Day, 2003) have explored the influence of individual factors on loyalty. People tend to prefer popular or familiar brands or partners. According to Randall (2001) there are three main reasons why customer loyalty is important namely; higher sales volume, premium pricing and retain rather than seek. On the issue of higher sales volume, many organizations loose customers with time which illustrates the challenges organizations face when trying to grow in competitive environments. Reducing customer loss can drastically improve business and customer loyalty which leads to consistent even greater sales since the same brand/service is purchased frequently.

### **1.1.3 Overview of Atlas Copco Eastern Africa Ltd**

The Company was incorporated in Kenya on 18<sup>th</sup> April 1936 under the name Craelius East Africa Drilling Company Limited, dealing in drilling of water boreholes and gold exploration. It covered the markets of Kenya, Tanzania, Uganda and Ethiopia. In the 1970s, Kenya's future looked more inclined towards Industrial production, Agriculture and Tourism. The company changed its focus from Drilling activities to marketing & servicing of Atlas Copco products. The market coverage also changed by withdrawing from Tanzania, Uganda and Ethiopia and concentrating mainly on Kenya. The name was changed to Craelius Terratest Limited on 25<sup>th</sup> September 1972. The Company's name was again changed to Atlas Copco Terratest on 10<sup>th</sup> December 1976. During this year the

Drilling section was sold. On 17<sup>th</sup> November, 1978 the Company acquired the name, Atlas Copco Kenya Limited ([www.atlascopco.com/ke](http://www.atlascopco.com/ke))

In the early 1990s Atlas Copco Kenya Limited entered once again into the surrounding markets in the wider Eastern Africa Region of Ethiopia, Eritrea, Somalia, Djibouti, Tanzania, Uganda, Sudan, Mauritius, Madagascar, Somalia and Djibouti through direct contact as well as a comprehensive distributor network. Atlas Copco Kenya Limited was certified to the ISO 9002 Quality Management System in November 1998. This coincided with the Atlas Copco group's celebration of 125 years of global existence. In line with the Group's vision of First in Mind and First in Choice, and the strategic directions for growth through global presence and aftermarket, Atlas Copco Kenya established a branch in Mwanza, Tanzania, in January 2003 with the aim to strengthen support to the mining, construction and industrial customers in this region. On 12<sup>th</sup> May 2005 Company acquired its present name, Atlas Copco Eastern Africa Limited ([www.atlascopco.com/ke](http://www.atlascopco.com/ke)).

The companies served by ACEA are in diverse economic segments including manufacturing, process industries, health care, construction, water well drilling, mining and mineral exploration. A detailed list of the companies served by the company is shown in appendix 3.

Atlas Copco Eastern Africa are regional market leaders in their main business areas, holding above 65% market shares for portable and industrial air compressors, air dryers

and air line filters. In the construction and mining sector, the Company has an aggregate market share of 50% across the region. The Company has strong after-sales service and logistics organizations upon which market leadership position is build.

## **1.2 Research Problem**

Sengeputa (2001) states that 'position' is but another 'unique selling proposition'. However, positioning is much broader and more versatile. It gives the brand manager, the advertising planner and the creative person a whole battery of strategies to choose from, to differentiate their brand in a manner that is both persuasive and sustainable, even when there is no unique selling proposition. It should be sustainable; it is the way you lock your brand inside a consumer's mind (Aaker, 1984). Positioning a brand means emphasizing the distinctive characteristics that make it different from its competitors and appealing to the public (Kotler, 2006).

Whereas a technological feature can be duplicated, a competing brand cannot enter the perceptual territory that you have occupied if you defend it well (Aaker, 1984). For instance, Dettol is the antiseptic a housewife will use every day for hygiene and cuts. Savlon claims to be a better germicide but it cannot breach the position held by Dettol in the consumer's mind. It is claimed that you can copy the features of your competitor but you cannot dislodge him from the consumers' mind without a differentiating positioning strategy. Positioning is the fountain head in marketing and advertising. Indeed it is from this decision that flow all other decisions of the marketing mix. Aaker (1984) sees positioning as very central to a company's survival. Product positioning is so central and

critical that it should be considered at the level of a mission statement in any company's strategy.

There has been increased competition amongst the compressed air industry providers in the manufacturing sector owing to increased appetite in the frontier markets from investors despite the effects of the financial crisis in Europe, the USA and by extension the African nations. Compressor manufacturers and suppliers must therefore position themselves so as to ensure they have competitive advantage in the market. The positioning strategies need to give them a clear identity and enable them appeal to clients and the stakeholders positively. This will ensure that what they stand to offer in the market is clear and distinct. The image therefore created will remove doubts in the minds of stakeholders and distinguish one compressor supplier from another.

Several studies have been conducted on the aspect of positioning by the University of Nairobi postgraduate students. To name a few, Mulei (2005) Evaluation of the effectiveness of the positioning strategies on consumer choice - the case of laundry detergents in Kenya; Muriuki (2001) did an Empirical investigation of the aspects of culture and influence on marketing strategies in the beverage industry in Kenya; Ndinda (2005) did a study on the positioning strategies used Health Maintenance Operators in Kenya. Gwiyo (2010) did a study on the effect of positioning strategies used by Mitchell Cotts Freight Kenya Ltd on its corporate clients in Kenya.

To the best of the researcher's knowledge, no study has been undertaken on the effectiveness of positioning strategies on customer loyalty with particular case of Atlas Copco Eastern Africa Limited. The company is facing a threat of increased competition from new players in the construction, mining and industrial segments (The East African Newspaper, March 2012) and thus more need to know where we are now and what actions need to be done to remain competitive. It was therefore necessary to conduct a study with the view to establish the effectiveness of the positioning strategies used by Atlas Copco Eastern Africa Ltd on customer loyalty and find out the extent to which the positioning strategies used contribute to competitive advantage in the industrial customers.

This study seeks to close the knowledge gap by seeking responses to the following research questions:-

- i. To what extent do the positioning strategies affect customer loyalty?
- ii. What challenges are the clients of Atlas Copco Eastern Africa Ltd facing as a result of the positioning strategies used?

### **1.3 Research Objectives**

The objectives of this research were:

- i.) To establish the positioning strategies adopted by Atlas Copco Eastern Africa Limited.
- ii.) To determine the effects of positioning strategies on customer loyalty as perceived by customers of Atlas Copco Eastern Africa Limited

iii.)To determine the challenges customers face as a result of the positioning strategies used by the company

#### **1.4 Value of the study**

The findings from this study will be very useful to various stakeholders who include industrial service providers such as construction equipment suppliers, motor vehicle industry assemblers and suppliers, foreign investors will to invest in the country, government agencies, the Kenya Vision 2030 secretariat, research and institutions of higher learning in Kenya and beyond, policy makers amongst others.

Due to the high cost of doing business in Kenya owing to high energy cost, weakening local currency amongst other factors, industrial companies are popularly shifting towards specialising in their core activity and outsourcing tertiary services such as maintenance of utility equipment, medical and health service provision, safety health and environment audits just to name a few. The companies providing these services will establish whether their own positioning strategies are competitive enough to stay afloat in business.

Foreign investors interested in investing in the industrial service provision in Kenyan firms will find findings very useful in their decision making processes. As we embark on realizing the Kenya vision 2030 dream, investors are targeting Kenya with investment billions in the steel rolling, cement, ICT, energy, tourism, pharmaceuticals, food and beverage industries. Already much of the investments in key sectors of East Africa's

largest economy – including manufacturing, automotive, energy, property and mining – have been made in the past three years of global economic turbulence, confirming the foreign investors’ faith in Kenya’s resilience (Business Daily, November 4<sup>th</sup> 2011).

Government agencies and policy makers may use the findings to formulate positive national policies based on a framework that is relevant and sensitive to forces that influence competitive business operating environment. The Kenya Vision 2030 document is an example of such a policy and we are already seeing the vision slowly picking up in a number of infrastructure projects.

The study can also be used to positively influence employee’s long term commitment towards their organizations in order to gain competitive advantage and achieve desirable performance.

Finally the study will be of great value to future scholars and researchers by stimulating future research to develop a better understanding of positioning strategies and best practices in Kenyan firms as well as the greater Eastern Africa regional economic block.

## **CHAPTER TWO:**

### **LITERATURE REVIEW**

#### **2.0 Introduction**

This chapter discusses the concept of strategy in general, the nature of products and services and finally the concept of positioning with particular focus on the various positioning strategies and their impact on customer loyalty

#### **2.1 The Concept of Strategy**

Strategy is defined as the matching of the activities of an organisation to the environment in which it operates (Johnson & Scholes, 2002). It is the game plan of an organisation on how to survive, tackle and/or plan to achieve a set objective. “Strategy” has become a fashionable word. According to Newman, (1989), people loosely speak of strategy for preparing for an examination, a strategy for losing weight, and so on. Porter (1998) defines strategy as positioning a business to maximize the value of the capabilities that distinguish it from competitors. According to Mintzberg, Quinn & Ghoshal (1999), strategy is presented as a plan, ploy, pattern, position and perspective; and some of their interrelationships are then considered.

A business strategy sets forth the mission of a company (Newman, 1989). It reflects the choice of the key services that the organization will perform, and the primary basis for distinctiveness in creating and delivering such services. Since the mission is the overriding aim of the company, strategy serves as a guide to managers in deciding what to do and what not to do and it is the rallying theme for coordinating diverse activities. It

can further be seen as building on or stretching organizations' resources and competencies so it can create opportunities and capitalize on them.

The role of strategy is to provide basic direction for the business – especially with respect to dynamic changes in the relevant environment. It determines the basic long term objectives of an enterprise and the adoption of courses of action and allocation of resources necessary to achieve the set company goals and objectives (Weihrich, 2008). Finally strategy attempts to attain long term sustainable advantage in all of its business by responding appropriately to the firm's opportunities, threats, strengths and weaknesses.

## **2.2 Nature of products and services**

A pair of Adidas shoes, a drilling machine, a road compactor, a Nokia mobile phone, an oasis concert, a Euro Disney vacation, an advice from a solicitor and tax preparation services is all products (Kotler, 2006). Broadly defined, products include physical objects, services, persons, places, organizations, ideas or mixes of these identities (Kotler, 2006). Services are essentially intangible and do not result in ownership of anything. Services have four main characteristics; these are intangibility, inseparability, variability and perishability. Atlas Copco Eastern Africa Ltd is a provider of both products and services.

According to Johnson and Scholes (2002) most competition, today, is taking place at the product augmentation level. Successful companies such as Macdonald, Coca cola, Intel, Sony, and Atlas Copco amongst others, add benefits to their offers that will not only

satisfy but also delight the customer. For instance, hotel guests find chocolates on the pillow or a bowl of fruit or even a VCR with optional videotapes. What the company is simply saying is that “we want to treat you in a special way.

Successful service companies focus their attention to both their employees and customers. They understand the service-profit chain, which links the service firms’ profits with employee and customer satisfaction. Porter (1985), Kapferer (2008) and Kotler (2001) argued that the most important contribution the marketing department can make is to be exceptionally clever in getting everyone else in the organization to practice marketing.

### **2.3 Brand Positioning**

Batra, Myers and Aaker (1996) define a brand position as the set of associations that the consumer has with a brand. These include physical attributes, lifestyle, use occasion and user image. The associations develop over the years through publicity, word of mouth, referral and usage experience. Atlas Copco brand name, for instance has developed and grown over years since the name was coined in 1906. The brand position in the consumer’s mind is a relative concept in that it refers to a comparative assessment by the consumer of how the brand is similar or different from the brands that it competes with. Every customer has a perceptual map of the product category.

Randall (2001) asserts that a service marketer has to distinguish the service by making it stand out of its main competitors. A service has to be differentiated clearly for effective

positioning. Positioning is a process of formulating a marketing mix that locates a product and/or service in the mind of the customer more favourably than in relation to alternative services offered by competitors with the aim of achieving competitive advantage (Pearce & Robinson, 2003).

Treacy & Wiersema (2003) proposed a positioning framework known as value disciplines. Within its industry, a firm could aspire to be the product leader, operationally excellent firm or the customer intimate firm. This is based on the idea that in every market there is a mix of three types of customers. Some customers favour the firm that is advancing on the technological frontier (product leadership), others want to have highly reliable performance (operational excellence) and still others want high responsiveness in meeting their individual needs.

Treacy & Wiersema (2003) further propose that a firm should aspire to follow four rules of success. These are become the very best at one of the three value disciplines, achieve an adequate performance level in the other two value disciplines, keep improving one's superior position in the chosen discipline so as not to lose out to a competitor and finally, keep becoming more adequate in the other two disciplines since in a dynamic environment, competitors keep raising customer's expectations.

### **2.3.1 Product Characteristics and Customer Benefits**

Batra, Myers & Aaker (1996) see the most used positioning strategy as the association of an object with the product characteristic or customer benefit. Sengupta (1990) adds that

positioning by product attributes involves the relation of the products functional capabilities to the target market needs. Once the positioning is selected, the marketer must then modify the functional features of the product to more closely to the position promised. Positioning by product characteristics is a benefit related positioning and a well made product usually offer more than one benefit. Promises of multiple benefits tend to get lost because they leave in the customer's mind a vague and confused imprint. Mulei (2005) in a related study adds that successful consumer products promise one or at most two benefits and brand franchise are created around those specific benefits.

Russell, Beach & Buskirk (1988) says that consumers who are similar in important ways tend to cluster around the same benefits and as a result enables differentiation in a product market. Wind (1982) emphasizes that positioning a product by its performance on specific product attributes is among the most common approaches to positioning. Positioning strongly linked to product benefits is generally more effective than positioning which describes features without their benefit to the consumer. Sengupta (1990) notes that consumers buy benefits not features. Features only become important to the consumer when they lead to the special benefit, which the consumer seeks.

### **2.3.2 Price Positioning**

Whenever quality is given the right price, whatever is made thereafter will sell on its own (Sengupta, 1990). A customer views products and services in a category at different levels of price offering, different standards of quality and decides which level is most suitable for a specific need. Customers have different expectations of quality at different

levels of social mobility and thus offer the opportunity for price quality satisfaction and positioning. For instance, for every pair of Levi's or Calvin Klein jeans purchased, there are hundreds of other jeans at varying price levels which will give the wearers the sense of being 'with it'. Batra & Aaker (1996) however, caution that it is tricky to attempt to retain an image of a low price while communicating an image of quality.

### **2.3.3 Product Use Positioning**

Batra, Myers and Aaker (1996) say that one very effective way of communicating an image is to associate the product with the use or the application. Sengupta (1990) states that positioning by use of strategy represents a second or third position for the brand and is a position that deliberately attempts to expand the market of the brand. Positioning by usage occasion is a strong differentiating strategy that when well used can pre-empt the desired usage (Aaker, 1996). It can also involve positioning by usage rates. It makes good sense therefore to study the heavy segment users and to position for them the brand line that best satisfy their high volume consumption. Johnson & Johnsons Company used this strategy with a lot of success.

By studying the heavy users of shampoo, Johnson and Johnson found out that the heavy users of its shampoos preferred a mild product. The company saw its market share grow from 3% to 14% when they broaden the positioning of their shampoo from the one used for babies as one that is also used by those who wash their hair frequently (Sengupta, 1990).

### **2.3.4 Product User Positioning**

This is achieved by customer training which refers to training the customer's employees to use the vendor's equipment properly and efficiently. General Electric not only sells and installs X-Ray equipment in hospitals; it also gives extensive training to users of this equipment. McDonald requires its new franchisees to attend Hamburger University in Oakbrook, Illinois, for two weeks, to learn how to manage their franchise properly (Kotler, 2003).

Positioning by product user strategy is a brand endorsement strategy where a brand uses a superstar, famous person or a common reference group to associate a brand with the type of user. Nike has for many years been successfully associated with US basketball legend Michael Jordan and golf superstar Tiger Woods. The expectation is that the model or personality will influence the products' image by reflecting the characteristics and image of the model or personality communicated as product user (Aaker, 1996).

### **2.3.5 Product Class Positioning**

The marketer's ability to convince the customers that his product and services belong to a certain category, will determine success or failure of a given positioning strategy (Solomon, 1996). Brands that are closely associated with a category, call shots. The providers will need to clarify the service category for their services for the purposes of positioning. A brand that closely resembles other brands in its product class (coffee, laundry detergents, beer, soft drinks) requires heavy advertising to set it apart. When the product differs greatly from its competitors, advertising can be used to point out the

differences to the customers (Kotler, 2006). According to Sengupta (1990), product class positioning is defined as the set of products and brands which are perceived as substitutes to satisfy some special consumer need. The term product class can be used interchangeably with product category and product market.

### **2.3.6 Positioning by Symbols**

Sengupta (1990) states that products take on symbolic meaning and we buy them as much for their physical benefit as for their symbolic benefits. The symbolic meaning is attached to both products of conspicuous consumption as well as for closet products. Consumption as a symbolic behaviour may be more important to the individual than the functional benefits provided by the brand (Batra & Aaker, 1996). The pleasure from buying goods is ever more playful because modern things are psychological things. The products people buy are symbolic of personal attributes and goals. The products have personal and social meaning in addition to their functions. A usually involves an assessment to decide whether the symbolism fits or not (Sengupta, 1990).

Sengupta (1990) further notes that symbolism and symbolic meaning is one of the most important instruments for differentiation and for forming a bond with a brand. The rationality of the symbolism in brand choice goes up as the rationality of the buying decision goes down. Lings (2005) adds that there is a high degree of congruence between the car owner's perception of him and the car he buys. The car owner sees his automobile as an extension of himself. Driving much of the consumer's purchasing behaviour is the judgement as to whether a given brand is both a physical product and as a symbol

(congruent with his or her self-image). Sengupta (1990) adds that when positioning a brand by its symbolic meaning, we must ensure that such symbolism helps to support the self – concept of the target consumer.

### **2.3.7 Positioning by Speed of Service**

According to Kotler (1999), speed of service is a competitive advantage used by many firms. Fast food is now common on the world's high streets and malls; one hour photo processing in many cities of the world; Vision Express's one hour service for spectacles amongst others. These services provide a direct benefit to customers by giving direct gratification services to be completed within one shopping trip. Kotler (1999) further notes that speed also helps one to sell expensive products and/or services.

Abbey National of the USA found that its success in providing large mortgages depended on how fast it could confirm that it would give a person a home loan. Abbey responded by allowing local managers to make loan decisions rather than processing applications centrally (Kotler & Armstrong, 2002). In the automobile industry Toyota's two day policy means that it can deliver ex-works, a well equipped Lexus within two days, while many other luxury cars makers expect prospects to wait several weeks for custom built cars (Kotler, 1999). The success of courier services like TNT and DHL shows that many customers are willing to pay extra for a quick, secure service (Kotler, 1999).

### **2.3.8 Competitor Positioning**

Ries & Trout (1986) place a great focus on positioning by competitor and add that to be successful today, a company must become competitor oriented. The firm must look for weak points in the positions of its competitor and then launch marketing attacks against those weak points. Ries and Trout (1986) see four ways of positioning by competitor in what they describe as the “marketing war”. The first is the defensive warfare where the market leader attacks himself. This is done by introducing products that render their present offering obsolete. Gillet out modelled its own super blade by positioning Trac II as the world’s first double bladed razor and advertising that “two blades are better than one”. As a result Gillet has been able to increase its wet shaving market ratio to 65%.

The number two strategy according to Ries and Trout (1986) is the flanking warfare. The strategy is applied when the market leader is very strong and has a vigorous retaliation to attacks. Ries and Trout further advice that you attack the leader by occupying an unprotected flank i.e occupy a segment or category that the leader has neglected. For instance, Apple entered the personal computer market that was earlier on neglected by IBM.

The third strategy in competitive positioning is to use the offensive warfare move. This is mainly applied by the second and/or third positioned player in the market. The strategy is simply to find a weakness in the market leader’s strength or attributes and attacking at that point exploring a narrow front as possible.

The fourth strategy according to Rise & Trout (1986) is the guerrilla warfare. Guerrilla warfare is a strategy that for smaller companies which can go for vacant positions in the market too, to attract the market leader's attention. In the auto industry, Rolls Royce is a high priced guerrilla in the automobile business, dominating the market of cars costing more than US\$ 100,000.00 and nobody thinks of competing with them because the market is too small and exclusive.

#### **2.4 Positioning Consistency and Promise**

If a firm uses number one positioning such as best service, lowest price, safest, fastest and delivers on it, it will probably be best known and recalled for the stated strength. Rosser (1960) emphasizes the importance of consistency in positioning by emphasizing that the brand manager must develop a unique selling proposition for the brand and stick to it. He gives the example of Crest toothpaste that has been consistently been positioned as an anti-cavity protection. Ries & Trout (1982) favor one consistent positioning strategy with Crest and Mercedes as the best examples known for consistent positioning strategy.

## **CHAPTER THREE:**

### **RESEARCH METHODOLOGY**

#### **3.0 Introduction**

The chapter focuses on the methodology proposed to answer the research questions in this study. It describes the population of interest, the sampling plan, the research instrument, its administration and the data analysis and presentation methodology.

#### **3.1 Research Design**

The research adopted the descriptive survey research design. Churchill (1991) notes that a descriptive study can be used when the purpose is to estimate the proportion of the population who behave in a certain way. Mugenda and Mugenda (1999) notes that survey research attempts to collect data from members of the population and describes existing phenomena by asking individuals about their perception, attitude, behaviour or values.

#### **3.2 The population**

The population of interest in this study included all corporate customers served by Atlas Copco Eastern Africa Ltd through its own diversified product and services. The customers use a variety of the products and services manufactured by Atlas Copco Group and supplied by Atlas Copco Eastern Africa Ltd. As at February 2012, the company had client base of 500 customers in Kenya in the industrial, construction, energy and allied industries segments.

### **3.3 Sampling Design**

This study adopted quota sampling design. Quota sampling is the nonprobability version of stratified sampling (Hoyle & Ingram, 1991). In stratified sampling, subsets of the population are created so that each subset has a common characteristic, such as gender. Random sampling chooses a number of subjects from each subset with, unlike a quota sample, each potential subject having a known probability of being selected.

Personal judgment enters into many aspects of the work, and in particular, into the actual choice of sample numbers (Lehmann, Gupta & Steckel, 1998). In all other probabilistic sampling, final selection is made at random but in quota sampling (just like cluster and multi stage sampling) it is left to the researcher to make the choice from among previously designated members of the population (Hoyle & Ingram, 1991). Within the constraints imposed, the interviewer was free to make his or her own selections, and obviously his or her own personal preferences played a large part of the choice. The companies being sampled were 100 drawn across the republic of Kenya. This was a representation of 20% of the entire customer base of the company in Kenya.

There is considerable scope for disagreement in the interpretation of social classes and job groupings, and always attempts have been made to define them in objective terms, a great deal will depend on the integrity, skill and background of the interviewer if a representative sample is to be obtained (Hoyle & Ingram, 1991).

### **3.4 Data Collection and Validity Research Instrument**

The research utilized both primary as well as secondary data. The primary data was collected using a structured questionnaire. According to Kibera and Waruinge (1998), a

questionnaire is used when researchers require information on consumer feelings and attitudes. Tull & Hawkins (1993) also indicate that a survey can provide data on attitudes, feelings, belief and descriptive items. The questionnaires will be distributed via email and this will minimize the problem of non-response rate.

The questionnaire is divided into two sections. Part I has questions on the profile as well as general information about the respondent. Part II has questions about data on the effects of positioning strategies used Atlas Copco Eastern Africa Ltd on its industrial customers. The questions format was based on a five point likert scale.

### **3.5 Data Analysis**

The questionnaires were coded and edited for completeness using the Statistical Package for Social Services, SPSS. The data collected in section I was analysed using frequencies and percentages. The data collected in section II was analysed using frequencies and mean to determine the effectiveness of the positioning strategies used by Atlas Copco Eastern Africa on its customers' loyalty.

All quantitative data have been descriptively analyzed using the SPSS package. Quantitative analysis was carried out on those aspects of the data that are quantifiable. The findings are presented in form of tables, table graphs, pie charts and percentages. Positioning strategies have been ranked in order of effectiveness in influencing customer loyalty. Descriptive statistics was used to determine the extent of influence of position strategy on customer loyalty this answering the first objective of this study.

## **CHAPTER FOUR:**

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

#### **4.1 Introduction**

The findings and analysis are covered in three parts. The first part gives the sample characteristics by job title, ownership of company, number of years the firm has been in existence, period the firm has been a client of Atlas Copco EA Limited and by use application. The second part of the analysis gives findings on the effectiveness of the positioning strategies on customer loyalty as perceived by customers of Atlas Copco and thereby answering the first objective of the research study. The final part of the findings and analysis covers the challenges faced by the customers as a result of the positioning strategies used by Atlas Copco EA Limited. This part answers the second objective of finding out the challenges customers face as a result of the positioning strategies used by Atlas Copco Eastern Africa Limited.

#### **4.2 Response Rate**

A total of 71 respondents sampled from four different types of companies i.e. Private local, Public Local, Foreign and Mixed owned type of companies participated in the survey while 29 did not respond. Respondents who hold Senior Management level were 18, those at the maintenance department 25, Finance department 12 and Production Department 16. Table 4.1 provides the sample composition, provided by the frequency distribution of the sub-groups, as well as the relative percentages of each. Further

ownership profile provides that private local had 16 respondents, public local and foreign both with 20 respondents each while mixed ownership had 15 respondents.

43 respondents were derived from the companies that had existed in over 10 years, 15 respondents from firms that existed between 6 and 10 years while 8 respondents represented firms which had existed between 1 and 5 years and finally 5 respondents were from firms incorporated less than a year ago. Of the total respondents, 41 of them had a stable dealing with Atlas Copco in more than 10 years, 7 respondents had dealt with the company between 6 and 10 years, 16 respondents had dealt with the company for a period of 1 to 5 years while 7 respondents were new customers having 1 year of interaction with the company.

Finally 28 respondents had come from firms that have an establishment in all parts of the world, 25 came from within the Eastern Africa and finally 18 respondents had operations only in Kenya.

**Table 4.1: Survey Profile**

Q1: Functional Responsibility	%	Frequency
Senior Management	25%	18
Maintenance Dept	35%	25
Finance Dept	17%	12
Production Dept.	23%	16
Q2: Ownership of Company	%	Frequency
Private Local	23%	16
Public Local	28%	20
Foreign	28%	20

Mixed.	21%	15
<b>Q3: Years of Existence</b>		
	<b>%</b>	<b>Frequency</b>
Less than one year	7%	5
1 to 5 years	11%	8
6 to 10 years	21%	15
over 10 years	61%	43
<b>Q4: Years of dealing in Atlas Copco Products and services</b>		
Less than one year	10%	7
1 to 5 years	23%	16
6 to 10 years	10%	7
over 10 years	58%	41
<b>Q5: The coverage of company operations</b>		
	<b>%</b>	<b>Frequency</b>
Only in Kenya	25%	18
Only in Eastern Africa countries	35%	25
All parts of the world	40%	28

### **4.3 Products and services provided by Atlas Copco Eastern Africa Limited**

Table 4.2 below presents the major products and services mentioned by the respondents as provided by Atlas Copco Eastern Africa to its clientele in the form of percentages and frequencies. They were mentioned in the following order; beginning with the most conspicuous - stationary air compressors and accessories at 58 portraying these as the firm's core products specialty (area of dealing) followed by Maintenance parts and services provision at 46, then Consultancy services at 24 and construction and mining equipment at 22. The other mentioned products/services are as portrayed in table 4.2 in the following page.

**Table 4.2: Product(s) and service(s) provided by Atlas Copco**

	Percentage	Frequency
Logistics (clearing & forwarding)	7%	5
Installation of compressed air systems	8%	6
Leasing/rental service	25%	18
Construction & Mining equipment	31%	22
Consultancy services	34%	24
Maintenance parts and services	65%	46
Stationary air compressors and accessories	82%	58

#### **4.4 Reasons for using Atlas Copco Eastern Africa Co Ltd's Products/Services**

Respondents were probed about the reasons that led to their constant use of the firm's (Atlas Copco Eastern Africa) products/services. The reasons are as presented in table 4.3 in the following page. As observed, the major reasons as presented by the respondents are as follows; staffs competence in handling their clients topped at a frequency of 67 followed by superb skills exhibited by the firm's personnel in their line of operations in the company engagements at 48, Company's value for safety, Health and Environment concern also obtained a high score of 34 followed closely by reliability of the company at 33, customer friendliness at 28, 20 respondents attributed global network coverage, 16 respondents on superior service while quality and price had 8 respondents, financial stability had 6 respondents and only 1 respondent attributed trust as the reason for using the products and services of Atlas Copco Eastern Africa Limited. All these are shown in table 4.3 in the following page.

**Table 4.3: Reasons for using Atlas Copco's products and services**

	Percentage	Frequency
Trust	1%	1
Of their financial stability	8%	6
The quality and price is just right	11%	8
Of their superior service	23%	16
Of their global network coverage	28%	20
Are customer friendly, highly professional	39%	28
Of their reliability	46%	33
They value safety, health and environment	48%	34
Their personnel are highly skilled	68%	48
Of their competence	94%	67

#### **4.5 Positioning Strategies Associated with Atlas Copco Eastern Africa Limited**

The element of positioning strategies was scrutinized; the respondents were asked the kind of positioning strategies they would relate to Atlas Copco Eastern Africa Limited. The kind of positioning strategies identified vehemently by the respondents are as concerning to Process with 55 respondents, Service quality with 54 respondents, People (personnel) with 37 respondents, benefits and attributes had 35 respondents, price with 28 respondents, place (location of premises) had 21 respondents, physical evidence scored 12 respondents while promotion strategy, user category and competition had low scores of 2, 7 and 7 respectively.

The data is presented in table 4.4 in the following page.

**Table 4.4: Positioning strategies associated with Atlas Copco**

	Percentage	Frequency
Promotion strategy	3%	2
User category	10%	7
Competition	10%	7
Physical evidence	17%	12
Product class / category	20%	14
Place	30%	21
Price	39%	28
Benefits and attributes	49%	35
People	52%	37
Service quality	76%	54
Process	77%	55

#### **4.6 Product/Service Loyalty and their triggers**

The survey also further sought to discover the main triggers towards customer's product/Service loyalty in regard to company engagements. A 5-point scale was used to measure the customer loyalty as portrayed in the stacked bar chart below. As observed global network was observed to have a very large effect towards customer loyalty (68%) followed by physical evidence (44%) which were perceived to have a very large effect, service quality on thee other had was viewed to have a large effect at 53%, closely followed by benefits and attributes at 47%.

Disaggregated in terms of ownership shows that the mean scores range between 3.1 and 4.27 for promotion media strategy and service quality respectively; Global network is second highly rated at a score of 4.25 followed by benefits and attributes at a score of 4.24. The overall mean stands at a score of 3.8 and ranges from 3.7 to 4.1.

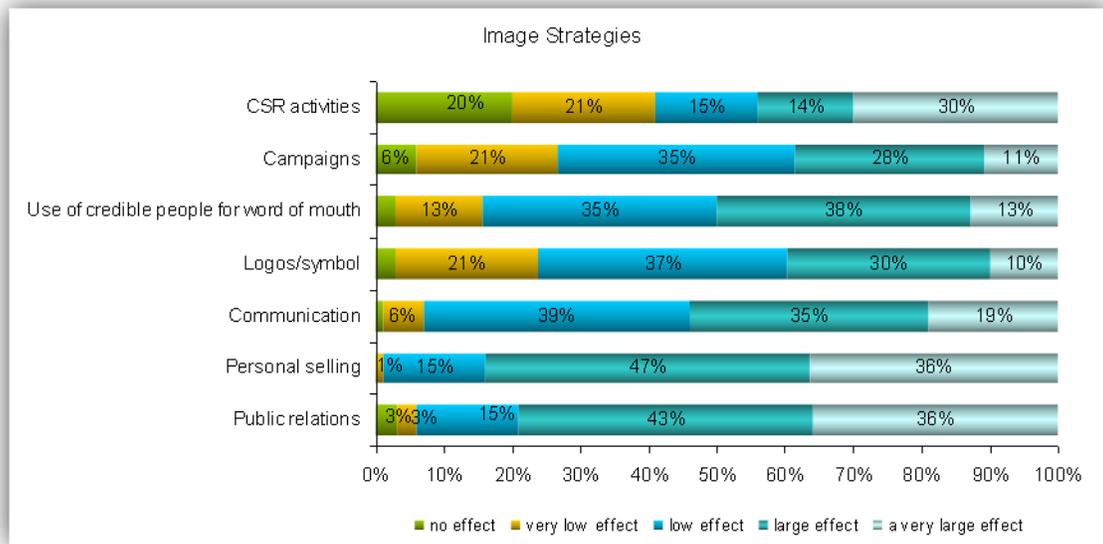
**Table 4.5: Effect of variables on loyalty towards Atlas Copco Eastern Africa Ltd**

	Total	Ownership of Company			
		Private Local	Public Local	Foreign	Mixed.
Service quality	4.27	4.29	4.2	4.4	4.13
Global network	4.25	3.88	4.35	4.5	4.2
Benefits and attributes	4.24	4.12	4.15	4.45	4.2
Product & service offered	4.04	3.88	3.8	4.45	4
The physical evidence	3.99	3.47	4.15	4.4	3.73
Reliability and high responsiveness	3.96	4	3.95	4.11	3.67
Price offered	3.58	3.29	3.4	3.95	3.6
Process strategies	3.54	3.41	3.65	3.65	3.4
Image	3.24	3.29	2.9	3.4	3.47
Promotion media strategy	3.1	3.06	2.85	3.3	3.2
Mean/average	3.8	3.7	3.7	4.1	3.8

#### **4.7 Image strategies**

Positioning is perceived by some researchers as the last stage, after product and image stages, in the historical development of marketing communications. On aggregate from the 5-point likert scale (large and very large effect) personal selling and public relations were rated as having the greatest effect towards image strategies at 83% and 79% respectively. This is shown in figure 4.1 in the following page.

**Figure 4.1 Effect of Image Strategies on Loyalty Towards Atlas Copco Eastern Africa Limited**



#### 4.8 Quality Indicators

Indicators related to quality were probed and the results are as presented in table 4.6 in the previous page. Disaggregated in terms of ownership of the company, the overall average stands at a score of 3.82 ranging from 3.51 to 4.01.

**Table 4.6: Average Score Showing Effect of Quality Indicators on Loyalty towards Atlas Copco Eastern Africa Limited**

	Total	Ownership of Company			
		Private Local	Public Local	Foreign	Mixed.
Competent workers	4.31	4.18	4.4	4.4	4.13
Responsiveness to customers	4.35	4.12	4.5	4.5	4.2
Provider of variety of services to clients	3.7	4.06	3.3	3.85	3.6
Quality assurance to customers	3.79	3.88	3.85	3.95	3.4
Privacy and confidentiality of client information	3.31	3.71	3.1	3.5	2.93
Using efficient processes	3.79	3.53	3.85	4.05	3.6
Reliability from credible workers	3.52	3.53	3.8	3.85	2.73
Mean/average	3.82	3.86	3.83	4.01	3.51

Looking at the quality indicators the highly rated ones are competent workers at 4.31 followed by responsiveness to customers at 4.35 and Quality assurance to customers and use of efficient services each at 3.79. On the other hand the ones that were rated lowly are privacy and confidentiality of client information at a score of 3.31 and reliability from credible workers at a score of 3.52 as shown in table 3 below.

#### 4.9 Nature of Pricing

Factors relating to the nature of pricing were probed; the factors found to have a significant effect were in relation to prices of similar for better value and Atlas Copco prices at premium level. Disaggregated, the mean score was 3.37 ranging from 3.01 to 3.60; the same factors are observed to top the table at 4.37 and 4.2 i.e. prices being at the premium level and how similar they are for better value respectively confirming that they do have the largest effect on the nature of pricing as shown in table 4.7 below.

**Table 4.7: Nature of pricing**

	Total	Ownership of Company			
		Private Local	Public Local	Foreign	Mixed.
Their prices are at premium level	4.37	4.35	4.4	4.45	4.13
Similar for better value	4.2	4.24	4	4.45	4
Flexible price	2.99	3.29	2.85	3.2	2.53
Discounted fee	2.99	3.24	2.7	3.5	2.4
Their prices are very low	2.3	2.59	2.2	2.4	2
Mean/average	3.37	3.54	3.23	3.60	3.01

#### 4.10 Consumer Benefits

The attribute of consumer benefits under positioning strategies was studied; the findings are as presented in table 4.8 below. The view that provision of high quality products has a very great impact as depicted by a high mean score of 4.34 (on aggregate) followed by reliability at 4.18 and customer friendliness at 3.96. The other attributes studied are as portrayed in table 4.8 below.

Disaggregated, the overall average stands at 3.90 ranging from a low of 3.72 to a high of 4.13. High quality garnered the highest score of 4.34 followed by reliability at 4.18, on the other hand flexibility achieved the lowest score of 3.44. The other findings are as presented in table 4.8 in the following page.

**Table 4.8: The Effect of Consumer Benefits on Customer Loyalty**

	Total	Ownership of Company			
		Private Local	Public Local	Foreign	Mixed.
High quality	4.34	4.53	4.2	4.4	4.2
Reliable	4.18	4.35	4.2	4.3	3.8
Customer friendly	3.96	4.12	3.8	4.05	3.87
Superior customer service	3.87	3.88	3.75	4.1	3.73
Quick response	3.63	3.82	3.35	3.95	3.4
Flexible	3.44	3.35	3	3.95	3.47
<b>Mean/average</b>	<b>3.90</b>	<b>4.01</b>	<b>3.72</b>	<b>4.13</b>	<b>3.75</b>

#### **4.11 Personnel Qualities**

Twelve factors were scrutinized in line with finding out the perceptions concerning the quality of personnel on the respondent's loyalty towards Atlas Copco Eastern Africa Ltd. Majority of survey participants expressed high degrees of agreement to the view that the

factors queried had a large effect on the personnel with exception of two factors viz; “Pleasant” 3.49 mean score and “smartly dressed” 3.3 on aggregate. Two factors that demonstrate astoundingly huge effect are; “Professional” 4.25 and “Competent and Intelligent” 4.24.

Disaggregated, across the industrial client categories the overall average stands at 3.86 ranging from a low of 3.66 with regard to Mixed setup to a high of 3.99 with regard to Foreign owned company respondents. Conspicuously, two factors stand out at the rates of 4.25 each, these are; “Professional” and “Committed”, conversely, “smartly dressed” recorded the lowest score of 3.3.

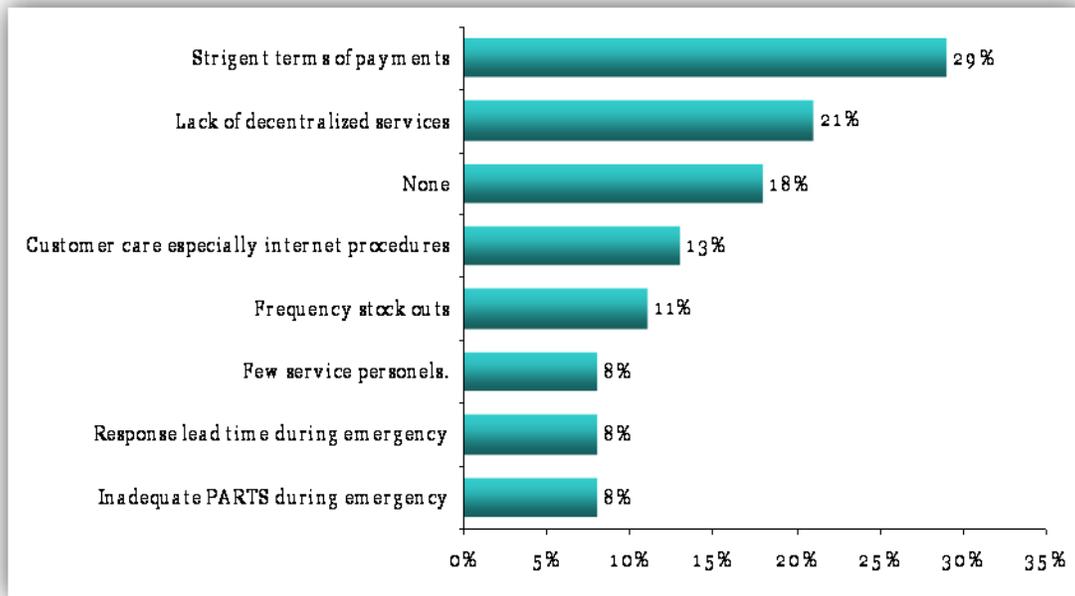
**Table 4.9: The Effect of Personnel Quality on Customer Loyalty**

	Total	Ownership of Company			
		Private Local	Public Local	Foreign	Mixed.
Professional	4.25	4.41	4.15	4.3	4.13
Committed	4.25	4.29	4.15	4.45	4.07
Competent and intelligent	4.24	4.24	4.3	4.35	4
Use polite language to clients	4.17	4.24	4.25	4.3	3.8
Well trained	3.93	3.88	4.1	3.75	4
Courteous to clients	3.89	3.94	3.8	4.1	3.67
Positive towards client	3.79	3.81	3.95	3.65	3.73
Alert	3.72	3.76	3.75	4	3.27
Trustworthy	3.69	3.65	3.6	3.95	3.53
Highly motivated	3.65	3.94	3.6	3.7	3.33
Pleasant	3.49	3.47	3.2	3.8	3.53
Smartly dressed	3.3	3.41	3.35	3.5	2.87
Mean/Average	3.86	3.92	3.85	3.99	3.66

#### 4.12 Challenges as a result of positioning strategies

Respondents were further asked in an open ended mode, the kind of challenges that they encountered as a result of effecting of positioning strategies by Atlas Copco Eastern African Ltd. The most noticeable ones are as follows; stringent terms of payment with 21 respondents (29% of sampled population), lack of decentralized services with 15 respondents (21%), and customer care especially with regard to internet based procedures with 9 respondents (13%), frequency of stock outs with a frequency of 8 (11%), while inadequate parts, response lead time and fewer service personnel had a frequency of 6 respondents each.

**Figure 4.2 Challenges faced as result of Positioning Strategies Used**



## **CHAPTER FIVE:**

### **SUMMARY, CONCLUSIONS, LIMITATIONS AND RECOMMENDATIONS**

#### **5.1 Introduction**

This chapter is divided into four parts. The first part is the summary that ties the research findings to the research objectives and existing bodies of knowledge. The second one is the conclusion which comprises a discussion of the findings and analysis. The third one highlights the limitations of the research as well as limitations of the findings. The final part gives recommendations for further research.

#### **5.2 Summary**

This research study was conducted in order to answer some fundamental questions based on the positioning strategies and their effect as perceived by customers of Atlas Copco EA Limited. The study had two objectives; the first was to determine the effectiveness of the positioning strategies on customer loyalty by customers of Atlas Copco Eastern Africa Limited. The second objective was to find out the challenges faced by customers as a result of the positioning strategies adopted by the company.

Respondents were probed about the reasons that led to their constant use of Atlas Copco products/services. According to survey results, the major reasons as presented by the respondents are as follows; staffs competence in handling their clients topped at

67 respondents, followed by superb skills exhibited by the firm's personnel in their line of operations in the company engagements at 48. The kind of positioning strategies identified vehemently by the respondents are as concerning to processes at 55 respondents, followed by service quality at 54 respondents, people at 37, then benefits and attributes at 35 respondents. Under consumer benefits the view that provision of high quality products has a very great impact is revealed by a high score of 4.34 (on aggregate) followed by reliability at 4.18 and customer friendliness at 3.96.

As regards factors that trigger customer products/services loyalty; global network was observed to have a very large effect towards customer loyalty (68%) followed by physical evidence (44%) which were perceived to have a very large effect, service quality on the other hand was viewed to have a large effect at 53%, closely followed by benefits and attributes at 47%. Personal selling and public relations were rated as having the greatest effect towards image strategies at 83% and 79% respectively. Majority of survey participants expressed high degree of agreement to the view that the factors queried had a large effect on the personnel traits with exception of two factors viz; "Pleasant" (45%) and "smartly dressed" (40%) on aggregate. Two factors that demonstrate very large effects are; "Professional" (89%) and "Competent and Intelligent" (85%)

The challenges that the consumers encounter as a result of positioning strategies by Atlas Copco Eastern African Ltd were investigated. The most noticeable ones are as follows;

stringent terms of payment (29%), lack of decentralized services (21%), and Customer care especially with regard to internet based procedures (13%) and frequency of stock outs at 11%. Batra, Myers and Aaker (1996) see the most used positioning as the one of the association of an object with the product characteristics and customer benefits. Russel et al (1988) says that consumers who are similar in important ways tend to cluster around the same benefits. From the research findings on the effect of consumer benefits on customer loyalty, high quality and reliability attract high score of 4.13 and 4.18 and thus high effect on customer loyalty. Positioning linked strongly linked to product benefits is generally more effective than positioning which describes product features without their benefits to the customer. The research findings support the above because when asked to identify positioning strategies that could be associated with Atlas Copco Eastern Africa Limited, 76% of the sampled clients chose service quality. Quality of service is critical in deciding a provider of choice in the purchase of capital equipment.

A key challenge that firms faces in creating a global brand is to identify a global segment and target that segment with an effective positioning strategy (Kotler, 2006). Positioning shows the place where existing or to be issued products are put in the market place by the customers. It could further be stated that market position of a product in this case, is its relative location in customer's mind among opponent products.

### **5.3 Conclusion**

The research was able to achieve the two objectives it set out to determine. The research was able to determine the effectiveness of the positioning strategies on customer loyalty

by customers of ACEA. The study also established the challenges faced by clients as a result of the positioning strategies used by the company. Based on the research findings, ownership profile provides that private local (23%), Public local and foreign both at 28% and mixed ownership comprising both foreigners and locals were at 21%.

The research was able to determine the distribution of the respondents by type of product and services utilized and the number of years the clients have been serviced by Atlas Copco Eastern Africa Limited. 58 of the sampled customers (82%) use compressed air equipment followed by 46 of the sampled customers (65%) utilizing maintenance services from the company. From the distribution of service utilized, the company can seize the opportunity of increasing the number of customers in the leasing and rental category as well as tapping into the turn key projects.

Of the sampled customers, 5 (7% of sample population) have been in existence for less than a year, 8 (11%) between one and five years, 15 (21%) between six and 10 years while 43 (61%) have been in existence for over ten years. On the same note, 7 (10%) of the sampled customers have been customers of Atlas Copco Eastern Africa Limited for less than a year, 16 (22%) between one and five years, 7 (10%) between six and ten years while 41 (58%) have been customers of the company for over ten years. Further, it was noted that 18 (25%) of the sampled customers have operations within Kenya, 25 (35%) within the eastern Africa region and 28 (40%) with operations all over the world.

Based on research findings, the most popular reason as to why the respondents use the products and services of Atlas Copco is due to staff competence with 67 of sampled

customers (94%) followed by skills at 48 (68%) and closely by safety, health and quality (SHEQ) at 34 (48%). The research findings support those put forth by Batra, Myers and Aaker (1996) who say that the most used positioning are the ones of the association of an object with the product characteristics and customer benefits.

Creation of and adherence to proper and successful positioning strategy is perhaps one of the most difficult aspects of great marketing (Kotler, 2006). It is the most important foundational element. It drives not only marketing, but also operations—where you choose to go, in what you choose to invest, what is important and what is not. The fact that 67 of the sampled customers (or 94% representation) chose the products and services of Atlas Copco due to the staff competence with 48 customers (or 68%) identifying with skills shows that the company has focussed on developing and continuously improving knowledge acquisition, distribution and interpretation systems in order to achieve sustainable competitive advantage and better performance.

Without a clear and strong positioning strategy, time and money are spent in vain—not just marketing dollars, but nearly every other corporate investment, from production and distribution right down to overhead expenses. If you can't clearly articulate your positioning, and if it doesn't have real, meaningful, differentiated value to the marketplace and your organization, you're not only drifting somewhat aimlessly, your chances of real success are greatly diminished. After an organization has selected its target market, the next stage is to decide how it wants to position itself within that chosen segment. Positioning refers to 'how organizations want their consumers to see their products and/or services' (Kotler & Armstrong, 2001).

Other notable findings include the firm having unique characteristics that may have impact on its global brand positioning development process, networking with customer during customer interactive forums, the need to consider long term service contract and hence relax on stringent payment terms since long term business is assured, the need to consider decentralization of its services to enhance efficiency and global competitiveness, the need to consider promotional media strategy as it was lowly rated and therefore would require to be enhanced, finally the firm's flexibility in operations and quick response should be improved.

#### **5.4 Limitations of the study**

The research study was constrained by time and funds availability which resulted in limiting the respondents to those in Kenya rather than the greater Eastern Africa region in which Atlas Copco Eastern Africa Limited covers. The characteristics of the customers in the other countries within East Africa may differ from those in Kenya. As a result of such differences, the findings may not be generalized. It is however, worth noting that that sample is a true representation of the entire population as it comprises customers using the full range of products and services offered by Atlas Copco Eastern Africa Limited.

#### **5.5 Recommendations for Future Research**

The research study has explored the effectiveness of the positioning strategies on customer loyalty as perceived by customers of Atlas Copco Eastern Africa Limited. Similar studies can be replicated and use a large sample encompassing the entire East Africa Region. A similar study can also be conducted on customers within specific industries, for instance oil and gas sector, banking and insurance sector, media, motor

vehicles, telecoms as well as other industries in order to get a broader appreciation of how positioning strategies affect customer loyalty.

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## **APPENDIX 1: COVER LETTER**

Stanley Kalile Musau  
C/O University of Nairobi  
School of Business  
Nairobi, Kenya  
February 20<sup>th</sup> 2012

The Director,

.....

Dear Sir(s),

**Ref: MBA Research Questionnaire**

The above refers. I am a post graduate student at The University of Nairobi undertaking a Masters Degree in Business Administration (MBA). As part of the study work, I am required to carry out a research study on the effectiveness of positioning strategies on customer loyalty as adopted by Atlas Copco Eastern Africa Ltd. Your esteemed organisation was selected as part of the sampled population.

I kindly request your permission and time to fill out the attached questionnaire. The data collected remains confidential and at no time or place will it be discussed or revealed.

Thanking you in advance,



## SECTION II

6. Please tick the product(s) and service(s) provided to you by Atlas Copco Eastern Africa Ltd.

- a.) Stationary air compressors and accessories ( )
- b.) Construction & Mining equipment ( )
- c.) Maintenance parts and services ( )
- d.) Installation of compressed air systems ( )
- e.) Consultancy services ( )
- f.) Leasing/rental service ( )
- g.) Logistics (clearing & forwarding) ( )

7. The main reason I use the product(s) and service(s) of Atlas Copco Eastern Africa Ltd listed in question 5 above is because: (you can tick/cross more than one answer)

- a.) Their personnel are highly skilled ( )
- b.) The quality and price is just right ( )
- c.) Of their superior service ( )
- d.) Of their global network coverage ( )
- e.) Of their reliability ( )
- f.) Are customer friendly, highly professional ( )
- g.) They value safety, health and environment ( )

- h.) Of their financial stability ( )
- i.) Of their competence ( )
- j.) Any other reason.....
8. The following are various positioning strategies. Please tick the ones you can associate with Atlas Copco Eastern Africa Ltd. (you can tick/cross more than one answer)
- a.) Service quality ( )
- b.) Benefits and attributes ( )
- c.) User category ( )
- d.) Product class / category ( )
- e.) Competition ( )
- f.) Price ( )
- g.) Promotion strategy ( )
- h.) Place ( )
- i.) People ( )
- j.) Physical evidence ( )
- k.) Process ( )
9. In answering this question and rest of the questions in this section, you are given a scale of 1 – 5 to help you respond easily; where:
- 5 = a very large effect**
- 4 = large effect**

**3 = low effect**

**2 = very low effect**

**1 = no effect**

Please indicate the effect of the following variables offered by Atlas Copco Eastern Africa Ltd on your loyalty towards Atlas Copco Eastern Africa Ltd?

<b>Variables</b>	<b>5</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>
a.) Service quality	( )	( )	( )	( )	( )
b.) Benefits and attributes	( )	( )	( )	( )	( )
c.) Reliability and high responsiveness	( )	( )	( )	( )	( )
d.) The product & service offered	( )	( )	( )	( )	( )
e.) Price offered	( )	( )	( )	( )	( )
f.) Promotion media strategy	( )	( )	( )	( )	( )
g.) People	( )	( )	( )	( )	( )
h.) Image	( )	( )	( )	( )	( )
i.) Process strategies	( )	( )	( )	( )	( )
j.) The physical evidence	( )	( )	( )	( )	( )
k.) Global network	( )	( )	( )	( )	( )

10. Please indicate to which extend the following image strategies of Atlas Copco Eastern Africa Ltd affect your loyalty towards Atlas Copco Eastern Africa Ltd?

<b>Image Strategies</b>	<b>5</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>
a.) Public relations	( )	( )	( )	( )	( )
b.) Personal selling	( )	( )	( )	( )	( )
c.) Communication	( )	( )	( )	( )	( )
d.) Logos/symbol	( )	( )	( )	( )	( )

e.) Use of credible people for word of mouth	( )	( )	( )	( )	( )
f.) Campaigns	( )	( )	( )	( )	( )
g.) CSR activities	( )	( )	( )	( )	( )

11. What is the effect of the following quality indicators of Atlas Copco Eastern Africa Ltd to your loyalty towards Atlas Copco Eastern Africa Ltd?

<b>Quality Indicators</b>	<b>5</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>
a.) Responsiveness to customers	( )	( )	( )	( )	( )
b.) Competent workers	( )	( )	( )	( )	( )
c.) Using efficient processes	( )	( )	( )	( )	( )
d.) Quality assurance to customers	( )	( )	( )	( )	( )
e.) Provider of variety of services to clients	( )	( )	( )	( )	( )
f.) Privacy and confidentiality of client information	( )	( )	( )	( )	( )
g.) Reliability from credible workers	( )	( )	( )	( )	( )

12. To what extent does the following statement apply to the nature of the pricing of Atlas Copco Eastern Africa Ltd and their effect on your loyalty towards them?

<b>Nature of pricing</b>	<b>5</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>
a.) Their prices are very low	( )	( )	( )	( )	( )
b.) Their prices are at premium level	( )	( )	( )	( )	( )
c.) <u>Compared to competition:</u>					
1.) Flexible price	( )	( )	( )	( )	( )

2.) Similar for better value	( )	( )	( )	( )	( )
3.) Discounted fee	( )	( )	( )	( )	( )

13. What is the effect of the following consumer benefits of Atlas Copco Eastern Africa Ltd as a service provider on your loyalty towards Atlas Copco as a brand?

<b>Customer benefits</b>	<b>5</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>
a.) Reliable	( )	( )	( )	( )	( )
b.) High quality	( )	( )	( )	( )	( )
c.) Customer friendly	( )	( )	( )	( )	( )
d.) Quick response	( )	( )	( )	( )	( )
e.) Flexible	( )	( )	( )	( )	( )
f.) Superior customer service	( )	( )	( )	( )	( )

14. What is the effect of the following statements describing the quality of personnel of Atlas Copco Eastern Africa Ltd on your loyalty towards Atlas Copco Eastern Africa Ltd?

<b>Personnel qualities</b>	<b>5</b>	<b>4</b>	<b>3</b>	<b>2</b>	<b>1</b>
a.) Professional	( )	( )	( )	( )	( )
b.) Committed	( )	( )	( )	( )	( )
c.) Alert	( )	( )	( )	( )	( )
d.) Competent and intelligent	( )	( )	( )	( )	( )
e.) Trustworthy	( )	( )	( )	( )	( )
f.) Smartly dressed	( )	( )	( )	( )	( )
g.) Highly motivated	( )	( )	( )	( )	( )
h.) Positive towards client	( )	( )	( )	( )	( )

i.) Well trained	( )	( )	( )	( )	( )
j.) Courteous to clients	( )	( )	( )	( )	( )
k.) Use polite language to clients	( )	( )	( )	( )	( )

15. Please indicate below some of the challenges that you are facing as a result of the positioning strategies used by Atlas Copco Eastern Africa Ltd

.....

.....

Thank you so much for your cooperation in answering the questionnaire.

**Stanley K. MUSAU**

### APPENDIX 3: LIST OF CUSTOMERS

1	ELYS CHEMICAL INDUSTRIES LTD	RIFT VALLEY BOTTLERS LTD
2	KENYA MARBLE QUARRIES LTD	KENYA TEA PACKERS LTD
3	SHREE VISA OSHWAL COMMUNITY-TH	MAIZE MILLING COMPANY LTD - ELDORET
4	WARREN CONCRETE LIMITED	MUMIAS SUGAR CO. LTD
5	AGA KHAN HEALTH SERVICE, KENYA	NDUGU TRANSPORT CO. LTD
6	AGRO IRRIGATION & PUMP SERVICE	PARBAT SIYANI CONSTRUCTION LTD
7	AMALGAMATED PROPERTIES	ST. MARY'S HOSPITAL MUMIAS
8	BAKEX MILLERS LTD	TENWEK HOSPITAL
9	BAMBURI CEMENT LTD - ATHI RIVE	AGRO CHEMICAL & FOOD CO LTD
10	BIDCO OIL REFINERIES LTD	CHEMELIL SUGAR COMPANY LTD
11	CARTON MANUFACTURERS LTD	CORN PRODUCTS KENYA LTD
12	DAWA LTD	DIOCESE OF KISII
13	EAST AFRICAN PACKAGING IND. LT	ELDORET GRAIN LTD
14	FRIENDSHIP CONTAINER MANUF. LT	JAMES FINLAY (KENYA) LIMITED
15	GENERAL PLASTICS LTD	KEN KNIT (K) LIMITED
16	GILOIL COMPANY LIMITED	KENYA SEED COMPANY LTD
17	HOMEGROWN (K) LTD	KISII BOTTLERS
18	INSTEEL LIMITED	KISUMU CONCRETE PRODUCTS LTD
19	Kari Veterinary Vaccines Prod	MAYFAIR HOLDINGS LTD-BAKERY
20	KOMOROCK AUTOMOBILES & FABRIC	NZOIA SUGAR COMPANY LTD
21	MADHUPAPER KENYA LIMITED	PATEL CONCRETE
22	MANSON HART KENYA LIMITED	PYRAMID PACKAGING LIMITED
23	MAUA METHODIST HOSPITAL	RAI PLYWOODS (K) LTD
24	MOUNT KENYA BOTTLERS LIMITED	RIVATEX EAST AFRICA LTD
25	MULTIPLE HAULIERS (E.A) LTD	ROLEX GARMENTS EPZ
26	MUTHAIGA ROAD TRUST COMPANY LT	RUPA MILLS LIMITED
27	NAIROBI BOTTLERS LTD	SIRIKWA QUARY LTD
28	NAS PLASTICS LIMITED	UNGA LTD(ELDORET)
29	NUTRO MANUFACTURING EPZ LTD	UNITED MILLERS LTD KISUMU
30	ORBIT CHEMICAL INDUSTRIES LTD	WEST KENYA SUGAR COMPANY LTD

31	OZZBECO KENYA LTD	CITY RADIATORS LTD
32	PAPER CONVERTERS (K) LTD	QAYRAT FOODS LTD
33	PARBAT SIYANI CONSTRUCTION LTD	PRINT PACK LTD
34	RIARA GROUP OF SCHOOLS LTD	OSHO CHEMICALS INDUSTRIES LTD
35	SAJ CERAMIC LTD	INSTA PRODUCTS LTD
36	SUNFLAG TEXTILE & KNITWEAR LTD	SAVANNAH CEMENT (EPZ) LTD
37	TETRA PAK CONVERTERS LTD	MOMBASA CEMENT LTD - ATHI RIVER
38	THIKA COFFEE MILLS LTD	MOMBASA CEMENT LTD - VIPINGO
39	TIMSALES LIMITED	CORRUGATED SHEETS LTD
40	TREADSETTERS TYRES LTD	KAVEE QUARRY LTD
41	TRU-FOODS LTD	STANDARD ROLLING MILLS LTD
42	UNGA LIMITED	SIGMA GAS & ENGINEERING LTD
43	VALLEY BAKERY LTD	CASCO PETROLEUM LTD
44	WOODTEX KENYA LTD	KENYA SHELL LTD
45	ACME CONTAINERS LTD	KENOL KOBIL LTD
46	ALLPACK INDUSTRIES LTD	GAPCO LTD
47	ALLTEX EPZ LTD	MULTIPLE HAULIERS LTD
48	ALPHA KNITS LTD	SUNFLAG GROUP - KENYA LTD
49	ALPHARAMA LTD	CARBACID LTD
50	ARISTOCRATS CONCRETE LTD	SILPACK INDUSTRIES LTD
51	ASHUT ENGINEERS LTD	MARRYAT & SCOTT LTD
52	ASSOCIATED BATTERY MAN.(E.A) L	H YOUNG & CO EA LTD
53	ASSOCIATED STEEL LTD	SPECTRE EA LTD
54	AUTOSTERILE (EA) LIMITED	POLYTHENE INDUSTRIES LTD
55	BANBROS LTD	DAWA LTD
56	BEIERSDDRF EAST AFRICA LTD (BD	BEIERSDORF EAST AFRICA LTD
57	BEVERAGE SERVICES KENYA LTD	ELITE EARTHMOVERS LTD
58	BLOWPLAST LIMITED	KARI VACCINES
59	BLUE NILE WIRE PRODUCTS LTD	MARSHALL FOWLER ENGINEERS LTD
60	BOBMIL INDUSTRIES LTD	COSMOS LTD
61	BOC KENYA LIMITED	GLAXOSMITHKLINE KENYA LTD
62	BOOTH EXTRUSIONS LTD	PZ CUSSENS EA LTD
63	BRITISH AMERICAN TOBACCO(THIKA	CENTRAL GLASS INDUSTRIES LTD
64	BROADWAY BAKERY LIMITED	POWER MEGGER LTD
65	Brookside Dairy Ltd	OILIBYA
66	BULLPAK LIMITED	KENYA WINE AGENCIES LTD
67	CADBURY KENYA LIMITED	NAMPAK KENYA
68	CAPWELL INDUSTRIES LTD	THE PAPERHOUSE OF KENYA LTD

69	CARBACID (CO2) LIMITED	THE WRIGLEY COMPANY EAST AFRICA
70	CENTRAL GLASS INDUSTRIES	PEMBE FLOUR MILLS LTD
71	CHANDARIA INDUSTRIES LTD	SIMLAW SEEDS CO. LTD
72	CHILDREN OF GOD RELIEF INST.	TETRA PAK LTD
73	CHINA CENTER LTD	TREDCOR KENYA LTD
74	COMPLY INDUSTRIES LTD	SUPERSLEEK LTD
75	COSMOS LIMITED	HORIZON LTD
76	D.T. DOBIE & CO. LTD	VAJA'S MANUFACTURERS LTD
77	DE LA RUE CURRENCY	SOLITON TELMEC
78	DEL MONTE KENYA LTD	LONDON DISTILLERS KENYA LTD
79	DODHIA PACKAGING LTD	GENERAL MOTORS EA LTD
80	E. A. FOUNDRY WORKS (K) LTD	GENERAL PRINTERS LTD
81	EAST AFRICAN CABLES LTD	PACKAGING MASTERS LTD
82	EAST AFRICAN MALTINGS LTD	MANSON HART KENYA
83	EAST AFRICAN PORTLAND CEMENT L	ACHELIS MATERIAL HANDLING LTD
84	ELLAMS PRODUCTS LTD	ELECTRIC LINK LTD
85	ENTREPISE GENERALE MALTA FORRE	EAST AFRICA FOUNDRY WORKS LTD
86	EPCO BUILDERS LTD	KAY CONSTRUCTIONS CO. LTD
87	ESLON PLASTICS OF KENYA LTD	FUNAN CONSTRUCTION LTD
88	EVEREADY BATTERIES KENYA LTD	GEOTHERMAL DEVELOPMENT CO. LTD
89	FINE SPINNERS LTD	KENGEN LTD - KIPEVU
90	FRIG-O-KEN LTD	KENGEN LTD - GARISSA
91	GENERAL INDUSTRIES LIMITED	KENGEN LTD - OLKARIA
92	GENERAL MOTORS KENYA LTD	ORPOWER II - NAIVASHA
93	H.YOUNG & CO.(E.A.) LTD	BRITISH AMERICAN TOBACCO - NRB
94	HALAR INDUSTRIES LIMITED	BRITISH AMERICAN TOBACCO - THIKA
95	HEAVY ENGINEERING LTD	SADOLIN PAINTS EA LTD
96	HEKIMA COLLEGE	ACTION AID INTERNATIONAL KENYA
97	HOME(WEETABIX ) LTD	KEVIAN KENYA LTD - DAGORETTI
98	IBERAFRICA POWER (E.A) LTD	KEVIAN KENYA LTD - THIKA
99	INSTA PRODUCTS (EPZ) LTD	GOLDEN HARVEST MILLS
100	INTERCONSUMER PRODUCTS LTD	DILPACK KENYA LTD
101	INTERLABELS AFRICA LTD	ROTO MOULDERS LTD
102	INTERNATIONAL ENERGY TECHNIK L	NAIROBI ENTERPRISES LTD
103	JAMBO BISCUITS (K) LTD	DABASIA BUILDERS LTD
104	JAY CERAMICS LTD	NATIONAL CONCRETE CO. LTD
105	JUSTEL SUPERMARKET LTD	PROCTOR & GAMBLE EA LTD
106	KABUITO CONTRACTORS LTD	PENELLY CONSTRUCTION LTD

107	KAJULU HOLDINGS LIMITED	RT EAST AFRICA LTD
108	KAY CONSTRUCTION LTD	PALMAC OIL REFINERIES LTD
109	KENAFRIC INDUSTRIES LIMITED	EVEREADY EAST AFRICA LTD
110	KENBLEST LIMITED	M.R.C NAIROBI EPZ LTD
111	KENGEN CO. LTD	SIGNODE PACKAGING SYSTEMS LTD
112	KENWEST CABLES LTD	THE MATTER HOSPITAL
113	KENYA AIRWAYS	SAGOO HOLDINGS LTD
114	KENYA BREWERIES LTD (NAIROBI)	DRILLING SPARES SERVICES
115	KENYA BUILDERS & CONCRETE	NEW KCC - SOTIK
116	KENYA LITHO LIMITED	NEW KCC - NAIROBI
117	KENYA NUT COMPANY LIMITED	CB RICHARD ELLIS LTD
118	KENYA SHELL LTD	BUTALI SUGAR
119	KENYA WINE AGENCIES LTD	CROWN FOODS LTD
120	KENYA WOMEN FINACE TRUST	TECHPACK INDUSTRIES LTD
121	KENYATTA NATIONAL HOSPITAL	FINELINE INDUSTRIES LTD
122	KEROCHE INDUSTRIES LTD	URBAN FLAMES KENYA LTD
123	KEVIAN KENYA LIMITED	EDEN LTD
124	KIBOKO LEISURE WEAR LTD	VALUE PACK FOOD KENYA LTD
125	LANEEB PLASTIC INDUSTRIES LTD	ALPHA GRAIN MILLERS LTD
126	MABATI ROLLING MILLS-RESINCOT	VOLCANIC PLUMBING WORKS LTD
127	MAGNATE VENTURES LIMITED/STANB	LAKE BASIN DEVELOPMENT CO LTD
128	MAISHA FLOUR MILLS	DELUXE INKS LTD
129	MAJANI BORA PRODUCTS	CATHOLIC RELIEF SERVICES LTD
130	MALPLAST INDUSTRIES LIMITED	ROYAL DANISH EMBASSY - NAIROBI
131	MANCHESTER OUTFITERS LTD	MJENGO LTD
132	MARIDADI BUILDING CONTRACTORS	SUPREME BALASTS LTD
133	MASTERMIND TOBACCO (K) LTD	ABM EAST AFRICA LYTD
134	MC FRY'S LTD	DIANI BEACH HOTEL
135	MCNEEL MILLERS LTD	MERIDIAN COURT HOTEL
136	MEGA SPIN LTD	QUALITY QUARRIES LTD
137	MENENGAI OIL REFINERIES	MARMO GRANITO KENYA LTD
138	MERIDIAN COURT HOTEL	SKF KENYA
139	METAL CROWNS LTD	JOHNSON WAX EA LTD
140	METRO PLASTICS KENYA LTD	BRIGHTSUN PACKAGING LTD
141	PATEL CONCRETE	PAPER HOUSE OF KENYA
142	PEMBE FLOUR MILLS	PAPERBAGS LIMITED
143	SEYANI BROTHERS KENYA LTD	CHINA WU YI CONSTRUCTION
144	ZEP COMPANY LTD	CHINA ROADS & BRIDGES

145	PWANI OIL PRODUCTS LTD	SHENGLI ENGINEERING LTD
146	KARMYN SOCK INDUSTRIES LTD	KISUMU WATER AND SEWERAGE CO
147	QUANTUM CONSTRUCTION LTD	COAST WATER BOARD
148	KENWESTFALL WORKS LTD	NAIROBI WATER COMPANY
149	RIFT VALLEY PROVINCIAL HOSPITAL	TANA ATHI WATER BOARD
150	THIKA LEVEL V HOSPITAL	KENYA PIPELINE COMPANY
151	THIKA COFFEE MILLS	KENYA PETROLEUM REFINERIES LTD
152	EMBASSY OF THE USA - GIGIRI	VIMIT CONVERTERS LIMITED
153	BASH HAULIERS LTD	MINISTRY OF ENERGY
154	DISTELL - WINEMASTERS	RELIANCE KENYA LTD
155	LONGSPAN ENGINEERING - KAREN	SHANGA ENGINEERING WORKS
156	CHODA FABRICATORS LTD	MIMASA ENGINEERING WORKS LTD
157	KENYA WILDLIFE SERVICES	UNITECH INDUSTRIAL AGENCIES LTD
158	WILSONS POWER & TECHNOLOGIES LTD	KENAFRIC LTD - RUBBER DIVISION
159	MANTRACK KENYA LTD	KENYA TEA DEVELOPMENT AUTHORITY
160	UNITED STEEL - MOMBASA	KEROCHE BREWERIES LTD
161	ATHI RIVER MINING - KALOLENI	THE JUDICIARY
162	PEARL INDUSTRIES LTD	CITY BANK
163	MAJANI BORA PRODUCTS	COOPERATIVE BANK
164	KANGAROO BRANDS LTD	NAIROBI PLASTICS LIMITED
165	INTERCONTINENTAL NAIROBI	INTERNET SOLUTIONS KENYA
166	HILTON NAIROBI	EA CABLES - ALUMINIUM DIVISION
167	MINI BAKERIES LTD (50 FACTORIES IN KENYA)	TILLEY GROUP OF COMPANIES
168	WE TILLEY (MUTHAIGA) LTD	PETROLEUM & INDUSTRIAL SERVICE
169	KOMATSU PANAFRICAN LTD	PIPE MANUFACTURERS LTD
170	POLYPIPES LTD	PLAN INTERNATIONAL KENYA
171	COASTAL BOTTLERS LTD	PLASTIC ELECTRICONS LTD
172	BANTARAM TENTS LTD	PLYSALES KENYA LTD
173	SIMBA COLT MOTORS LTD	POLY PIPES LIMITED
174	TOYOTA KENYA LTD	POLYTHENE INDUSTRIES LTD
175	TOYOTSU KENYA LTD	POWER ENGINEERING INTER. LTD
176	KENYA MEAT COMMISION	POWER TECHNICS LTD
177	RAIPLY LTD	PREMIER FOOD INDUSTRIES LTD
178	SUMARIA INDUSTRIES	PRIMAROSA FLOWERS LIMITED
179	SUPRA TEXTILES LTD	PRINSAL ENTERPIRSES LTD
180	SWITCHGEAR & CONTROLS LTD	PRINTPAK
181	TEBERE CONCRETE CO. LTD	PROTEX KENYA EPZ LTD
182	THERMOPAK LIMITED	PZ CUSSONS EAST AFRICA LIMITED

183	THIKA CLOTH MILLS LTD	R.T. EAST AFRICA LTD
184	TONONOKA ROLLING MILLS LTD	RAFIKI MILLERS LTD
185	TONONOKA STEELS LTD	RAMCO PRINTING WORKS LTD
186	TRANSFLEET	ROLEX GARMENTS EPZ
187	UNGA FARMCARE(EA)LTD-NAKURU	SADOLIN PAINTS (E.A) LTD
188	WRIGLEY COMPANY (E.A) LTD	SAFEPAK LIMITED
189	MOI UNIVERSITY - MAIN CAMPUS	SAMEER AFRICA LIMITED
190	MOI TEACHING & REFERRAL HOSPITAL	SANPAC AFRICA LIMITED
191	MABATI ROLLING MILLS-MARIAKANI	SARA LEE HSEHOLD & BODYCARE K
192	KITUI FLOUR MILLS - MOMBASA	SIGNODE PACKAGING SYSTEMS LTD
193	SILPACK INDUSTRIES LTD	WIRE PRODUCTS LIMITED
194	SOUTH NYANZA SUGAR CO. LTD	WOOD PRODUCTS (KENYA) LTD
195	SPIN KNIT LIMITED - NAKURU	MINI DAIRIES LTD
196	SPINNERS & SPINNERS	MIRAGE FASHIONWEAR (EPZ) LTD
197	STEEL STRUCTURES LTD	MOMBASA MAIZE MILLER (KSM) LTD
198	HACO TIGGER BRANDS	MOMBASA MAIZE MILLERS (NRB) LT
199	KENTAINERS LTD	NAIROBI CLUB
200	VAS GROUP OF COMPANIES	NAIROBI PENTECOSTAL CHURCH
201	KYAKA MINING COMPANIES LTD	NAMPACK KENYA LIMITED
202	IVEE AQUA (EPZ) LTD	NATION MEDIA GROUP LIMITED
203	IVEE INFUSIONS (EPZ) LTD	NATIONAL IRRIGATION BOARD K
204	ACME CONTAINERS LTD	NATIONAL WATER CORPORATION
205	THIKA COTTON MILLS LTD	NESTLE FOOD KENYA LTD
206	ASPENDOZ DAIRY - MURANGA	NEW KENYA COOPERATIVE CREAMERI
207	KENYA GRANGE VEHICLE INDUSTRIES LTD	NGECHA INDUSTRIES LIMITED
208	KENYA VEHICLE MANUFACTURERS LTD	ORBIT ENTERPRISES
209	AVA MOTORS LTD	ORPOWER 4, INC
210	EQUATOR BOTTLERS LTD	OSERIAN DEVELOPMENT CO. LTD
211	ALGAWANE ENTERPRISES LTD	UNI-PLASTICS LTD
212	UNILEVER KENYA LIMITED	UNITED MILLERS LTD - NAKURU
213	W E TILLEY (MUTHAIGA LTD)	

