

**EFFECTS OF COVID-19 ON EXPORT TRADE IN KENYA: THE CASE OF LEATHER
INDUSTRY IN KARIOKOR MARKET**

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2021

Declaration

I, Mukabana Sheila declare that this project paper is my original work and has not been presented for examination in any academic institution, college or university.

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This research project paper has been submitted with our approval as university supervisors.

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Abbreviations and Acronyms

COVID-19	Corona Virus Disease of 2019
EAC	East African Community
GDP	Gross Domestic Product
GSC	Global Supply Chains
KI	Key Informant
KII	Key Informant Interview
KNBS	Kenya National Bureau of Statistics
Ksh	Kenya shilling
MoH	Ministry of Health
NTBs	Non-tariff barriers
MSEs	Micro and Small Enterprises
MSMEs	Micro, Small and Medium Enterprises
SARS	Severe Acute Respiratory Syndrome
WHO	World Health Organization
UNCTAD	United Nations Conference on Trade and Development

Abstract

Shocks emerging from infectious diseases such as the COVID-19 are not new phenomena. The emergence of COVID-19 resulted in the implementation of containment measures such as lockdowns, closure of borders, cessation of movement, and curfews by respective governments across the globe. Consequently, a global economic crisis brought about by the novel COVID-19 disrupted supply chains; affecting trade locally, regionally and internationally. This research project sought to investigate the effects of COVID-19 on export trade in the leather industry in Kariokor market, Kenya. The study established the process of leather product exportation, challenges presented by COVID-19 to the leather traders in relation to leather product exportation, and adaptation mechanisms adopted by leather traders as research objectives. The study employed a descriptive research design. Interviews were conducted among 58 respondents, drawn from a population of 210 leather enterprises. In addition, four key informants were interviewed to provide in-depth information. This study established that leather traders exported products directly to consumers, or through agents such as exporters; via road or air depending on the export market destination. Leather trade in Kariokor market is labor-intensive nature, being dominated by male and a few female traders. Leather traders consisted of employers, own-account workers and wage workers; majority having completed secondary education. Employment opportunities majorly targeted the youth who worked as wage workers, thus a majority of youthful traders. Following the COVID-19 outbreak, leather traders cited COVID-19 disruptions such as increased cost of raw materials, reduced working hours, job layoffs, low consumer demand, increased delivery timelines and reduced export earnings, disruptions which affected production and exportation of leather products. Therefore, 53.4 percent of the leather traders adopted online marketing through social media as part of their adaptation mechanism, as opposed to product diversification and market diversification due to no new export markets. Despite the COVID-19 disruptions on the exportation of leather products, Kariokor leather traders remained resilient, persistent, and perseverant in trade.

CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

Exportation of leather products is essential in promoting industrialization as per the Kenya Vision 2030 which outlines Kenya's aspiration to rapidly industrialize to a middle-income country by 2030 (GoK, 2007). Export trade is important for countries and firms that are involved in production and marketing, whether large-scale or small-scale. Exportation of leather products enhances income for the leather firms and traders (CODESRIA, 2014), and consumer demand from new market access by firm owners (Atkin & Jinhage, 2017). Besides, increased consumer demand of leather products across existing (market consisting of ready target consumers) and new markets necessitates increased export trade, and vice versa.

The estimated global trade value of the leather industry is over US\$130 billion annually, ranking leather as a commodity widely traded. The leather industry in Kenya prioritizes export-oriented industrialization under the manufacturing pillar of the Big Four Agenda development blueprint towards increased production and export of value-added leather products, as well as creation of employment opportunities (GoK, 2020). As a tool for economic development, Kenya's leather industry contributes approximately 1.5% of the overall Gross Domestic Product (GDP) and 4% of the agricultural GDP (Tchakounte & Mudungwe, 2018) employing approximately 10,000 workers in the informal sector (KIPPRA, 2019). Kenya's dominant informal market in large-scale production and trade in leather products is Kariokor market, however, other informal markets such as Maasai market are involved in the trade of leather products. Leather products, here, basically refer to the consumer products manufactured from finished leather such as footwear (official, school and casual wear), bags, wallets, belts and other accessories. These products are either sold locally to wholesalers, retailers and individual consumers, or; exported to regional and international markets directly to consumers or via agents such as exporters and importers (World Bank, 2015). The East Africa is the largest export market destination of leather products, from the neighboring Tanzania and Uganda. International markets such as Europe, North America and Australia are the least export market destinations of leather products from Kenya.

Shocks emerging from events such as political revolutions, conflicts, epidemics and terrorism are not new phenomena which affect trade negatively. The cumulative leather export (leather, footwear and leather accessories) earnings for Kenya declined from Ksh 6.9 billion in 2019 to Ksh 6.3 billion in 2020 (Trend Economy, 2021; KNBS, 2021) given supply chain disruptions attributed to COVID-19. The Coronavirus disease of 2019 (COVID-19) disrupted production and exportation of leather products. Following the COVID-19 outbreak, implementation of COVID-19 risk mitigation measures such as lockdown policies disrupted trade flows and supply chains locally, regionally and internationally by exacerbating demand shocks due to uncertainties, border clearance delays, and trade costs (Addisu & Majune, 2021). Despite the Kenyan government via the Ministry of Health (MoH), advocating for COVID-19 vaccination campaigns towards economic recovery; COVID-19 is still a risk due to uncertainties. The need for re-imposition of COVID-19 restriction measures poses a risk for the demand for leather products in export markets.

Kariokor leather traders experienced challenges such as supply deficits due to increased consumer demand compared to leather product supply before the emergence of COVID-19 (Obura, 2020; Kenya Investment Authority, 2018). After the COVID-19 outbreak, traders experienced disruptions such as reduced export earnings, delivery timeline delays and reduced consumer demand of leather products. In consequence, they were indirectly cushioned by Value Added Tax (VAT) tax relief which was lowered from 16% to 14% in April 2020, then reverted to 16% in January 2021 (Wasike, 2020). However, they did not receive additional support like cash transfers from the economic stimulus packages (targeted poor households); leaving them vulnerable to risks (UNCTAD, 2020; KEPSA, 2020). This situation necessitated Kariokor leather traders to adopt different adaptation mechanisms such as online marketing. Despite various inevitable economic risks brought about by COVID-19, there are trade opportunities presented in e-commerce and product upgrading for the leather traders.

1.2 Problem Statement

This study investigated the effects of COVID-19 on leather product exportation in Kariokor market. It involved examining the leather industry performance in terms of the changes experienced in relation to COVID-19. Leather traders in Kariokor market, both short serving (worked less than 5 years) and long serving (worked more than 5 years), are often involved in the production and trade of leather products such as footwear and bags.

Leather products in Kariokor market are often transported by road to regional market destinations such as East Africa and Southern Africa; and by air to international markets. In attempt to curb the COVID-19 spread globally, various governments restricted movement and economic activities deliberately by implementing COVID-19 containment measures such as lockdown policies and WHO health guidelines which acted as non-tariff barriers (NTBs). Consequently, leather products faced supply chain disruptions owing to the containment measures. Lockdown policies such as cessation of movement, restricted working hours and business closure affected leather product supply chains in Kariokor market. Additionally, leather product exports to regional markets experienced supply chain disruptions emanating from border restrictions which exacerbated demand shocks due to uncertainties, border clearance delays from standoff between border authorities and truck drivers at the Kenya-Tanzania and Kenya-Uganda borders, and trade costs. However, despite the gradual opening of markets, the demand of leather products remains low due to reduced consumer spending.

The fact that leather traders in Kariokor market did not receive additional support such as cash transfers (targeted poor households) to cushion them against the harsh economic effects of COVID-19, left them vulnerable to COVID-19 'new' disruptions such as low consumer demand, delivery delays, job losses and reduced export earnings (AMCHAM, 2020). Further, prices of leather product exports reduced; for example, a pair of men's official shoe going for US\$ 10 prior to COVID-19, went for US\$ 7 after the emergence of COVID-19, consequently affecting export earnings. These COVID-19 'new' disruptions necessitated the leather traders to embrace innovation through online marketing, market diversification (Kamau and McCormick, 2020) and product diversification of leather product exports.

1.3 Research Questions

1.3.1 Overall Research Question

How did COVID-19 affect leather product exportation in Kariokor market?

1.3.2 Specific Research Questions

- i. How did leather traders in Kariokor market export their leather products during the COVID-19 pandemic?
- ii. What challenges did COVID-19 pose for the leather traders in Kariokor market in relation to exportation of leather products?
- iii. How did leather traders in Kariokor market cope with the emergence of COVID-19?

1.4 Overall Research Objective

This study aimed at assessing COVID-19 effects on leather product exportation in Kariokor market.

1.4.1 Specific Research Objectives

- i. To establish the process of leather product exportation by leather traders in Kariokor market.
- ii. To determine the challenges experienced by Kariokor leather traders in relation to leather product exportation during the COVID-19 pandemic.
- iii. To find out adaptation mechanisms adopted by leather traders in Kariokor market during the COVID-19 shock.

1.5 Justification of the Study

This study focused on the leather product exports in Kariokor market, Nairobi, Kenya. International trade as an enabler of sustainable development enhances; foreign direct investment (FDI), technology advancement and employment creation which are essential in poverty alleviation (UNCTAD, 2014). Leather trade in Kariokor market is important in creating employment opportunities and enhancing incomes for the traders. Kenya's Big Four Agenda development blueprint prioritizes the exportation of leather and leather products under the manufacturing pillar towards; fostering innovation, inclusive and sustainable industrialization, and building resilient infrastructure in accordance to Sustainable Development Goal (SDG) 9. Export-oriented manufacturing of finished leather products in Kariokor market such as footwear enhances

leather value addition and economic growth. Therefore, this study is needful in building the development studies literature on international trade resilience amidst shocks.

Kariokor market is the largest informal producer of leather products (dominated by footwear), whereas, Bata Shoes Company is the dominant formal producer of leather products in Kenya (also dominated by footwear) (World Bank, 2015). Bata Shoes Company embraced online marketing of its products which helps it reach external markets, unlike leather traders in Kariokor market. The emergence of COVID-19 necessitates increased use of digital platforms for leather product marketing by these traders in future. Therefore, this study sought an understanding of the COVID-19 challenges experienced by the Kariokor leather traders in relation to export trade and the adaptation mechanisms they embraced.

1.6 Limitations of the Study

This study was limited to Kariokor market since it is the largest informal producer of leather products in Nairobi. Furthermore, data on the total number of leather traders operating in the market was insufficient.

CHAPTER TWO: LITERATURE REVIEW

This chapter presents the literature review. It focuses on previous studies in relation to COVID-19, leather production in Kenya, leather industry performance, challenges facing Kenya's leather industry prior to the COVID-19 emergence and supply chain disruptions.

2.1 The Coronavirus disease of 2019 (COVID-19) as a risk

Shocks emerging from biological hazards such as severe acute respiratory syndrome (SARS) of 2002 to 2003, and the current COVID-19 are not new phenomena. According to the World Health Organization (WHO, 2020a), strains of Coronaviruses (CoV) range from those responsible for causing common cold to the ones responsible for serious illnesses such as the Severe Acute Respiratory Syndrome (SARS-CoV). The SARS-CoV-1 and SARS-CoV-2 viruses are presumed to draw their natural zoonotic origin from bats. The SARS-CoV-1 virus brought about the outbreak of Severe Acute Respiratory Syndrome, SARS, in 2003. In December 2019, the SARS-CoV-2 virus that causes COVID-19 emerged from Wuhan City in China. The transmission of COVID-19 to humans is airborne and through contact, necessitating use of social distancing approaches, mask wearing, rigorous hand-washing and repeated hand disinfection as 'cultural' coping strategies to prevent transmission.

The continued outbreak of COVID-19 globally disrupted trade flows and supply chains; creating anticipations of long lasting economic effects locally, regionally and internationally (Ceylan et al., 2020). The limiting effect of COVID-19 to free movement of people, goods and services constrained trade, including export of goods to afar foreign destinations. Consequently, after an alarming increase in new infections, fatalities and the number of countries affected globally, COVID-19 was declared a pandemic on 11th March 2020 by the World Health Organization (WHO).

“WHO has been assessing this outbreak around the clock and we are deeply concerned both by the alarming levels of spread and severity, and by the alarming levels of inaction. We have therefore made the assessment that COVID-19 can be characterized as a pandemic” (WHO, 2020c).

Kenya via the Ministry of Health (MoH), reported the first case of COVID-19 on 13th March 2020, in Nairobi. In consequence, respective governments globally implemented Covid-19 containment measures to help curb the spread of COVID-19. The Government of Kenya implemented COVID-

19 lockdown policies including cessation of movement, border restrictions, curfews, international flight suspension, business closure and quarantine (Khasiani et al, 2020); and health protocols such as provision of personal protective equipment (PPE) for healthcare workers, public gathering bans, public social distancing, provision of water for hand washing in informal settlements such as the slums of Kibera (Aluga, 2020). The MoH also sensitized the masses to adhere to the set health protocols in order to prevent high virus transmission levels. Despite risk mitigation measures by the government, Kenya’s cumulative COVID-19 cases rose steadily from 2020 to 2021 as shown in table 2.1. Additionally, COVID-19 containment measures led to the disruption of leather supply chains locally, regionally and internationally.

Table 2.1: Kenya’s cumulative COVID-19 cases from March 2020 to September 2021

	Mar	Jul	Nov	Dec	Jan	Mar	Jun	Aug	Sept
Covid-19 cases	59	17,975	82,605	96,802	100,193	134,058	184,537	232,869	249,434

Source: Statista, 2021

2.2 Leather Production in Kenya

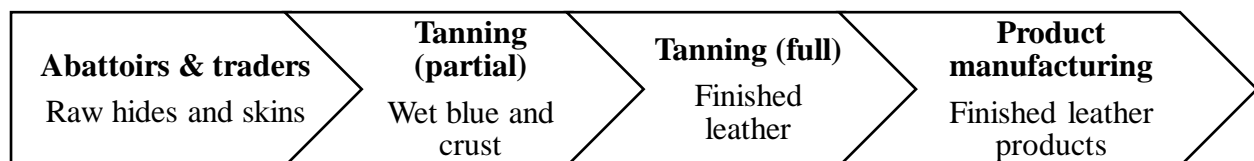
In line with the development blueprint of Vision 2030, Kenya aspired to rapidly industrialize to a middle-income country (World Bank, 2015) by 2030. The leather industry is essential in promoting industrialization, export diversification and economic growth. Development initiatives of leather production in Kenya are supported by the micro, small and medium enterprises (MSMEs) (Tchakounte & Mudungwe, 2018). The leather industry relies on raw materials from local livestock such as cattle, sheep, goats and camels for production of leather products. In the 1990s, market liberalization led to increased exportation of raw materials (majorly hides and skins) (EPZA, 2015), however, this changed slightly with increased exports of semi-processed tanned leather, finished leather and leather products.

Kenya’s leather products are highly competitive compared to her neighbors owing to technology advancement in production. The Ministry of Industrialization, Trade and Enterprise Development estimated Kenya’s leather industry worth at approximately Kshs 10 billion annually; producing leather products ranging from footwear, bags, wallets to belts. Crust and “wet blue” leather (semi-processed tanned leather) dominated leather production in Kenya at 89%; followed by raw skins

and hides at 5%; leather handbags, footwear and other leather products at 4%, and finished leather at 2% (Tchakounte & Mudungwe, 2018). Leather production volume is dominated by footwear, whereas, leather bags fetch the highest market selling price. Production of finished leather products is usually carried out in markets (Kariuki, 2020) such as Kariokor market, and companies such as Bata, Kenya’s leading footwear company. Annually, Kariokor market produces about 4.8 million belts, 3 million wallets, 2.2 million pairs of sandals and 1.7 million pairs of shoes (Ministry of Industry, Trade & Cooperatives, 2018) for local and international consumption.

Leather production comprises of livestock farmers, traders of skins and hides, slaughterhouse operators, leather product manufacturers such as artisans, and exporters as key stakeholders. As a by-product of livestock, leather undergoes different production stages to produce finished leather products. Curtis (2011) highlights the sequential leather value chain as primary extraction, preservation and storage of raw skins and hides, leather tanning (partial and full) which involves crust, “wet blue”, and finished leather production, and manufacturing of finished leather products such as footwear. As illustrated in figure 2.1, finished leather products such as leather accessories and footwear have the highest value addition. These products tend to yield high export value compared to raw leather in the global market. However, given supply chain disruptions owed to COVID-19, these products’ export value declined.

Figure 2.1: Overview of Leather Value Chain in Kenya



Source: Author’s Conceptualization

2.3 Leather Industry Performance

The estimated global trade value of the leather industry is over US\$130 billion annually (Mwinyihija, 2018), ranking leather as a commodity traded extensively. According to TradeMark (2020), Africa’s market share of leather and leather production stood at 4% globally, despite being endowed with livestock as a natural resource (Mwinyihija & Quiesenberry, 2013) clearly illustrating underperformance of the sector. Kenya’s share in global leather market is estimated at 0.93% (Kariuki, 2021). Given Kenya’s livestock endowment, it’s leather industry is more diversified than that of the East African Community (EAC) neighbors – Tanzania, Uganda,

Rwanda and Burundi (EABC, 2020). From the export figures illustrated in table 2.2, the leather industry in Kenya has been thriving from 2010 to 2019. Despite the inconsistent leather products export performance, Kenya’s leather industry holds a great potential towards economic development. Therefore, there is need for interventions and innovations to help cushion leather traders against the COVID-19 shock.

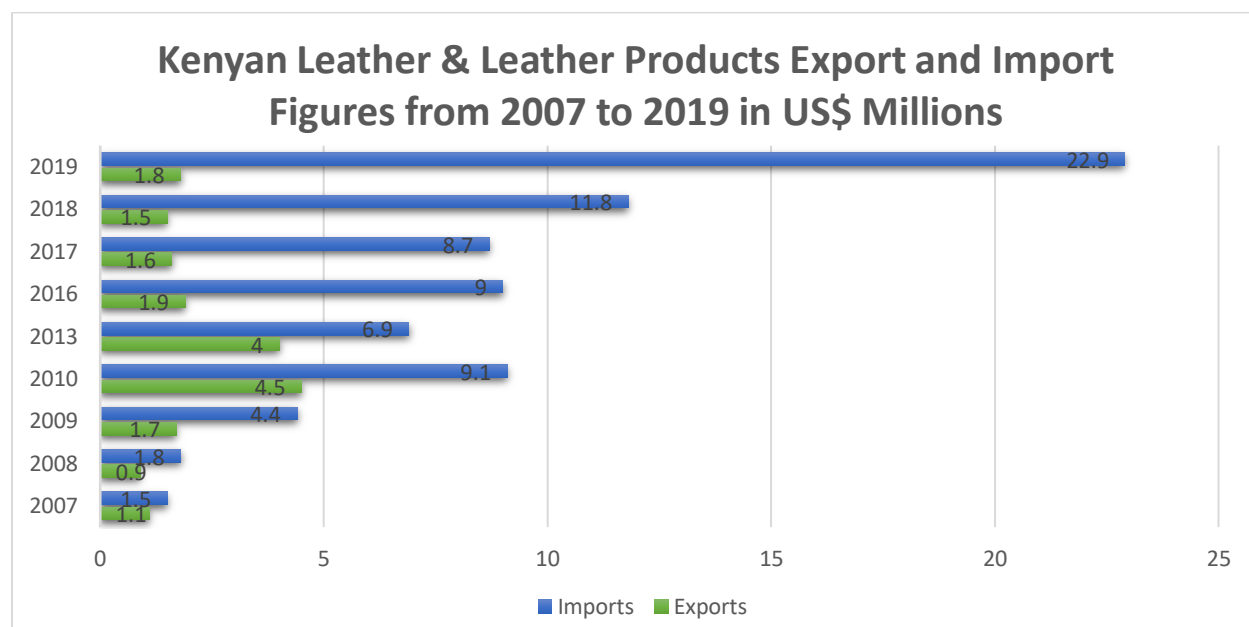
Table 2.2: Leather Products’ Export Figures for Kenya from 2010 to 2019 (in Ksh Million)

	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Exports	4,192	7,208	7,036	8,491	7,597	6,222	4,605	5,088	4,420	2,947

Source: KNBS Economic Survey, 2015 & 2020

A report by Viffa Consult Limited (2018) highlights that global market trends of brands such as Lacoste dictate leather product prices such as shoes in the Kenyan domestic market. Some leather traders in Kariokor market rely on brokers to resell their products in local markets such as Kamukunji and stalls in Nairobi’s Central Business District (CBD). Network brokerage on the extreme is harmful as it spurs exploitation, corruption, conflict and inequality exacerbation (Hannibal & Ono, 2017). For instance, a broker may exploit a leather trader in Kariokor market by purchasing footwear at a lower price and reselling at a higher price. This scenario creates a need for using e-commerce technology such as Jumia, WhatsApp, Jiji Kenya and Masoko. Howe (2020) is for the idea that e-commerce by small-scale firms is vital in product marketing and business acceleration. E-commerce by leather traders in Kariokor market is essential in cutting off brokers and increasing their profit margins.

Figure 2.2: Actual Kenyan Leather & Leather Products Export and Import Figures from 2007 to 2019 (in USD Millions)



Source: Trend Economy, 2021

Despite challenges in the leather industry before the arrival of COVID-19, leather product exports thrived in Kenya as from 2007 to 2019. The leather industry faced the challenge of increased demand compared to the supply resulting to supply deficits of leather and leather products, thus increased importation of leather products. As illustrated in figure 2.2 above, Kenya’s import of leather and leather products was high compared to exports, a scenario attributed by rapid population increase; thus more imports to cover the supply deficits. For instance, 2019’s export value was US\$1.8 million, whereas the import value was US\$22.9 million; these figures clearly depicted supply deficits in the leather industry.

2.4 Challenges facing the Leather Industry

Dominated by micro and small enterprises, the leather industry in Kenya, faced challenges even before the emergence of COVID-19. Obura (2020) argues that the major problem that faced the leather industry was supply deficits resulting to stiff competition from cheap imports due to increased demand compared to supply. Mankiw (2017) states that income and population size influence consumer demand in export markets, therefore, an increase in population size and purchasing power increases consumer demand and vice versa. Consequently, supply deficits of leather and leather products emerge thus increased importation of leather products. For example,

Kenya's 2019 leather export value was US\$1.8 million, whereas, the leather import value was US\$22.9 million; clearly depicting supply deficits in the leather industry (Trend Economy, 2021).

The World Bank (2015) posits that Kenya's export production of value-added leather was minimal compared to "wet blue" leather (semi-processed tanned leather) which amounted close to US\$94 million (Tchakounte & Mudungwe, 2018). Regionally, in spite of 188.1 million livestock resource base, the East African Community (EAC) loses about US\$3.5 per square feet of leather by exporting "wet blue" leather compared to the finished leather international price of approximately US\$5 per square feet (EABC, 2020). Apparently, leather value addition is essential in improving the leather products export value towards trade surplus and creation of employment opportunities. Trade surplus enables a country to be self-reliant by living within its means. Leather product production creates employment opportunities enabling those employed in the leather industry to improve their living standards. The Ministry of Industrialization, Trade and Enterprise Development (2020) predicted that leather value addition can increase Kenya's leather export earnings by 10 times given that footwear are 12 times expensive than raw leather.

Money laundering activities and poor border control enforcement enhance raw hides and skins smuggling. Smuggling of raw leather not only deprives the leather industry off raw materials, but also denies the government revenue which funds public expenditure (Bomett et al., 2020). More often than not, leather exports to regional markets such as Zambia and Uganda are smuggled through Kenya's porous borders (World Bank, 2015).

2.5 Global Supply Chain (GSC) disruption

ILO (2016), defines Global Supply Chain (GSC) as the cross-border activities required to produce commodities, bringing them to consumers through production, phases of development, inputs as well as delivery. Leather products go through a supply channel which enables them reach targeted consumers from artisans/traders. The basic organization of supply chains involve various parties which play different roles in trade. Leather products can either be sold directly by artisans/traders to consumers without agents; or indirectly to consumers from artisans/traders through agents – brokers, exporters, buying agents, wholesale importers and retailers (such as stores and independent retailers) (USAID, 2006). Exportation of leather products in Kariokor market is either direct; or indirect, reliant on importers and exporters who act as middlemen between artisans and consumers. These artisans/traders could either be independent craftsmen or groups, whereas

consumers in line with export trade could be foreign buyers, a South African national purchasing a leather bag for example. These consumers then tend to purchase different leather products according to their taste and preferences.

Supply chains were disrupted by the COVID-19 spread. Businesses experienced ‘new’ disruptions such as low export demand, delivery delays owing to lockdown policies, struggle in accessing credit, and product stock-outs (KEPSA, 2020). Another disruption pointed out by Enyinda et al. (2008) was that an interruption in GSC affects the overall global trade output. Therefore, understanding the underlying sources risks (Kleindorfer, 2000) is essential towards risk mitigation and management.

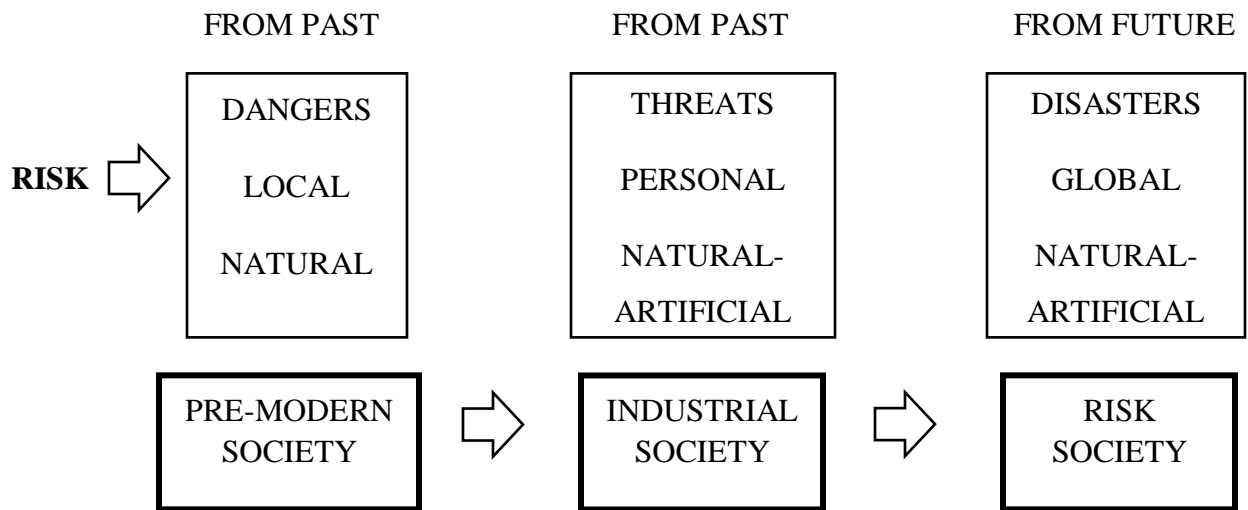
2.6 Theoretical Framework

The global risk society perspective informed the theoretical underpinning of this study. Risks threaten human survival, thus arising insecurity. Crane et al. (2013) describe risk as a phenomenon with the capability to deliver substantial loss or outcome. This description is expounded by Aven (2016) who states that a risk is the occurrence of events consequently resulting to uncertainties that could be severe. Beck (1992) and Mendelson (2010) describe risk society theory as risks erupting from globalization processes resulting to social, ideological, economic and political transformations; necessitating the need for response and adaptation mechanisms. Globalization is to blame for the uprising risk culture which results to a global risk society (Giddens, 1991). Activities such as globalized trading processes, tourism, travel, and job interconnectivity are social and technological processes inspiring the need for interdependence (Constantinou, 2021). Therefore, globalization not only encouraged the rapid spread of COVID-19, but also increased the vulnerability of countries and firms to shocks due to their entrenched interdependence (Farell & Newman, 2020). Trade flows and commodity global supply chains were disrupted by the COVID-19 crisis. A scenario clearly depicting the fragility of globalization, despite its gains. Therefore, this theory befits the Kariokor market society because COVID-19 posed a risk of supply chain disruption of leather product exports; for instance, these products experienced delivery delays emanating from supply chain disruptions.

Beck (1999) classified these risks into “manufactured risks” such as pollution and global warming which are human generated; and “natural risks” such as floods and pandemics which occur naturally, disrupting human activities. Natural risks pose a threat to human health, wreaking severe

consequences on the environment and economy. Usually, risks such as pandemics occur naturally at a local and global scale (Guilio et al., 2015), although, their emergence can also be deliberate (UNISDR, 2017). Of note, the concept of risk society evolved over time from the pre-modern society to current risk society. Dangers from the pre-modern society evolved into disasters in the risk society; local risks from the pre-modern society evolved into global risks in the risk society; whereas, the natural risks in the pre-modern society evolved into natural-artificial risks in the risk society as depicted in Figure 2.3 below.

Figure 2.3: Risk Concept Evolution from the pre-modern Society to Risk Society



Source: Adapted from Duran & Cengiz, 2020

Risks, anxieties and uncertainties presented by globalization can be averted through adopting risk mitigation strategies (Beck, 1999). In the wake of COVID-19, governments preferably opted to implement restriction measures such as lockdown policies, as risk mitigation and management strategies for non-essential services; whereas, firms reduced operations due to supply chain disruptions (WTO, 2020a). Following the emergence of COVID-19 on 13th March 2020, Kenya adopted lockdown policies entailing measures such as stay-at-home orders, border and workplace closure to curb the spread of COVID-19. Further, implementation of international lockdown policies, especially in countries employing stringent lockdown policies yielded low consumer demand for leather product exports in Kariokor market.

Described by Kamau and McCormick (2020), geographical market diversification refers to expanding the distributional reach of firms from original to new markets. As a risk management strategy, market diversification (regionally and internationally) is essential in building the leather traders' resilience by helping them to remain afloat amidst unfavorable environments (Kinyanjui, 2019) such as during the COVID-19 pandemic. More often than not, geographically diversified markets accrue benefits such as improved earnings (Gruszczynski, 2020).

Despite the dire health consequences of COVID-19, economic consequences remained serious. The implementation of lockdown policies, locally and internationally, to deter the COVID-19 spread resulted to economy recession (Addisu & Majune, 2021). The global economy and world trade volume decreasing by 3.5% and 8.3% respectively, in 2020 (World Bank, 2021). The duration of lockdown policies and re-imposition of lockdowns in export market destinations pose a great risk on the exportation processes (UoN, 2021).

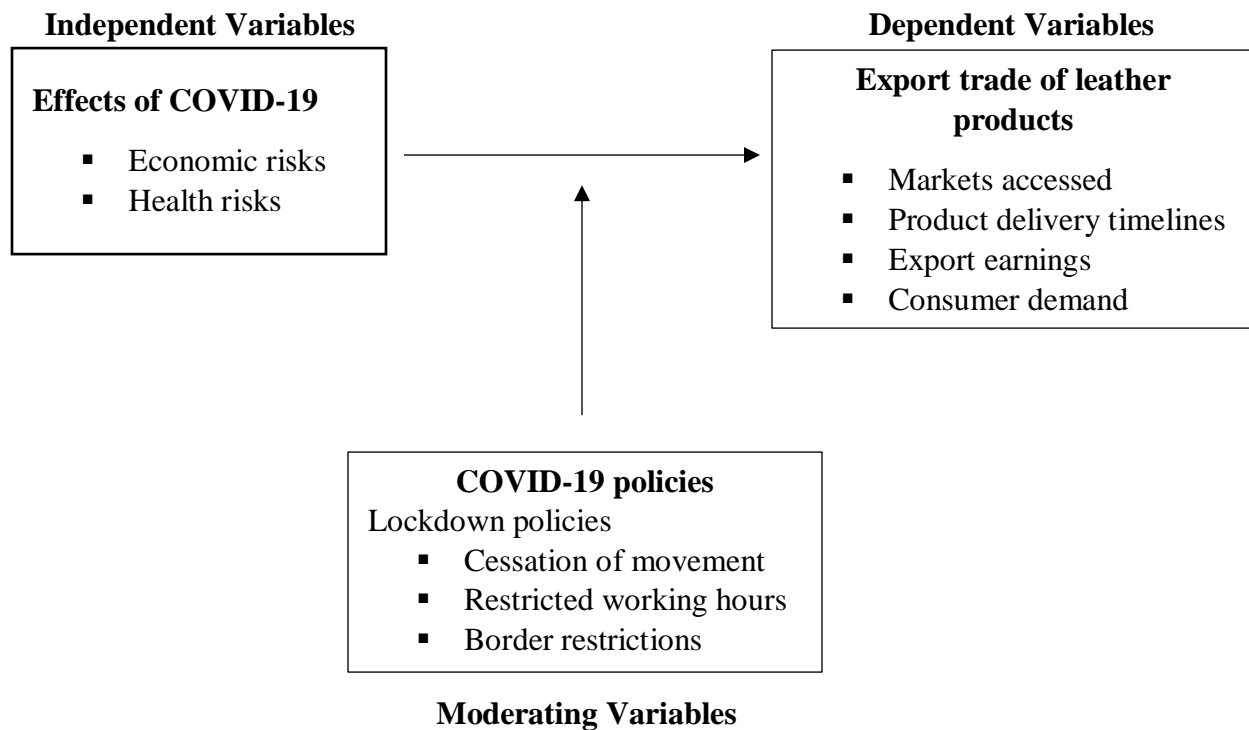
Supply chains are often altered in the long run through diversification and shortening as a means of eradicating supply shortage risks (Gruszczynski, 2020). In the event of future crises, these supply chain alterations will positively make the leather industry more shock-resilient. From the discussed theoretical literature above, it can be deduced that risks such as COVID-19 not only threaten human survival, but also globalization processes such as export trade due to the close interconnectedness and interdependence of nations.

2.7 Conceptual Framework

Figure 2.4 illustrates the conceptual framework of the study showing the relationship between variables. The 'effects of COVID-19' is the independent variable, 'export trade of leather products' is the dependent variable, whereas, 'COVID-19 policies' are the moderating variables. Lockdown policies here, referred to movement restrictions issued by the government to prevent people from contracting COVID-19 through social interactions. These lockdown policies varied in export market destinations depending on the severity of COVID-19.

Export trade of leather products such as footwear, bags and wallets is dependent on COVID-19 policies. The stringent the policies, the tougher it is to export leather products and vice versa. In addition, the emergence of COVID-19 resulted in a change in consumer spending, thus low consumer demand and export earnings.

Figure 2.4: Conceptual Framework



Source: Author's Conceptualization

CHAPTER THREE: METHODOLOGY

This chapter discusses the research methodology. It contains the research design, study site, population and sampling, data sources and collection, data management and analysis and ethical considerations.

3.1 Research Design

This study used a descriptive survey design. Descriptive design seeks to describe and explain phenomena such as social events and beliefs (Krathwohl, 1993; Akhtar, 2016). This research design helped in describing the experiences of Kariokor leather traders amidst the COVID-19 shock, in terms of the challenges experienced in the exportation of leather products and the adaptation mechanisms adopted by them.

3.2 Study Site

This study was carried out at Kariokor market, located in the Nairobi city environ, along Race Course Road. The study site was selected because it is Kenya's largest informal leather products market. Its name originated from the original dwellers, 'carrier corps' who carried luggage for the colonial masters. Kariokor market consists of an estimated 7,000 workers (Viffa Consult, 2018) operating in 300 co-shared stalls, 206 inside the wall boundary and 100 outside the wall boundary (KII, Respondent 3). Out of the 300 stalls, 70 percent were involved in the production of leather products while others produced products such as baskets, wood carvings and jewelry. The market was dominated by production of leather products such as footwear (Okello, 2016), bags, wallets, belts and other accessories by leather artisans. More often than not, leather traders were also involved in the manufacture of leather products. These leather traders were either short-serving and long-serving (KII, Respondent 3). Short-serving leather traders were those that had worked for less than 5 years, whereas, long-serving leather traders were those that had worked for more than 5 years in Kariokor's leather industry. In addition, Kariokor market is known for the production of beadwork, basketry (especially handwoven baskets, *kiondos*), woodwork and jewelry.

The production of leather products in Kariokor market is dominated by micro and small enterprises (MSEs), who produce about 4.8 million belts, 3 million wallets, 2.2 million pairs of sandals and 1.7 million pairs of shoes annually (Ministry of Industry, Trade & Cooperatives, 2018), for both

local and international consumption. These leather products were either sold directly to consumers, or exported to international consumers through exporters and importers. These exporters were mostly individuals who exported leather products, whereas importers were those that imported leather products for sale.

Figure 3.1: Location Map of the Study Area



Source: www.googlemaps.com last accessed by 25th August, 2021

3.3 Population and Sampling

Banerjee and Chaudhury (2010) define population as a group of elements with common attributes as defined by study objectives. The study population comprised of all the traders who traded in Kariokor market, whereas, the target population comprised of all traders who engaged in the trade of leather products. From the population of approximately 300 enterprises in Kariokor market, 70 percent, that is 210 enterprises, were involved in the trade of leather products such as footwear, bags, belts, wallets, and other accessories (KII, Respondent 3); thus constituting the target population. Of note, majority of leather product enterprises were involved in both production and trade of leather products.

A sampling ratio of 30 percent of the target population ensures sample representativeness (Neuman, 2007). Therefore, by calculating 30 percent of the 210 leather product enterprises as the target population, 63 leather product enterprises composed the sample size. Leather product enterprises in Kariokor market were the unit of analysis.

This study employed snowball sampling in the identification of respondents. Given that leather traders engaging in exportation of leather products in Kariokor market were not known (not all leather traders engaged in leather product exportation), snowball sampling helped in identifying these traders through referral networks, excluding those outside the network. Snowball sampling technique was employed through reference samples, where subjects with target characteristics were hardly accessible and known (Naderifar et al., 2017). From the total sample of 63 leather product enterprises, surveys were conducted on of 58 leather traders who accepted to participate in the study; however, five (5) leather traders did not consent to participate in the survey.

Purposive sampling was also used to identify cases such as market officials with relevant information in relation to leather product exportation in Kariokor market. Therefore, this study identified four key informants; the Kariokor market association youth president, a Kariokor market committee member, a long-serving (worked for 11 years) Kariokor leather trader and an exporter (individual) of leather products. These key informants provided useful information on leather product exportation processes, COVID-19 related challenges experienced by leather traders in exportation, and adaptation mechanisms.

3.4 Data Sources and Collection

A pre-test was done in Kariokor market prior to the actual data collection to test the data collection instruments. It targeted four leather product enterprises; 2 dealt in leather product export trade, while the other 2 dealt in local leather product trade. The pre-test helped in ensuring validity and identifying errors in the questionnaires such as omitted options for answering, after which data collection was conducted from 10th August to 20th August 2021.

The study used both primary and secondary sources of data. Primary data was obtained from leather traders by administering a questionnaire (Appendix I) and key informant interviews (KIIs) using an interview guide (Appendix II). Secondary data was used in understanding Kenya's leather industry performance trends.

Secondary data was obtained from scholarly journals on the leather industry and Covid-19, government documents such as the KNBS Economic Surveys and Ministry of Industrialization, Trade and Enterprise Development reports, online websites such as the Standard and Trend Economy, and organizational reports such as UNCTAD, WHO and EAC.

Structured questionnaires were based on the study's research questions entailing both close-ended and open-ended questions. Close-ended questions required respondents to select a response from a range of responses, whereas, open-ended questions allowed respondents to provide their answers and explanations. The researcher administered questionnaires to the respondents and marked answers they gave during the interview. Interview guides were used to provide in-depth information from key informants. Face to face interviews with key informants were recorded through note taking and phone recordings.

3.6 Data Management and Analysis

Quantitative data from questionnaires was analyzed through descriptive analysis. The variables for instance, included demographic characteristics of the leather traders such as gender and level of education. Univariate analysis was used to analyze categorical variables such as respondents' age, leather product exports, export market destinations and respondents' monthly range of export earnings; which were tallied by frequency in frequency tables or charts. Bivariate analysis was also employed in cross tabulation to establish the relationship between two variables such as online marketing uptake by the respondents' age group. These variables were analyzed using the Statistical Package for the Social Sciences (SPSS) version 22. Further, data analyzed was processed and presented using tables, graphs and cross tabulations showing percentages and frequencies.

Qualitative data from interviews was transcribed, grouped into categories from the large data texts by coding, then analyzed as per emerging themes. This data helped to build on the questionnaires' information by providing in-depth explanations, information and understanding.

3.7 Ethical Considerations

This study adhered to the COVID-19 health protocols. The researcher obtained an introductory letter from the Institute for Development Studies (IDS) and a research permit from the National Commission for Science, Technology and Innovation (NACOSTI) with license number NACOSTI/P/21/12282. In addition, the researcher sought participant consent before administering data instruments to the respondents whose identity was protected by observing confidentiality.

CHAPTER FOUR: RESEARCH FINDINGS AND DISCUSSION

This chapter presents key findings, interpretation and analysis of data generated from respondents in Kariokor market. Findings have been categorized into different themes such as: demographic characteristics of leather traders in Kariokor market, process of leather product exportation, challenges posed by COVID-19 on leather product exportation and coping mechanisms adopted in line with the research objectives in chapter one. Frequency tables and figures have been used to clearly illustrate study findings.

4.1 Demographic characteristics of leather traders

4.1.1 Gender of the respondents

This study covered 58 respondents. Of these, 98.1 percent were male and 6.9 percent were female indicating that leather trade businesses are male dominated. The uneven gender distribution among leather traders as shown in Table 4.1 is highly attributed to the industry's labour intensive nature, which requires robust strength in production, thus male domination.

Leather traders in Kariokor market are involved in production processes. For instance, men were involved in carrying and cutting leather, fitting installations such as shoe whole rings, buckles and press buttons, and assembling leather products such as *back to school* and office shoes. As for women, some were involved in designing the upper parts of sandal shoes with beaded decorations. Alternatively, some women preferred purchasing stock from their male counterparts (majorly involved in production) for their enterprises, whereas, others opted for product sales rather than being involved in production. This concurs with Kinyanjui (2020) who stated that despite male domination in labour intensive industries, women tend to take up roles such as enterprise ownership, craft work and product sales.

Table 4.1: Gender of the respondents

Gender	Frequency (N = 58)	Percent
Male	54	93.1
Female	4	6.9
Total	58	100.0

Source: Field Survey Data, 2021

4.1.2 Age of the respondents

Respondents' age ranged between 19 years and 55 years. Illustrated by Table 4.2, young leather traders were more than older leather traders in Kariokor market. Respondents within the age group of 18 to 29 were 43.1 percent, followed by those aged 30 to 39 with a representation of 34.5 percent, followed by those aged 40 to 49 representing 15.5 percent, and finally those aged above 50 at 6.9 percent. Additionally, the youthful nature of the leather traders was evident from the respondents' mean age of 31.7. This scenario was attributed to the creation of employment opportunities targeting the youth in the labour intensive industry, owing to their energetic nature and the desire to curb youth unemployment which is prevalent in Kenya.

Table 4.2: Age of the respondents

Age (Years)	Frequency (N = 58)	Percent
18 – 29	25	43.1
30 – 39	20	34.5
40 – 49	9	15.5
Above 50	4	6.9
Total	58	100.0

Source: Field Survey Data, 2021

Table 4.3: Mean, median, and mode age of the respondents

	N	Minimum	Maximum	Mean	Median	Mode	Standard Deviation
Respondent age	58	19.00	55.00	31.74	30.00	30	8.96

Source: Field Survey Data, 2021

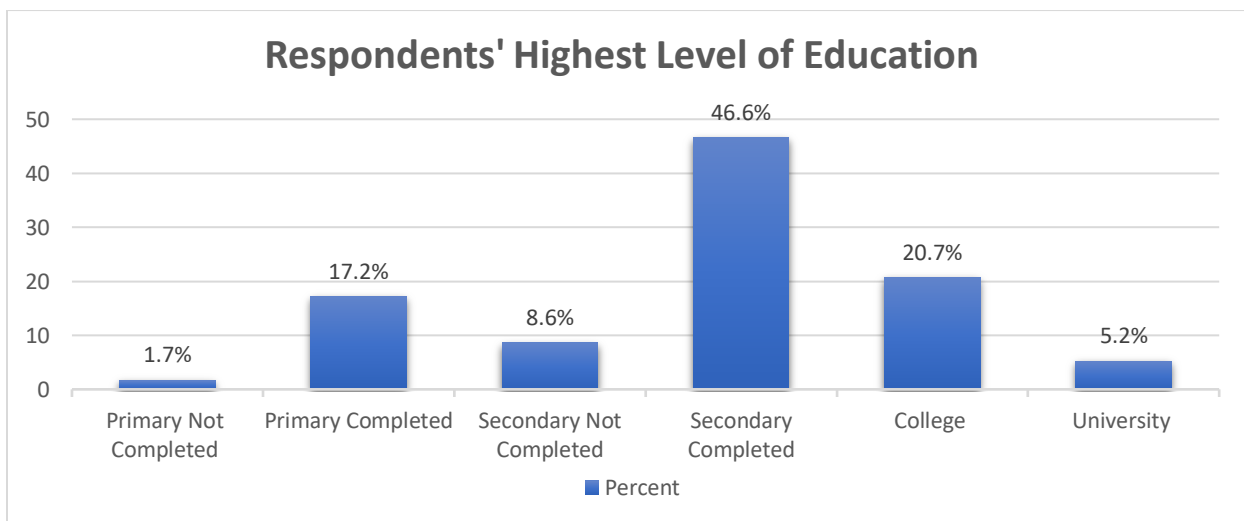
Traders in Kariokor market consisted of employers, own-account workers and wage workers. ILO (2020) highlights that an increase in young employees in the informal labour market results to an increase in casual wage employment, leaving them vulnerable to shocks. The youth in Kariokor market were majorly involved in wage employment on *peace work*, whereby, they were paid according to the work done per day. For example, Kshs 40 was paid for each pair of men's loafer (official shoe) produced, therefore, if 15 pairs of loafers were produced per day, Kshs 600 was

earned for peace work. In the event of COVID-19, some wage workers were laid off (KII, respondent 3), a situation that left them vulnerable to shocks such as poverty.

4.1.3 Respondents' level of education

Figure 4.1 presents the highest level of education attained by the respondents, where most had completed secondary education. Out of the total 58 leather traders interviewed, 46.6 percent completed secondary education, 20.7 percent were college graduates, 17.2 percent completed primary education, 5.2 percent were university graduates, whereas, 1.7 percent did not attain basic education. This finding basically implies that over 70 percent of the respondents completed secondary education, thus literate. This information concurs with Kinyanjui (2020) argued that the informal sector attracts both literate and illiterate individuals, despite the fact that it was viewed as an avenue for the illiterate. The high literacy rate among the traders implies that they can easily be trained on leather product manufacturing such as product upgrading, and use of technology platforms to boost trade, thus skill and economic development.

Figure 4.1: Respondents' level of education



Source: Field Survey Data, 2021

Given scarce employment opportunities in the formal sector, there was easy entry of university graduates as well as individuals leaving formal employment (KNBS Economic Survey, 2020). In as much as Liimatainen (2015) points out that education is a prerequisite to skill development and knowledge acquisition in the informal sector, respondents without skills and knowledge in production and trade of leather products acquired basic skills through apprenticeship whereby an

apprentice acquires craft production and trading skills from an experienced practitioner in the industry.

4.1.4 Respondents' years of experience

The study established that 37.9 percent of the respondents worked in Kariokor market for a period of 6 to 10 years, 29.3 percent worked for 1 to 5 years, 24.1 percent for more than 10 years, while 8.6 percent worked for less than one year as demonstrated in Table 4.4.

Table 4.4: Years of experience in leather product trade

	Frequency (N = 58)	Percent
< 1 year	5	8.6
1 year – 5 years	17	29.3
6 years – 10 years	22	37.9
> 10 years	14	24.1
Total	58	100.0

Source: Field Survey Data, 2021

Table 4.5: Motive for engaging in leather product export trade

	Unemployment/ Employment	Source of livelihood	Profit from export earnings	Personal motivation	Total
< 1 year	4	0	0	1	5
1 year – 5 years	12	5	0	0	17
6 years – 10 years	18	0	2	2	22
> 10 years	12	1	1	0	14
Total	46 = 79.3%	6 = 10.3%	3 = 5.2%	3 = 5.2%	58

Source: Field Survey Data, 2021

When cross tabulation was done for motive for engaging in leather product export trade and years of experience, 79.3 percent of leather traders identified employment as a necessity, thus their safe haven (Kinyanjui, 2014). Additionally, 10.3 percent stated the need for a source of livelihood, whereas 5.2 percent each stated the desire to acquire profit and individual motivation. Despite the harsh economic effects of COVID-19, the leather industry in Kariokor market provided employment opportunities for new entrants. These findings are supported by the Kenya National

Bureau of Statistics (2020) which highlights the ease of entry of youth graduates and well as individuals leaving formal employment in search of employment in the informal industry.

4.2 Process of leather product exportation

Leather products in Kariokor market were exported either directly to consumers, or through agents such as exporters and importers. This was apparent from the findings in Table 4.6 where 63.8 percent of leather traders exported directly to consumers in various export destinations, whereas, 22.4 percent and 20.7 percent exported via exporters and importers, respectively. More often than not, leather products such as footwear were directly exported as parcels at the expense of a consumer, whereas, exporters and importers solely catered for the exporting costs. This was supported by key informants who stated that:

“Usually, we export directly to customers where they are required to cater for transportation costs. We also rely on exporters and importers who place orders depending on their taste and preferences; majority of importers being Kenyans living in the diaspora. For instance, an importer places an order online for 50 pairs of Maasai sandal shoes, after which these exports are paid for preferably via M-Pesa or the bank, then sent to him or her at their expense...” (KII, Respondent 4 – 20th August 2021).

“As for exporters, we majorly rely on agents such as the Maasai from Tanzania and Uganda who directly purchase in bulk from leather product exporters in the market...” (KII, Respondent 3 – 19th August 2021).

Leather product exports in Kariokor market are often transported by road or air depending with the distance of the export destination. Exports to regional markets such as East Africa and Sothern Africa were transported by road, whereas, exports to far market destinations such as North America and Europe were transported by air. After the COVID-19 outbreak, leather supply chains were disrupted due to COVID-19 restrictions such as border restrictions.

Table 4.6: Different means of leather product exportation

Exportation means	Frequency (N = 58)	Percent (cases)
Export directly to customers	37	63.8
Exporters (agents)	13	22.4
Importers (agents)	12	20.7
Total responses	62	106.9

Source: Field Survey Data, 2021

4.2.1 Leather product exports

The leather industry's value chain enhances the creation of employment opportunities, income-generating activities and poverty relief (KIPPRA, 2019) among traders. Kariokor market offers a variety of leather products ranging from footwear to belts, wallets, bags, phone covers, purses, gloves, and key holders as depicted in Figure 4.2; with footwear dominating in production volume.

Figure 4.2: Leather Products in Kariokor Market



Women's *Maasai* sandals top left, belts top right, school shoes centre left, wallets bottom left & men's open shoes bottom right.

Source: Kariokor Market

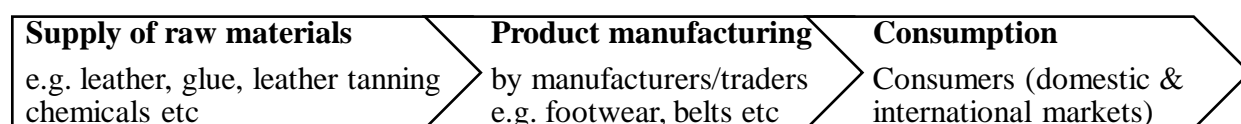
As summarized in Table 4.7, 93.1 percent of the leather traders exported footwear owing to consumer preferences, 34.5 percent exported belts, and 25.9 percent exported wallets. Notably, 19 percent exported bags, while 3.4 percent exported phone covers which are usually made on order. The study established that the dominant type of footwear exported were *Maasai* sandals for women and children, *back to school* shoes for school-going children and slippers/open shoes for men. Of note, designs for the *Maasai* sandals vary depending on the consumer taste and preference.

Table 4.7: Leather product exports

Leather product exports	Frequency (N = 58)	Percent (cases)
Footwear	54	93.1
Bags	11	19.0
Belts	20	34.5
Wallets	15	25.9
Phone covers	2	3.4
Total responses	102	156.9

Source: Field Survey Data, 2021

Figure 4.3: Leather product value chain



Source: Author's Conceptualization

4.2.2 Leather product export markets

Regional and international markets play a key role in leather product exportation. From the findings in Table 4.8, the largest export market destination of leather products was East Africa at 100 percent, from the neighboring Uganda and Tanzania. West Africa and international markets followed at 19 percent each, Southern Africa markets followed at 17.2 percent, and finally North Africa markets at 1.7 percent. Examples of export market destinations as mentioned by respondents include: Rwanda and Burundi in East Africa; Ghana, Senegal and Nigeria in West Africa; South Africa and Zimbabwe in Southern Africa; Egypt in North Africa; and international markets such as United States of America (USA) and United Kingdom (UK). Leather products to international markets were affected the most compared to regional markets, due to poor demand and border restrictions.

Table 4.8: Export market destinations

Export markets	Frequency (N = 58)	Percent (cases)
East/Central Africa	58	100.0
West Africa	11	19.0
North Africa	1	1.7
Southern Africa	10	17.2
Outside Africa	11	19.0
Total responses	91	156.9

Source: Field Survey Data, 2021

Leather products in Kariokor market are not only sold to regional and international markets, but also local markets. Local markets in Kenya comprise of wholesalers, retailers as well as individual consumers who purchase directly from the leather traders. This concurs with the World Bank report (2015) which highlights that Kariokor market receives both local and regional clients; local clients majorly include individual consumers and retailers. Retail storeowners purchase leather products for their respective stores across the country, which are then sold directly to consumers.

4.3 Challenges posed by COVID-19 on leather product exportation

Leather product export trade was more affected compared to the local trade. Kariokor leather traders cited COVID-19 disruptions such as increased cost of raw materials, reduced working hours, job layoffs, poor consumer demand, increased delivery timelines and reduced export earnings. These disruptions consequently affected production and exportation of leather products.

4.3.1 Cost of raw materials

The study established that the cost of sourcing leather varied before and immediately after the emergence of COVID-19. Majority of the respondents reiterated that prior to the emergence of COVID-19, the price of leather was cheap, going for Kshs 90 per square foot. From the study findings, 41.4 percent of the respondents stated that the cost of leather pre-COVID-19 was low, followed by 34.5 percent and 12.1 percent who stated fair and high costs, respectively. Finally, 12.1 percent did not know the cost of sourcing leather at the time since they had been newly employed in the market. This is shown in Table 4.9.

Table 4.9: Cost of sourcing leather before and after the emergence of COVID-19

	Before COVID-19		After COVID-19	
	Frequency (N = 58)	Percent	Frequency (N = 58)	Percent
Low	24	41.4	0	0
Fair	20	34.5	4	6.9
High	7	12.1	24	41.4
Very high	0	0	30	51.7
I don't know	7	12.1	0	0
Total	58	100.0	58	100.0

Source: Field Survey Data, 2021

After the emergence of COVID-19, 51.7 percent of the respondents stated that the cost of leather was very expensive, 41.4 stated that the cost was expensive, while 6.9 percent stated that the price was fair. Majority of the respondents reiterated that after the emergence of COVID-19, the price of leather increased from Kshs 90 to Kshs 105 per square foot. According to key informants,

“After the emergence of COVID-19, there was inflation on petroleum products which consequently led to an increased price of raw materials such as leather and glue used in production of leather goods...” (KII, Respondent 1 – 17th August 2021).

“COVID-19 restrictions such as border closures and lockdowns affected the shipment of imported raw materials such as leather tanning chemicals, shoe whole rings, and press buttons, thus resulting in shortages.” (KII, Respondent 3 – 19th August 2021).

Figure 4.4: Leather rolls (raw materials) in Kariokor market

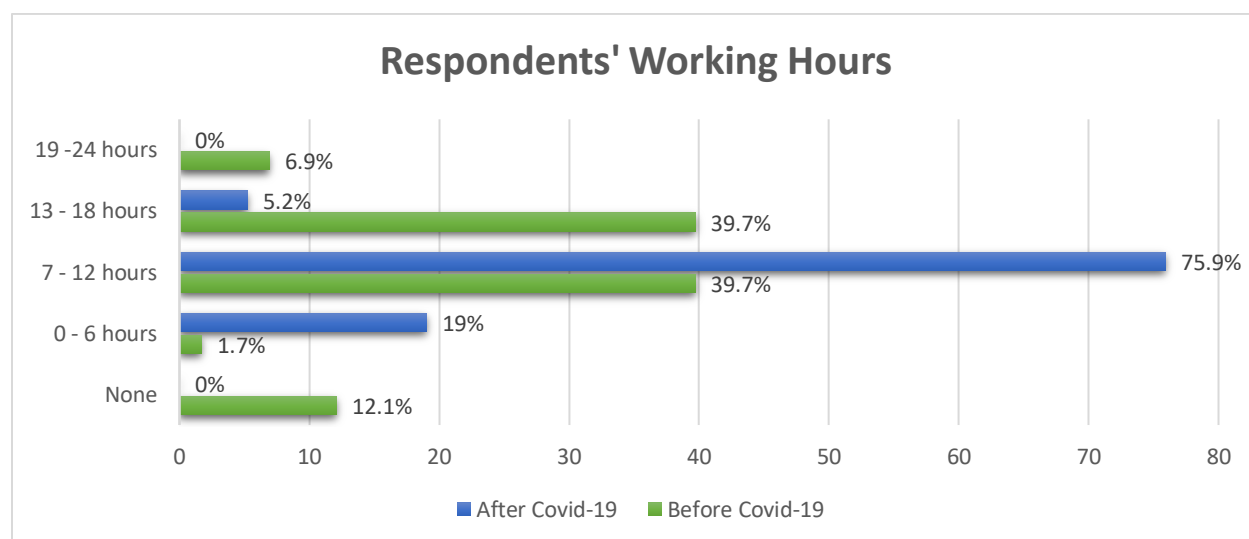


Source: Kariokor Market

4.3.2 Employment

Majority of leather traders in Kariokor market worked for longer hours pre-COVID-19 due to no restrictions. Of the 58 interviewed respondents, 6.9 percent worked for 19 to 24 hours, while 39.7 percent worked for 13 to 18 hours in order to meet the increased demand of leather products; a scenario which was quite exploitative for the traders. Additionally, 39.7 percent worked normally for 7 to 12 hours, 1.7 percent worked for 0 to 6 hours, whereas, 12.1 percent did not work in the market prior to the emergence of COVID-19 as portrayed in Figure 4.5.

Figure 4.5: Hours worked before and after the emergence of COVID-19



Source: Field Survey Data, 2021

After the emergence of COVID-19, 5.2 percent of the respondents overworked for 13 to 18 hours flaunting the curfew orders, 75.9 percent worked for 7 to 12 hours, 19 percent worked for 0 to 6 hours, whereas there were no respondents who worked for 19 to 24 hours unlike before the COVID-19 outbreak. Majority of the respondents experienced reduced working hours as demonstrated in Figure 4.5 due to curfew restrictions and reduced customer orders. Some respondents' working hours remained constant due to slightly constant business operations and their desire to seek additional income.

“Curfew restrictions from the government limited the working hours of leather product traders in Kariokor market...” (KII, Respondent 1 – 17th August 2021).

Kariokor leather traders consisted of employers, own-account workers and wage workers. Wage employment, best known as *peace work* in Kariokor market plays a key role in the bulk production

of leather products. Prior to the emergence of COVID-19, 6.9 percent of leather product enterprises hired more than 10 employees, 44.8 percent hired 5 to 10 employees, while 36.2 percent hired less than 5 employees. These findings were attributed to the fact that more labor was needed in stock production given the labor-intensive nature of the industry, especially towards peak seasons such as back-to-school. Further, 12.1 percent had not been employed in the market in the time.

“Altogether, some of the products manufactured in the market are seasonal such as back-to-school shoes which easily sell out during school openings, thus the need for more production which creates employment opportunities. For instance, production of 10,000 to 30,000 pairs of shoes towards the back-to-school season, some of those being exported...” (KII, Respondent 3 – 19th August 2021).

Table 4.10: Employees present before and after the emergence of COVID-19

	Before COVID-19		After COVID-19	
	Frequency (N = 58)	Percent	Frequency (N = 58)	Percent
< 5	24	36.2	44	75.9
5 - 10	20	44.8	10	17.2
Above 10	7	6.9	4	6.9
I don't know	7	12.1	0	0
Total	58	100.0	58	100.0

Source: Field Survey Data, 2021

After the emergence of COVID-19, 75.9 percent of leather product enterprises hired less than 5 employees, majority maintaining only 1 or 2 employees or none on the extreme compared to pre-COVID-19 owing to low production. From the findings in Table 4.10, there is a clear indication of job losses owing to insufficient funds to hire more employees and reduced business operations.

A respondent stated that,

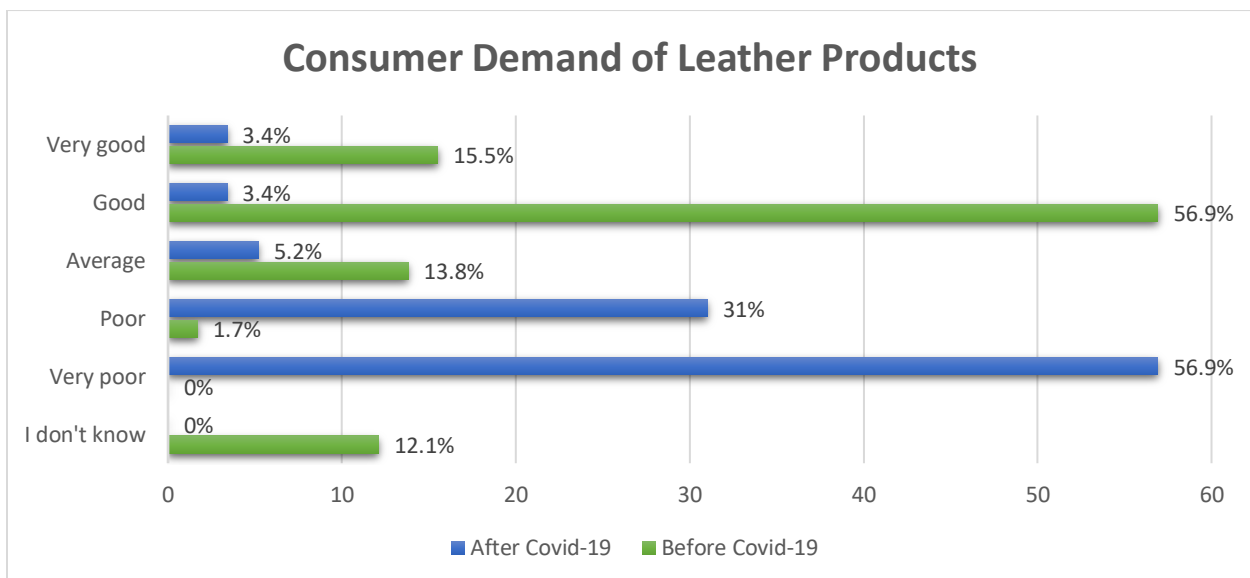
“Owing to reduced demand of leather products locally and internationally, production is minimal, therefore, few employees are manageable since there's hardly money to hire more employees. As for me, I laid off my employee and remained alone since hiring an employee currently is such a loss...” (Respondent 34, 17th August 2021).

Further, 17.2 percent hired 5 to 10 employees, while 6.9 percent hired more than 10 employees; this is because some enterprises maintained their employees due to labor specialization and slightly constant business operations. However, despite job losses in the market, some enterprises newly hired wage workers (either same old, or new ones) to aid in the production of additional stock.

4.3.3 Consumer demand of leather products

Leather product exportation in Kariokor market experienced a boom pre-COVID-19, following increased consumer demand (KII, Respondent 3). This is visible from the findings in figure 4.6 where 15.5 percent of the respondents stated that the consumer demand of leather products was very good before the emergence of COVID-19. Further, 56.9 percent stated that the demand was good, 13.8 percent stated that the demand was average, while 1.7 percent stated that the demand was poor. However, 12.1 percent of the respondents had no idea on the consumer demand of leather products Pre-COVID-19 as they had not been hired in the market yet.

Figure 4.6: Consumer demand of leather products before and after the COVID-19 outbreak



Source: Field Survey Data, 2021

Majority of leather traders felt that the consumer demand of products was low following the emergence of COVID-19 at 56.9 percent. This was followed by 31 percent who stated poor consumer demand of leather products; both perceptions being attributed to COVID-19 containment measures such as border restrictions and lockdowns in export market destinations which limited exportation processes and reduced consumer spending. Further, 5.2 percent stated average consumer demand, whereas 3.4 percent each stated good and very good consumer demand; owing to slightly constant business operations and increased demand of leather products.

Respondents affirmed that,

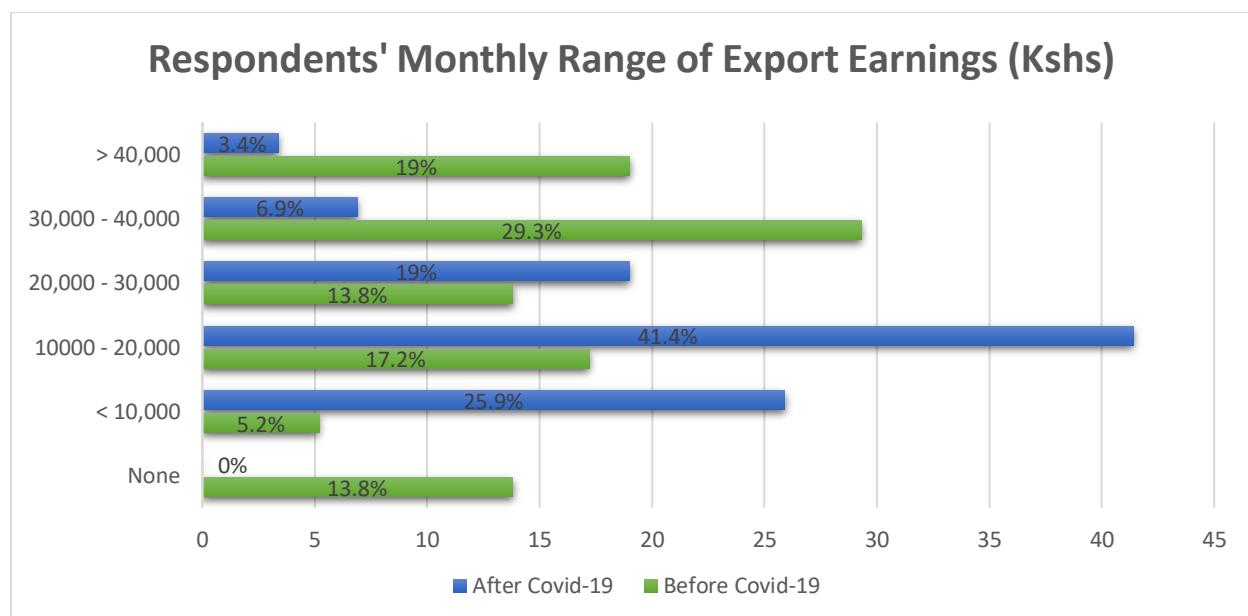
“Consumer demand of leather products has been low, both locally and internationally since the emergence of COVID-19. This scenario resulted in reduced prices of leather products; decrease in consumer demand causes a simultaneous decrease in leather product prices...” (KII, Respondent 2 – 18th August 2021).

“Following the emergence of COVID-19, lockdowns in export markets and border closures especially Kenya-Uganda and Kenya-Tanzania borders, greatly affected leather product exportation and international customer turnover in the market. Besides, the imposition of inter-county cessation of movement affected local markets...” (KII, Respondent 3 – 19th August 2021).

4.3.4 Leather product export earnings

The study established that before the emergence COVID-19, 62.1 percent of the respondents earned more than Kshs 20,000 per month; a scenario attributed to increased sales and prices of leather products in export markets, thus increased export earnings. However, 22.4 percent earned less than Kshs 20,000 per month due to low sales, whereas, 13.8 percent of the respondents had no income at the time since they had not been working in the market. Figure 4.7 indicates the distribution of monthly export earnings for the respondents across different income level categories.

Figure 4.7: Monthly range of export earnings before and after the emergence of COVID-19



Source: Field Survey Data, 2021

Following the COVID-19 outbreak, most respondents' export earnings reduced as illustrated in Figure 4.7. Majority (67.3 percent) earned less than Kshs 20,000 per month owing to reduced leather product export sales and prices emanating from a decrease in customer orders, whereas 29.3 percent earned more than Kshs 20,000 per month owing to a slight increase in leather product export sales. There was no respondent who did not earn anything after the COVID-19 emergence. These findings are in agreement with SPAU (2020) which states that poor demand of Kenya's exports to Covid-19 affected export markets affects export earnings adversely.

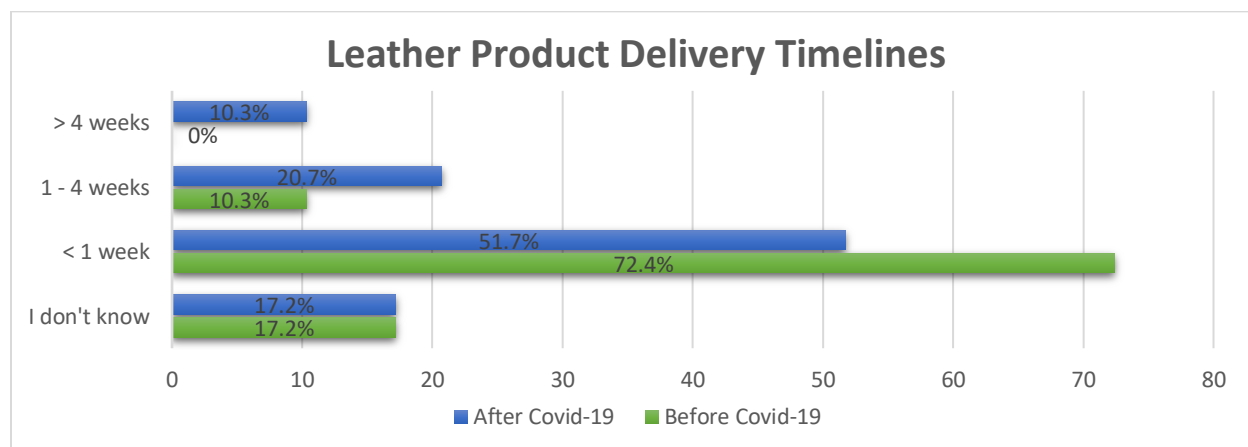
“The wholesale price of men’s loafer shoes pre-COVID-19 was Kshs 1,000 per pair, however, they currently go for Kshs 700 which is quite low.” (Respondent 7, 10th August 2021).

“Before COVID-19, the Double-T Maasai sandal for example, retailed at a wholesale price of Kshs 1,000 per pair. This price declined to Kshs 750 after the emergence of COVID-19...” (KII, Respondent 2 – 18th August 2021).

4.3.5 Leather product delivery timelines

The delivery timelines of leather products to export market destinations were quite fast Pre-COVID-19 as depicted in Figure 4.8, owing to no COVID-19 related restrictions at the time. Of the 58 respondents, 72.4 percent said that leather product delivery timelines were less than 1 week (approximately 3 days) since there were no delays, while 10.3 percent said that delivery timelines were 1 week; especially for leather products exported via road to far regional markets such as South Africa. In addition, 17.2 percent had no idea of leather product delivery timelines at the time since some had not been hired in the market, while some were hardly interested in those timelines.

Figure 4.8: Leather product delivery timelines before and after the emergence of COVID-19



Source: Field Survey Data, 2021

After the emergence of COVID-19, leather product exports experienced delivery timeline delays. Of the 58 respondents, 10.3 percent stated that leather product delivery timelines were more than 4 weeks, 20.7 percent stated delivery timelines of 1 to 4 weeks, whereas 51.7 percent stated delivery timelines of less than 1 week. In general, delays were experienced with an addition of approximately 3 to 4 days. Furthermore, 17.2 percent had no idea of leather product delivery timelines since some stopped exporting, while some were hardly interested in those timelines.

Respondents reiterated that delivery delays were attributed to COVID-19 restrictions such as border restrictions, lockdowns in export market destinations and curfews.

“Implementation of COVID-19 restrictions such as border closures and lockdowns in various export markets has made exportation of leather products strenuous. Long border clearance procedures bring about delays in export delivery. For example, exports to Rwanda by road were delivered in 3 days pre-COVID-19, however, they are currently delivered in a duration of 1 week.” (KII, Respondent 1 – 17th August 2021).

“Long queues were witnessed at the Kenya-Uganda border due to border clearance delays and forced quarantine, thus delayed delivery of leather products in export markets in the East African region.” (Respondent 6, 10th August 2021).

In spite of delivery delays, some respondents stated constant delivery timelines.

“Leather products were delivered without any interruptions before and after the emergence of COVID-19.” (Respondent 56, 20th August 2021).

4.4 COVID-19 coping mechanisms

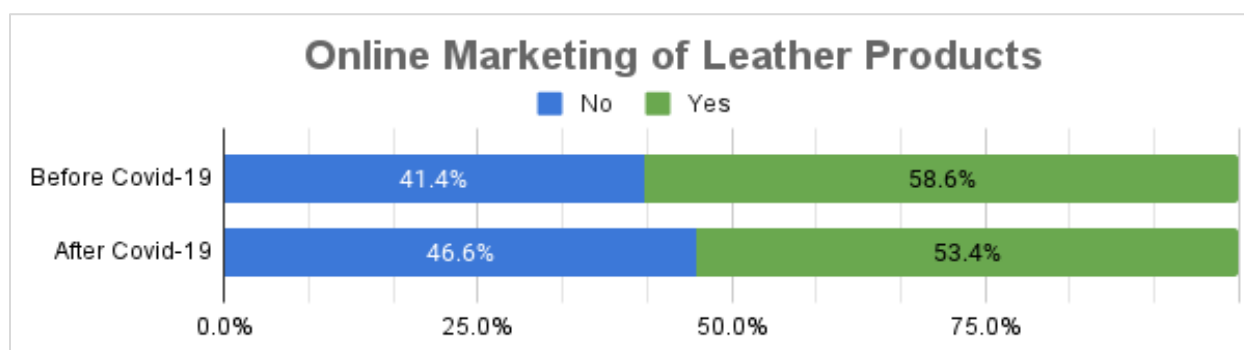
Leather traders cited challenges such as reduced working hours, poor consumer demand, reduced export earnings and product delivery timeline delays. Moreover, all respondents did not receive additional support such as cash transfers, whatsoever, citing resilience and corruption in the market. Therefore, given the mentioned challenges, there was need for adaptation mechanisms by the Kariokor leather traders against the COVID-19 related challenges such as online marketing, product diversification and market diversification.

4.4.1 Online marketing

Most respondents marketed their leather products online through social media platforms such as Facebook and WhatsApp. Prior to the emergence of COVID-19, 58.6 percent of the respondents marketed their products online, whereas 41.4 percent did not market their products online. Traders marketed their leather products online by advertising on their WhatsApp statuses, posting on their

Facebook pages, or updating their Instagram news feed. Further, after the emergence of COVID-19, 53.4 percent of the respondents marketed their products online, whereas 46.6 percent never marketed their products online. Majority of the traders who did market their products online preferred one-on-one business transactions, whereas, others stopped exporting. Despite a slight decrease of the leather traders who used online marketing after the emergence of COVID-19, online marketing users stated that the use of social media was cheap and convenient.

Figure 4.9: Online marketing of leather products before and after the COVID-19 outbreak



Source: Field Survey Data, 2021

The dominant type of social media platform used for online marketing by Kariokor leather traders was WhatsApp at 93.3 percent, followed by Facebook and Instagram followed at 50 percent and 16.7 percent, respectively. Finally, Jumia and Africare followed at 3.3 percent each. This is indicated in Table 4.11.

Table 4.11: Social media platforms used for online marketing

Social Media Type	Frequency (N = 58)	Percent
WhatsApp	28	93.3
Facebook	15	50.0
Instagram	5	16.7
Jumia	1	3.3
Africare	1	3.3
Total responses	50	166.7

Source: Field Survey Data, 2021

Cross tabulation for online marketing uptake by age group illustrated that age group 18 – 29 had the highest ratio of online marketing users to non-users at 16:9. Age group 30 – 39 followed at an online marketing user to non-user ratio of 11:9, while age group 40 – 49 had a ratio of 2:7. Finally, the above 50 age group had the lowest online marketing user to non-user ratio of 1:1 as shown in table 4.12. Therefore, youthful leather traders in Kariokor market tend to embrace online marketing for their products, compared to their older counterparts who prefer one-on-one business transactions.

Table 4.12: Online marketing by traders’ age group since the emergence of COVID-19

	Age group (Total = 58)			
	18 - 29	30 - 39	40 - 49	Above 50
Leather traders who sold products online	16	11	2	2
Leather traders did not sell products online	9	9	7	2
Total	25	20	9	4

Source: Field Survey Data, 2021

4.4.2 Product diversification

It was expected that Kariokor leather traders would diversify their export products in response to COVID-19 related challenges. On the contrary, these traders (100 percent) did not diversify their export products citing labor specialization in leather products, product design variation depending on customer orders and no new export markets.

“It is impossible to diversify products since customers are fond of the traders and getting new market for new products is challenging. Therefore, we produce products depending on varied customer orders, thus product design variation.” (KII, Respondent 2 – 18th August 2021).

However, despite leather traders not diversifying their export products, some of them embraced additional means of boosting their income after the emergence of COVID-19.

“Following the emergence of COVID-19, businesses in Kariokor market were closed. I personally stayed home for about 5 months as I tried alternative businesses such as boda boda for survival, since I’m a family man...” (KII, Respondent 1 – 17th August 2021).

“Some leather traders sold groceries such as arrowroots to help boost their sources of livelihood after the emergence of COVID-19.” (Respondent 29, 17th August 2021).

4.4.3. Market diversification

The study established that majority of respondents did not diversify their export markets after the emergence of COVID-19. Of the 58 respondents, 98.3 percent did not diversify their export markets, whereas, only 1.7 percent diversified their markets. This scenario was attributed to new consumers (for the *Maasai* sandals) in West Africa for the respondent, other than the usual consumers in East Africa, Southern Africa and North America. This is summarized in Table 4.13.

Table 4.13: Market diversification of leather exports since the emergence of Covid-19

	Frequency (N = 58)	Percent
No	57	98.3
Yes	1	1.7
Total	58	100

Source: Field Survey Data, 2021

Kariokor leather traders did not diversify their markets citing no new markets and COVID-19 related challenges in export markets. According to key informants,

“There is no market diversification because exportation of leather products is reliant on customer demand which is easily found in the usual markets.” (KII, Respondent 2 – 18th August 2021).

“Export markets have remained the same owing to COVID-19 restrictions such as lockdowns, reduced consumer spending and measures towards combating Covid-19 and sustaining livelihoods.” (KII, Respondent 1 – 17th August 2021).

CHAPTER FIVE: SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

The main objective of this study was to assess COVID-19 effects on leather product exportation in Kariokor market; key interests being the process of leather product exportation, the challenges presented by COVID-19 in relation to leather product exportation, and adaptation mechanisms adopted. Therefore, this chapter presents a summary of the study findings in chapter 4. Further, conclusions are drawn and recommendations given suggesting different adaptation mechanisms in regards to the COVID-19 related challenges experienced in leather product exportation.

5.1 Summary of the study

The study established that production and exportation of leather products was male dominated at 93.1 percent, owing to the industry's labor-intensive nature. Despite male domination in the leather industry, women took up roles such as enterprise ownership, craft work and product sales. In regards to age, majority of the population aged 18 – 29 years at 43.1 percent. The mean age of leather traders was 31.7, thus illustrating their youthful nature. A scenario attributed to the creation of employment opportunities targeting the youth in the labor-intensive industry owing to their energetic nature. Therefore, the informal sector is essential in creating employment opportunities for the youth. Majority of leather traders completed secondary education; implying that they can easily be trained on leather product manufacturing towards skill and economic development. Majority of the leather traders cited employment as their major motivation.

5.1.1 Process of leather product exportation

Majority of leather traders exported their products directly to consumers in export markets, whereas others opted to export through agents such as exporters. These products were often exported directly as parcels at the expense of a consumer, whereas, exporters and importers solely catered for the exporting costs. Moreover, leather product exports were transported by road or air depending with the distance of the export destination. Exports to regional markets such as East Africa were transported by road, whereas, exports to far market destinations such as North America were transported by air. Footwear dominated leather product exports at 93.1 percent. The dominant type of footwear exported were *Maasai* sandals for women and children, *back to school* shoes for school-going children and slippers/open shoes for men.

Regional and international markets played a key role in leather product exportation. The largest export market destination of leather products was regional markets at 137.9 percent, majorly from East and Central Africa; followed by international markets at 19 percent. Examples of regional export markets as mentioned by traders included: Uganda, Tanzania and Rwanda in East Africa; Ghana and Nigeria in West Africa; and South Africa and Namibia in Southern Africa. International markets included United States of America (USA), Australia among others. Nevertheless, leather products in Kariokor market were not only sold to regional and international markets, but also local markets. World Bank (2015) highlights that these local markets comprised of wholesalers, retailers and individual consumers who directly purchased leather products from the Kariokor leather traders.

5.1.2 Challenges posed by COVID-19 on leather product exportation

Leather traders in Kariokor market cited COVID-19 disruptions on leather product exportation. The cost of raw materials such as leather, glue and rubber increased after the emergence of COVID-19. Majority of the respondents reiterated that prior to the emergence of COVID-19, the price of leather was cheap, going for Kshs 90 per square foot; however, the price slightly increased to Kshs 105 after the emergence of COVID-19 due to inflation on petroleum products.

Wage employment plays a key role in the bulk production of leather products in Kariokor market. Prior to the emergence of COVID-19, 51.7 percent of leather product enterprises hired more than 5 employees; a finding attributed to the need for more labor in stock production given the industry's labor-intensive nature, especially towards peak seasons such as back-to-school. After the emergence of COVID-19, 75.9 percent of the enterprises hired less than 5 employees; a clear indication of job losses owing to insufficient funds to hire and reduced business operations. Some enterprises maintained their employees due to labor specialization and slightly constant business operations. However, despite job losses in the market, some respondents were newly hired as wage workers to aid in the production of additional stock. Majority of the leather traders worked for more than 10 hours pre-COVID-19 due to no restrictions. After the emergence of COVID-19, majority of these traders experienced reduced working hours due to curfew restrictions and reduced customer orders, thus reduced workload. However, some respondents' working hours remained constant due to slightly constant business operations and their desire to seek additional income.

Leather product exportation experienced a boom pre-COVID-19, owing to increased consumer demand. However, following the emergence of COVID-19, majority of leather traders expressed very poor consumer demand of leather product exports at 56.9 percent. This was due to COVID-19 containment measures such as border restrictions and lockdowns in export market destinations which limited exportation processes, and reduced consumer spending.

Prior to the emergence COVID-19, 62.1 percent of the leather traders earned more than Kshs 20,000 monthly owing to increased sales and prices of leather products in export markets, thus increased export earnings. In the ensuing COVID-19 pandemic, 67.3 percent of the leather traders earned less than Kshs 20,000 monthly owing to reduced export sales and prices emanating from a decrease in customer orders. This is a clear indication that poor demand of leather product exports to COVID-19 affected export markets negatively affects export earnings.

The delivery timelines of leather products to export market destinations were quite fast pre-COVID-19. Majority of the leather traders stated that leather products were often delivered in less than 1 week since there were no delays. After the emergence of COVID-19, leather product exports experienced delivery timeline delays; additional weeks for some and additional days for others due to COVID-19 restrictions such as border restrictions, lockdowns in export market destinations and curfews. Further, some traders had no idea of the delivery timelines since they stopped exporting.

5.1.3 COVID-19 coping mechanisms

Majority of Kariokor leather traders marketed their products online through social media platforms after the emergence of COVID-19, since they are cheap and easy to use. WhatsApp was the most dominant at 93.3 percent. In regards to online marketing uptake by age group, age group 18 – 29 had the highest ratio of online marketing users to non-users at 16:9. Youthful leather traders in the market embraced online marketing for their products, compared to their older counterparts who preferred one-on-one business transactions.

Kariokor leather traders did not diversify their export products in response to COVID-19 related challenges citing labor specialization in leather products, product design depending on customer orders and no new export markets. Despite leather traders not diversifying their export products, some of them embraced innovative means of boosting their income after the emergence of COVID-19 such as operating motorcycle taxis (*boda boda*) and selling groceries.

Majority of leather traders did not diversify their export markets after the emergence of COVID-19 citing no new markets, and COVID-19 related challenges such as containment measures in export markets. However, only 1.7 percent diversified their export markets. This scenario was attributed to new consumers in West Africa for the respondent, other than the consumers in usual export markets.

5.2 Conclusion

The leather industry in Kariokor attracts both men and women; the literate and illiterate; the young and the old despite being labor-intensive. Kariokor market is dominated by MSEs which play a fundamental role in the production of leather products such as footwear, belts, bags and wallets. These products are either sold in the domestic market, or exported to regional and international markets with the regional markets consisting the largest consumers of leather product exports. Further, the leather industry creates employment opportunities through casual jobs targeting the youth, thus help curb youth unemployment. Therefore, MSEs act as survival and earning strategies for the unemployed, hence a means for poverty alleviation which translates to economic development.

The emergence of COVID-19 disrupted economic activities adversely. Implementation of COVID-19 containment measures such as lockdowns in export market destinations, border restrictions and curfews acted as non-tariff barriers (NTBs), negatively affecting leather product exportation processes, directly and indirectly. Supply chain disruptions of leather product exports led to delivery timeline delays, reduced working hours due to curfew restrictions, increased prices of raw materials due to inflated petroleum products, poor consumer demand due to reduced consumer spending, reduced export earnings due to reduced export sales and prices, and job losses were consequences of the COVID-19 mitigation measures which left Kariokor leather traders more vulnerable to risks such as poverty.

Given the COVID-19 related challenges on leather product exportation, there was need to cushion leather traders against possible risks. However, the leather traders adopted online marketing through social media as a coping mechanism, as opposed to product and market diversification due to no new export markets. Despite leather traders not receiving additional support such as cash transfers at the time, they remained resilient, persistent, and perseverant. In the event of a shock such as COVID-19, it is expected that the Kariokor leather industry will highly adopt online marketing.

5.3 Recommendations

This research project recommends the following:

Considering that Kariokor leather traders hardly embraced market diversification, there is a need for the leather industry to diversify its export markets. The creation of a marketing body through the Ministry of Industrialization, Trade and Enterprise Development will help generate increased consumer demand of leather products in export markets.

Leather traders need to embrace product upgrading. Product upgrading (producing high-quality products at an increased consumer value) promotes value addition which enhances economic development. Therefore, leather product upgrading needs to be frequent in order to keep up with the highly competitive markets.

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Appendices

Appendix I: Interview Schedule

Questionnaire ID:

Please indicate the correct answer by ticking one of the options. In the case of explanations, use the space provided.

SECTION A

Background Information *(Tick appropriately)*

1. a) Name

b) Please indicate your gender 1. Male [] 2. Female []

c) Please indicate your age: years.

2. What is your education level?

- | | | | |
|-----------------------------|-----|------------------------|-----|
| i) No formal education | [] | v) Secondary Completed | [] |
| ii) Primary Not Completed | [] | vi) Tertiary | [] |
| iii) Primary Completed | [] | vii) Graduate | [] |
| iv) Secondary Not Completed | [] | viii) Post graduate | [] |

SECTION B

Business Characteristics *(Tick appropriately)*

3. How long have you worked as a trader of leather products?

- | | | | |
|-----------------------|-----|--------------------------|-----|
| i) Less than 1 year | [] | iii) 5 years to 10 years | [] |
| ii) 1 year to 5 years | [] | iv) More than 10 years | [] |

4. Where do you source your leather from?

- | | | | |
|-----------------|-----|--------------------|-----|
| i) Kenya | [] | iii) Africa | [] |
| ii) East Africa | [] | iv) Outside Africa | [] |

5. What leather products do you export?

- | | | | |
|-------------|-----|-------------------------|-----|
| i) Footwear | [] | iv) Wallets | [] |
| ii) Bags | [] | v) Other, specify | |
| iii) Belts | [] | | |

6. In what markets do you export your leather products?
- i) East Africa 1. Yes [] 2. No [] If yes, specify where
 - ii) Africa 1. Yes [] 2. No [] If yes, specify where
 - iii) Outside Africa 1. Yes [] 2. No [] If yes, specify where
7. How do you export these leather products to export markets?
- i) Directly to consumers 1. Yes [] 2. No []
 - ii) Agents 1. Yes [] 2. No [] If yes, specify
 - iii) Other (specify)
8. Why did you decide to venture in leather product exportation?
- i) Unemployment/ Employment opportunity 1. Yes [] 2. No []
 - ii) Source of livelihood 1. Yes [] 2. No []
 - iii) Profit from export earnings 1. Yes [] 2. No []
 - iv) Personal motivation 1. Yes [] 2. No []
 - v) Other (specify)

SECTION C

Challenges posed by COVID-19 (*Tick appropriately*)

9. How many hours did you work daily before the emergence of COVID-19?
- 1. None [] 3. 7 - 12 hrs [] 5. 19 - 24 hrs []
 - 2. 0 - 6 hrs [] 4. 13 - 18 hrs [] 6. Other, specify
10. How many hours are you working daily after the emergence of COVID-19?
- 1. None [] 3. 7 - 12 hrs [] 5. 19 - 24 hrs []
 - 2. 0 - 6 hrs [] 4. 13 - 18 hrs [] 6. Other, specify
- 10a Why? Explain
11. How was the cost of sourcing leather before the emergence of COVID-19?
- 1. I don't know [] 3. Fair [] 5. Very high []
 - 2. Low [] 4. High [] 6. Other, specify
12. How is the cost of sourcing leather after the emergence of COVID-19?
- 1. I don't know [] 3. Fair [] 5. Very high []
 - 2. Low [] 4. High [] 6. Other, specify

13. How many employees were there before the emergence of COVID-19?

1. I don't know [] 2. Less than 5 [] 3. 5 to 10 [] 4. Above 10 []

14. How many employees are there after the emergence of COVID-19?

1. I don't know [] 2. Less than 5 [] 3. 5 to 10 [] 4. Above 10 []

14a Why? Explain

15. What was the consumer demand of leather products before the emergence of COVID-19?

1. I don't know [] 3. Poor [] 5. Good []
 2. Very poor [] 4. Average [] 6. Very good []

16. What is the consumer demand of leather products after the emergence of COVID-19?

1. I don't know [] 3. Poor [] 5. Good []
 2. Very poor [] 4. Average [] 6. Very good []

16a Why? Explain

17. What was your monthly range of leather product export earnings pre-COVID-19?

Export earnings in Kshs (Monthly)		
1.	None	
2.	Below 10,000	
3.	10,000 – 20,000	
4.	20,000 – 30,000	
5.	30,000 – 40,000	
6.	Above 40,000	

18. What is your monthly range of leather product export earnings during the ongoing COVID-19?

Export earnings in Kshs (Monthly)		
1.	None	
2.	Below 10,000	
3.	10,000 – 20,000	
4.	20,000 – 30,000	
5.	30,000 – 40,000	
6.	Above 40,000	

- 18a Why?
19. What were the delivery timelines of leather products before the emergence of COVID-19?
 1. I don't know [] 2. Below 1 week [] 3. 2 to 4 weeks [] 4. Above 4 weeks []
20. What are the delivery timelines of leather products after the emergence of COVID-19?
 1. I don't know [] 2. Below 1 week [] 3. 2 to 4 weeks [] 4. Above 4 weeks []
- 20a Why?

SECTION D

COVID-19 Coping Mechanisms (*Tick appropriately*)

21. Did you receive any additional support for your business after the emergence of COVID-19?
 1. Yes [] 2. No []
- 21a. If yes, what form of support?
22. Did you sell your products online before the emergence of COVID-19?
 1. Yes [] 2. No []
23. Have you sold your products online since the emergence of COVID-19?
 1. Yes [] 2. No []
- 23a If yes, what online platform do you use?
 1. WhatsApp [] 2. Facebook [] 3. Instagram [] 4. Other (specify)
- 23b What is the reason of use for your preferred online platform?
24. Have you diversified your products since the emergence of COVID-19?
 1. Yes [] 2. No []
- 24a If yes, what products are you exporting that you did not export before and why?
25. Have you diversified your export markets since the emergence of COVID-19?
 1. Yes [] 2. No []
- 25a If yes, which markets and why?

Thank you for your time and cooperation

Appendix II: Interview Guide for Key Informants

Hello, my name is Sheila Mukabana, a postgraduate student at the Institute for Development Studies (IDS) in the University of Nairobi. I am conducting research on the effects of COVID-19 on leather export trade in Kariokor market, Kenya and you are selected as one of the Key Informants.

This interview will take about 30 minutes and I will highly appreciate your time. I guarantee you that the information collected will be used for academic purposes. Your identity as well as information gathered will remain confidential.

A. General Information of the Key Informant

Name of the Key Informant:

Position: **Phone number (optional):**

Email address (optional):

B. Interview Guide *(Please answer these questions honestly)*

1. What is the process of leather product exportation to export markets?
2. What are the challenges faced by leather traders after the emergence of COVID-19?
3. What are the delivery timelines of leather products after the emergence of COVID-19?
4. Do leather traders sell their products online since the emergence of COVID-19?
1. Yes [] 2. No []
5. If yes, why online marketing?
6. Have leather traders diversified their products since the emergence of COVID-19?
1. Yes [] 2. No []
7. If yes, why product diversification?
8. Have leather traders diversified their export markets since the emergence of COVID-19?
1. Yes [] 2. No []
9. If yes, why market diversification?

The End






Thank you for your time and cooperation

Appendix III: Data Needs Table

Research Question	Data needed	Source
1. How did leather traders in Kariokor market export their leather products during the COVID-19 pandemic?	Process of leather products' exportation to export markets	Leather traders
		KI
2. What challenges did COVID-19 pose for the leather traders in Kariokor market in relation to exportation of leather products?	Working hours	Leather traders
	Change in number of employees	Leather traders
	Consumer demand	Leather traders
	Export earnings	Leather traders
	Product delivery timelines	Leather traders KI
3. How did leather traders in Kariokor market cope with the emergence of COVID-19?	Online marketing	Leather traders KI
	Product diversification	Leather traders KI
	Markets accessed	Leather traders KI

Source: Researcher

Appendix IV: Research Permit Copy

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This is to Certify that Ms. Sheila Mukabana of University of Nairobi, has been licensed to conduct research in Nairobi on the topic: Effects of Covid-19 on Export Trade in Kenya: The Case of Leather Industry in Kariokor Market for the period ending : 09/August/2022.	
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