

**A SURVEY ON THE APPLICATION OF PROMOTION  
MIX IN THE AGROCHEMICAL INDUSTRY IN KENYA**

**BY**

**MARY G. MUTIONDEGWA**

**A MANAGEMENT RESEARCH PROJECT SUBMITTED IN PARTIAL  
FULFILMENT OF THE REQUIREMENTS FOR THE DEGREE OF MASTER  
OF BUSINESS ADMINISTRATION (MBA), FACULTY OF COMMERCE.**

**UNIVERSITY OF NAIROBI**

**NOVEMBER 2003**

## DECLARATION

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

Signed..... *Maryndegwa* .....

Date..... *12-11-2003* .....

**MARY NDEGWA**

This project has been presented for examination with my approval as the University Supervisor.

Signed..... *M. Mbok* .....

Date..... *12-11-2003* .....

**MARGARET OMBOK**

Faculty of Commerce

## **DEDICATION**

This work is dedicated to The Almighty God and His son Jesus Christ for the numerous blessings that He has given me.

To my husband Gad, my inspiration and to my children, Kanaiya and Waya for their understanding and support during my studies.

## **ACKNOWLEDGEMENT**

I would like to acknowledge my instructor Margaret Ombok for her professional guidance, advice and encouragement throughout this project.

Special thanks to Dr Vassey Mwaja, the Chairman of Agrochemical Association of Kenya (AAK) for information provided from the Industry.

I would like to thank my colleagues, Messrs Joseph Ngunju and Subhash Lakhani without whose contribution this research would not have been possible.

Many thanks go to all the AAK members who participated in filling the questionnaires.

## TABLE OF CONTENTS

	<b>Page</b>
Declaration.....	i
Dedication.....	ii
Acknowledgement.....	iii
Table of contents.....	iv
List of tables.....	vi
Abstract.....	vii
<b>CHAPTER 1: INTRODUCTION .....</b>	<b>1</b>
1.1 Background.....	1
1.1.1 Agrochemical Industry in Kenya.....	6
1.2 Statement of the problem.....	11
1.3 Objectives of the study.....	13
1.4 Importance of the study.....	13
<b>CHAPTER 2: LITERATURE REVIEW.....</b>	<b>14</b>
2.1 Introduction.....	14
2.2 Promotion mix.....	14
2.2.1 Advertising.....	15
2.2.2 Sales Promotion.....	19
2.2.3 Personal selling.....	21
2.2.4 Public relations and publicity.....	23
2.2.5 Direct Marketing.....	26
2.2.6 Factors Influencing the choice of Promotion mix.....	27
<b>CHAPTER 3: RESEARCH METHODOLOGY .....</b>	<b>31</b>
3.1 Nature of the study.....	31
3.2 The population.....	31

3.3 Data collection techniques.....	31
3.4 Data Analysis techniques.....	32
<b>CHAPTER 4: DATA ANALYSIS AND FINDINGS.....</b>	<b>33</b>
4.1 Introduction.....	33
4.2 Information on the organizations.....	33
4.3 Type of promotion mix used by Agrochemical firms.....	40
4.4 Objectives of each of the promotion mix elements.....	41
4.5 The extent of use of the promotion mix elements.....	45
4.6 Factors that influence the choice of promotion mix .....	50
<b>CHAPTER 5: DISCUSSION, CONCLUSION AND RECOMMENDATIONS.....</b>	<b>52</b>
5.1 Discussion.....	52
5.2 Conclusion.....	67
5.2 Recommendations for Agrochemical companies.....	68
5.3 Limitations of the study.....	69
5.4 Suggestions for further research.....	70
<b>REFERENCES.....</b>	<b>71</b>
<b>APPENDICES.....</b>	<b>74</b>
1. Letter to the respondents.....	74
2. Questionnaire.....	75
3. List of Respondents.....	81

## LIST OF TABLES

<b>Table</b>	<b>Page</b>
Table 1: Nature of the organization.....	34
Table 2: Company ownership .....	34
Table 3: Number of employees.....	35
Table 4: Period of operation in Kenya.....	36
Table 5: Presence of a sales/ marketing department....	36
Table 6: Person responsible for preparing promotion programs	37
Table 7: Target customers.....	38
Table 8: Location of target customers.....	39
Table 9: Nature of the products sold.....	39
Table 10: Type of promotion mix used by agrochemical firms	40
Table 11: Objectives of advertising.....	41
Table 12: Objectives of sales promotion.....	42
Table 13: Objectives of personal selling.....	43
Table 14: Objectives of public relations and publicity....	44
Table 15: Objectives of Direct marketing.....	45
Table 16: The extent to which advertising tools are used...	46
Table 17: Extent to which sales promotion tools are used...	47
Table 18: Extent to which tools of personal selling are used...	48
Table 19: Extent of use of public relations and publicity....	48
Table 20: Extent to which sponsorship tools are used....	49
Table 21: Extent to which direct marketing tools are used...	49
Table 22: Factors that influence the choice of promotion mix...	50

## **ABSTRACT**

The survey was conducted to establish the application of promotion mix elements in the agrochemical industry in Kenya. With increased competition among the agrochemical firms following the liberalization of the Kenyan economy, misuse of pesticides is on the increase and there is a rise on adulterated pesticides in the market. The objectives of this study were, to establish promotional mix elements used by agrochemical firms in Kenya, determine among the agrochemical firms, the extent of use of the promotion mix elements, the objective of each of the promotion mix elements, and the factors that influence the choice of promotion mix.

In this study it was found that all the agrochemical firms in Kenya use all the promotion mix elements, with personal selling being most preferred. The main objectives of personal selling were to obtain information, increase new accounts and to educate customers. In addition, majority of the companies used advertising to inform, whereas sales promotion was used to increase the number of users. Publicity and public relations was also considered important in increasing awareness and increasing sales volume. With direct marketing, majority of the firms considered gaining access to buyer as the most important objective. The tools used to a large extent in advertising are newspapers and magazines with limited use of television, cinema, and outdoor advertising. Trade fairs and shows are the tools commonly used in sales promotion. Among the factors influencing the choice of promotion mix were identified as the type of



product, availability of funds, company strategy, market competition and regulatory requirements.

The study shows that the agrochemical firms in Kenya require to increase the use of various promotion elements to increase awareness, neutralize competition and improve their company image.

It is suggested that, further research could be carried out to establish the methods used to determine the promotion budget, the effectiveness of the promotion mix currently in use, and the nature of promotion mix used by other members of the Agrochemical Association of Kenya.

# CHAPTER 1

## 1. INTRODUCTION

### 1.1 Background

The Agrochemical industry plays an important role in agriculture by providing pesticides that sustain agricultural production. The need to produce tradable commodities for overseas markets combined with the necessity to feed people ensures that governments use the agricultural sector to act as the catalyst for renewed economic growth. Changes in the national GDP figures directly reflect changes in agricultural GDP (Agwings-Kodhek, 2001). Jarvis (2001) has found a clear correlation between the growth of United States (USA) GDP and that of the United USA agrochemical market over the past fifteen years. Therefore any change in the agricultural sector has a direct effect on the agrochemical industry.

The Agrochemical industry faces several challenges. There has been a decline of agrochemical market. According to Jarvis (2001), the Agrochemical market has dropped by 6.5 per cent, from an estimated USD 29 billion in 2000 to USD 27 billion in 2001. This is due to the low prices of agricultural produce, adverse weather conditions for planting and harvesting, legal effects on re-registration of older products (Agrow No. 416 p 9). Jarvis (2001) gives other factors that contribute to this decline as new technologies and declining public acceptance of agrochemicals, as seen in the introduction of strict maximum residue limits (MRLs). The new technologies are likely to be dominated by biotechnologies that

have enabled the genetic modification of food crops. According to Jarvis (2001), the industry is under pressure to produce only pesticides of adequate quality that meet strict environmental and toxicological regulatory requirements.

Technological advances have reduced the time taken to discover new molecules. There has been several cases of infringement lawsuits among some manufacturers, for instance, between Bayer and Sygenta in November 1998, and between DuPont and Zhongnong Farm Chemicals Company of China in October, 1999 (Agrow No 392 p 1). In their bid to increase competitive advantage and increase synergies, most Agrochemical firms have resorted to acquisitions, mergers and spin offs. The last four years has seen mergers and acquisitions among the top multinational companies such as Zeneca merging with Novartis in 2001, BASF acquired Cyanamid in 2001. Bayer AG acquired Aventis CropScience in 2002. These strategies have reduced the world of agribusiness giants from 10 in 1996 to 6 in 2002. The current leading agrochemicals firms in the world are Sygenta, Monsanto, BayerCropScience, DuPont, Dow AgroSciences, and BASF. Manufacturers of generic products still pose a challenge to research based companies. According to 2000 ranking (Jarvis 2001), generic companies controlled 15 per cent of the agrochemical business and this is expected to grow significantly in the next ten years driven by expiry of patents on a number of highly efficacious pesticides and growth of generic pesticide market in the developing countries. Makhteship-Agan leads the generic companies and was ranked eighth worldwide in the 2000 rankings.

The success of the agrochemical business relies on the use of marketing mix elements. These elements include the four groups of variables known as the 'four Ps', that is product, price, place and promotion. The fifth variable, probe generates information that the marketer can use to make a decision on the four Ps. The success of a marketing program will depend on how the above variables are manipulated (Kotler and Amstrong, 2001). Product development is a very important process in the Agrochemical industry. According to Jarvis (2001), Chemical pesticide products have a limited lifespan during which the developing company must recoup its research and development investment. The lifespan is determined by patent protection, the development of pest resistance, or the launch of newer, more efficacious products (Jarvis, 2001). Agrochemical firms must keep a high pace of new product developments if they are to compete effectively in the market. A forward - looking agrochemical company has to place the development of innovative products and systems at center stage. Technical advances should continue to optimize pesticides and their uses and reduce their environmental impact (Agrow No 422, p 13). Price is the amount of money charged for a product or service, or the sum of exchange for benefits of having or using the product or service (Kotler and Amstrong, 2001). The increased brand parity makes concrete advantages difficult to obtain. Generic manufacturers make products available at a lower price than previously offered by research based manufacturers. Consumers are relying more on price and price incentives as a way of differentiating parity brands (Kotler & Amstrong, 2001).

Distribution is another important marketing mix element. Manufacturers depend on distributors to reach their target market. Most countries have a regulatory body that is responsible for licensing distribution premises. According to FAO code of conduct (2003) the owners of the premises are required to meet particular standard requirements before such premises are licensed. Those involved in selling pesticides should be capable of providing buyers with sound advice on risk reduction and efficient use (FAO code of conduct, 2003). This procedure of licensing premises limits the number of channel dealers available. In some cases where the pesticide is very toxic (those under "RESTRICTED CLASS"), the manufactures will sale directly to the farmer (FAO code of conduct, 2003). Thus pesticides will not be found in kiosks or in shops were foodstuffs are sold. The challenge for manufacturers is to find registered dealers in suitable locations to ensure that farmers get their pesticides most conveniently.

Agrochemical firms must do more than make good products – they must inform consumers about product benefits and carefully position products in consumers' minds. Agrow (No 392 p 7) give the findings of Schmitz (2002) on the benefits of using crop protection products in agriculture as "far outweighing" the costs to a national economy. He suggests that, instead of banning or reducing the use of agrochemicals, the way in which they are used could be optimised. He points out that this would lead to considerable savings, but for this to happen, users of pesticides should be provided with more extensive information and guidance. This, he says, would lead to a fall in the risks incurred by pesticides users related to poor use of information. One way of providing information and guidance is

through the use of promotion mix. To do this, firms must skillfully use the promotion tools of advertising, sales promotion, personal selling, public relations and direct marketing (Kotler & Armstrong, 2000). Several agrochemical firms in Europe and America use promotion mix in their marketing strategies. Some companies such as Bayer AG in Germany, award prizes to their subsidiary companies for "outstanding and unusual communications" for print, TV, sponsorship and publications as well as integrated marketing campaigns (Let's Grow together No 2/03 p 5).

The FAO code of conduct (2003) states that advertisement should not encourage uses other than those specified on the approved label. The advertisements should encourage purchasers and users to read the label carefully, or have the label read to them if they cannot read. Dow AgroSciences has been sued by the Attorney general of US state of New York for giving deceptive advertising. It has been accused of engaging in false and misleading advertisements that violate both state and federal laws. They claim that *Dursban* is "safe", "has no long term (health) effects" and exhibit "no evidence of significant risk to the environment". Dow has been advised to "cease its deceptive advertising" (Agrow No 422, p 4). According to Shimp (2000), consumers are deceived by an advertising claim or campaign when the impression left by the claim or campaign is false- that is, there is a claim-fact discrepancy, and if the false claim is believed by consumers.

### **1.1.1 Agrochemical industry in Kenya**

Agrochemical Industry in Kenya consists of manufacturers, distributors, and consumers who are mostly farmers. The acquisitions, mergers and spin-offs affecting the Agrochemical industry worldwide have affected the agrochemical firms in Kenya. The global mergers of manufacturers has also seen the number of manufacturers and representatives of manufacturers in Kenya reduced from 10 in 1996 to 6 in 2002. The manufacturers represented in Kenya are BayerCropscience and Sygenta. The other manufacturers such as BASF, Dupont, Dow AgroScience and Monsanto have appointed local companies as their agents. The generic manufacturers are also represented in Kenya. The leaders in this category are Amiran Kenya, and Osho Chemicals. According to Mwaja (2003) the industry is currently valued at US Dollar 50 Million (about KSH 4 Billion)

The agrochemical industry in Kenya is controlled by the government through the Pest Control Products Board (PCPB). PCPB is a Government statutory organization that addresses all matters pertaining to pesticides in Kenya. PCPB was established in 1984 following the enactment of pest Control Products Act Cap 346 of laws of Kenya. According to Ikiba (2003), the board is presently operating under four regulations, which are licensing of premises, registration, labeling and packaging and importation and exportation regulations. Another important body that regulates the Agrochemical industry in Kenya is the Agrochemicals Association of Kenya (AAK). This association was started by a

group of few Agrochemical dealers 44 years ago. Currently AAK has over 63 active members compared to 75 in 2002. Members are drawn from manufacturers, importers, formulators, re-packers, and distributors. The objective of AAK is to promote responsible, safe and profitable use of pesticides thus their slogan 'Protect to provide'.

According to the Agrochemicals Association of Kenya (AAK) constitution and rules, the Agrochemical Industry in Kenya is subdivided into three main categories; the first category of full members include manufacturers of agrochemicals and related products, formulators contracted by manufacturers for agrochemicals and related products, and contracted representatives of manufactures of active ingredients used in the formulation of agrochemicals and related products. The second category is that of associate members. These are persons or corporation involved in the distribution and or usage of pesticides and related products originating from suppliers described under full members. The third category is the accredited dealers. These include channel dealers who are registered with Pest Control Products Board. According to Mwaja (2003), there are thirty four full members, twenty four associate members, and over two hundred accredited dealers.

The target market for the Agrochemical industry is the agriculture sector constituting both crop and livestock. In Kenya Agriculture constitutes a shrinking, but important 25 percent of Kenya's gross domestic product (GDP). Small scale



farms contribute 79 percent of Agricultural GDP while large scale farms contribute 21 percent. The top performers are tea and horticulture that have registered progressive increase in production and earnings while other sectors show a consistent decline (Argwings-Kodhek, 2001). According to Argwings-Kodhek (2001), shrinking land size among small holders compromises agricultural productivity. Most Kenyan farms are uneconomical and are unable to adopt new technologies optimally. The livestock sector, which contributes 42 percent of the agricultural GDP, is yet to realize its full potential. Livestock gets limited attention from policy makers and research, and cutback on government expenditure has affected this sector as well (Argwings-Kodhek 2001).

There are other problems the Agrochemical Industry in Kenya is facing. The Government has exempted payment of import duty on some products, but insecticides, that constitute over 50 percent of all pesticides imports in Kenya, still attract a 5 per cent duty. Mwaja (2003), reports that the agrochemical industry has witnessed an increase in number of unethical traders offering pirated and adulterated pesticides to farmers. Kabura (2002) found that 76 percent of agrochemical companies in Kenya are affected by counterfeit products that are mostly sold by individuals not accredited to AAK. AAK published in the print media a list of unregistered products and dealers as well as accredited dealers to assist the farmers in identifying genuine dealers (Daily Nation June 13 2003). This action still falls short of stumping out this vice (Mwaja, 2003). The

Agrochemicals firms on their part need to educate farmers through the use of promotion mix elements on how to identify genuine products.

Meyo (2002), reported that PCPB had recorded an increase in the misuse of pesticides and farmers have been using pesticides against target organisms that are not recommended on the label and use them safely as indicated. For instance, farmers have been using fumigants as control measures against storage pests on food stuff. This is dangerous as these are products that fall under 'RESTRICTED CLASS'. PCPB attributes this problem to lack of awareness (Meyo 2002). Therefore, it is possible that communications to the target customer is either not done properly or the farmer does not understand the instructions on the label. In an effort to solve this problem of misuse of pesticides, AAK and PCPB started organizing trainings for stockists and farmers to create awareness so that pesticides can be handled effectively and safely (Mwaja 2003). It is not known how individual manufacturers are involved in training of farmers.

There are many players in the industry especially after liberalization policies adopted by the government. Many dealers can easily import cheap generics from Israel, India and China and this has increased competition among the agrochemical firms. The declining economy, poor prices of farm products and increased cost of farm inputs has forced consumers to search for pesticides that are cheap (Argwings-Kodhek 2001). The code of conduct by FAO is very strict regarding the maximum residue levels (MRLs) in food, and Governments are required to observe it if they do not wish their produce to be banned in the world

market. Products that leave excess residues are banned from use and this directly affects the Agrochemical firms concerned.

Agrochemical firms in Kenya must inform consumers about product benefits and carefully position products in consumers' minds. To do this they must skillfully use the promotion tools of advertising, sales promotion, personal selling and public relations (Kottler & Armstrong, 2000). The objective is to combine the promotion components into an integrated strategy for communicating with buyers and others who influence purchasing decisions. The promotion mix must be able to build desire in the prospective customers (Cravens and Piercy, 2000). When advertising, care should be taken not to mislead users of pesticides. Advertising in the Agrochemical industry in Kenya is guided by CAP 346 of pest control products Act. The act states that;

No person shall package, label or advertise any pest control product in a manner that is false, misleading or deceptive or is likely to create an erroneous impression regarding its character, value, quality, composition, merit or safety. Claims as to safety, including statements such as "safe", "non-poisonous", harmless, non-toxic or compatible with IPM" are not made without a qualifying phrase such as "when used as directed". Products that fall under the class of "Restricted use" should not be publicly advertised through journals.

## 1.2 Statement of the problem

Promotion mix is used to inform people about products, educate, attract new customers, neutralize competition, and persuade the company's channel organizations and the public at large to purchase brands (Kotler and Amstrong 2001). There are several players in the Agrochemical industry in Kenya, all competing for a shrinking agriculture market. After liberalization of the Kenyan economy, many agrochemical dealers are able to import cheap generics from Israel, China and India and this has intensified competition. The declining economy and decrease in prices of agriculture commodities and increase in prices of farm inputs has forced farmers to search for pesticides that are cheaper which may not be necessarily effective (Mwaja 2002). With increased brand parity, concrete advantages are difficult to obtain among the agrochemical products in the market.

According to Meyo (2002), PCPB has recorded an increase in the misuse of pesticides in Kenya. Farmers have been using pesticides against target organisms that are not recommended on the label and use them safely as indicated (AgrochemNews vol 8 p 1). PCPB attributes this problem to lack of awareness. Mwaja (2003), reports that there is an increase in the number of traders offering pirated and adulterated products to farmers. The increase in number of unethical traders offering pirated pesticides to farmers can only be stamped if farmers know how to identify genuine products. Users of Agrochemical products therefore need to be properly educated on the uses of

products, besides creating awareness. Promotion is one of the marketing mix elements that can be used for this purpose.

Several studies in the field of promotion mix have been carried out in Kenya. These studies focus on Pharmaceuticals industry in Kenya, (Naikuni, 2001), Small scale enterprises in Kenya's East Lands, (Mulili, 2000). However the Agrochemical industry has unique features different from the industries mentioned above, therefore the findings of these studies cannot be applied in the agrochemical industry. The only study on Agrochemical Industry was on Usage of brand Equity assets in positioning brands, (Kabura 2002), looked at the media used in advertising. The other promotion elements were not considered. Kabura (2002) found out that 82 per cent of the agrochemical companies use a combination of radio, television and journals to create awareness but the impact of their activities are not well defined. It is not, however clear as to which other promotion elements Agrochemical firms use to promote their products. The situation is worsened by the fact that some products fall under "RESTRICTED USE" and therefore cannot be publicly advertised (CAP 346 of pest control products Act). It would therefore be important first and foremost to determine the application of promotion mix by Agrochemicals firms in Kenya.

This study was in response to the problems mentioned above.

### 1.3 Objectives of the study

- To establish promotional mix elements used by Agrochemical firms in Kenya.

To determine, among the Agrochemical firms in Kenya;

- the objectives of each of the promotion mix elements.
- the extent of use of the promotion mix elements.
- the factors that influence the choice of promotion mix .

### 1.4 Importance of the study

The results of this study may be of importance to :

1. The marketers of Agrochemical products who may apply some of its results to improve the promotional activities.
2. The AAK can use the findings to design an educational program for the members to use promotional mix in line with FAO code of conduct. This is hoped will enable Agrochemical firms set better promotional strategies and help them increase market profitability while maintaining a safe environment.
- 3 Thirdly, the study may be important to future scholars and researchers who may use it as a source of reference.

## CHAPTER 2

### 2. LITERATURE REVIEW

#### 2.1 Introduction

In this chapter, the definitions of the components of promotion mix have been given and the factors that influence the choice of promotion mix have been discussed. The theoretical and empirical studies in the field of promotion mix have also been discussed in this chapter.

#### 2.2 Promotion mix

According Kotler and Armstrong (2001) promotion mix consists of advertising, personal selling, sales promotion, public relations, and direct marketing. These promotion activities inform people about products and persuade the company's, channel organizations and the public at large to purchase brands. The objective is to combine the promotion components into an integrated strategy for communicating with buyers and others who influence purchasing decisions. The promotion mix must be able to build desire in the prospective customers (Cravens and Piercy, 2003).

Each promotion tool has unique characteristics and costs. Marketers must understand these characteristics in selecting their tools. According to Kotler and Armstrong (2001), other factors to consider when developing a promotion mix strategy include, type of product-market and the product life-cycle stage. The key to consider is the objective that promotion is designed to accomplish (Shimp,

2000). According to Kotler and Armstrong (2001), and Cravens and Piercy (2003), factors that determine promotion budgets include the objective-and-task method, competitive parity, percentage-of-sales method, and affordable method. The promotion campaign can be developed by one person or a number of individuals within the company, the advertising department within the firm, or an advertising agency (Kibera and Waruingi 1998).

### **2.2.1 Advertising**

Advertising consists of any form of non personal communication concerning an organization, product, or idea that is paid for by a specific sponsor (Kotler and Armstrong, 2001). Kibera and Waruingi (1998) give The American Marketing Association definition as "any paid form of non-personal presentation and promotion of ideas, goods, and services by an identified sponsor". Advertising communications are often regarded as a relatively indirect form of persuasion, based on information or emotional appeals about a product benefits, designed to create favorable mental impressions that 'turn the mind toward' purchase (Rossiter and Percy, 1998).

Advertising has the capacity of generating the highest awareness as well as interest and desire. The sponsor pays for the communication through one or more forms of media. Modern advertising is a far cry from these early efforts. US advertisers now run up an estimated annual advertising bill of more than \$212 billion and worldwide ad spending exceeds \$414 billion (Kotler & Armstrong,



2001). Mass media advertising has long dominated the promotion mixes of the consumer product companies (Kotler and Armstrong, 2001). They also go further to say that although television, magazines, and other mass media remain very important their dominance is now declining and advertising appears to be giving way to other elements of the promotion mix. Kottler and Armstrong (2001) argue that the days of mass marketing, consumer product companies spent the lion's share of their promotion budgets on mass-media advertising and that today media advertising captures only about twenty six percent of total promotion spending. The rest is spent on other sales promotion activities that focus on individual consumer and trade segment. Companies are therefore less broadcasting and more narrow casting.

Although advertising is used mostly by business firms, it is also used by a wide range of non-profit organizations, professionals and social agencies that advertise their causes to various target publics (Kottler & Armstrong, 2001). Advertising is a good way to inform and persuade and large number of people. Advertisers spend huge amounts to position their brands and influence buyers. Advertising is costly, often its effects are uncertain and sometimes it takes a while before it has any impact on customers buying behavior (Shimp, 2000). With much advertising expenditure wasted in effective campaigns, advertisers should be concerned with how it works, in order to formulate more effective advertising strategies ( Vakratsas and Amber 1999). It is for these reasons that many companies think it appropriate occasionally to reduce expenditures on

advertising or to eliminate advertising entirely (Shimp 2000). According to Shimp (2000), such behavior implicitly fails to consider the fact that advertising is not just a current expense but rather is an investment and most people often think advertising is an expense that can be reduced or even be eliminated when financial pressures call for cost-cutting measures.

These massive investments suggest that many firms have faith in the effectiveness of advertising. In general, advertising is valued because it is recognized as performing a variety of critical communications functions for the business firms and other organizations such as informing, persuading reminding, adding value and assisting other company efforts (Shimp 2000). An advertising objective is a specific communication task to be accomplished with a specific target audience during a specific period of time. Advertising objectives are set by a marketing strategy. The objectives are usually stated in terms of sales, sales assistance, communications, competition, or image building (Kibera and Waruingi, 1998). There are three major reasons why it is essential that advertising objectives be established prior to message selection and media determination. The first reason is that advertising objectives are an expression of management consensus and helps marketers to agree on a planning course. Secondly, it guides the budgeting, message, and media aspects of a brand's advertising strategy. Thirdly, it provides standards against which results can be measured (Shimp 2000).

Advertising media are the general communication methods that carry advertising messages while vehicles are the specific broadcast programs or print choices in which advertisements are placed. The traditional advertising media include, Newspapers, Magazines, television, Radio and out of home advertising on billboards (Shimp, 2000). Other media include cinema (Kibera and Waruingi, 1998). Media selection is determined by the reach, frequency, impact, the media types, media vehicles and media timing (Kotler & Armstrong, 2000). Kibera and Waruingi (1998) suggest that, while planning for the type of media to be used, one should consider its reputation, life span, target market, cost, flexibility, message reproduction, availability, psychological impact, target audience media habits, literacy level of the audience, ability to convey complex messages, and the potential for demonstration. Each medium and each vehicle has a set of unique characteristics and virtues.

Advertisers attempt to select those media and vehicles whose characteristics are most compatible with the advertised brand in reaching its target audience and conveying its intended message (Shimp, 2000). Different types of messages may require different media. The content and format of an advertising message depends on the product's features, objectives of the advertising campaign, the media being used, and the amount of money being spent (Kibera and Waruingi, 1998). Scheduling of the media, message content and repetition are components of advertising input and these constitute the advertising strategy that triggers a consumer's response (Vakratsas and Amber, 1999). Shimp (2000) gives the

following methods of assessing advertising effectiveness: recognition and recall, emotional reactions, physiological arousal, persuasive impact and sales response.

### **2.2.2 Sales promotion**

Sales promotion refers to any incentive used by a manufacturer to induce the trade (wholesalers and retailers) and or consumers to buy a brand and to encourage the sales force to aggressively sale it. The incentive is additional to the basic benefits provided by the brand and temporarily changes its perceived price or value (Shimp, 2000). Kotler and Armstrong, (2001) define sales promotion as short term incentives to encourage the purchase or sale of product or service. Where as advertising and personal selling offer reasons to buy a product or service, sales promotion offers reasons to "buy now" (Kotler and Armstrong, 2001).

Sales promotion tools are used by most organizations, including manufacturers, distributors, retailers, trade associations and non-profit institutions. Today, in the average consumer packaged goods company, sales promotions accounts for 74 percent of all marketing expenditures (Kotler and Armstrong, 2001). According to Shimp (2000) trade promotions represented 41 percent of total expenditures in 1987 compared to 50 percent by 1997. Consumer promotions remained relatively constant throughout this eleven year period ranging from 24 to 27 percent. Sales promotion expenditures are increasing more rapidly than is advertising in many companies. Cravens and Piercy (2003), report that manufacturer's expenditures

for sales promotion are estimated to be as high as 75 percent of the total spent on the two promotion components.

Although consumer packaged goods companies are the biggest users of promotions, all types of companies utilize promotional incentives on occasion (Cravens and Piercy 2003). A single sales promotion activity may be used to achieve one or several objectives. According to Kibera and Waruingi, (1998), some of the objectives for sales promotion activities are to identify and attract new customers, to introduce new products, to increase the total number of users for an established brand, to induce present consumers to buy more, to educate customers regarding product improvements, to bring more customers. According to Shimp (2000) other objectives of sales promotions are to neutralize competitive advertising and sales promotions, hold current users by encouraging repeat purchases, increase product usage by loading consumers, preempt competition by loading consumers, and reinforce advertising (Shimp 2000).

Sales promotions are targeted toward final buyers (consumer promotions), business customers (business promotions), retailers and wholesalers (trade promotions), and members of the sales force (sales force promotions). The main consumer tools include samples, coupons, cash refunds, price packs, premiums, advertising specialties, patronage rewards, point-of-purchase displays and demonstrations and contests, sweepstakes, and games (Kotler and Amstrong, 2001). In the pharmaceutical industry, physicians are often supplied with

substantial amounts of free products for direct assessment of the effectiveness of a drug (Gonul and et al, 2001). According to Kotler and Armstrong (2001), some trade promotional tools used by some manufacturers include, discount, contests, premiums displays or offer allowance and free goods and free specialty advertising items that carry the company's name such as calendars, pens, memo pads, and matchbooks.

Specialty advertising items are used in maintaining buyer awareness of brands and company names (Cravens and Piercy, 2003). The aim is to encourage trade to get them to buy ahead, give a new brand shelf space and advertise and push it to customers. For the sales force, objectives include getting more sales force support for current or new products or getting sales people to sign up new accounts (Kotler and Armstrong, 2001). Sales promotion also stimulate sales force enthusiasm for a new, improved or mature product (Shimp, 2000). Business promotion tools used include, conventions and trade shows.

### **2.2.3 Personal selling**

Personal selling is a form of person to person communication whereby salespeople inform, educate, and persuade prospective buyers to purchase the company's products or services (Shimp, 2000). Cravens and Piercy, (2003) define personal selling as the verbal communication between a sales person (or selling team) and one or more prospective purchasers with the objective of making or influencing a sale. The main tool in business marketing is face to face

encounter interchange as practiced by sales force and distribution channels (Deighton, 1997)

Personal selling has several advantages: sales people can interact with buyers to answer questions and overcome objections, can target buyers, and have the capacity to accumulate market knowledge and provide feedback. Objectives assigned to sales people include not only sales but also increasing the number of new accounts, providing services to customers and channel organizations, retaining customers, selecting and evaluating middlemen, and obtaining market information (Craven and Piercy 2003). According to Shimp (2000), personal selling primary purposes include educating customers, providing product usage and marketing assistance, providing after-sales service and support to buyers. In some cases, sales people act as technical consultants for complex products and help the trade in their administrative problems (Chunawalla, 2001). According to Cravens and Piercy (2003), sales people responsibilities include order taking, training, directing, evaluating, new business selling, trade selling, missionary selling, and consultative/technical selling. In the Agrochemical industry, sales people must be technically knowledgeable about the products they are handling as stipulated in CAP 346 of Pest Control Product Board act.

Personal selling activities vary considerably across companies based on how personal selling contributes to the marketing positioning strategy (Cravens and Piercy, 2003). For example the healthcare industry in general and the

prescription drug industry in particular employ an unusual combination of marketing effort, namely personal detailing and free samples (Gonul et al 2001). In Kenya Naikuni, (2001) found that 94.4 percent of drug companies rank personal selling as the most important promotion element.

#### **2.2.4 Public relations and publicity**

Public relations or PR is an organizational activity involved with fostering goodwill between a company and its various publics (Shimp, 2000). According to Kotler & Armstrong, (2001) public relations is another mass – promotion tool for building good relations with the company's various publics by obtaining favorable publicity building up a good corporate image, and handling or heading of unfavorable rumors, stories and events.

Publicity is non-personal communication to a mass audience which the sponsor does not pay for. Publicity usually assumes the form of news items or comments about a company's products or services. Publicity in the media can be negative as well as positive and cannot be controlled by organization to the same extent that other promotion components a company can prepare written materials to reach and influence their target markets. These reports include, annual reports, brochures, articles, and company newsletters and magazines. Corporate identity materials can also help create a corporate identity that the public immediately recognizes. Logos, stationery, brochures, signs, business cards, buildings



uniforms, and company cars and trucks become public relation tools when they are attractive, distinctive, and memorable (Kotler and Armstrong, 2001).

The narrow aspect of public relations involving an organization's interactions with consumers is called the marketing public relations or MPR (Shimp, 2000). MPR can either be proactive or reactive. Proactive MPR is offensively rather than defensively oriented and company seeking rather than problem solving (Shimp, 2000). The major role of proactive MPR is in the area of product introductions or product revisions. Proactive MPR is integrated with other IMC tools to give a product additional exposure, news worthiness and credibility. Product announcements through newspaper editor or television broadcaster are notably more believable. According to Shimp (2000), the three widely used forms of publicity in marketing – oriented PR are product releases, executive – statement releases and feature articles. Other MPR tools include news, speeches given in trade associations, the media and special events such as news conference, grand opening, multimedia presentations and star-studded spectacles (Kotler & Armstrong, 2001). Reactive MPR is used when unanticipated market place developments place an organization in a vulnerable position. Product defects and failures are the most dramatic factors underlying the need for reactive MPR.

According to Shimp (2000) the case of commercial rumors is also handled by MPR. Commercial rumors are widely circulated but unverified propositions about a product, brand, company state or other commercial target. They are of two

types, conspiracy rumors and contamination rumors. Conspiracy rumors involve supposed company policies or practices that are threatening or ideologically undesirable to consumers. This can be stopped by giving a press conference and denying the rumor. Contamination rumors deal with undesirable or harmful product or store features. Some companies when confronted with a rumor respond by doing nothing. An expert on rumors advises that rumors should not be left alone to simmer down but rather should combat it swiftly and decisively to put it out (Shimp, 2000).

Companies can improve public goodwill by contributing money and time to public service activities (Kotler and Armstrong, 2001). Several companies contribute money through sponsorship marketing. Sponsorship marketing involves investments in events or causes for the purpose of achieving various corporate objectives especially ones involving increased brand awareness, enhanced brand image and heightened sales volume (Shimp, 2000). Sponsorship involves two main activities: an exchange between a sponsor (such as a brand) and a sponsee (such as a sporting event) whereby the latter receives a fee and the former obtains the right to associate itself with the activity sponsored and the marketing of the association by the sponsor. Both activities are necessary if the sponsorship fee is to be a meaningful investment (Shimp, 2000).

According to Shimp (2000), event sponsorship range from supporting athletic events such as golf & tennis, football and the Olympics. Cause oriented

sponsorships involve supporting causes deemed to be of interest to some facet of society such as environmental protection, raising funds for charity (Shimp, 2000). In Kenya, cause oriented sponsorships have been done by some banks and some Fast Moving Goods Companies such as Barclays Bank and Coca Cola respectively.

### **2.2.5 Direct Marketing**

Direct marketing includes the various communications channels that enable companies to make direct contact with individual buyers (Cravens and Piercy, 2003). Shimp (2000) gives the definition of direct marketing from The Direct Marketing Association as:

Direct marketing is an interactive system of marketing which uses one or more advertising media to effect a measurable response and /or transaction at any location.

According to Cravens and Piercy (2003), the purpose of direct marketing is to establish a relationship with a customer in order to initiate immediate and measurable responses. According to Kotler and Amstrong (2001) direct marketing is accomplished using catalogs and direct mail, telemarketing electronic marketing, online marketing. Shimp (2000) adds direct selling to the above list. Deighton (1997) gives internet as another important tool that has reduced marketers lack of intimacy and solves the problem of coordination. Direct mail is the most important direct-advertising medium, but it is certainly not the only one. Telemarketing includes making outbound calls from telephone

salespersons and handling inbound orders, inquiries, and complaints from present or prospective customers. According to Shimp (2000) direct selling is the use of salespeople to sell directly to the final consumer, for example, Golden Neo-Life Diamite International (GNLD) and Tupperware. The distinctive characteristics of direct marketing are that it is non public, immediate and customized, and interactive (Shimp 2000).

### **2.2.6 Factors influencing the choice of the promotion mix**

Each promotional tool, advertising, personal selling, sales promotion, publicity and direct marketing has its own unique characteristics and costs and marketers have to understand these characteristics in selecting them (Kotler, 1984). According to Kotler and Armstrong (2001), companies consider factors such as market target and product when developing their promotion mix strategies. The importance of different promotion tools varies between consumer and industrial markets. The promotion mix will be influenced by whether the company chooses a "push" or "pull" strategy to create sales (Kotler, 1984). According to Kotler and Armstrong (2001), consumer goods firms "pull" more by using more advertising, followed by sales promotion, personal selling and then public relations. According to Shimp (2000), a company's marketing strategy on whether to put emphasis on either "push" or "pull" strategy will determine the type of promotion mix to use. A "push" strategy calls for using sales force and trade promotion to push the product through the channels (Kotler, 1984). Industrial firms tend to "push" more, putting more of their funds into personal selling, while advertising and sales

promotion plays a supporting role (Cravens and Piercy, 2003). Personal selling is used more heavily with expensive and risky goods and in markets with fewer and larger sellers (Kotler and Armstrong, 2001).

The promotional tools vary in their effectiveness at different stages of the product life cycle. According to Kotler (1984), advertising and publicity are cost effective in producing high awareness at the introduction stage and sales promotion is useful in promoting early trial. Personal selling, although expensive, is used to get the trade to carry the product. In the growth stage, advertising and publicity continue to be used (Kotler, 1984). In mature stage, sales promotion resumes in importance relative to advertising while in decline stage, advertising is kept at a reminder level and publicity and personal selling is given minimal attention.

According to Kotler (1984) promotional tool vary in their cost effectiveness at different stages of buyer readiness. Advertising and publicity plays the most important role in the awareness stage more than calls from sales representatives. Education affects customer comprehension with advertising and personal selling playing secondary roles. Customer conviction is influenced by personal selling followed by advertising, while closing the sale is a function of the sales call. Personal selling, is focused on the later stages of the customer buying process (Kotler, 1984).

Cravens and Piercy (2003) give other factors affecting the choice of promotion mix as, number and dispersion of buyers, buyer's information needs, and distribution. If the number and dispersion of buyers is small, a firm will tend to use personal selling, if large they use advertising and sales promotion. For the buyer's whose information needs are high, personal selling is used, while advertising is used when the buyer needs are low. If distribution is direct to the user, personal selling is used, if through the channel, then advertising and sales promotion will be used. According to Cravens and Piercy (2003), technology also plays an important role in company's promotion strategies. For example, the internet provides car buyers with access to important information in making purchase decisions.

Promotion budget is another important factor that determines choice of promotion mix to use. According to Kotler and Amstrong (2001), and Cravens and Piercy (2003), factors that determine promotion budgets include the objective-and-task method, competitive parity, percentage-of-sales method, and affordable method. Joseph and Richardson (2002) report that when firms are flush with cash, they tend to spend liberally on advertising even beyond what seems necessary or desirable. This link between the excess cash and the budget constitutes the "affordability" method of promotion budget.

Regulatory is another factor that may determine the type of promotion mix to be used. For instance, in Kenya CAP 346 of pest control products Act stipulates that

products that fall under the class of "Restricted Use" should not be publicly advertised.

## CHAPTER 3

### 3. RESEARCH METHODOLOGY

#### 3.1 Nature of the study

This was a mail survey aimed at establishing the extent of use of the promotion mix in the Agrochemical Industry in Kenya. This design was chosen because it is less impersonal compared to telephone or personal interviews. It also gives respondents time to think about the questions.

#### 3.2 The Population

The population of interest for this study were all manufacturers and local representatives of manufacturers of agrochemical products in Kenya. These were full members of Agrochemical Association of Kenya (AAK) (see appendix 3). The list was obtained from AAK membership of 2003 (AgrochemNews Vol 9 p 9). There are thirty four full members and all of them were included in the study.

#### 3.3 Data collection techniques

Primary data was collected using questionnaires. The respondent was the marketing managers or equivalent. Some of the questionnaires were administered through drop and pick later method and for some based in Nairobi, through the e-mail. For respondents in Nakuru and Thika, the questionnaires were posted.



The questionnaire was in five parts. Part 'A' was aimed at generating general information on the companies. Part 'B' was aimed at determining the promotion mix used. Part 'C' was to determine the objectives of the use of each of the promotion mix element, part 'D' was aimed at determining the extent of use of each promotion mix elements, and part 'E' was aimed at determining factors that influence the choice of promotion mix by agrochemical firms in Kenya.

### **3.4 Data Analysis Techniques**

Descriptive statistics was used to analyze data. In part 'A' percentages were used. In part 'B' percentages were used to establish the percentage of each promotional mix used. In part 'C' a five point rating scale was used to determine the importance of the objectives for the each element. Likert scale was used in part 'D' to determine the extent of use of each specific promotion mix. In part 'E' five point scale rating was used.

## **CHAPTER 4**

### **4. DATA ANALYSIS AND FINDINGS**

#### **4.1 Introduction**

This study was a survey of the application of promotion mix in the agrochemical industry in Kenya. The elements of promotion mix considered were advertising, personal selling, sales promotion, public relations and direct marketing. The objectives of this study were to establish the promotion mix elements used by agrochemical firms in Kenya, to determine the objectives and the extent of use of each promotion mix, and to determine factors that influence the choice of promotion mix. The study was conducted through a mail survey targeting the full members of the Agrochemical Association of Kenya (AAK). Full members of AAK comprise of manufacturers of agrochemicals and related products and representatives of manufacturers. The targeted respondents were 34 but the actual respondents were 33, with one respondent rejecting the questionnaire. Primary data was collected from the respondents using a questionnaire with both open and closed ended questions. The data analysis was conducted using descriptive statistics. The research findings are presented in this chapter.

#### **4.2 Information on the organizations**

##### **4.2.1 Nature of the organization**

The aim of this question was to establish the categories of companies that were manufacturers or local representatives of manufacturers. The findings are shown on table 1.

Table 1: Nature of the organization

Nature of organization	Frequency	Percentage
Manufacturer	8	24.2%
Local Representatives of Manufacturers	25	75.8%
Total	33	100.0%

The study shows that 75.8% of the full members of the Agrochemicals Association of Kenya are local representatives of manufacturers where as the manufacturers form 24.2%. Therefore, majority of the companies interviewed are local representatives of manufacturers.

#### 4.2.2 Company ownership

In order to determine the nationality of the owners of the agrochemical companies, the respondents were asked to select one of the choices provided in the questionnaire. The findings are indicated on table 2.

Table 2: Company ownership

Nationality of owners	Frequency	Percentage
Local owners	19	57.6%
Foreign owners	7	21.2%
Both local and foreign owners	7	21.2%
Total	33	100.0%

The data in table 2 shows that majority of the companies are locally owned with 57.6% of the companies and 21.2% are foreign owned. The other 21.2% comprised of companies owned by local and foreign investors.

#### 4.2.3 Number of employees

This section was aimed at determining the number of employees in each company. Each responding company was asked to state the number of employees in the organization and the figures are tabulated in table 3.

Table 3: Number of employees

Number of employees	Frequency	Percentage
1 to 25	21	63.6%
26 to 50	4	12.1%
51 to 75	0	0.0%
76 to 100	3	9.1%
over 101	5	15.2%
Total	33	100.0%

The data in table 3 shows that 63.6% of the companies had less than 26 employees whereas 15.6% had over 101 employees and 12.1% had between 26 and 50 employees. Only 9.1% of the companies reported between 76 to 100 employees. Hence, it can be seen that majority of the companies interviewed have less than 26 employees.

#### 4.2.4 Period of operation in Kenya

The purpose of this section was to establish the period the interviewed companies have been in operation in Kenya. The respondents were asked to state the period their organization had been in operating and the results are shown in table 4.

Table 4: Period of operation in Kenya

Number of years operating in Kenya	Frequency	Percentage
1 month to 5 years	10	30.3%
6 years to 10 years	3	9.1%
11 years to 15 years	4	12.1%
16 years to 20 years	5	15.2%
21 years to 25 years	3	9.1%
26 yrs to 30 yrs	2	6.1%
Over 30 yrs	6	18.2%
Total	33	100.0%

The data shows that 30.3%, the highest category of the companies have been operating in Kenya for less than 6 years followed by those that have been in Kenya for over 30 years forming 18.2%. Although 66.7% of the companies interviewed have been operating in Kenya for the last 20 years, half of this number has been in operation for less than 6 years.

#### 4.2.5 Presence of a sales / marketing department

In order to establish the number of companies with a sales or a marketing department, the respondents were asked to select 'yes' or 'no', on the questionnaire. The results indicated that 81.8% of the companies had sales and marketing departments while 18.2% did not have. The summary is shown in table 5.

Table 5: Presence of a sales /marketing department

Presence of a sales / marketing department	Frequency	Percentage
YES	27	81.8%
NO	6	18.2%
Total	33	100.0%

Thus majority of the organizations interviewed had a sales or a marketing department.

#### 4.2.6 Person responsible for preparing promotion programs

The aim of this section was to establish the person responsible for preparing promotional programs. The respondents were given an open ended question and requested to name the person responsible for preparing the company's promotional programs. In 11 of the 33 companies interviewed, promotion programs were prepared by the sales managers. This was followed by 7 firms where the managing directors prepared the programs. Only 6 companies had marketing managers responsible for promotion programs. Two firms had an advertising department that prepares promotion in the company.

Table 6 gives a summary of the findings.

Table 6: Person responsible for preparing promotion programs

Person responsible for preparing promotion programs	No. of companies
Technical Director	1
Managing Director	7
Operations Director	1
General manager	2
Technical manager	1
Sales Manager	11
Marketing Manager	6
Business Dev. Manager	1
An Advertising department in the firm	2
Contract	1
Total	33

Therefore results in table 6 show that 11 and 9 of the companies interviewed had their promotion programs prepared by either the sales manager or a director respectively.

#### 4.2.7 Target customers

In order to establish the target customers for the agrochemical companies, the respondents were given several options to select from. The results are shown in table 7.

Table 7: Target customers

Target customers	Frequency	Percentage
Small scale farmers	8	24.2%
Large scale farmers	4	12.1%
Both small scale and Large scale	20	60.6%
Individual organization (e.g KBL, Kenya seed, NGO, etc)	8	24.2%

The results in table 8 show that, the total number of companies that target both small scale and large scale farmers were 20. Those that target small scale farmers and individual organizations were 8. Large scale farmers are targeted by 4 of the companies. Therefore, most of the target customers for the agrochemical industry are both small scale and large scale farmers.

#### 4.2.8 Location of target customers

The purpose of this section was to determine the location of the target customers for the agrochemical firms. The respondents were asked to select one of the options given in the question and the results are presented in table 8.

Table 8: Location of target customers

Location of customers	Frequency	Percentage
Urban	2	6.0%
Rural	16	48.5%
Both urban and rural	15	45.5%
Total	33	100.0%

The data shows that 48.5% of the respondents' customers are located in rural areas and 45.6% are located in both urban and rural areas. 6% of the respondents have their customers in urban areas. Thus majority of the customers for the agrochemical industry are based in the rural areas.

#### 4.2.9 Nature of products sold

The agrochemical industry deals with crop protection, animal health and environmental health products. This section aims at establishing the nature of products sold by the agrochemical firms in Kenya. The respondents were given choices to select from as they found it applicable to their organizations.

The findings are tabulated in Table 9.

Table 9: Nature of the products sold.

Nature of products	No of firms
Crop protection	18
Animal health	4
Both Crop protection and Animal health	8
Environmental health	11
Others (Seed, fertilizers, greenhouse materials, irrigation equipment)	2



From the data in table 9, crop protection chemicals represent the highest category of products sold by 18 out of the 33 firms, followed by environmental products with 11 firms. Companies selling both crop and animal health products were 8 while those selling only animal health were 4. Two companies were found to be selling seeds, fertilizers and irrigation equipment. Therefore, most of the agrochemical firms in Kenya sell crop protection products.

### 4.3 Types of promotion mix elements used by Agrochemical firms.

The first objective of this study was to establish the promotion mix elements used by agrochemical firms in Kenya. In this section, the respondents were given a list of the promotion elements and asked to select as many elements as applied to their organizations. The findings are summarized in table 10.

Table 10: Types of promotion mix elements used by agrochemical firms in Kenya.

Type of promotion used by firms	No of firms
Advertising	24
Sales promotion	24
Personal selling	31
Public relations	18
Direct marketing	17

The data in table 10 indicates that personal selling is used by 31 of the 33 firms interviewed. This is followed by advertising and sales promotion with 24 respondents each. Public relations is used by 18 of the firms, and direct

marketing is used by 17 of the firms. Therefore, personal selling is the most common type of promotion that is used by the agrochemical firms in Kenya.

#### 4.4 Objectives of the promotion mix elements

The aim of this section was to establish the objectives of each promotion mix element used. Some objectives of advertising, sales promotion, personal selling, public relations and publicity and direct marketing were provided. On a five-point scale, the respondents were asked to tick in one of the spaces provided, the importance of the objectives given. They were also asked to provide any other objective that may not have been provided in the list. The results are presented in this section.

##### 4.4.1 Objectives of advertising

The findings for the objectives of advertising by agrochemical firms are given in table 11.

Table 11: Objectives of Advertising

Objective	Extremely important	Very important	Somewhat important	Not very important	Not at all important	Total %
Inform	48.5%	27.3%	0.0%	3.0%	21.2%	100.0%
Persuade	21.2%	30.3%	9.1%	12.1%	27.3%	100.0%
Remind	27.3%	33.3%	15.2%	3.0%	21.2%	100.0%
Assist sales	39.4%	30.3%	3.0%	3.0%	24.2%	100.0%
Increase awareness	39.4%	27.3%	9.1%	3.0%	21.2%	100.0%
Neutralize competition	9.1%	15.2%	33.3%	18.2%	24.2%	100.0%
Improve image	39.4%	24.2%	6.1%	6.1%	24.2%	100.0%

The data in table 11, shows that 75.8% of the agrochemical firms consider the objective of informing as the most important. The second ranked objective is to assist sales and was considered important by 69.7% of respondents. In addition,

increasing awareness and improving image was also considered important by 66.7% and 63.6% of the respondents. Neutralizing competition was considered important by only 24.2% of the respondents, whereas 33.3% of the respondents considered neutralizing competition as somewhat important. Companies that considered neutralizing competition as not important constituted 42.4% of the respondents. From these findings, it can be concluded that, most of the agrochemical firms consider informing as the most important objective in advertising while neutralizing competition is considered somewhat important or not important by majority of the of respondents.

#### 4.4.2 Objectives of sales promotion

The objectives for sales promotion for agrochemical companies are given in table 12

Table 12: Objectives of sales promotion

Objectives	Extremely important	Very important	Somewhat important	Not very important	Not at all important	Total
	%	%	%	%	%	%
Attract new customers	54.6%	24.2%	6.1%	0.0%	15.2%	100.0%
Introduce New products	54.6%	18.2%	12.1%	0.0%	15.2%	100.0%
Increase number of users	39.4%	42.4%	3.0%	0.0%	15.2%	100.0%
Induce present - consumers to buy more	24.2%	33.3%	21.2%	6.1%	15.2%	100.0%
Educate customers	36.4%	39.4%	9.1%	0.0%	15.2%	100.0%
Reinforce advertising	15.2%	21.2%	24.2%	21.2%	18.2%	100.0%

All the objectives given on table 12 were considered important by all the respondents but at varying degree. The objective to increase the number of users was considered most important by 81.8% of the respondents. This was followed by the objective of attracting new customers and educating customers with 78.8%, and 75.8%, respectively. Introducing new products was also

important but ranked fourth with 72.7% of the respondents. Only 57.6% of the firms considered the objective of inducing customers to buy as important. Hence the most important objective of sale promotion among the agrochemical firms in Kenya was to increase the number of product users.

#### 4.4.3 Objectives of personal selling

The objectives of personal selling are shown in table 13.

Table 13: Objectives of personal selling

Objective	Extremely important	Very important	Somewhat important	Not very important	Not at all important	Total
	%	%	%	%	%	%
Increase number - of new accounts	66.7%	18.2%	9.1%	0.0%	6.1%	100.0%
Obtain market information	24.2%	63.6%	6.1%	0.0%	6.1%	100.0%
Educate customers	48.5%	36.4%	12.1%	0.0%	3.0%	100.0%
Provide after-sales service	48.5%	36.4%	6.1%	3.0%	6.1%	100.0%
Technical consultation	33.3%	30.3%	21.2%	6.1%	9.1%	100.0%

From the data on table 13, all the objectives of personal selling provided in the list were considered important. The objectives of obtaining information was considered important by 87.9% of the respondents. The other objectives of increasing new accounts, educating customers, and providing after-sales service were considered important by 84.8% of the respondents. Technical consultation was considered important by 63.6% of the respondents. Therefore the agrochemical companies in Kenya consider obtaining market information, increasing new accounts, educating customers and providing after sales service as important objectives of personal selling.

#### 4.4.4 Objectives of Public relations and Publicity

The findings for the objectives of public relations and publicity are given in table 14.

Table 14: Objectives of public relations and publicity

Public relations and publicity	Extremely important	Very important	Somewhat Important	Not very important	Not at all important	Total
Objectives	%	%	%	%	%	%
Increase awareness	39.4%	30.3%	9.1%	3.0%	18.2%	100.0%
Enhance company image	36.4%	27.3%	12.1%	3.0%	21.2%	100.0%
Enhance brand image	45.5%	21.2%	12.1%	3.0%	18.2%	100.0%
Increase sales volume	42.4%	27.3%	12.1%	0.0%	18.2%	100.0%

All the respondents considered the objectives given on table 14 important. The use of public relations and publicity to increase awareness and to increase sales volume was considered important by 69.7% of the respondents. The objective of enhancing company's image was important to 63.6% of the respondents, whereas 61.7% considered the objective of enhancing brand image as important. Therefore, the main objectives of using public relations and publicity for most agrochemical firms in Kenya, is to increase awareness and to increase sales volume.

#### 4.4.5 Objectives of Direct marketing

Table 15 shows the findings for the objectives of direct marketing.

All the objectives given for direct marketing were considered important by 50% of the respondents.

Table 15: Objectives of Direct marketing

Objective	Extremely important	Very important	Somewhat important	Not very important	Not at all important	Total %
	%	%	%	%	%	
Gain direct access to buyer	27.3%	30.3%	3.0%	0.0%	39.4%	100.0%
Create immediate-action from customer	36.4%	18.2%	6.1%	0.0%	39.4%	100.0%

The objective of gaining direct access to buyer was considered important by 57.6% of the respondents while 54.5% considered creation of immediate action to customer as important. The proportion of the respondents who did not consider the objectives as being important to their organization accounted for 39.4%. A very small percentage of 3% and 6.1% considered gaining access and creating immediate action from customer respectively, as somewhat important.

#### 4.5. The extent of use of the promotion mix elements

The questions in this section were aimed at establishing the extent of use of the promotional tools by the agrochemical firms. A list of the tools for each element was given and the respondents asked to state any other tool that may not have been included in the list. On a five point Likert scale, the respondents were asked to select in one the spaces provided for each tool, the extent to which they use the tool given. The findings for this study will be discussed in this section.

##### 4.5.1 The extent to which advertising tools are used

The results of the extent of use of advertising are shown in table 16.

Table 16: The extent to which advertising tools are used.

Tool	Very large extent	Large extent	Moderate extent	Small extent	No extent	Total
	%	%	%	%	%	%
Television	3.0%	0.0%	0.0%	12.1%	84.9%	100.0%
Radio	3.0%	3.0%	24.2%	18.2%	51.5%	100.0%
Cinema	0.0%	3.0%	6.1%	9.1%	81.8%	100.0%
Newspapers	0.0%	27.3%	15.2%	21.2%	36.4%	100.0%
Magazines	0.0%	27.3%	21.2%	15.2%	36.4%	100.0%
Outdoor (e.g. billboards)	0.0%	3.0%	18.2%	15.2%	63.6%	100.0%

The results in table 16 indicate that television as a tool of advertising is used to a large extent by only one company whereas 84.9% of the firms do not use it. Also cinema is used by a limited number, with 81.8% of the respondents not using it. Radio is used somewhat to a large extent by 6.0% of the respondents while 24.2% use it moderately. Newspapers and magazines are used to a large extent by 27.3% of the respondents whereas 15.2% and 21.2% use newspapers and magazines moderately respectively. Outdoor advertising is used to large extent by only one firm with moderate usage by 18.2% of the respondents. Majority of the companies do not use outdoor advertising to any extent. Therefore most agrochemical firms in Kenya do not use television and cinema as a tool of advertising. The only tools used to a large extent by 27.3% of the firms are magazines and newspapers, while television is used to large extent by only one company that sells environmental products.

#### 4.5.2 Extent to which sales promotion tools are used

The extent to which the tools of sales promotion are used are shown in table 17.

The findings show that trade fairs and shows are the tools mostly used to a large extent by 42.4% of the respondents.

Table: 17 Extent to which sales promotion tools are used

Tool	Very large extent	Large extent	Moderate extent	Small extent	No extent	Total
	%	%	%	%	%	%
Trade fairs and shows	6.1%	36.4%	30.3%	9.1%	18.2%	100.0%
Exhibition	9.1%	12.1%	33.3%	15.2%	30.3%	100.0%
Giveaways (e.g calendars, pens)	12.1%	27.3%	24.2%	9.1%	27.3%	100.0%
Free samples	12.1%	18.2%	15.2%	18.2%	36.4%	100.0%
Special discounts	9.1%	24.2%	18.2%	12.1%	36.4%	100.0%
Sales contests (for sales people)	3.0%	6.1%	9.1%	27.3%	54.6%	100.0%
Sale contests (for dealers)	3.0%	6.1%	6.1%	24.2%	60.6%	100.0%
Rebate	6.1%	6.1%	21.2%	12.1%	54.6%	100.0%
Demonstrations	21.2%	18.2%	21.2%	15.2%	24.2%	100.0%
Point –of–purchase display	12.1%	15.2%	33.3%	12.1%	27.3%	100.0%

The tools of giveaways and demonstrations are used to a large extent by 39.4% of the respondents while 24.2% use them moderately. Free samples and special discounts are used to a large extent by 30.2% and moderately by 15.2% of the firms respectively. Exhibition is used to a large extent by 21.2% of the companies while point of purchase display is used by 27.4% of the firms. The tools of sales contests, for both sales people and dealers, and rebates are not used by over 50% of the companies. Therefore the tools of sales promotion used to a large extent by the agrochemical companies in Kenya, are trade fairs and shows, giveaways, free samples, special discounts, and demonstrations.

#### 4.5.3 Extent to which personal selling tools are used.

The findings of the extent of use of personal selling tools are shown in table 18.



Table 18: Extent to which personal selling tools are used.

Personal selling Tool	Very large extent	Large extent	Moderate extent	Small extent	No extent	Total
	%	%	%	%	%	%
Order taking	72.7%	15.2%	9.1%	0.0%	3.0%	100.0%
Training	33.3%	15.2%	27.3%	0.0%	24.2%	100.0%
Technical consultants	24.2%	24.2%	15.2%	6.1%	30.3%	100.0%

Order taking as a tool of personal selling is used to a large extent by 87.9% of the firms while 48.5% of the companies use tools of training and technical consultants. Therefore most agrochemical firms in Kenya use order taking as the main tool of personal selling while training and technical consultation take the second place.

#### 4.5.4 Extent to which public relations and publicity are used

Table 19: Extent to which public relations and publicity tools are used.

Public Relations & Publicity Tools	Very large extent	Large extent	Moderate extent	Small extent	No extent	Total
	%	%	%	%	%	%
Feature articles	0.0%	6.1%	27.3%	18.2%	48.5%	100.0%
Press releases	0.0%	3.0%	24.2%	15.2%	57.6%	100.0%
Speeches by guests	0.0%	9.1%	18.2%	18.2%	54.6%	100.0%
Seminars	9.1%	21.2%	12.1%	12.1%	45.5%	100.0%
Company Newsletters/magazine	9.1%	12.1%	15.2%	3.0%	60.6%	100.0%
News conference	0.0%	0.0%	3.0%	18.2%	78.8%	100.0%
Grand opening	0.0%	0.0%	18.2%	12.1%	69.7%	100.0%

The data on table 19 show that seminars and company newsletters are the tools used to a large extent by 30.30% and 21.2% and moderately by 12.1% and 15.2% of the respondents respectively. Over 50% of the firms do not use press releases and speeches by guests. News conference and grand openings are not used by 78.8% and 69.7% of the firms respectively. Hence the public relations

and publicity tools used to a large extent by the industry are seminars, and company newsletters, but by only less than ten of the firms.

#### 4.5.5 Extent of use of tools of sponsorship

Table 20: Extent to which sponsorship tools are used

Sponsorship Tools	Very large extent	Large extent	Moderate extent	Small extent	No extent	Total
	%	%	%	%	%	%
Cause oriented (environmental, charity)	0.0%	12.1%	18.2%	15.2%	54.6%	100.0%
Event sponsorship (golf, football etc)	0.0%	9.1%	18.2%	6.1%	66.7%	100.0%

The above data shows that 12.1% of the companies sponsor cause oriented activities as a tool of promotion and 9.1% of firms sponsor events. Only 18.2% use these tools moderately. Over 50% of the respondents do not use sponsorship. These results indicate that most agrochemical firms in Kenya do not use adequately sponsorship as a tool of promotion.

#### 4.5.6 Extent to which direct marketing tools are used.

The results of the extent of use of direct marketing tools is given in table 21.

Table 21: Extent to which direct marketing tools are used.

Direct marketing Tools	Very large extent	Large extent	Moderate extent	Small extent	No extent	Total
	%	%	%	%	%	%
Telemarketing	6.1%	12.1%	6.1%	6.1%	69.7%	100.0%
Direct mail	6.1%	9.1%	9.1%	15.2%	60.6%	100.0%
Catalogs	9.1%	6.1%	12.1%	24.2%	48.5%	100.0%
Electronic marketing	0.0%	0.0%	9.1%	24.2%	66.7%	100.0%
Kiosk shopping	0.0%	0.0%	0.0%	9.1%	90.9%	100.0%
On line marketing	0.0%	3.0%	9.1%	6.1%	81.8%	100.0%

Telemarketing is used to a large extent, by 18.2%, direct mail by 15.2% and catalogs by 15.2% of the respondents. Catalogs are not used by 48.5% of the respondents while over 60% of the firms do not use all the other tools. Therefore, direct marketing is not used by most agrochemical firms in Kenya. Only less than 10% of the firms use tools of telemarketing, direct mail and catalogs to large extent.

#### 4.6 Factors that influence the choice of promotion mix by agrochemical firms in Kenya.

The purpose of this section was to establish the factors that influence the choice of promotion mix among the agrochemical firms in Kenya. On a five point rating scale, the respondents were asked to tick from the select of factors given, how important the factors influenced them. In addition they were requested to state any other factor that might not have been included in the list. The findings are shown on table 22.

Table 22: Factors that influence the choice of promotion mix

Factor	Extremely important	Very important	Somewhat important	Not very important	Not at all important	Total
	%	%	%	%	%	%
Type of customer	63.6%	33.3%	3.0%	0.0%	0.0%	100.0%
Type of product	63.6%	33.3%	3.0%	0.0%	0.0%	100.0%
Market competition	27.3%	54.6%	12.1%	6.1%	0.0%	100.0%
Availability of funds	45.5%	39.4%	15.2%	0.0%	0.0%	100.0%
Product life cycle stage- (Introduction, growth etc)	15.2%	36.4%	39.4%	9.1%	0.0%	100.0%
Buyer readiness stage- (Awareness, conviction etc)	9.1%	51.5%	30.3%	6.1%	3.0%	100.0%
Technology	15.2%	42.4%	30.3%	12.1%	0.0%	100.0%
Regulatory factors	42.4%	39.4%	12.1%	6.1%	0.0%	100.0%
Company strategy- (pull or push)	51.5%	33.3%	6.1%	3.0%	6.1%	100.0%

All the factors shown on table 22 were considered important by all the respondents as influencing the choice of promotion mix used, but at varying degrees. The most important factor was the type of customer and the type of product, of which 97% of the firms selected as most critical. The availability of funds and company strategy influences 84.8% of the companies. Market competition and regulatory factors influences 81.8%. Technology and buyer readiness influences 57.6% and 51.5% of the firms respectively. It can be seen from these results that the agrochemical firms in Kenya are influenced mostly by the type of customer and the type product when determining the type of promotion mix to use. Other important factors that influence the type of promotion mix to be used by the agrochemical firms include, availability of funds, company strategy, market competition, and regulatory factors.

## CHAPTER 5

### 5. DISCUSSION, CONCLUSIONS AND RECOMMENDATIONS.

#### 5.1 Discussion

The agrochemical industry in Kenya is faced with problems of competition, misuse of pesticides, and sale of adulterated pesticides by some traders. One of the ways of stamping out these problems is to use promotion mix elements to , educate customers and to neutralize competition. The objectives of this study were to establish the promotion mix elements used by agrochemical firms in Kenya, establish the objectives and the extent of use of each promotion mix elements, and factors that influence the choice of promotion.

The study has established that majority of the companies are locally owned, with 75.8% companies representing manufacturers, while 24.2% are manufacturers. The period of operation in Kenya for 30.3% of the respondents was less than 6 years and 21.2% have been in operation for less than 16 years. The implication of having many companies in such a short period shows that the industry in Kenya is a very dynamic with minimal barriers to market entry. The liberalization of the Kenyan economy may have contributed to the increase of representatives of manufacturers as the participation of generic products distributors has been on the increase. This is in agreement with the observations by Jarvis, (2001) who reported an increased use of generic products in the developing countries. The probability of having more players in the industry is very high and this is likely to increase competition.

Agrochemical firms in Kenya employing less than 26 people formed 63.6% of the companies interviewed, while those with more than 76 employees were 24.2%. The findings in this study indicate that most companies have one person or a group of persons responsible for developing promotion campaigns. Twenty-seven of the firms interviewed admitted to having a sales/marketing department. However in 18 of the agrochemical firms, promotion programs are prepared mainly by sales managers and managing directors while in 6 firms it was prepared by marketing managers and in 2 of the manufacturing companies, promotion was carried out by an advertising department in the firm. This implies that most agrochemical firms do not have persons devoted to marketing activities.

The culture of marketing is thus missing in most agrochemical firms, as most of them do not seem to separate sales and marketing roles. These findings agree with Naikuni (2001) who reported that only 27.8% of the pharmaceutical companies had marketing managers, while 72.2% had their promotional programs carried out by persons with titles other than marketing manager. The fact that most firms have less than 26 employees is an indication that most organizations have a lean structure and one person may be playing several roles. In small operations, the managing director is also the marketing head as well as the administrator. Therefore, a person with multiple responsibilities may not have adequate time for marketing activities.

Under the objective of the choice of promotion mix elements used, the study has established that agrochemical companies in Kenya use all the types of promotion mix elements. This is in line with Kotler (1984) who indicated that a combination of promotion mix components is used because each has its own unique characteristics. In this study, it was found that personal selling is the most commonly used promotion element by the agrochemical companies in Kenya. These findings are similar with the findings by Naikuni (2001) who reported that 94.4% of the pharmaceutical companies in Kenya use personal selling as their promotion tool. Gonul et. al, (2001) also established that, the pharmaceutical industry uses a large percentage of personal selling. The reason personal selling is the most used element can be attributed to the nature of the products. Pesticides are expensive and risky products. This in line with Kotler and Amstrong, (2001) who reported that personal selling is used more heavily with expensive and risky goods.

Regulatory factors also influence the use of personal selling in cases where manufacturers are required not to publicly advertise some type of products. Agrochemical products are complex and some of the customers require detailed technical information, and in some cases, demonstrations on how to use them. One way of achieving this is by use of personal selling. The second type of promotion element used was advertising and sales promotion used by 24 of the companies. This concurs with the findings of Naikuni (2001) who found that sales promotion was the second most important element in the pharmaceutical

industry. Unlike in the consumer product companies where Kotler and Armstrong, (2001) report mass media advertising as the most used promotion element, advertising in the agrochemical industry in Kenya takes the second place. The least used types of promotion used by the agrochemical firms are public relations and direct marketing respectively. This is contrary to experiences in the pharmaceutical industry where Naikuni (2001) found that direct marketing was third and public relations was the least used promotion element. Most of the agrochemical companies are representatives of manufacturers and this may limit their decision as to which type of promotion to use.

The study established that the objectives of advertising among the agrochemical firms in Kenya are to inform, persuade, remind, assist sales, increase awareness and improve company's image. This in line with Shimp (2000) and Kibera and Waruingi (1998), who reported that the objectives of advertising are assisting sales, informing, reminding, neutralizing competition and improving image. The most important objective of advertising for the agrochemical firms in Kenya was informing followed by assisting of sales. This is in agreement with Kotler and Armstrong (2001), who observed that advertising is a good method of informing a large number of people. Increasing awareness and improving image was also considered important by over 60% of the respondents. The objective of neutralizing competition was considered important by only 24.2% of the respondents while 33.3% considered it moderately important. This shows that most agrochemical companies in Kenya do not consider advertising as a major



tool of neutralizing competition. This may explain why there is increased use of pirated and adulterated products in the market (Mwaja, 2003).

The results from the study established that the objectives of sales promotion among the agrochemical firms were to increase the number of users of agrochemicals, to attract new customers, to educate customers and to introduce new products, induce present consumers to buy more and to reinforce advertising. These findings are in agreement with Kibera and Waruingi (1998), and Shimp (2000), who indicate that the objectives of sales promotion are to identify and attract new customers, introduce new products, increase the number of users, neutralize competition and educate customers.

In this study, the objective to increase the number of users was considered most important by 81.8% of the respondents. This was followed by the objective of attracting new customers and educating customers with 78.8% and 75.8% respectively. This is in line with Cravens and Piercy (2003) who reported that all types of companies utilize promotional incentives on occasion and that a single sales promotion may be used to achieve one or several objectives. The objective of inducing customers to buy more was the last and was considered important by 57.6% of the agrochemical firms. This may be attributed to the fact that unlike consumer products, agrochemical products are purchased for use only when required and should not be stored for long periods (FAO code of conduct, 2003).

The objectives of personal selling considered important by agrochemical companies in Kenya were, increasing new accounts, obtaining market information, educating customers, providing after sales service, and technical consultation. These findings are in agreement with Shimp (2000) who says that the primary objective of personal selling are to educate customers, provide after sales service and support to buyers. Chunawalla (2001) also adds that sales people act as technical consultations for complex products. The most important objectives of personal selling for the agrochemical firms was to obtain information followed by increasing new accounts, educating customers, and providing after sales service. These objectives were considered important by over 80% of the respondents. Technical consultation was considered important objective by 63.6% of the respondents. These findings agree with Cravens and Piercy (2003) who report that personal selling activities vary considerably across companies based on how personal selling contributes to the marketing positioning strategy.

The objectives of public relations and publicity considered important by agrochemical companies in Kenya were, to increase awareness, increase sales volume, enhance company and brand image. The findings are in line with Shimp, (2000) who says that corporate objectives include brand awareness, enhanced brand image, and heightened sales volume. The use of public relations and publicity to increase awareness and to increase sales volume was considered important by 69.7% of the respondents. This was followed by the objective of enhancing company's image, and enhancing brand image respectively.

The objectives of direct marketing considered important by agrochemical firms were to gain direct access to buyer, and to create immediate action from customer. This in line with Cravens and Piercy (2003) who say that the purpose of direct marketing is to create immediate action from customer, and to gain direct access to buyer. The objective of gaining direct access to buyer was considered important by 57.6% of the respondents, whereas 3% considered it somewhat important. Creation of immediate action from customer was considered important by 54.5% of the respondents. In addition, 52.4 % of the respondents considered both objectives of gaining direct access and creating immediate action from a customer as not at all important. This may explain why the use of direct marketing is the least used promotion element by the agrochemical industry.

The second objective of this study was to establish the extent of use of the promotion mix elements. For the promotion objectives to be achieved, each element has tools that can be used towards this goal. The tools of advertising are television, radio, cinema, newspapers, magazines, and outdoor advertising. The findings in this study indicated that the agrochemical companies in Kenya use all these tools but at varying degrees. This is in agreement with Shimp (2000) who reports that, the traditional advertising media include newspapers, magazines, television, radio and outdoor advertising. The use of cinema as cited by Kibera and Waruingi (1998) is used to moderate extent by 6% and to no extent by

81.8% of the agrochemical companies. This may be attributed to the fact that cinemas are based in urban areas and majority of the customers for the agrochemical firms are based in rural areas where this facility is non existence. The findings from this study indicate that most agrochemical firms in Kenya use television and outdoor billboards to no extent as a tool of advertising. Radio is used to a large extent by two companies that sell environmental health products and to a moderate extent by 24.2% of the respondents. Although the findings by Kotler and Armstrong (2001) indicate that television, magazines and other mass media dominate the promotion mix of the consumer product companies, this does not seem to be the case in the agrochemical industry in Kenya. The only tools used to a large extent by 27.3% of the companies, are magazines and newspapers.

From the study it has been established that the objectives of advertising for agrochemical firms are to inform, persuade, remind, assist sales, increase awareness and improve company's image and neutralizing competition. In addition, it has been established from the study that most of the target customers are found in the rural areas. Therefore, the use of magazines and newspapers are found in the rural areas. Therefore, the use of magazines and newspapers may not be adequate medium to reach the target customers since most people in rural areas do not have access to the magazines and the newspapers. Therefore, it is discernable that the objectives of informing, increasing awareness and neutralizing competition cannot be achieved since the most used tools do not reach the target customers. This explains why there is increased use

of pirated and adulterated products since most customers may not be aware of other products other those presented to them by unscrupulous dealers.

The tools of sales promotion used by agrochemical companies in Kenya are trade fairs and shows, giveaways, free samples, special discounts, exhibition, point of purchase display and demonstrations. These findings are in line with Kotler and Amstrong, (2001) who reported that most organizations use these tools of sales promotion. These findings also concur with Cravens and Piercy (2003) who indicated that although consumer packaged goods are the largest users of promotions, all types of companies utilize promotional incentives on occasion. The use of free samples was used to a large extent by 30% of the agrochemical companies. These findings are similar to the findings in pharmaceutical firms by Gonul et. al, (2001), who reported that healthcare industry provide free samples to physicians for them to asses the effectiveness of drugs.

The tools of sales contests for sales people and dealers and the use of rebates are used to no extent by over 50% of the agrochemical firms. This contradicts the views of Kotler and Amstrong, (2001) who report that the main consumer tools target buyers, traders and members of the sales force. The use of rebate is the least used tool among the agrochemical firms. This can be explained by the fact that most companies are keen on maintaining the set profit margins and would not want to reduce them by giving rebates. The number of companies using the

tools of sales promotion to a large extent is also small, less than 50%. This can be explained by the fact that setting these tools, such as trade fairs, giving free samples and giveaways is expensive and most organizations may not be able to afford them. Since most companies are local representatives of manufacturers, the quantity of free samples may be limited by the manufacturer, thus having little to give away for trials. The major objectives of sales promotion given in this study by the agrochemical firms are to increase the number of users, attract new customers and educate customers. Since pesticides are high risk products, customers would want to assess their effectiveness before purchasing them. Free samples are given to a large extent by only 30% of the respondents while 15.2% give samples moderately. This means that there are few companies offering free samples for demonstrations. Therefore the customer will purchase the cheapest product available in order to reduce his risk, and this increases the chances of buying an adulterated product

Trade fairs and shows are tools used mostly by agrochemical firms. The limitation of this tool is that these trade fairs are based in major towns and this is carried out once a year in each town. Therefore, this may not be an adequate tool to use if the company's objective is to increase the number of users, attract new customers and educate customers. Demonstration are used to large extent by 39.4% of the respondents while 21.2% use this tool moderately. Since pesticides are technically complex products, there is need to demonstrate to the customer as to the proper way of using them. The findings show that this is done by a few

companies. This means that many customers who do not have access to demonstrations will misuse the pesticide. This could be one of the reasons why there misuse of pesticides in Kenya.

The tools used for personal selling by agrochemical firms in Kenya are order taking, training and technical consultants. This is in line with Craven and Piercy (2003) who reports that sales people responsibilities are order taking, training and consultative or technical selling. The findings that some companies use training and technical consultations is also in line with Chunawalla (2001) who reports that sales people act as technical consultants for complex products. The findings from this study show that the tool used to a large extent by 87.9% of the respondents is order taking, while 48.5% of the respondents use training and technical training.

The most important objectives of personal selling were to obtain information, increase new accounts, educate customers and provide after sales service. However it can be seen from these findings that the objectives of personal selling may never be achieved since the most important tool is order taking. Training, which is one of the important tools in achieving the above objectives is used by less than 50% of the companies. In order to carry out training properly, a firm need adequately trained skilled personnel. This study has also established that most companies have less than 26 employees and therefore may not have adequate people to carry out either training or technical consultation because

more emphasis is placed on selling. This again is an indication as to why there is misuse of pesticides since a number of companies are not providing adequate training or giving consultation to their customers.

The tools used by the agrochemical firms in public relations and publicity are feature articles, press releases, speeches by guests, seminars, and company newsletters. These findings also agree with Kotler and Amstrong (2001) who say that some tools of marketing public relations are news and speeches. The findings also agree with the views of Shimp (2000) who reports that public relations, news conference and grand opening are tools used in public relations. The finding in this study show that seminars and company newsletters are the tools used mostly to a large extent by 30.3%, and moderately by 21.2% of the respondents. These findings concur with Naikuni (2001) who found that the tools mostly used by pharmaceutical firms in Kenya are seminars and company newsletters.

The other tools such as feature articles, press releases, speeches by guests are used to a large extent by less than 10% of the companies. The objectives of public relations and publicity considered important by the agrochemical companies were increasing awareness, increasing sales volume and enhancing company and brand image. The use of seminars and company newsletters is done to a large extent by only 30% of the companies. The use of seminars is limited to a few people and most customers may not have access to company



newsletters. Consequently, these tools cannot create the desired awareness to increase sales volume or enhance company image. This may be one reason for increased misuse of pesticides due to lack of awareness.

A number of agrochemical companies in Kenya reported the use sponsorship to a large extent. This is in agreement with Kotler and Armstrong, (2001) who reported that companies can contribute money and time to public service activities. These findings are also in line with Shimp (2000) who says that sponsorship involves investments in events or causes for the purpose of achieving corporate objective. The findings from this study indicate that very few companies use sponsorship as a tool of advertising. It has been established that 54% do not use cause oriented sponsorship, while 66% of the respondents do not use event sponsorship. These findings are in line with those of Naikuni (2001) who found that the use of sponsorship as tool of promotion is minimal among the pharmaceutical companies in Kenya. Sponsorship is one of the publicity tools that can be used to improve the companies image and increase brand awareness by associating the company or the brand with the sponsored activity (Shimp, 2000). The agrochemical companies in Kenya do not make adequate use of this tool and this findings provide another reason why there is lack of awareness among the pesticide users.

Under direct marketing, the tools used to a large extent are telemarketing, direct mail, and catalogs. This is in line with Kotler and Armstrong (2001) and Shimp

(2000) who indicated that direct marketing can be accomplished through the use of direct marketing, and online marketing. The study shows that less than 20% of the respondents use telemarketing, direct mail, and catalogs whereas over 60% of the firms do not use these tools. This contradicts findings of Deighton (1997) who reported that direct mail is the most important direct-advertising medium. Kiosk shopping is used to no extent by 90.9% of the respondents while online marketing is not used by 81.8%. The objectives of direct marketing are to gain access to buyer or creating immediate action from a customer through direct marketing. Deighton (1997) considers internet as an important tool that has reduced marketers lack of intimacy and solves the problem of coordination. This is possible in developed countries where almost every individual has access to the internet. It can be discerned from the findings of this study that agrochemical firms do not make use of this tool. This can be attributed to the fact that telephone facilities although available, they are still very expensive to most users.

The use of internet in Kenya is still at its inception stages and those who have access to internet are concentrated in the urban areas. The use of internet requires, the availability of electricity, a personal computer and trained personnel. With the rural electrification program in Kenya having not been achieved in most rural areas, this objective is not feasible. Since most of the target customers for agrochemical firms are found in the rural areas this may explain why the agrochemical companies do not use online marketing because their customers have no access to the internet.

The fourth objective of this study was to determine the factors that influence the choice of promotion mix among the agrochemical companies in Kenya. Some important factors that influence the choice of the promotion mix in the agrochemical industry were found to be the type of the product, the type of customer, availability of funds, company strategy, market competition and regulatory factors. These findings are in agreement with Kotler and Amstrong (2001) who report that the choice of promotion mix will be influenced by the type of strategy the company uses to create sales. The findings are also in line with Naikuni (2001) who found that the type of product, type of customer, company strategy and regulatory factors influence the choice of promotion mix used by the pharmaceutical companies in Kenya.

The nature of product and regulatory factors have been given as the important factors that influence the type of promotion element to be used by agrochemical firms. This is due to regulatory requirement where some products are not publicly advertised. Therefore, the only option left to the company for such a products is personal selling or direct marketing. The other type of factors that influence the type of promotion mix used by agrochemical companies is technology and buyer readiness. These factors play an important role to 50% of the companies.

## 5.2 Conclusion

The aim of this study was to establish the application of promotion mix in the agrochemical industry in Kenya. In the first objective, the study established that personal selling as the most preferred promotion element by the agrochemical firms in Kenya. In addition the study was to determine the objectives of each promotion mix element, to establish the extent of use of the promotion mix elements and to determine the factors that influence the choice of promotion mix. The findings from the study have established the most important objective of advertising is to inform while neutralizing competition is considered least important. The most important objective of personal selling is obtaining market information and increasing new accounts while technical consultation is considered least important by majority of the agrochemical firms.

The study shows that increasing awareness was the most important objective of public relations and publicity while enhancing brand image was the least important objective. The findings of this study show that although the objectives of advertising for the agrochemical companies are to inform and neutralize competition, they do not use the available tools of television, radio, and outdoor billboards. A few of the companies use magazines and newspapers as tools of advertising, however, this may not be enough to reach the target customers, most of whom are small scale and large scale farmers located in the rural areas. Publicity, public relations and sponsorship are tools that the agrochemical companies in Kenya do not make use of adequately.

The implications of having sales managers, managing directors, general managers, and technical managers to prepare promotion programs is that, these people may not have the professional skill to prepare the programs. In addition, they may be too busy with other responsibilities within the organization hence giving little attention to promotion programs.

### **5.3 Recommendations for agrochemical companies**

In order to improve the performance of the industry, the agrochemical firms need to employ qualified marketing personnel, whose major responsibilities is to carry out marketing function. In addition, the firms need to use advertising tools such as radio, out-door advertising to increase awareness to a wider population of their target customers in the rural areas. Television can be used for products that target urban customers. More agrochemical firms need to use advertising with the objective of neutralizing competition. This enables them to differentiate their products and reduce competition from generic and pirated products.

Personal selling is identified in this study as the most common used promotion mix. The objective of personal selling is mainly order taking whereas training and technical consultation is used to some extent. The agrochemical companies need to improve on training and technical consultation activities in order to educate customers and hence reduce the levels of pesticide misuse. Most agrochemical products are complex and the users need to be trained on proper use of

pesticides. However with more than 63% of the companies having less than 26 employees this may limit the capacity to meet this objective. Therefore, the agrochemical firms may need to make training and technical consultation very important in order to reduce misuse of pesticides.

The agrochemical firms need to increase participation in public service activities by contributing resources and time through sponsorship in order to improve their image. With the improvement of information technology within Kenya, the agrochemical firms need to increase the use of direct marketing through the use of electronic marketing to improve their contact with customers.

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

This study had several limitations.

(a) The population of interest considered was only the manufacturers and representatives of manufacturers. The study could have included associate members and accredited dealers of the Agrochemical Association of Kenya. The promotion activities carried out by these members can be established.

(b) The study did not consider promotion activities between research based and generic manufactures of pesticides.

(c) This study did not consider methods of evaluating promotional campaigns and the methods used when setting promotion budgets by the agrochemical firms in Kenya.

(d) Majority of the respondents were sales managers and directors who, in most cases complained of 'having no time'. This may have resulted in giving biased answers as they hurriedly filled the questionnaire

## **5.5 Suggestions for further research**

A research to establish the type of promotion mix by the other members of the Agrochemical Association of Kenya would be useful for the industry.

A further research will be useful to determine the promotion budgets of each element among the agrochemical firms.

A research to determine the effectiveness of the promotion mix elements currently used by the agrochemical firms in Kenya would be useful.

The nature of marketing activities carried out by research based and generic manufacturers in Kenya can also be studied.

## REFERENCES

Agrochemicals Association Of Kenya (AAK). Revised constitution and rules (1996)

Agrow, World Crop Protection News April 11<sup>th</sup> 2003, PJB Publications Ltd, No 422 page 4

Agrow, World Crop Protection News January 17<sup>th</sup> 2003, PJB Publications Ltd, No 416 page 9

Agrow, World Crop Protection News January 18<sup>th</sup> 2002, PJB Publications Ltd, No 392 pages 1 and 7

Argwings – Kodhek G. (2001), "Kenya's Agricultural sector: The star that does not Shine" Kenya at the Crossroads Research compendium. Nairobi: Institute of Economic Affairs. "

Boyd H. W. and Westfall R. and Stasch S. F. (1999), Marketing Research. Text and cases. Delhi: A.I.T.B,\$ Publishers and Distributors. Seventh Edition.

Chunawalla s. A. (2002). Advertising, Sales and promotion management. New Delhi: Himalaya Publishing House. Second Edition.

Cooper R. C. and Schindler P.S (1998) Business Research Methods. New Delhi: Tata McGraw-Hill, Fifth edition

Cravens D. W. and Piercy N. F. (2003), Strategic Marketing. New York: McGraw-Hill/Irwin. Seventh Edition

Deighton J. (1997), "Exploring the implications of the internet for consumer marketing". Journal of the Academy of Marketing Science, Volume 25 Number 4.

Gonul F. F et al (2001) "Promotion of prescription Drugs and its impact on physicians choice Behavior". Journal of Marketing Volume 65. Number 3 page 82



Ikiba K. (2003) "The functions of Pest Control Products Board (PCPB)" AgrochemNews Volume 9, No 1, March 2003 page 1, 2 and 7.

International Code of Conduct on the Distribution and Use of Pesticides, (Revised Version) (2003), Food and Agriculture Organization of the United Nations: Rome

Jarvis P. (2001). Agrow Reports :The global crop protection industry in 2010. Surrey: PJB Publications LTD.

Joseph K. and Richardson J. V. (2002) "Free cash Flow Agency costs and the affordability method of advertising Budgeting". Journal of Marketing Volume 66 Number 1, Page 94.

Kabura E. A. (2002). Use of brand assets in positioning brands (The case of Agrochemical industries based in Nairobi). Unpublished MBA Project, University Of Nairobi

Kibera F. N. and Waruingi B. C. (1998), Fundamentals of Marketing, An African perspective. Nairobi: Kenya Literature Bureau. Second Edition.

Kotler P. (2000), Marketing Management, analysis, planning, and control. London: Prentice Hall International. Fifth Edition.

Kotler P. and Armstrong G. (2001), Principles of Marketing. New Delhi: Prentice Hall. Ninth Edition.

Laws of Kenya, The pest Control Products Act Chapter 346. Revised Edition 1985. Nairobi: Government Printer

Meyo M. O. (2002), "Misuse of pesticides". AgrochemNews Volume 8, No2. pages 1 and 3

Mulili B. M. (2000). Utilization of promotion mix elements by small business Enterprises: The case of Nairobi Eastlands. Unpublished MBA Project, University Of Nairobi.

Mwaja V. (2003), "Agrochemical Association of Kenya (AAK)". AgrochemNews volume 9, No 2 June 2003 pages 6 and 9

Naikuni J. K. (2001). An empirical Investigation of the application of promotional mix elements within multinational pharmaceutical companies in Kenya. Unpublished MBA Project, University Of Nairobi.

Nation, June 13 2003, List of Agrochemical dealers by AAK

Rossiter J. R and Percy L. (1997), Advertising communications and promotion management. Singapore: McGraw-Hill/Irwin. Second Edition.

Shimp T. A. (2000) Advertising Promotion - Supplemental Aspects of Integrated Marketing Communications. USA: The Dryden Press. Fifth Edition. Unpublished MBA Project, University Of Nairobi

Vakratsas D. and Amber T. (1999), "How advertising works: What do we really know ?" Journal of Marketing Volume 63 Number 1.

Wolf G. (2003). Let's Grow together. Bayer CropScience employee Magazine. Global Edition, No 2/03, Page 5.

## APPENDICES

### Appendix 1 Letter to the respondents

University of Nairobi  
Faculty of Commerce  
Department of Business Administration  
P O Box 30197  
NAIROBI

25<sup>th</sup> July 2003

Dear Respondent,

#### RE: COLLECTION OF SURVEY DATA

I am a postgraduate student at the University of Nairobi, at the faculty of Commerce. In order to fulfill the degree requirement, I am undertaking a management research project on the use of promotion mix in the Agrochemical Industry. The study is titled:

*"A survey of the Application of Promotion Mix in the Agrochemical Industry in Kenya".*

You have been selected to form part of this study. This is to kindly request you to assist me collect the data by filling out the accompanying questionnaire that I will collect from your premises.

The information data you provide will be used exclusively for academic purposes. My supervisor and I assure you that the information you give will be treated with strict confidence. At no time will you or your company's name appear in my report.

Your cooperation will be highly appreciated.

Thank you in advance.

Yours faithfully

Mary M. Ndegwa  
Student

M. Ombok  
Lecturer/Supervisor

## Appendix 2 Questionnaire

Please respond to the questions given as indicated.

### PART A

Q 1. Nature of your organization (tick one)

Manufacturer

Local Representatives of a Manufacturer

Q 2. Who are the owners of your company ?

Local owners

Foreign owners

Both local and foreign owners

Q 3. Number of employees in your organization.....

Q 4. How long has your company been operating in Kenya ?

..... Years

Q 5. Do you have a sales/marketing department ?

YES

NO

Q 6 Does your firm carry out promotion programs ?

YES

NO

Q 7 If YES above (Q 5 ), who prepares your Promotion programs ?

A person in the company  Please give title -----

An Advertising department in the firm

An advertising agency

Q 8. Who are your target consumers ?

Small scale farmers

Large scale farmers

Both small scale and Large scale

Individual organization (e.g KBL, Kenya seed,etc)

Other

(specify) .....

Q 9. Where are your target customers located ?

- Urban
- Rural
- Both urban and rural

Q 10. What is the nature of products sold by your company ?

- Crop protection
- Animal health
- Both Crop protection and Animal health
- Environmental health
- Other  
(specify).....

**PART B**

Q1 Please indicate type of promotion used by your firm (tick as many as apply to you)

- Advertising
- Sales promotion
- Personal selling
- Public relations
- Direct marketing
- Other  
(specify).....

**PART C**

Each promotion mix element has its objectives. Please indicate how important each of the objective is to your company. (Please tick one of the spaces provided for each objective).

	Extremely Important	Very important	Somewhat Important	Not very Important	Not at all Important
<u>Advertising</u>					
Inform	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Persuade	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Remind	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Assist sales	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Increase awareness	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Neutralize competition	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Improve image	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other (specify).....					

	Extremely Important	Very Important	Somewhat Important	Not very Important	Not at all Important
--	---------------------	----------------	--------------------	--------------------	----------------------

**Sales promotion**

Attract new customers	( )	( )	( )	( )	( )
Introduce New products	( )	( )	( )	( )	( )
Increase number of users	( )	( )	( )	( )	( )
Induce present - consumers to buy more	( )	( )	( )	( )	( )
Educate customers	( )	( )	( )	( )	( )
Reinforce advertising	( )	( )	( )	( )	( )
Other (specify).....					

**Personal selling**

Increase number - of new accounts	( )	( )	( )	( )	( )
Obtain market information	( )	( )	( )	( )	( )
Educate customers	( )	( )	( )	( )	( )
Provide after-sales service	( )	( )	( )	( )	( )
Technical consultation	( )	( )	( )	( )	( )
Other (specify).....					

**Public relations and publicity**

Increase awareness	( )	( )	( )	( )	( )
Enhance company image	( )	( )	( )	( )	( )
Enhance brand image	( )	( )	( )	( )	( )
Increase sales volume	( )	( )	( )	( )	( )
Other (specify).....					

**Direct marketing**

Gain direct access to buyer	( )	( )	( )	( )	( )
Create immediate-action from customer	( )	( )	( )	( )	( )
Other (specify).....					

## PART D

Q 1 To what extent does your company use the following methods of promotion elements ?

	Very large extent 5	Large extent 4	Moderate extent 3	Small extent 2	No extent 1
<u>Advertising</u>					
Television	( )	( )	( )	( )	( )
Radio	( )	( )	( )	( )	( )
Cinema	( )	( )	( )	( )	( )
Newspapers	( )	( )	( )	( )	( )
Magazines	( )	( )	( )	( )	( )
Outdoor (e.g. billboards)	( )	( )	( )	( )	( )
Others (specify).....					

	Very large extent 5	Large extent 4	Moderate extent 3	Small extent 2	No extent 1
<u>Sales Promotion</u>					
Trade fairs and shows	( )	( )	( )	( )	( )
Exhibition	( )	( )	( )	( )	( )
Giveaways (e.g. calendars, pens)	( )	( )	( )	( )	( )
Free samples	( )	( )	( )	( )	( )
Special discounts	( )	( )	( )	( )	( )
Sales contests (for sales people)	( )	( )	( )	( )	( )
Sale contests (for dealers)	( )	( )	( )	( )	( )
Rebate	( )	( )	( )	( )	( )
Demonstrations	( )	( )	( )	( )	( )
Point-of-purchase display	( )	( )	( )	( )	( )
Others (specify).....					

<u>Personal Selling</u>					
Order taking	( )	( )	( )	( )	( )
Training	( )	( )	( )	( )	( )
Technical consultants	( )	( )	( )	( )	( )
Others (specify).....					

	Very large extent 5	Large extent 4	Moderate extent 3	Small extent 2	No extent 1
--	------------------------	-------------------	----------------------	-------------------	----------------

Public Relations & Publicity

Feature articles	( )	( )	( )	( )	( )
Press releases	( )	( )	( )	( )	( )
Speeches by guests	( )	( )	( )	( )	( )
Seminars	( )	( )	( )	( )	( )
Company Newsletters/magazine	( )	( )	( )	( )	( )
News conference	( )	( )	( )	( )	( )
Grand opening	( )	( )	( )	( )	( )
Other (specify).....					

Sponsorship

Cause oriented (environmental, charity)	( )	( )	( )	( )	( )
Event sponsorship (golf, football etc)	( )	( )	( )	( )	( )
Others (specify).....					

	Very large extent 5	Large extent 4	Moderate extent 3	Small extent 2	No extent 1
--	------------------------	-------------------	----------------------	-------------------	----------------

Direct marketing

Telemarketing	( )	( )	( )	( )	( )
Direct mail	( )	( )	( )	( )	( )
Catalogs	( )	( )	( )	( )	( )
Electronic marketing	( )	( )	( )	( )	( )
Kiosk shopping	( )	( )	( )	( )	( )
On line marketing	( )	( )	( )	( )	( )
Other (specify).....					



**PART E**

The following are some factors that influence the promotion mix elements (i.e advertising, sales promotion, etc) to use. How important is each of the following factors to your company? (Please tick one of the spaces provided for each factor)

	Extremely Important	Very Important	Somewhat Important	Not very Important	Not at all Important
Type of customer	( )	( )	( )	( )	( )
Type of product	( )	( )	( )	( )	( )
Market competition	( )	( )	( )	( )	( )
Availability of funds	( )	( )	( )	( )	( )
Product life cycle stage- (introduction, growth etc)	( )	( )	( )	( )	( )
Buyer readiness stage- (Awareness, conviction etc)	( )	( )	( )	( )	( )
Technology	( )	( )	( )	( )	( )
Regulatory factors	( )	( )	( )	( )	( )
Company strategy- (pull or push)	( )	( )	( )	( )	( )
Others (specify).....					
.....					
.....					

*Thank you very much for your cooperation*

# AAK Member Companies

## Full Members

MEMBER COMPANY	CONTACT	ADDRESS	TELEPHONE	FAX	MEMBER
1. AESTHETICS LTD	DR. JUZER LAJUNWALLA	18171, NBI	555157	545364	AAK/283
2. ANSET INTERNATIONAL LTD	ALTON B. REGO	63716, NBI	2726868/6901/6572	2726522	AAK/317
3. AMIRAN KENYA	MR. MOSCOVICH	30327, NBI	824840 6	824856/7	AAK/219
4. BARAKA AGROVET	MR. D. NJUGUNGA	79607, NBI	241489/96	241489	AAK/282
5. BAYER E. A. LTD	DR. VASEY MWAJA	30321, 00100 NBI	860670-74/860935	803345/861636/	AAK/128
6. COOPER KENYA LTD	DR. ARTHUR OHUDI	40596, NBI	580612-7	037 851284	AAK/133
7. COIL PRODUCTS	MR. R. K. SHAH/ MR. A. KURIA	347, NKR	037-211720/213558	534034	AAK/276
8. CHEMRAW E.A. LTD	MR. S. EGZIABEN	47358, NBI	532178/9 /3835	767792	AAK/204
9. CITY FARMING LTD	MARTIN GATHI	56095, NBI	762537	543876	AAK/284
10. DERA CHEMICAL INDUSTRIES	MR. S. SHAH	45145, NBI	540081/558702/541300	534807	AAK/142
11. ELGON CHEMICALS LTD	MR. R. N. KAHNARIA	46826, NBI	534410	540595551107	AAK/232
12. FARMICHEM LTD	MR. C. MULINGE	18407, NBI	542678/9	787196	AAK/107
13. FEDO AGENCIES	MR. DOMINIC MUSILI	72373, NBI	787196	650884	AAK/307
14. FAIRFARMS KENYA LTD	MR. F.W. NGARI	78035-00507-NBI	650883	861410	AAK/324
15. HARDI KENYA	MR. J. CORDINGLEY	47409, NBI	862098/803552	0303-40190	AAK/201
16. JUANCO SPS	MR. JUNGHAE WAINAINA	20529, NBI	0303 40206/41209	553235	AAK/273
17. JOHNSON'S WAX E.A. LTD	JOHN NJIRAINI	18373, NBI	531248	037-42931	AAK/230
18. KAPI LTD.	MR. P. MCLELLAN	252, NKR	037-43986	0303-40190	AAK/227
19. KILIMO CENTRE LTD	GENERAL MANAGER	20529, NBI	0303-40206	550695	AAK/301
20. LACHLAN (K) LTD	MR. GITAU MACHARIA	49470, NBI	550694	4444635	AAK/312
21. MBAKI AGRIC INPUTS DISTRIBUTORS LTD	MR. D. P. MAITIGU	39389, NBI	4444639/40	719255/6	AAK/300
22. MONSANTO CENTRAL AFRICA	MR. DAVID LAWRENCE	47686, NBI	719568/9	803679/862199	AAK/113
23. MURPHY CHEMICALS E.A. LTD	MR. D. P. KIENGO	20495, NBI	86101/350415	0151-30468	AAK/108
24. SCEM FARM MANAGEMENT	MR. STEPHEN JUDUHA	260, TKA	0151-21637/8	037-44949	AAK/321
25. PRESTIGE AGRICULTURE LTD.	MR. YUSUF ORLOOH	1524, NKU	037-214587	532753	AAK/323
26. SYNGENTA E. A. LTD	MR. F. BOLAY	30393, NBI	543906	223016	AAK/226
27. SARINA (E.A.) LIMITED	MR. JOHN MUSA	72327, NBI	210417	535453/550520	AAK/120
28. RENTOKIL INITIAL KENYA LTD	MR. PHILIP MUCOLO	44360, NBI	530228/552300	223167	AAK/103
29. TWIGA CHEMICAL INDUSTRIES	MR. DANIEL KAGWE	30172, NBI	338333/338050/1	537664	AAK/102
30. ULTRAVETIS E.A. LTD	MR. WACHIFIA MUREITHI	44096, NBI	537665	4448051	AAK/311
31. CROMPTON UNIROYAL CHEMICAL	MR. ALPHONSE OWUOR	25461, NBI	4441779	541784/541676	AAK/229
32. UNGA FARM CARE E.A. LTD	MR. SAM MURURO	41788, NBI	536356 64	537664	AAK/256
33. ULTRAVETIS E.A. LTD	MR. WACHIFIA MUREITHI	44096, NBI	537665	4448051	AAK/311
34. CROMPTON UNIROYAL CHEMICAL	MR. ALPHONSE OWUOR	25461, NBI	4441779	541784/541676	AAK/229
35. UNGA FARM CARE E.A. LTD	MR. SAM MURURO	41788, NBI	536356 64		AAK/256

## Associate Members

MEMBER COMPANY	CONTACT	ADDRESS	TELEPHONE	FAX	MEMBER
1. AGRO INPUTS LTD	MR. P. G. MWANGI	55917, NBI	332270/242218	242218	AAK/200
2. AGRI CENTRE LTD	MR. B. H. NAIWANJI	1766, NKR	037-211698	037-212807	AAK/138
3. ANTIPEST (K) LTD	MR. R.P. ASHWORTH	5378 00506 NBI	602731/2	650087	AAK/154
4. BELL INDUSTRIES LTD.	MR. T. K. IBUI	18603, NBI	535828/9	54413	AAK/211
5. DEVJI MEGHJI & BROS. LTD	MR. V. D. PATEL	62, RUIRU	0151-21081	784584	AAK/125
6. EASTERN PEST CONTROL	MR. J. K. MURUBE	77217, NBI	784584	215084	AAK/203
7. EAST AFRICAN SEED CO.	MR. DEEPAK	55125, NBI	21494/219257	051-213840	AAK/265
8. FARMERS WORLD	MR. J. MWANGI	2939, NKR	051-214635	0325-31625	AAK/253
9. GADHER ENTERPRISES	MR. GADHER	107, KITALE	0325-31625	240455	AAK/302
10. HENCHEM LTD	MR HENRY KIRUTHIA	14690, NBI	316744	0154-73556	AAK/325
11. HYGROTECH E.A. LTD	MR. EDWARD NJOROGE	41446-00100-NBI	015473286/73567/8/9	339588	AAK/319
12. INTERCHEM COMPANY LTD	MR. KANG'ERE	28054, NBI	339588/230013	573324	AAK/304
13. INSECTA	MR. DAVID N. THUKU	52766, NBI	228088/335858/96	0311-21261	AAK/316
14. KAMWANDU FARM SUPPLIES	MR. JOSEPH NJUNGU	762, NVA	0311 21261	037-211081	AAK/274
15. K.F.A.	MR. ITALAKYA	35, NKR	037-215202	0321-63285	AAK/237
16. LESSOS VETERINARY SUPPLIES LTD	DR. MWANGI MWANIKI GITONGA	1080, ELD	0321 63051/62045		AAK/318
17. MIIJIZA AGRO-SUPPLIES	MR. G.K. KAMAHU	461, KALIMONI	0154-20362	0154-20287	AAK/308
18. MOSSNET INDUSTRIES LTD.	MR. DANIEL KAMAU	4630 0050, NBI	535128/550875/6	557926	AAK/326
19. MOBIL (K) LTD	MR. THOMAS ABADE	64900, NBI	250292/4	3767575	AAK/236
20. ORGANIX LTD	MR. A. T. SHAH	14494, NBI/West	3741482	3742605	AAK/281
21. P&A AGRO INPUTS AGENCIES	M.D.	1325, KSM	035-21478	344084	AAK/303
22. ROCKEM LIMITED	MR. JACKSON MBATHA	4709000100 NRB	343472	542850	AAK/314
23. TIBRO LIMITED	MR. TED AYLES	8020, 00100 NBI	558402/543210	011-491282	AAK/322
24. VECTORCON PEST CONTROL	MR. B. M. ADIMA	85288, MSA	011-491531/495		AAK/272

## Growers

1. DEL MONTE KENYA LTD	M.D.	147, TKA	0151-21601	0151-3142430350	AAK/241
2. HOMEGROWN KENYA LTD	MR. IAN MICHELL	10222, NBI	721168	729901	AAK/266
3. KIRIN AGRIBIO KENYA LTD	MR. C. TERFI/NOVA	1175, EMBU	0161-30776	0161-30776	AAK/262

## Oversea

1. BASF AG	MANAGING DIRECTOR	47341, 00100-NBI	555928/30	558423	AAK/220
2. BPCAM E.A. LIMITED	C/O MR. JACKSON MBATHA	47090, 00100 NRB	343472	344084	AAK/320

# Accredited Dealers

## AAK Accredited Businesses

COMPANY	ADDRESS	LOCATION	COMPANY	ADDRESS	LOCATION
BARICHO CHEMISTS	112, BARICHO	BARICHO	DONALD GIKONYO KAMWERU	55, KARIAINI	KIRIAINI
STANSTELL PHARMACY	76, SILIBWET	BOMET	MATHIOYA AGROVET	21, KIRIAINI	KIRIAINI
GAVEON PHARMACY	298, BONDO	BONDO	FARMCARE AGROVET	72, KIRINYAGA	KIRINYAGA
RADS AGROVET	278, BONDO	BONDO	JOKKI PHARMACEUTICALS	228, KISERIAN	KISERIAN
BUSIA AGROVET	793, BUSIA	BUSIA	JACK'S PHARMACY	1, KISII	KISII
HILDA NJERU	355, CHOGORIA	CHOGORIA	KFA LTD	353, KISII	KISII
CHUKA FARMLINE STORES	247, CHUKA	CHUKA	NEHEMIAH ONYANDO	306, KISII	KISII
CHUKA HOME PHARMACY	727, CHUKA	CHUKA	NURU PHARMACEUTICALS	2526, KISII	KISII
MISAO INVESTMENTS	234, CHUKA	CHUKA	ROBERTS VET SERVICES	3551, KISII	KISII
CARE KENYA REFUGEE CAMP	DADAAB		STAN'S AGROVET	1, KISII	KISII
ELDOMAC PHARMACY	6150, ELDORET	ELDORET	FOAMAT SUPERMARKETS	222, KISUMU	KISUMU
BWANA SHAMBA LTD	1484, EMBU	EMBU	HEALTH CARE FARM & VET PRODUCTS	179, KISUMU	KISUMU
PETHA CHEMICALS CO.	145, EMALI	EMALI	HEALTHCARE CHEMISTS	705, KISUMU	KISUMU
EMBU VET SERVICES	1464, EMBU	EMBU	KABURA AGROVET	163, KISUMU	KISUMU
CHARMAR AGROVET	1010, EMBU	EMBU	KENSHOP SUPERMARKETS LTD	1836, KISUMU	KISUMU
MUNYA SUPPLIES EMBU	522, EMBU	EMBU	KENTON CHEMISTS	21, KISUMU	KISUMU
HEEMA PHARMACY (1)	1744, EMBU	EMBU	KFA LTD	1334, KISUMU	KISUMU
HEEMA PHARMACY (2)	..	EMBU	LAKE PHARM LTD	1345, KISUMU	KISUMU
KITHI NTHIANO PHARMACY	441, EMBU	EMBU	MUNANA PHARMCEUTICALS	KISUMU	
TEKELEZI GENERAL STORES	669, EMBU	EMBU	TAREN SUPERMARKETS LTD	1176, KISUMU	KISUMU
TEKELEZI GENERAL STORES	..	EMBU	TOMASO AGENCIES	4833, KISUMU	KISUMU
TEKELEZI GENERAL STORES	..	EMBU	GOX AGENCIES	3254, KITALE	KITALE
TPL AGENCIES	375, GILGIL	GILGIL	PESTGON LTD	1704, KITALE	KITALE
BAYCHEM LTD	127, HOMABAY	HOMA BAY	LENANA PHARMACEUTICALS	699, MACHAKOS	KITENGELA
ROTA CHEMISTS	891, HOMA BAY	HOMA BAY	ALENCY ENTERPRISES	1120, KITUI	KITUI
SARE CHEMISTS	99, HOMA BAY	HOMA BAY	KIRINYAGA DCU		KUTUS
TULJA PHARMACY	72, KABATI	KABATI	NGAWA FARM SUPPLIES	238, KUTUS	KUTUS
KABAZI VET CENTRE	102, KABAZI	KABAZI	RIAMBUI AGROVET	3, KUTUS	KUTUS
MAPEMA MWEGA STORES	KAGIO		RIAMBUI AGROVET		KUTUS
BETHANY AGROVET	139, KANGARI	KANGARI	KITHUI PHARMACY	225, LAARE	LAARE
MJALE AGRO STORES	520, KAPENGURIA	KAPENGURIA	CHEMMATT PHARMACY	88708, NAIROBI	LIKONI
LIMA CHEMICAL S	369, KAPENGURIA	KAPENGURIA	JAMES WAWERU NJIRIRI	81, LOITOKTOK	LOITOKTOK
TIBA AGROCHEM			KAMCO AGROVET	207, LOITOKTOK	LOITOKTOK
MUGURI AGRI-SUPPLIES	640, KAPSABET	KAPSABET	ROMBO FARM SUPPLIES	336, LOITOKITOK	LOITOKTOK
MUTHIRA VETERINARY	240, KARATINA	KARATINA	FARM PRIDE AGROVET	184, LUANDA	LUANDA
AGRO SERVE & IRRIGATION AGENCIES	895, KARATINA	KARATINA	BORA AGROVET ENTERPRISES	269, MACHAKOS	MACHAKOS
KFA LTD	9, KERICHO	KERICHO	KARSANDAS TULSHIPS & SONS	17, MACHAKOS	MACHAKOS
IMPISIGI FARMERS STORE	1219, KERICHO	KERICHO	LENANA AGROVET	699, MACHAKOS	MACHAKOS
PARSONS ENTERPRISES	174, KERICHO	KERICHO	MAATHAI ENTERPRISES	1530, MACHAKOS	MACHAKOS
RELCO LTD	1494, KERICHO	KERICHO	NGETHA AGRO SUPPLIES	1454, MACHAKOS	MACHAKOS
BILDAN AGROVET	1124, KERICHO	KERICHO	THWAKE PHARMACY	1431, MACHAKOS	MACHAKOS
KERITA VET CENTRE	388, KEROKA	KEROKA	KWITU AGROVET	17, MACHINERY	MACHINERY
SAMUEL RAININ ONYWERE	14, KEROKA	KEROKA	TIMES & SEASONS AGROVET	165, MAKINDU	MAKINDU
AGRO SERVE & IRRIGATION AGENCIES	KERUGOYA		RAFIKI CHEMISTS	28, MALINDI	MALINDI
JEFF K. WAWERU		KERUGOYA	BURHANI PHARMACY	806, MALINDI	MALINDI
KIRINYAGA DCU	50, KERUGOYA	KERUGOYA	MAIRUNE CHEMICALS	405, MANA	MANA
KIRINYAGA DCU LTD		KERUGOYA	ROBINS MEDICAL STORE	82, MANA	MANA
KIRINYAGA FAMILY PHARMACY	KERUGOYA		TUMBU VET CLINIC	438, MANA	MANA
WESUNA CHEMISTS	84, KERUGOYA	KERUGOYA	MYRID PHARMACEUTICALS	517, MARAGUA	MARAGUA
WESUNA AGROVET	729, KERUGOYA	KERUGOYA	JOSEPH K KARIUKI	113, MATUNDA	MATUNDA
WESUNA AGROVET	1034, KERUGOYA	KERUGOYA	MATUNDA PHARMACY	170, MATUNDA	MATUNDA
WESUNA AGRIC SUPPLIES	56, KIBIRICHIA	KIBIRICHIA	TULIL PHARMACY	410, MATUNDA	MATUNDA
WESUNA VET/HAIRI NDEGWA	156, MERU	KIIRUA	WAKULIMA AGROVET	424, MATUNDA	MATUNDA
WESUNA M. NDAMBIRI		KIMBIMBI CENTRE	TANA FARM SUPPLIES	91, MATUU	MATUU

COMPANY	ADDRESS	LOCATION	COMPANY	ADDRESS	LOCATION
AGRO SHIELD GENERAL STORES	649, MERU	MERU	JOSPHARMA PHARMACEUTICALS	NAROMORU	
ANOPY MEDICHEM PHARMACY	1100, MERU	MERU	IMENTI PHARMACY	426, NKUBU	NKUBU
CHAKS GENERAL STORE	3127, MERU	MERU	KWA MBURUGUS FARMERS	392, NKUBU	NKUBU
FARMERS CENTRE	251, MERU	MERU	NKUBU AGROVET	462, NKUBU	NKUBU
FARMERS CENTRE		MERU	NKUBU FARMERS STORE	393, NKUBU	NKUBU
MAKUTANO CHEMISTS	1713, MERU	MERU	NKUBU STORES	1, NKUBU	NKUBU
MALIBO GENERAL STORE	1187, MERU	MERU	CLASSIC FARM INPUTS	770, NYAHURURU	NYAHURURU
NYAMBENE CHEMISTS	1045, MERU	MERU	DR KARANJA VET CLINIC	28, NYAHURURU	NYAHURURU
MUGIA CHEMIST		MERU	KAPHEPHARM PHARMACY	994, NYAHURURU	NYAHURURU
MUMBA CHEMICAL SUPPLIES	1791, MERU	MERU	PIVOT AGROVET	840, NYAHURURU	NYAHURURU
PETER KABUTHI	63, MIHARATI	MIHARATI	BATIAN FAMILY PHARMACY	1588, NYERI	NYERI
FARMLAND AGROVET	171, MITUNGUU	MITUNGUU	D M KIGO STORES	413, NYERI	NYERI
MOY'S BRIDGE CHEMISTS	134, MOI'S BRIDGE	MOI'S BRIDGE	NYERI AGROVET SERVICES	1552, NYERI	NYERI
KILIMO ANIMAL FEEDS	245, MOLO	MOLO	RWARE PHARMACY	2028, NYERI	NYERI
MOLVET CHEMICAL SUPPLIES	30, MOLO	MOLO	RWARE PHARMACY		NYERI
MAKSHAR PHARMACY	41275, MOMBASA	MOMBASA	FARM FACTORS & SERVICES	638, OL KALOU	OL-KALOU
MANICARE LTD	81818, MOMBASA	MOMBASA	SABUGO CHEMISTS	158, OL KALOU	OL-KALOU
ATOM PHARMACEUTICALS	91163, MOMBASA	MOMBASA	TUMAINI AGROVET	119, OL KALOU	OL-KALOU
BADAR PHARMACY	80392, MOMBASA	MOMBASA	WANJOHI PHARMACY	568, OL KALOU	OL KALOU
BIG A AGROVET	92680, MOMBASA	MOMBASA	CYRUS JOHN WANGUKU	293, OTHAYA	OTHAYA
FAIZ PHARMACY	83463, MOMBASA	MOMBASA	KARIMA PHARMACY	195, OTHAYA	OTHAYA
MENTA & CO LTD	80085, MOMBASA	MOMBASA	MINJIRE PHARMACY	202, OTHAYA	OTHAYA
PEAR CHEMISTS	84590, MOMBASA	MOMBASA	RED LAND ROSES	10, RUIRU	RUIRU
SALLEED PHARMACY	88780, MOMBASA	MOMBASA	EMBU DCU LTD		RUNYENJES
SGS (K) LTD	90264, MOMBASA	MOMBASA	RUNYENJES VET SERVICES	278, RUNYENJES	RUNYENJES
INTHONGONI AGROVET	16, MTITO ANDEI	MTITO ANDEI	R M KUIMASIAL LTD	2, SABA SABA	SABA SABA
KIAHUNGU PHARMACY	421, MUKURWE INI	MUKURWE INI	JADE PHARMACY	62, SAGANA	SAGANA
BLUE & SPOT AGRO HARDWARE	989, MURANGA	MURANGA	SAMBURU KILIMO SHOP	37, SAMBURU	SAMBURU VIA
BLUE & SPOT AGRO HARDWARE		MURANGA	VOI		
WELFARE PHARMACY		MURANGA	BELIEVERS FARM STORE	30, SIAYA	SIAYA
MUTOMO HWARE	76, MUTOMO	MUTOMO	VETEROPAULAGI ENTERPRISES LTD	831, SIAYA	SIAYA
ENCHI PAI AGROVER	118, N. ENKARE	N ENKARE	SILIBWET SUPPLIES	76, SILIBWET	SILIBWET
GED STORES	67816, NAIROBI	NAIROBI	KFA LTD	44, SOTIK	SOTIK
HIGH CHEM PHARMACEUTICALS	30467, NAIROBI	NAIROBI	SALGAA LTD	270, SOTIK	SOTIK
INDIGO TECHNOLOGIES		NAIROBI	NANGILI VET SERVICES	62, SOY	SOY
PEGANT LTD	42930, NAIROBI	NAIROBI	KIMA AGROVET	80, SULTAN HAMUD	SULTAN HAMUD
S.M. LABORATORIES	18808, NAIROBI	NAIROBI	MAG PET AGROVET	80, SULTAN HAMUD	SULTAN HAMUD
STETA PHARMACY	8248, NAIROBI	NAIROBI	PETNA CHEMICALS CO	145, EMALI	SULTAN HAMUD
GOLDSMITH SEEDS (K) LTD	928, NAIVASHA	NAIVASHA	BOMENI CHEMISTS	480, TAVETA	TAVETA
KUABE LTD	358, NAIVASHA	NAIVASHA	KIMLA CHEMISTS	169, TAVETA	TAVETA
KUABE LTD		NAIVASHA	MORICA WAMBUI NDUNGU		TAVETA
LAMA FARMERS STORE	662, NAIVASHA	NAIVASHA	AGRISEL LTD	1141, THIKA	THIKA
LAMA STORE		NAIVASHA	CHIMI HOLDINGS	917, THIKA	THIKA
LONGONOT HORTICULTURE	1271, NAIVASHA	NAIVASHA	FURAHA PHARMACY	110, THIKA	THIKA
MAY FLOWER (K) LTD		NAIVASHA	GEDEON PHARMACY	1086, THIKA	THIKA
MIBI LTD	569, NAIVASHA	NAIVASHA	KENDIA LTD	1208, THIKA	THIKA
OL-JUOROWA LTD	879, NAIVASHA	NAIVASHA	MENTORS FARM CARE LTD	2463, THIKA	THIKA
OSERIAN DEVELOPMENT COMPANY	209, NAIVASHA	NAIVASHA	SCEM FARM MANAGEMENT	260, THIKA	THIKA
BULMAC CO. LTD	314, NAIVASHA	NAIVASHA	THIKA CHEMISTS	74, THIKA	THIKA
FARMERS ROAD LTD	2929, NAKURU	NAKURU	FARJII CHEMISTS	432, VOI	THIKA
METROPOLITAN CHEMISTS	2170, NAKURU	NAKURU	FARJII CHEMISTS		VOI
WESTOWN VET SERVICES	15260, NAKURU	NAKURU	FARMERS PRIDE CENTRE		VOI
MOTOMBE & GEN.	875, NAKURU	NAKURU	JAMBO AGROVET		WANGURU
NAORO GARDENS	13434, NAKURU	NAKURU	NEW DOWN TOWN SEED CHEM STORE	61, WANGURU	WANGURU
RIKA PHARMACEUTICALS	1589, NAKURU	NAKURU	TYAL KAL AGRIC SUPPLIES	164, WANGURU	WANGURU
NAHA PHARMACY	861, NANYUKI	NANYUKI	WERUGHA AGROVET	7, WERUGHA	WANGURU
NANYUKI CHEMISTS	90, NANYUKI	NANYUKI	ALICE MAGUWA STORES	1070, WUNDANYI	WERUGHA
NANYUKI VET SERVICES	859, NANYUKI	NANYUKI	PAMTECH GEN MERCHANTS	1293, WUNDANYI	WUNDANYI
NAROK AGRIC SUPPLIES	261, NAROK	NAROK	WEMA AGROVET & GENERAL HWARE	1295, WUNDANYI	WUNDANYI
NAROK AGRICULTURAL SUPPLIES	NAROK	NAROK			WUNDANYI