# PATTERN OF DISTRIBUTION CHANNELS AND CRITERIA OF SELECTION OF LOCATIONS AND INTERMEDIARIES IN KENYAN PUBLIC UNIVERSITIES

BY

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A Management Research Project Submitted in Partial Fulfillment of the Requirements for the Degree of Master of Business and Administration, School of Business, University of Nairobi.

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#### DECLARATION

This research project is my original work and has not been presented for an award or degree in any other university.

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## DEDICATION

This work is dedicated to the development of marketing practice in Kenya's public sector.

## PROLOGUE

The acquisition of higher education will in the near future be influenced to a greater extent by accessibility facilitated by the retailing of higher education rather than the cost of higher education.

#### ACKNOWLEDGENENTS

## (Give thanks to the LORD. for he is good: His love endures forever. Psalms [18:1]

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Finally, I am grateful to all that were involved either directly or indirectly towards the successful completion of this study.

(i)

#### ABSTRACT

This report presents a study on the pattern of traditional distribution channels adopted by the public universities in Kenya. The first objective to determine the patterns was approached from a bilateral view point; first, to measure the intensity-level of distribution for each institution is developed from these two dimensions: (1) *Outlet concentration* (the extent to which locations and intermediaries for each institution are present in a given geographical territory) and (2) *Outlet spread* (dispersion of the locations and intermediaries for each university within the national scope). Secondly, patterns were also described by length. Both statistical and qualitative data were collected using a structured questionnaire administered to single representatives of each of the 7 public institutions. The Index of Dissimilarity and GINI Coefficient models were used as the basis of determination of concentration and spread respectively.

It was found that all the seven public universities apply both zero level and level one channels. Secondly, all the three traditional patterns of distribution known to marketing theory (intensive, selective and exclusive) are applied differently by different universities.

The criteria followed in the selection of locations for level zero channels saw the presence of target market as the major factor with a mean score of 8.5 out of ten. On the other hand the criteria followed in the selection of intermediaries for the level one channels saw the facilities of the middle level college as the major factor with a mean score of 8.625 out of ten.

The factors that have led to the use of the level zero channel saw expansion as the leading factor with a mean score of 8.9 out of ten. For the level one channel the factors that have led to its application saw type of programmes run by the middle level college as the leading factor with a mean score of 8.5 out of ten.

(ii)

From the findings contained herein it is clearly demonstrated that public university programmes are distributed using various patterns and lengths and it is strongly recommended that the use of distribution channels by public universities be exploited using an optimal distribution mix to achieve broader corporate objectives such as sustainable competitive advantage, profitability, growth, maximization of both customer and shareholder value, social and corporate responsibility and survival.

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# LIST OF ACRONYMS

BCIS		Bachelor of Science in Computing and Information Systems
CHE		Commission for Higher Education
CUEA	••••••	Catholic University of Eastern Africa
DE		Distance Education
G	•••••	GINI Coefficient
GMD		GINI Mean Difference
GNP		Gross National Product
HEI		Higher Education Institute
ID		Index of Dissimilarity
IMIS		Institute for the Management of Information Systems
JAB		Joint Admissions Board
JKUAT		Jomo Kenyatta University of Agriculture and Technology
КССТ		Kenya College of Communications Technology
LC		Lorenz Curve
NCC		National Computing Council
SAP .		Structural Adjustment Programme
USIU		United States International University
WEUCS	т	Western University College of Science and Technology

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#### **1.0 INTRODUCTION**

#### 1.1 Background

It is argued that the new university environment in the less developed world replicates that which has driven higher education institutions in the developed world to embrace marketing as a key strategic option Maringe (2003). However, even in the developed world, marketing of higher education continues to be based on imported wisdom from the business sector. Not only are students able to choose between higher education providers, they are also faced with a wider range of alternatives of courses and programmes to choose from within the growing number of institutions. This underscores the argument that the marketing orientation is relevant and applicable to higher education (Hammond, Webster and Harmon 2006).

The higher education sectors of the African continent are thus replicating the forces that have been known to encourage universities in the developed world to embark on a marketisation agenda during the late 70s into the late 90s (Smith, Scott, and Lynch, 1995; Cicarelli, 1990; Canterbury, 1999; Foskett, 1992; LeBlanc and Nguyen, 1999). With marketisation, the idea of serving the needs of higher education customers has become an integral part of the missions and strategic visions of many universities particularly in the developed world. Little is, however, known about how institutions of higher education in the less developed world are making their choices in this new context of an expanded university sector.

Marketers of higher education are faced with the challenge of making their services available and accessible to their target markets. In virtually all service sectors the players are in one way or another challenged when it comes to the optimal placement of their services.

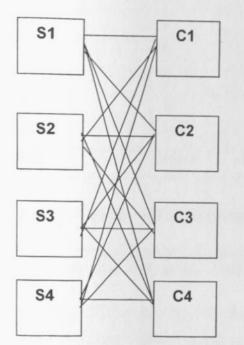
## 1.1.1. Channels of Distribution

A channel of distribution can be defined as "an interorganizational system comprising a set of interdependent institutions and agencies involved in the task of moving anything of value from its point of conception, extraction, or production to points of consumption (Stern and El-Ansary, 1977). A distribution system is a network of organizations linking a supplier to its various customer segments. Distribution management seems to be one of the most important and intricate tasks in marketing and in organizations as a whole. It is the only marketing mix variable that is out of the marketer's control (France and Brassington, 2003) with all the others squarely under control. The major reason for this is the fact that intermediaries are independent parties. In some cases rights of ownership are even transferred to intermediaries.

An intermediary is an independent third party that offers agency services between two trading parties. The intermediary acts as a conduit for goods or services offered by a supplier to a consumer. In some cases intermediaries have the right to carry competing brands. A value network is a system of partnerships and alliances that a firm creates to source, augment and deliver its offerings Kotler (2003). Within it is a distribution system which is a key external resource, normally taking years to build and is not easily changed.

Marketing channels are sets of interdependent organizations involved in the process of making a good or service available for use or consumption, in addition marketing communication, product and pricing decisions also accompany the goods or services in supplementing the logistical placement. Also distinguishing is the fact that marketing channels are of long-range planning and implementation (Stern et al., 1996).

It is important that the function of place within the marketing mix be emphasized. The first key advantage is the reduced contacting function. The number of sales contacts is reduced drastically when intermediaries are involved in the movement of a product or service from production to consumption. This is illustrated below:



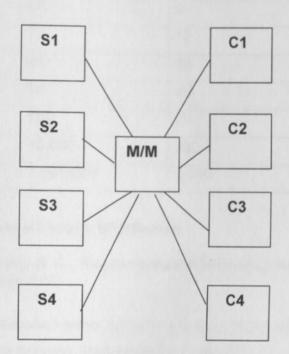


Figure 1a: Distribution Without Middleman.

Figure 1b: Distribution With one Middleman.

Key: S= seller, C= Customer, M/M = Middleman

Source: Kibera F.N. and B. C. Waruingi, Fundamentals of Marketing, An African Perspective (1988), page 107.

This reduction in contacts is discernible when figure 1a is compared with figure 1b. Figure 1a depicts a situation where there are four sellers and four customers and no middleman. In this situation there are sixteen (4x4 = 16) sales contacts since each marketer has to individually contact all the four customers. The reduction of contacts becomes pronounced the larger the number of producers as shown in table 2.

Number of Sellers	Number of Customers	Number of contacts without a middleman	Number of Contacts with a middleman 8		
4	4	16			
4	5	20	9		
6	6	36	12		
7	7	49	14		
8	8	64	16		
10	10	100	20		
100	100	10,000	200		
1000	1000	1,000,000	2,000		

## Table 1: Number of Contacts with and without a Middleman.

Source: Kibera F.N. and Waruingi B. C., Fundamentals of Marketing, An African Perspective (1988), page 107.

The second important function that distribution plays is that of sorting. This function has two dimensions: bulk-breaking and bulk-building. Bulk-breaking involves buying in large units while breaking the units down into smaller units suitable for resale. Bulk-building is the opposite and involves buying smaller quantities from producers, combining these units to make sizeable units for resale.

Distribution channels have a number of levels. Kotler (1976) defined the simplest level as the 'zero-level' channel. In this level there are no intermediaries or middlemen involved. The next level, the 'one-level' channel, features just one intermediary; in most cases a retailer, for industrial goods a distributor. The 'two level' channel is longer and involves two intermediaries between the producer/ manufacturer and the final consumer. In addition depending on the type of product or service being distributed Kotler outlines three common distribution strategies or patterns:

**1.** Intensive distribution: Used commonly to distribute low priced or impulse purchase products e.g. chocolates, soft drinks. There are many retail outlets when this pattern is deployed by a manufacturer.

2. Exclusive distribution: Involves limiting distribution to a single outlet. The product is usually highly priced, and requires the intermediary to place much detail in its sell. An example of would be the sale of vehicles through exclusive dealers.

3. Selective Distribution: Here a small number of retail outlets are chosen to distribute the product. Selective distribution is common with products such as computers, televisions household appliances, where consumers are willing to shop around and where manufacturers want a large geographical spread.

If a manufacturer decides to adopt an exclusive or selective strategy they should select an intermediary who has experience of handling similar products, credible and is known by the target audience.

## 1.1.2. The Kenyan Higher Education Sub-sector

Representing a significant share of central government expenditure for example, 6 percent of GNP in 1994 (Weidman, 1995) education is historically among the most important sectors of the government. Education in Kenya has been based on an 8-4-4 system since the late 1980s, with eight years of primary education followed by four years of secondary school and four years of college or university. Out of all children in Kenya about 85 percent attend primary school, 24 percent attend secondary school, and 2 percent attend HEI. It is generally believed that while the investment the government has made in the higher education sector hitherto seems to be quite commendable, the trend will not continue (Ogot and Weidman, 1993). The ever increasing pressure for SAP by the World Bank aside, the tertiary education sector itself is being questioned internally for its limited capacity to provide access to most eligible Kenyans. Worse, this limited participation in higher education is compounded by gender (for example; in 1995 only 37 percent of students enrolled in higher education were women), socio economic status, and regional disparities (Weidman, 1995). Added together, thus, the performance of higher education in Kenya is contestable both on equity and efficiency grounds. Austerity in the public budget for higher education, coupled with the poor performance of the sector in promoting access and equity, has led the government of Kenya to intensify the mechanisms for cost-sharing and user charges in higher education.

At independence in 1963, Kenya had an enrolment of 30,000 pupils in the 151 secondary schools at the time. This figure shot up to 600,000 pupils enrolled in 3,000 secondary schools which had been established by 1991. Yet during most of this period, there was only one university level institution in Kenya. The Royal College of Nairobi was the first Kenyan higher educational institution. Initially known as The Royal Technical College of East Africa, the institution opened in Nairobi in 1956. In 1961, the

Royal Technical College was renamed the Royal College of Nairobi and turned into a university college. In 1963, when Kenya attained its independence, the Royal College became the University College of Nairobi. In 1970, the University College of Nairobi was renamed the University of Nairobi. Kenyatta College, a teacher-training institution situated on the outskirts of Nairobi, became a constituent college of the University of Nairobi in 1972 and was elevated into a full -fledged university in 1985. Since then, the government of Kenya has established 7 other public universities.

Between 1963 and 1970 the public universities had an enrolment of about 1,000 students. On becoming a fully fledged university in 1970, the University of Nairobi gradually increased its enrolment to 8,900 in 1984. This increased enrolment was partially achieved through the additional places offered at its two constituent colleges, Kenyatta University College and Egerton University College.

The pressure on the government to increase enrolment at the University was such that it became necessary to establish more universities. Following the recommendations of a Presidential Working Party, Moi University was established in 1984. Soon after Kenyatta University College and Egerton University College were elevated to full University status in 1985 and 1987 respectively. Enrolment in the four public universities increased steadily to about 20,000 students by 1989/90. University enrolment sky-rocketed with the 1990 intake of 21,450 students which increased the total enrolment to 41,000 students. It was by now, evident that the Government was no longer able to cope with the ever increasing demand for more University places or even to provide the adequate resources required.

Ten privately funded institutions offering University level education, mainly Theological based were established between 1970 and 1984. These institutions however, offered limited enrolment and few programmes. By 1994/95 private university institutions had increased to 12 with an enrolment of slightly more than 4,000 students. The most notable private universities included; The United States International University (USIU) and The Catholic University of Eastern Africa (CUEA). The enrollment in private universities could still not meet the domestic demand and consequently, Kenyans increasingly turned to foreign universities for university education. The number of Kenyan students in universities abroad has continued to grow every year.

It was estimated, for instance, that there were 10,000 Kenyan students attending post secondary institutions abroad in 1991. This estimate increased to approximately 30,000 students in 1999 at a cost of Kshs.40 billion. The export of higher education services has become a major and controversial aspect of the internationalization of higher education according to Grant (2004). Over the past decade, Australia has become the third largest exporter of higher education, mainly to African countries where Kenyan students form a sizeable majority, other importers include South and East Asian countries. Australian public higher education institutions in 2002 had over 185,000 international students and this constituted over 21% of the total student enrolment load. Recruitment of international students has brought substantial financial benefits to Australia and its universities. In addition, it has prompted Australia to make more deliberate efforts towards with the internationalization of curricula and encourage expanded exchange of staff and students. It was against this background that the Commission for Higher Education was established in 1985 through an Act of Parliament. The Universities Act Cap 210B, to regulate growth and ensure quality in higher education in Kenya.

The Kenya government has encouraged and facilitated the establishment and growth of private universities and colleges. Oketch (2004) provides an overview of Kenya's private higher education over the past two decades. He discusses the forces behind its expansion and questions its ability to design and offer quality education.

The establishment of other public Universities, Jomo Kenyatta University of Applied Technology (JKUAT) 1994: Maseno University, 2000 and the Western University College of Science and Technology (WEUCST) 2002 was a further attempt to address the problem of the high demand in University education. In the meantime the number of private university institutions also increased to 17 with an enrolment of nearly 9,000 students. By 2002, there were six private universities which were fully chartered, by the Commission, five granted letters of Interim Authority and six, registered by the Commission. In addition, public universities have introduced part time (module II) degree programmes, which target both the public and private sector employees and school leavers. Consequently, enrolment in the entire University sector rose from 59,193 in 2000/2001 to 91,541 in 2004/2005.

Kenya has 7 public and 13 private universities with an enrollment of about 100,000 students in 2006/2007. Roughly 80% are enrolled in public universities, while 20% of the total university student population attends private universities. More than 60,000 students enroll in middle-level colleges. The middle-level colleges cater to a variety of post-secondary career courses leading to certificate, diploma, and higher diploma awards. By 1990, Kenya had about 160 middle-level colleges; by 2000 it is estimated that the country had more than 250 of them. These middle level colleges also cater for skill development based courses as well as vocational training. The following table shows undergraduate enrollment figures for both public and private universities as at the year 2000.

Undergraduat	e Stude	ent Enr	ollmen	t at Ke	nvan P	ublic ar	ad Drive	ata
		South States	Inivers	Ities				ate
1996	-97 th	rough	1999-2	000 (A	cademi		)	
		6-97		7-98		8-99	1999	-2000
Public	M	F	М	F	M	F	M	F
Universities								
Nairobi University	10,102	3 558	9,347	3,232	0.076	2 4 4 0	0 400	2 440
Kenyatta University	5,520	3,054	4,530	2,613	8,976 4,738	3,449	8,489	3,440
JKUAT University	1,818	417	2,556	452	2,471	3,020 621	4,189 2,512	3,007
Egerton University	5,445	2,340	5,705	2,331	5,654		7,132	625 2,841
Moi University	-	-	3,588	1,363	3,705	1,418	4,136	1,649
Maseno University	1,739	859	1,860	949	2,687	1,312	2,044	1,211
Subtotal	24,624	10,228			28,231	12,339	28,502	12,773
Private								
Accredited								
Daystar University	559	691	565	727	720	961	861	1,417
Baraton University	489	433	470	372	498	454	537	507
Catholic University	569	638	-	-	742	660	807	810
U.S.I.U.	852	901	868	940	902	999	928	1,032
Scott Theological Coll.	65	13	68	14	80	16	84	19
Subtotal	2,534	2,676	1,971	2,053	2,942	3,090	3,217	3,785
Other Private								
Univs.								
Nazarene University	116	82	230	159	200	119	264	154
NEGST	45	39	67	28	68	40	44	46
EAST	124	15	112	23	106	25	77	20
PAC	90	12	80	13	73	24	85	26
NIST	39	16	53	18	20	9	43	22
КНВС	52	23	37	21	42	27	47	36
St. Paul's T.C.	92	9	92	13	84	15	83	17
Methodist	-	-	-	-	74	33	103	56
University	FEO	100	671	275				
Subtotal	558	196	671	275	667	292	746	377
Total	27,716	13,100	30,228	13,268	31,840	15,721	32,465	16,935

# Table 2: Undergraduate Student Enrollment at Kenyan Public and Private Universities 1996-97 through 1999-2000 (Academic Year).

Source: Ministry of Education, Science and Technology, Statistics Section, 2000.

Of the 13 private universities, only 5 are accredited. The other 8 are mainly small religious institutions that award degrees through larger universities based in the West (mainly the United States). Table 2 above shows the undergraduate enrollment at the public and private universities from 1996-97 to 1999-2000 academic years.

The growth of the private university sector in Kenya has been fuelled by several factors, including: the limited opportunities available in public universities; the constant closures of state-funded universities; the need to complement government-managed higher institutions of learning; and the determination by some religious organizations to open HEI largely for their followers.

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## 1.1.3. Distributable Programmes in Kenya's Public Universities

The Joint Admissions Board admission does not constitute an admission process that is open to forces of demand and supply. The public universities in Kenya have launched several policy frameworks and introduced module 2 degrees to cope with the demand of higher education in Kenya. Cost-sharing, referring to a shift of at least some the higher educational cost burden from government, or taxpayers, to parents or students, either in the form of tuition to cover part of the costs of instruction, or of "user charges" to cover the costs of governmentally or institutionally-provided accommodation, has been a contentious issue according to Johnstone (2002). The issue is even much more contemporaneously with the stream of students who are going through this system. This is a stream or group of students who pay full tuition fees to the universities.

This category of students, in addition, are not normally provided with accommodation facilities by the universities; even if this was to be done, it would

be at market prices as opposed to the first category of students who receive substantially subsidized tuition and accommodation. In Kenya, this category of students who have been paying the full tuition fees has been referred to variously, including "parallel students", "module two students", "privately sponsored students", etc., as opposed to the category of students who are either fully or partially supported (through some form of cost-sharing) by the government and who have been referred to as "Regular Students" or "Module One Students". The phenomenon of the new category of a student who is paying full fees was part of the greater idea of direct income generation by public universities in Kenya with a view to supplementing decreasing government support (at least in real terms) to public universities.

More and more traditional universities are rapidly transforming themselves from single mode to dual mode universities, recognizing the importance of distance education in providing students with the best and most up-to-date educational resources available in addition to the traditional teaching methods that they receive. The increasing number of open universities being established across the

world is highly indicative of this trend. All the eight public universities have recently introduced DE and open learning programmes which mainly includes internet based learning for some of their programmes. For example, The University of Nairobi has introduced module 3 education which is based on the concept of e-learning.

## 1.2 Statement of the Research Problem

The theme of the symposium on university education by the Commission for Higher Education in Kenya, 2003, "Re-engineering university education for national development" had the fundamental elements of re-thinking radical design to achieve improvement in performance. Re-engineering requires dramatic challenging conventional wisdom and analytically looking for patterns that answer very basic questions about university education. University education in Kenya has witnessed phenomenal growth since independence both in terms of number of students and institutions. However the growth and development of institutions and facilities has not kept pace with the growth in the number of qualified candidates leading to a huge unsatisfied demand. In the last three decades, student enrolment has increased by leaps and bounds from 1,000 in 1970 to about 91,000 in 2005 in both public and private universities. Over the same period, the number of universities increased from 2 to 21. In spite of this phenomenal growth and expansion of university education, the national demand still surpasses the available places. Only about 33% of those who qualify for direct admission from secondary schools secure places in universities. In this light the Commission for Higher Education recommended that:

- 1 Universities expand the scope of distance and open learning and mount functional, modular academic programmes.
- 2 The Commission for Higher Education provide mechanisms for linking middle level colleges with universities for the purpose of expanding access to university education.
- 3 The Government of Kenya resumes financial capital development to public universities
- 4 The Higher Education Loans Board makes funds available to all candidates who qualify for university admission.

With regard to point 2 above, the linkage aspect can be interpreted to mean distribution in marketing terms, yet the distribution of higher education has received no empirical attention and little or no academic research has been conducted in this area. What is even more astonishing is that a prominent marketing mix model for higher education; proposed by Ivy (2002) has ignored place as a variable. Ivy has organized the mix variables to reflect the marketing prioritization of the business school sector and has proposed a 7P framework encompassing product, premium, prominence, promotion, price, programme, and prospectus. Maringe (2003) has, however, argued that this framework, while suited to the business school sector, may not have the broader application to Higher Education Institutes per se.

Furthermore, the traditional understanding of marketing in the third world higher education sector is that it is merely a process of selling or informing the public about the products and services of a university Maringe (2003). This is consistent with evidence from the developed world as Smith, Scott, and Lynch (1995) have shown. Marketing of higher education is much broader and the entire marketing mix applies as demonstrated by both (Ivy 2002 and Maringe 2003).

Public universities in Kenya have now formed strategic partnerships with middle level colleges, which have been contracted to run some of their programmes (See Appendix 4). These middle level institutions have officially become intermediaries, carrying the services produced by the universities to the students in middle level colleges.

It is against this background that this study sought to answer the following questions:

- 1. How do Kenyan public universities distribute their services?
- 2. What guidelines do they deploy in the selection of locations and/or agents?

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## 1.3 Objectives of the Study

The following were the objectives of the study:

- 1. To determine the distribution patterns selected by Kenyan public universities.
- 2. To establish the criteria that public universities use in determining distribution channels for their programmes.
- 3. To determine the factors that influence the distribution of university programmes by public universities.

## 1.4 Importance of the Study

The importance of this study is that it touches on a very sensitive area of management. The proper use of distribution channels not only leads to competitive advantage, profitability and growth (Stern et al., 1996), but reduces operation costs (Stern and E-Ansary, 2003). This study is expected to provide meaningful insights into the gains and challenges that are currently unknown as a result of using "place" in the marketing of higher education. In addition the study is also expected to give insight into the optimal distribution mix for public universities and consequently an optimal marketing mix for public universities.

#### 2.0 LITERATURE REVIEW

#### 2.1 Channel Theory

Channel theory explains the use of communication, transaction, and distribution channels by consumers and businesses or between two businesses (Peterson, Balasubramanizan and Bronnenberg, 1997). Communication channels facilitate information flow, transaction channels facilitate agreement for exchange, and distribution channels facilitate the actual exchange of goods or services. Kotler (1997) applied channel theory to describe the nine functions of marketing activities (information, promotion, negotiation, ordering, financing, risk-taking, physical possession, payment, and transfer of ownership) conducted through these channels.

Li and Russell (1999) applied channel theory to develop and test a conceptual model for consumer on-line buying behavior. The study assumed that a consumer chose a channel high in communication, distribution, and accessibility attributes. Consumers who made on-line purchases considered themselves knowledgeable about the Internet's communication ability, understanding how to access the Internet readily and to purchase products using this transaction channel. The study's findings indicated that education, convenience, experiential orientation, channel knowledge, perceived distribution utility, and perceived accessibility were predictors of the on-line buying status (i.e. frequent, occasional, or non on-line buyer) of Internet users. Also, consumers who made frequent on-line purchases were more interested in the convenience abilities of the Internet than those who made occasional on-line purchases. The frequent on-line consumer has a lower experiential orientation (the ability to touch, see, or feel the product on-line) than the occasional on-line consumer, not needing to engage these senses before purchase. Li et al.'s conceptual model explaining on-line consumer behavior provided the framework to study consumer involvement in product design on the Internet.

## 2.2 Distribution Channels for Services

The concept of marketing channels is not limited to the distribution of physical goods, Kotler (1979). Producers of services and/or ideas also face the problem of making their output available and accessible to target populations. Schools and colleges develop 'education dissemination systems' whereby they must figure out agencies and locations for reaching a population spread out over an area. Since distribution channels may not be restricted to physical products alone, they may be just as important for moving a service from producer to consumer in certain sectors, since both direct and indirect channels may be used. Hotels, for example, may sell their services (typically rooms) directly or through travel agents, tour operators, airlines, tourist boards, centralized reservation systems, etc.

There have also been some innovations in the distribution of services. For example, there has been an increase in franchising and in rental services the latter offering anything from televisions through tools. There has also been some evidence of service integration, with services linking together, particularly in the travel and tourism sectors. For example, links now exist between airlines, hotels and car rental services. In addition, there has been a significant increase in retail outlets for the service sector. Outlets such as estate agencies and building society offices are crowding out traditional grocers from major shopping areas.

According to Donnelly (1976) service marketers should take a fresh look at the channels of distribution for services as distinct from the channels concept followed for goods. Although marketing is defined in terms of services as well as goods, marketers generally have concentrated their attention on goods, with the assumption that services are marketed using the same guidelines. In most areas, this assumption has proved essentially true: In the area of marketing channels, however it is not only incorrect but its application has limited our understanding of the marketing of services. Donnelly seeks to broaden our understanding by evaluating marketing channels for services as a separate decision area from those of products. Donnelly (1976) argues that traditionally, the "channel of distribution is viewed as the sequence of the firms involved in moving a product from the producer to the user. The channel may be direct, as in the case where the manufacturer sells directly to the ultimate consumer, or it may contain one or more institutional middlemen. Some of the middlemen assume risks of ownership some perform various marketing functions such as advertising, while others may perform non-marketing or facilitating functions such as transportation and ware housing.

Apparently using this concept as a frame of reference, most marketers generalize that because of the intangible and inseparable nature of services, direct sale is the only possible channel for distributing them. The only traditional indirect channel used involves one agent middleman. This channel is used in the distribution of such services as security, housing, entertainment, insurance, labour and in recent times education. In some cases individuals are trained in the production of the service and franchised to sell it. Marketers have argued that because services are intangible, they cannot be stored, transported, or inventoried. Since also they cannot be separated from the seller, they must be created and distributed simultaneously. Finally, because there is no physical product, traditional wholesalers and other intermediaries can rarely operate in such markets and retailing cannot be an independent activity. For these reasons, it is generally concluded that the geographic area in which most service marketers can operate is therefore restricted.

All of these generalizations are certainly true, using the concept of "channel of distribution" developed for goods. However, the practice of viewing the distribution of services using the framework developed for goods has severely limited thinking concerning their distribution. It has focused attention away from understanding the problem and identifying means to overcome the handicaps of intangibility and inseparability. Most importantly, however, it has led to a failure to distinguish conceptually between the production and distribution of services; hence, it supports the idea that they must be created and distributed simultaneously.

According to Cowell (1984), services are often supplied from the provider to the customer because production and consumption are simultaneous. This study is in agreement with Cowell's argument that services are inseparable at the point of delivery, but goes on to demonstrate that wider channels do exist in the channel even before the point of delivery.

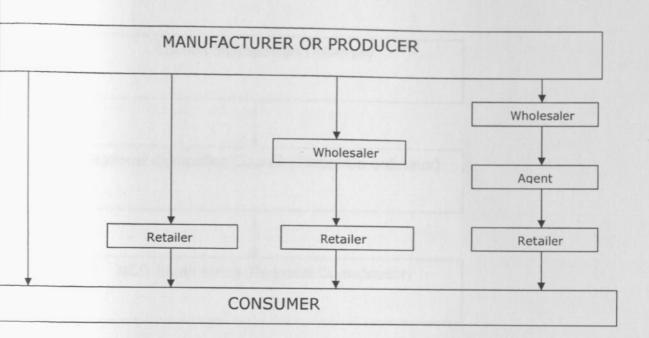
#### 2.3 Channel Length

Typically, there are direct channels of distribution and indirect channels of distribution. Direct channels involve no intermediaries while indirect channels involve intermediaries. Kotler (1976) defined the simplest level as that of direct contact with no intermediaries involved, as the 'zero-level' channel.

The next level, the 'one-level' channel, features just one intermediary; for example in consumer goods or services a retailer or a distributor. In small markets or small countries, it is practical to reach the whole market using just a one or zero-level channel.

In large markets or larger countries a second level, a wholesaler for example, is now mainly used to extend distribution to the large number of small, neighborhood retailers.

The following diagram elaborates Kotler's levels of distribution:



#### Figure 2: Channels of Distribution for Goods/Services.

Source: R. D. Hisrich and M. P. Peters, Marketing Decisions for New and Mature Products, Second Edition, Macmillan Publishers. (1991), Page 377.

A good example of a three level channel in the distribution of education is the London Metroplitan University's Bachelor of Science in Computing and Information Systems degree programme. Within this channel, there is the global co-ordinator, National Computing Council (NCC), the regional co-ordinator, NCC Education South Africa, The Kenyan accredited centre for NCC courses, Kenya College of Communication Technology (KCCT) and finally the end consumer.

This channel can be illustrated as follows:

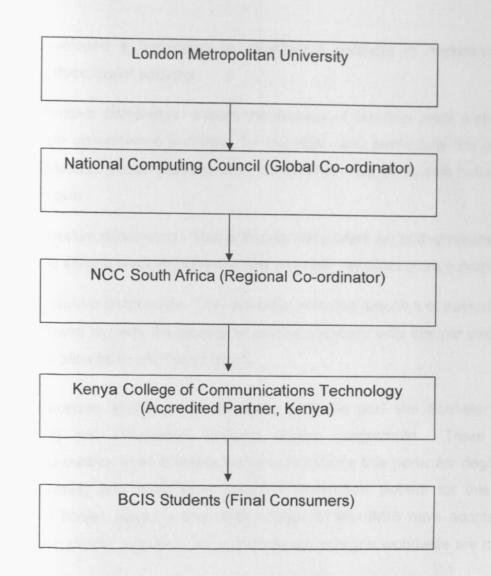


Figure 3: Distribution of the Bachelor of Science in Computing and Information Systems programme.

Source: Primary Data.

## 2.4 Patterns of Channels of Distribution

Kotler developed a framework for distribution patterns in marketing channels and identified three major patterns:

- Intensive distribution Where the majority of resellers stock a product or service (with convenience products, for example, and particularly the brand leaders in consumer goods markets) price competition may be evident in such a distribution pattern.
- 2. Selective distribution This is the normal pattern (in both consumer and industrial and service markets) where a few 'suitable' resellers stock a product or service.
- Exclusive distribution Only specially selected resellers or authorized dealers are allowed to carry the product or service (typically only one per geographical area) are allowed to sell the `product'.

On the London Metropolitan University example and the Bachelor of Science in Computing and Information Systems degree programme. There are over 200 accredited centres in 44 counties world wide running this particular degree programme. This university has adopted a selective distribution pattern for this course. Other education bodies based in the United Kingdom like IMIS have adopted an intensive distribution pattern, whereby many commercial colleges worldwide are running the IMIS courses.

#### 2.4.1. Intensity of Distribution

Distribution intensity has been defined as the number of intermediaries used by a manufacturer within its trade areas (Bonoma and Kosnik 1990; Corey, Cespedes and Rangan1989; Stern, El-Ansary and Coughlan 1996). Within many categories of consumer goods and services, producers seek intensive distribution for their brands Frazier and Lasser (1996). According to Stern; El-Ansary and Coughlan (1996, p. 340), one of the key elements of channels management is deciding how many sales outlets should be established in a given geographical area. In some categories of consumer products desired distribution patterns are not straight forward, by design some brands are distributed intensively, wheras others in the same product category are distributed selectively or exclusively.

Despite its importance, distribution intensity received little attention in academic research, within marketing, the primary theoretical thrust links product class to distribution intensity (Aspinwall 1958; Copeland 1923; Miracle 1965). On the basis of their underlying characteristics, convenience goods are associated with intensive distribution, shopping goods are proposed to require selective distribution and finally specialty goods are related to exclusive distribution. The product class frame work appears to have strong face validity, but does not address the question of why brands within many categories of consumer goods and services differ in distribution intensity.

Within many categories of consumer products, producers differ markedly in how intensively they distribute their brands among retailers. Frazier and Lasser (1996) enhance understanding of why such differences in distribution intensity occur. Literature in the marketing and economics disciplines on brand and channel management, agency theory, and credible commitments, combined with extensive field interviews, provides the foundation for a conceptual framework that centers on proposed moderator effects. Data collected from manufacturers in the consumer electronics industry are used to test the conceptual framework. Credible commitments by retailers in the form of contractual

agreements and investments are shown to moderate the relationships of manufacturer brand strategy and channel practices with distribution intensity.

## 2.4.2. Challenges of Distribution Intensity

Unlike price, advertising, and promotion, distribution intensity often changes very slowly over time. (Bucklin, Siddarth and Silva-Risso, 2007) By the time changes in distribution coverage can be implemented, other important factors in the market also may have changed. While researchers may be confident that better distribution coverage is associated with higher sales, it is not always clear that distribution is the causal factor. Coughlan et al. (2006) note that a spurious relationship due to a third factor, such as superior management or brand, may lead to both higher sales and more extensive distribution. Another challenge in the study of distribution intensity involves the classification of goods (i.e., convenience, shopping or specialty goods).

For convenience goods, higher levels of distribution intensity are generally assumed to always boost sales (Coughlan et al. 2006, p. 114,;Aspinwall 1958; Copeland 1923; Miracle 1965). For example, a number of early researchers calibrated an S-shaped response function to model the relationship between distribution and market share (Hartung and Fisher 1965, Naert and Bultez, 1975, Lilien and Rao 1976). More recently, Reibstein and Farris (1995) cited several studies indicating that there is a convex relationship between distribution coverage and market share for consumer packaged goods. According to Farris et al. (1989), the convex relationship arises from the decisions small stores make to stock only larger share brands and the willingness of some consumers to "compromise" on less-preferred brands in small stores. (Bronnenberg, Mahajan, and Vanhonacker, 2000) modeled the introduction and early growth stages of a new consumer product category (ready-to-drink tea), where changes in distribution occurred relatively quickly, and teased out feedback effects of sales on distribution.

## 2.4.3. Distribution Intensity and Product Class

For shopping goods such as education and automobiles and other consumer durables, there is even less evidence on the effects of distribution intensity. Frazier and Lassar (1996) did study distribution intensity in consumer electronics but intensity was the dependent variable in a survey-based study of the factors influencing its level. Sullivan (1998) included a control variable for distribution in a regression model of relative demand for "twin automobiles" (cars that are alike but carry different names, e.g., Ford Tempo and Mercury Topaz). The distribution variable was significant for domestic twins, indicating that higher distribution is associated with higher demand. In light of the scant evidence, advice to managers has been largely based upon theory, logic, and example (Coughlan et al. 2006).

In shopping goods, buyers may seek more information about products prior to purchase. The role of the reseller goes beyond providing spatial convenience and assortment to include additional marketing support (e.g., sales assistanc e, product demonstrations, etc.). To cover these costs, resellers need protection from high levels of intra-brand competition. Using a selective distribution strategy, suppliers can limit intra-brand competition by restricting the number of outlets in a trading area. The trade-off between coverage and reseller support implies that market response to distribution intensity is likely to be concave (versus the S-shape or linear-to-convex shapes proposed for fast-moving consumer goods).

A third classification, specialty goods, is an extreme case; diminishing returns set in at just one outlet per market area, consistent with a manufacturer policy of exclusive distribution. In sum, the empirical relationship between market share or sales for a product and its level of distribution intensity remains an open question in the case of consumer durables.

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## 2.4.4. Exclusivity of Distribution

Exclusivity of distribution has been examined in economics literature. In opposition to traditional economics theory, many economists now argue that exclusive distribution can have positive effects when intermediary support is critical to success of the brand (Lafferty; Lande; and Kirkwood1984; Mathewson and Winter 1984; Rey and Tirole 1986; Winter 1993). Keeping intra-brand competition low may enhance intermediaries' support of the brands they carry which leads to a possible increase in intra-brand competition. The economics literature thus provides insights as to why some brands in the product category may be less intensively distributed than others.

#### 2.4.5. Selectivity of Distribution

This is a form of market coverage in which a product is distributed through a limited number of wholesalers or retailers in a given market area. Kotler (1976). An advantage of this approach is that the producer can choose the most appropriate or best-performing outlets and focus effort (e.g. training) on them. Selective distribution works best when consumers are prepared to "shop around" in other words they have a preference for a particular brand or price and will search out the outlets that supply. (Kibera and Waruingi, 1988) argue that those who advocate selective distribution claim that not every retail outlet that wishes to carry a given product should be allowed to do so. They argue that if some outlets are allowed to carry a brand, the prestige of the brand may be lowered (Kibera and Waruingi, 1988, p 114). This policy is favoured by producers of shopping and specialty goods and services (Aspinwall 1958; Copeland 1923; Miracle 1965).

#### 2.5 Channel Decisions

Marketing channel decisions are amongst the most critical decisions facing management. The channel choice intimately affects all other marketing decisions (Kotler, 2003). The organization's pricing policy depends on the channel type similarly; sales and advertising decisions depend on how much training and motivation the channel members have. Delegation means relinquishing some control to whom the products are sold, but producers do gain several advantages by using intermediaries. According to Kotler (2003) many producers lack the financial resources to carry out direct marketing, secondly direct marketing may simply not be feasible with the extra administrative tasks that may not be part of the organization's core business.

Distribution builds stable competitive advantages (Stern et al., 1996), since marketing channels are of long-range planning and implementation, and to build them needs a consistent structure due to the fact that they are focused on people and relationships.

In industries or markets where different levels of competitive forces are present, certain combinations of product, price, promotion and place strategies may not work for gaining competitive advantage (Shin, 2001). Shin outlines some feasible strategies that also apply extensively to channeling of services. These are illustrated in table 3 below:

Competitive Force	Place Strategy
Threat of new entrants	Outsourcing or strategic alliances
	Clicks-and-mortar strategy (Integration of Online and Offline businesses)
Rivalries among existing firms	Outsourcing or strategic alliances
	Clicks-and-Mortar strategy
Threat of substitutes	Clicks-and-Mortar
	Strategy
Bargaining power of suppliers	Outsourcing or strategic alliances
Bargaining power of buyers	Outsourcing or strategic alliances
	o the sales force to trictice mennediaria
	replocatio the end users. Pull strategies o
	a later is a produce customers to ask in

# Table 3: Business Strategies for Competitive Advantage: Place Strategies Responding to Five Competitive Forces.

Adapted from: Shin (2001).

Besides competitive forces, evaluating the socio-cultural, economic, technological and political (institutional) factors with regard to distribution channels is well described in the literature (Johnson and Scholes, 1997; Mintzberg, 1994). Some insights to facilitate the specific analysis of drivers and implications regarding distribution channels are provided, using factors listed in literature and contributions from interviews.

(Stern and El-Ansary, 2003) contend that intermediaries normally achieve superior efficiency in making goods widely available and accessible to target markets. Through their contacts, experience, specialization and scale of operation, intermediaries usually offer manufacturers more than they can achieve on their own. They quote:

"Intermediaries smooth the flow of goods and services......This procedure is necessary in order to bridge the discrepancy between the assortment of goods and services generated by the producer and the assortment demanded by the consumer. The discrepancy results from the fact that manufacturers typically produce a large quantity of a limited variety of goods whereas consumers usually desire only a limited quantity of a wide variety of goods."

The decision to use intermediaries involves the selection of channel design. Channel design decisions involve push strategies or pull strategies. Push strategies involve the manufacturer or producer using the sales force to induce intermediaries to carry, promote and sell the goods or services to the end users. Pull strategies on the other hand involve the producer using advertising to induce customers to ask intermediaries for the goods or services.

Decisions on channel integration must be considered too. Contemporary marketing systems of distribution comprise of separate and independent intermediaries like wholesalers and retailers. The parties involved have different objectives and are autonomous of each other Kotler (2003). Vertical marketing systems comprise of a structure in which producers, wholesalers and retailers act as a unified system with one of the members in the channel acting as captain of the team. In horizontal type of systems there is a channel arrangement in which 2 or more firms join at a single level to pursue a marketing opportunity. Hybrid marketing systems involve the use of more than one marketing channel to reach one or more markets by usually a single firm.

Selection of the channel structure and channel members in another critical channel decision and will depend on the availability of agents in the channel, the kind of

relationship that will be built and several other factors must be considered. For the negotiation process, several techniques are available, and a framework to build successful negotiations can be found in the work by Lynch (1993). All in all the process of selecting channels members should be customer driven. It is very important to build customer-driven distribution systems (Stern et al., 1996). According to Gattorna & Walters (1996), several methods are available to measure consumer satisfaction.

#### 2.6 Channels Management

The literature on channel management is vast and it suggests several techniques and management skills. Only some aspects relating to building successful partnerships and trust will be highlighted here. The suggestion is to use references and tools of the relationship marketing, commitment and trust theory to help channels management (Morgan & Hunt, 1994). The physical process and logistics should also be strongly considered. Motivation of the members is an important task that the company should address; Rosenbloom (1999) provides a list of common motivation techniques that could be used by the organization. There is extensive literature on trust and trust development in transactions. A good starting point is the research done by Doney & Cannon (1997), which stresses several contributions of the literature. Kozak and Cohen (1997) bring a list of statements for companies to use to achieve the level of trust and commitment with suppliers, which can be adapted in this case to distributors.

Frazier (1999) however suggests that there are large gaps in empirical research relating to how firms could manage their channels of distribution to optimize their overall marketing mix. In his words:

"During the past three decades, tremendous strides have been made in our understanding of how firms should organize and manage their channels of distribution. Still, we have barely touched the surface of all the managerial issues that need to be addressed. A variety of research needs still exist regarding constructs and issues examined in prior channels research. Furthermore, many issues of managerial importance relating to the organization and management of channels of distribution have received no attention in empirical research. There is need to provide a perspective on how channels research should proceed in the future to promote the most progress so as to help to shape the future direction of marketing thought with regard to channels of distribution and its fundamental domain."

Perhaps a good point to begin the management process is the setting of distribution objectives. These should agree with the strategic planning program, if the organization has one, or they should at least be consistent with the price, product and communication strategies. The objectives (goals) should be set in relation to several variables, like volume, profit, sales margins, inventory turnover, market share, customer satisfaction, sales expenses, return on investment in channels, inventory expense, overall customer service level, volume (units) by product type, volume per salesperson, volume per quota, profit by supplier, volume by product type, profit by product type and others. In terms of behavior based measures, the most important measures to be considered are service department, warranty claims processing, building/facilities, office employee incentive plans, coverage of trade area. product systems. knowledge/salesperson, selling skills/salespeople, dealership financial plan, dealership business plan, advertising and promotion program, number of customer complaints, buyer credit management, sales forecast-accuracy, sales call-total no., calls-current customer, calls-non-customers, number of product demonstrations and others. The company will produce several tables, forecasts, and other kinds of goal setting tools. Some useful insights can be given by Kumar et al. (1992); Spriggs (1994); Berman (1996); Stern et al. (1996), Rosenbloom (1999), Gattorna and Walters (1996).

No empirical justification exists to explain the nature of distribution channels in the Kenyan higher education sector.

## 3.0 RESEARCH METHODOLOGY

#### 3.1 Research Design

The research design took the form of a cross-sectional descriptive survey. It sought to describe the patterns of distribution channels and criteria adopted in the selection of intermediaries rather than exploration or trying to test or confirm hypotheses. Secondly, descriptive research designs are used to depict areas on which some information exists Churchill (1991). The research was both quantitative and qualitative. The larger of the analysis was quantitative. Quantitative analysis was applicable to objectives 2 and 3 of the study. This is because these two objectives were factor related and were associated with determining a host of factors.

The first objective of the study was to be addressed both qualitatively and quantitatively. In qualitative reaserch typically there is a small number of respondents, information is not generalizable to the whole population (generalizability is not a major purpose of qualitative research), statistical significance and confidence is not emphasized. Examples include focus groups, in-depth interviews, and projective techniques. In many cases there is no need for sampling. The purpose of qualitative research is to form new gestalts and sometimes to generate new theories. Both quantitative and qualitative research and indeed all research is interpretive, guided by a set of beliefs and feelings about the world and how it should be understood and studied (Denzin & Lincoln, 1994, p 13). Qualitative researchers are guided by highly abstract principles.

The rationale behind this objective was to point to the degree to which a theory or theoretical explanation developed from a research study fits the data and is, therefore, credible and defensible Johnson (1998). More often, qualitative research is concerned with studying and understanding a process rather than identifying possible cause and effect relationships.

#### 3.2 Population of Study

The study was a census study. The population of interest for the study was the public universities in Kenya. According to a preliminary survey all the public universities engage in distribution of their self sponsoring programmes (See Appendix 3). In total Kenya has 7 public universities and as at 1 June 2008.

#### 3.3 Data Collection

The data that was collected was both primary and secondary. Secondary data was mainly collected from the universities' websites. Primary data was collected using a structured questionnaire which was to be completed by the registrars of the universities' or whoever they deemed fit to respond. These questionnaires were to be delivered personally and administered. The number of questionnaires administered was 6. Primary data was collected from 6 of the seven public universities. Initially, as per the study plan primary data was to be collected from the 7 public universities. Secondary data was available for all the universities. It was feasible to physically travel to all the public universities to collect the required primary data. After completion the questionnaires were collected from the respondents by the administering research officer. Initially it was expected that the response rate would be 100% for the number of respondents was few and known. The questionnaire was designed to capture the three objectives of the study. The first question was largely open ended and designed to capture qualitative data. The next four involved a likert scale and required statistical input from the respondents.

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#### 3.4 Data Analysis

The data collected was analysed using both statistical and content analysis. Mean square analysis was applied as the analytical statistical tool mainly due to the fact that this study focused on a number of respondents and several factors.

Qualitative data cannot necessarily be put into a context that can be graphed or displayed as a mathematical term. Qualitative researchers may use different approaches, such as the grounded theory practice, narratology, story-telling, classical ethnography, or shadowing. Qualitative methods are also loosely present in other methodological approaches, such as action research or actor-network theory.

Contemporary qualitative studies are sometimes supported by computer programs, such as MAXQDA and NVivo, although the benefits of software use are mainly in storing and segregating data, rather than in processing or analyzing them.

Although it is common in the social sciences to draw a distinction between qualitative and quantitative aspects of scientific investigation, it has been argued that the two may go hand in hand. For example, based on analysis of the history of science, Kuhn (1961, p. 162) concluded "large amounts of qualitative work have usually been prerequisite to fruitful quantification in the physical sciences".

## 3.4.1 The GINI Coefficient (G)

For objectivity the GINI coefficient was used to measure distribution intensity. It was applied to the public universities' outlets and statistical values (dissimilarity Indices) were used to determine concentration and spread. The GINI coefficient has been successfully applied in macro economics to measure income inequality ranging from 0 (perfect equality) to 1 (perfect inequality). This model has also been used in marketing to determine the intensity of a distribution (Bucklin, Siddarth and Silva-Risso, 2007).

The GINI coefficient is a measure of inequality of a distribution. It is defined as a ratio with values between 0 and 1: the numerator is the area between the Lorenz curve of the distribution and the uniform (perfect) distribution line; the denominator is the area under the uniform distribution. The standard Gini coefficient is a summary statistic for the Lorenz curve often used to represent the extent of inequality across units. This is perhaps most well-known for quantifying income inequality in a population.

#### 3.4.2 The Index of Dissimilarity

The dissimilarity index is the summation of vertical deviations between the Lorenz curve and the line of perfect equality, also known as the summation of Lorenz differences. The closer the ID is to 1 (or 100 if percentages are used instead of fractions), the more dissimilar the distribution is to the line of perfect equality. The following formula is used to derive the GINI Coefficient:

$$ID = 0.5 \sum_{i=1}^{N} |X_i - Y_i|$$

#### 3.4.3 The Lorenz Curve

The Lorenz curve is a graphical representation of the proportionality of a distribution (the cumulative percentage of the values). All the elements of a distribution must be ordered from the most important to the least important. In general, the LC will be non-decreasing and convex and lie below the line of equality and the Gini coefficient provides a summary measure of the total amount of inequality in the population.

#### 4.0 DATA ANALYSIS AND INTEPRETATIONS

#### 4.1 Introduction

Qualitative and quantitative analyses were applied for objective one of the study which addressed the pattern of channels. Mean square analysis and use of percentages applied in this case. A Likert scale was used to measure the extent of usage of various factors. A Likert scale is a method of scaling answers to correspond to varying degrees of measurement and is used to measure attitudes, preferences, and subjective reactions University programmes that were analysed in the study are the privately sponsored doctoral, post-graduate, undergraduate, diploma and certificate programmes.

Both secondary and primary data were used for the purpose of this study. Secondary data was collected from all the seven Kenyan public universities.

#### 4.2 Demographics

#### 4.2.1 Case 5

Case 5,, a body corporate established by an Act of Parliament Cap 210 of the Laws of Kenya is the pioneer institution of University education in Kenya and the region. The only institution of higher learning in Kenya for a long time, Case 5 responded to the national regional and Africa's high level manpower training needs by developing and evolving strong, diversified academic programmes and specializations in sciences, applied sciences, technology, humanities, social sciences and the arts. To date, the range of programmes offered number approximately two hundred.

#### 4.2.2 Case 6

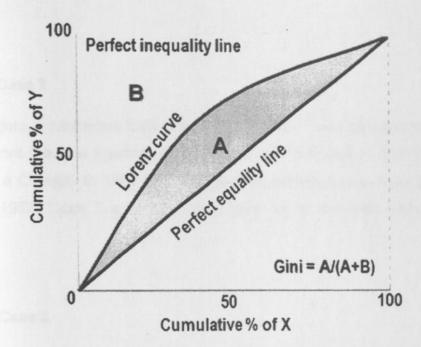
Case 6 is located in Eldoret, a distance of 310 Kilometers Northwest of Nairobi, the capital city of Kenya. It was established as the second Public University in Kenya by an Act of Parliament, in 1984. Case 6 was established as an institution of Science and Technology with relatively small component of arts based programmes. The first group of 83 students was admitted in 1984 through a transfer from the Department of Forestry, from Case 5. It was the first department in the pioneer Faculty of Forest Resources and Wildlife Management.

Since then, the University has experienced phenomenal growth from the initial one faculty in 1984 to 13 Schools in 2006 spread across its campuses

#### 4.2.3 Case 4

Case 4 is situated about 23 kilometres from the city of Nairobi on the Nairobi-Thika dual carriageway on 1,100 acres of land. It was established in 1965 as a College. Following an Act of Parliament of 1970, this College became a constituent College of the Case 5

The University status was achieved on August 23, 1985, when the a University Act received Presidential assent making the Institution a full - fledged University. The Act became operational on September 1, 1985 and the new University was inaugurated on December 17, 1985.



#### Figure 4: The Lorenz Curve.

Source: Dr. Jean-Paul Rodrigue, Dept. of Economics and Geography, Hofstra University, 1998.

The Gini coefficient is defined graphically as a ratio of two surfaces involving the summation of all vertical deviations between the Lorenz curve and the perfect equality line (A) divided by the difference between the perfect equality and perfect inequality lines (A+B).

#### 4.2.4 Case 7

Situated in Njoro, 5 kilometres form Nakuru town, Case 7 was founded as a farm school in 1939 by Lord Maurice Egerton of Tatton, a British National. In 1950, the school was upgraded to a College. In 1986, the College was gazetted as a constituent college of Case 5. In 1987, Case 7 was fully established as a University through an Act of Parliament.

#### 4.2.5 Case 2

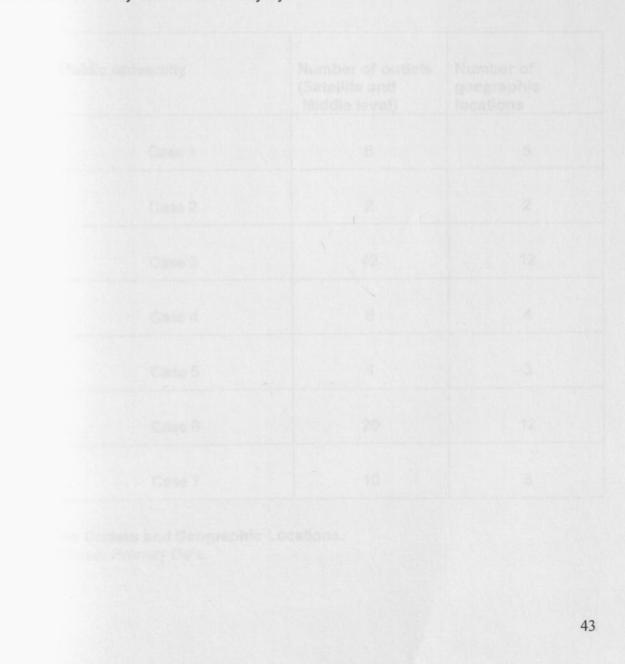
Case 2 currently comprises two campuses:, all in Maseno township 25 KM from Kisumu city on the Busia road. The two campuses were as a result of the merging of GTI with Siriba Teachers' College to form Case 2 University College, a constituent college of Case 6 and its subsequent gazetting in October 1990. It became a full-fledged university 11 years later in 2001.

#### 4.2.6 Case 3

Case 3 is located some 36KMs North East of Nairobi, in between Ruiru and Thika. It was started as the Case 3 College of Agriculture and Technology by the government of Kenya as an institution of higher learning with the generous assistance from the Japanese government. It was established as a University through an Act of Parliament in 1994 and inaugurated on7th December 1999.

#### 4.2.7 Case 1

Case 1 became a full university in December 2006 through an Act of Parliament. It is located in Kakamega Town in the Western Province of Kenya. It had been a constituent college of Case 6. The student and staff population has grown tremendously since its inception. The first group of students taking degree courses was admitted into the University in 2002 having been transferred from Case 6, Subsequent groups of students were admitted directly into the University by JAB.



## 4.3 Pattern of Distribution Channels

Patterns were determined by:

- Distribution Intensity Included spread and concentration.
- Channel Length Included number of levels.

## 4.3.1 Analysis of Spread and Concentration of Outlets

Table 4 below shows the satellite campuses and/or constituent colleges and middle level colleges (outlets) of all the seven public universities

No.	Public university	Number of outlets (Satellite and Middle level)	Number of geographic locations
1.	Case 1	6	5
2.	Case 2	2	2
3.	Case 3	42	12
4.	Case 4	6	4
5.	Case 5	4	3
6.	Case 6	20	12
7.	Case 7	10	8

Table 4: The Outlets and Geographic Locations.

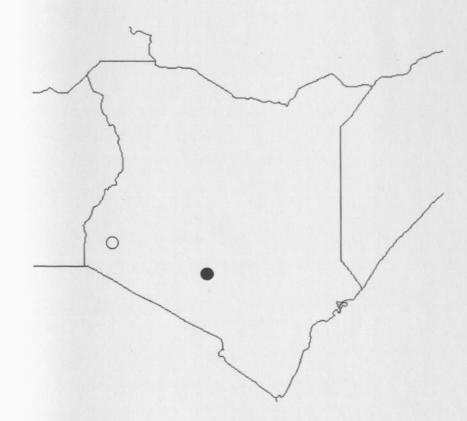
Source: Primary Data.

Note: Outlet in this case refers to the combination of both satellite/constituent centres and middle level colleges.

Table 5 below shows the demarcation between satellite campuses and/or constituent colleges and middle level colleges of all the seven public universities

No.	Public university	Number of satellite/constituent campuses (Level "zero" Channel)	Number of middle level colleges (Level "one" Channel)
1.	Case 1	1	5
2.	Case 2	1	1
3.	Case 3	5	37
4.	Case 4	5	1
5.	Case 5	3	1
6.	Case 6	5	15
7.	Case 7	5	5

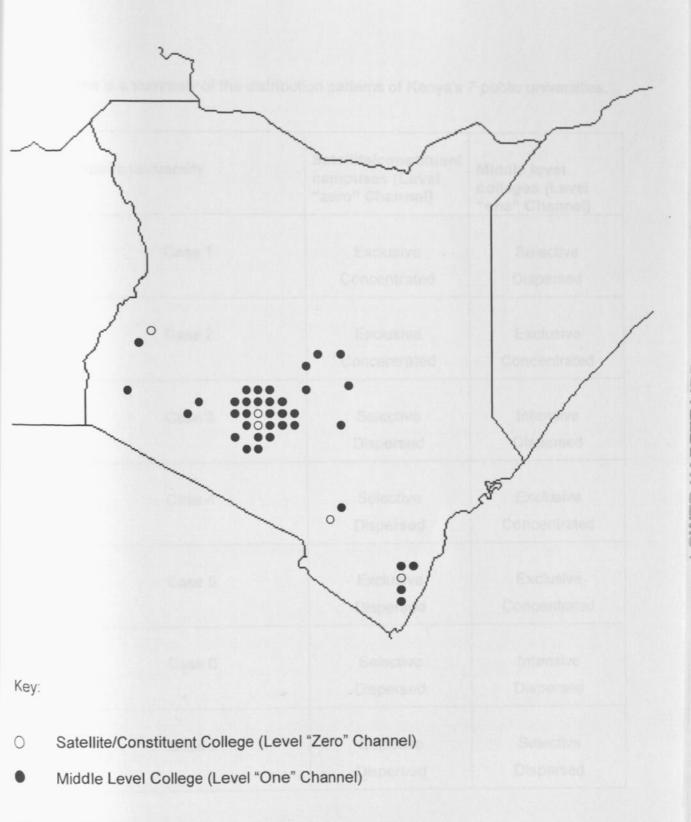
Table 5: The Level "Zero" and "One" Channels. Source: Primary Data. Figure 5 shows the concentration and spread of outlets for Case 2. From the diagram the use of an exclusive pattern for both levels is clear.



Key:

- O Satellite/Constituent College (Level "Zero" Channel)
- Middle Level College (Level "One" Channel)
- Figure 5: The Geographical Distribution of Case 2 Outlets. Source: Primary Data.

Figure 6 shows the concentration and spread of outlets for Case 3. From the diagram the use of an intensive pattern for the levels "one" channel is clear.



## Figure 6: The Geographical Distribution of Case 3 Outlets. Source: Primary Data.

No.	Public university	Satellite/constituent campuses (Level "zero" Channel)	Middle level colleges (Level "one" Channel)
1.			
	Case 1	Exclusive	Selective
	Case 81 10.200	Concentrated	Dispersed
2.			
	Case 2	Exclusive	Exclusive
	Capa 7 2,44.2	Concentrated	Concentrated
3.	Care 5 19,827	0 1428 0 4741 (0 33	-3
	Case 3	Selective	Intensive
		Dispersed	Dispersed
4.			
	Case 4	Selective	Exclusive
		Dispersed	Concentrated
5.	Anna An Disaminatary	Netors stadoet pohotenou.	
	Case 5	Exclusive	Exclusive
	11	Dispersed	Concentrated
6.	e the 7 millio universit	les (0) and their respective sh	re of private
	Case 6	Selective	Intensive
	- The most phase accou	Dispersed	Dispersed
7.	electropolation), while h	vo smallest, case 2 acobuma f	ar only stoors 4 %.
	Case 7	Selective	Selective
	10-05	Dispersed	Dispersed

Table 6 below is a summary of the distribution patterns of Kenya's 7 public universities.

 Table 6: The Pattern of Distribution Channels for Public Universities in Kenya.

 Source: Primary Data.

Table 7 below shows the dissimilarity in distribution of privately sponsored students across the 7 public universities.

University	Student Population	x	Y	X-Y
Case 1	3,804	0.1428	0.0907	0.0521
Case 3	4,017	0.1428	0.0958	0.047
Case 6	5,210	0.1428	0.1242	0.0186
Case 2	1,599	0.1428	0.0381	0.1047
Case 7	2,442	0.1428	0.0582	0.0846
Case 5	19,877	0.1428	0.4741	0.3313
Case 4	4,974	0.1428	0.1186	0.0242
Total	41923	1.0	1.0	0.6625

## Table 7: The Index of Dissimilarity across Student Population. Source: Primary Data.

The ID in this case is (0.6625 \* 0.5), = 0.3312, which indicates a skewed level of concentration. The 7 public universities (X) and their respective share of private students (Y). In this case, there is an unequal distribution of private students with the university with the most share accounting for 47% of private students. The largest (in terms of student population), while the smallest, case 2 accounts for only about 4 %.

$$ID = 0.5 \sum_{i=1}^{N} |X_i - Y_i| = 0.3312$$

An ID of 0.3312 indicates that some cases have more students than others, hence an indication of skewedness in a resource.

Table 8 shows concentration coefficients of satellite and/or constituent colleges amongst the 7 public universities.

University	Outlets	x	Y	X-Y
Case 1	7	0.1428	0.0769	0.0659
Case 3	42	0.1428	0.4615	0.3187
Case 6	20	0.1428	0.2197	0.0769
Case 2	2	0.1428	0.0219	0.1209
Case 7	10	0.1428	0.1098	0.0330
Case 5	4	0.1428	0.0439	0.0989
Case 4	6	0.1428	0.0659	0.0769
Total	91	1.0	1.0	0.7912

## Table 8: The Index of Dissimilarity across Outlets.

Source: Primary Data.

The ID in this case is (0.7912 \* 0.5), = 0.3956, which indicates an unfair level of concentration. The 7 public universities (X) and their respective share of outlets (Y). In this case, there is an unequal distribution of outlets with the two universities with most outets accounting for 67% of outlets. The largest (in terms of outlets), Case 3 accounts for 46.15% of the outlets while the smallest, Case 2 accounts for only 2.19%.

$$ID = 0.5 \sum_{i=1}^{N} |X_i - Y_i| = 0.3956$$

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An ID of 0.3956 above indicates that there are different levels of concentration of outlets, hence different distribution strategies of intensive, exclusive and selective.

Table 9 below shows the GINI Coefficient in distribution of privately sponsored students across the 7 public universities.

University	Student Population	x	Y	σΧ	σΥ	σX <sub>i-1</sub> – σX <sub>i</sub> (B)	σΥ <sub>i-1</sub> + σΥ <sub>i</sub> (A)	А*В
Case 1	3,804	0.1428	0.0907	0.1428	0.0907	0.1428	0.0907	0.01295
Case 3	4,017	0.1428	0.0958	02856	0.1865	0.1428	0.2772	0.03958
Case 6	5,210	0.1428	0.1242	0.4284	0.3107	0.1428	0.4972	0.0710
Case 2	1,599	0.1428	0.0381	0.5712	0.3488	0.1428	0.6595	0.09417
Case 7	2,442	0.1428	0.0582	0.7140	0.407	0.1428	0.7558	0.1079
Case 5	19,877	0.1428	0.4741	0.8568	0.8811	0.1428	1.2881	0.1839
Case 4	4,974	0.1428	0.1186	1.000	1.000	0.1428	1.8811	0.2686
Total	41923	1.0	1.0					0.7781

#### Table 9: The GINI Coefficient across Student Population.

Source: Primary Data.

The G Coefficient for the above distribution is 1-0.7781=0.2218, meaning the there is fairly unequal spread of privately sponsored students across the seven public universities.

$$G = 1 - \sum_{i=0}^{N} (\sigma Y_{i-1} + \sigma Y_i) (\sigma X_{i-1} - \sigma X_i) = 0.22187$$

A GINI coefficient of 0.22187 above indicates

Table 10 below shows the GINI values of the universities across outlets .

University	Number of Outlets	x	Y	σΧ	σΥ	σX <sub>i-1</sub> – σX <sub>i</sub> (B)	σΥ <sub>i-1</sub> + σΥ <sub>i</sub> (A)	А*В
Case 1	7	0.1428	0.0769	0.1428	0.0769	0.1428	0.0769	0.01098
Case 3	42	0.1428	0.4615	02856	0.5384	0.1428	0.6153	0.08786
Case 6	20	0.1428	0.2197	0.4284	0.7581	0.1428	1.2965	0.18514
Case 2	2	0.1428	0.0219	0.5712	0.7800	0.1428	1.5381	0.21964
Case 7	10	0.1428	0.1098	0.7140	0.8898	0.1428	1.6698	0.23844
Case 5	4	0.1428	0.0439	0.8568	0.9337	0.1428	1.8235	0.26039
Case 4	6	0.1428	0.0659	1.000	1.000	0.1428	1.9337	0.27613
Total	91	1.0	1.0					1.27858

#### Table 10: The GINI Coefficient across Outlets.

Source: Primary Data.

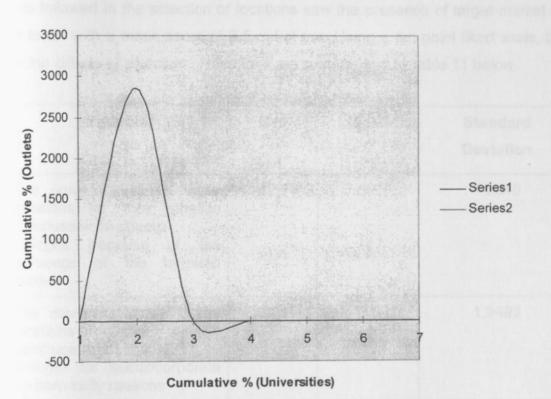
$$G = 1 - \sum_{i=0}^{N} (\sigma Y_{i-1} + \sigma Y_i) (\sigma X_{i-1} - \sigma X_i) = 0.27858$$

The G Coefficient for the above distribution is 1-1.27858=0.27858, meaning the there is fairly unequal spread of outlets across the seven public universities. Some are dispersed while others are not.

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#### 3.4.3 The Lorenz Curve

Below is a graphical representation of the distribution of outlets across universities



Lorenz Curve for Public Universities' Outlets

## Figure 4: The Lorenz Curve. for University Outlets Source: Primary Data.

The Gini coefficient is defined graphically above as the Lorenz . The dissimilarity in outlet spread is emphasized by the steep curve.

## 4.4 Criteria of Selection of Locations and Intermediaries

A ten point likert scale was used to measure the variables. A score of one to 10 was assigned to each scale point progressively. This was analysed for both level "zero" and level "one" channels. Selection of locations for level "zero" and selection of intermediaries for level "one" channels.

## 4.4.1 Criteria for the Selection of Locations

The criteria followed in the selection of locations saw the presence of target market as the major factor with a mean score of 8.5 out of ten. Using a ten point likert scale, the results for the criteria of selection of locations are summarized by table 11 below:

No.	Variable	N=5	Mean	Standard Deviation
1.	The university chose those locations for their satellite campuses/constituent colleges because of the presence of the targeted market	42.5	8.5	1.2649
2.	The university chose those locations for their satellite campuses/constituent colleges for social/corporate responsibility reasons	17.5	3.5	1.9493
3.	The university chose those locations for their satellite campuses/constituent for job creation	17.5	3.5	2.2360
4.	The university chose those locations for their satellite campuses/constituent for political reasons	5.5	1.1	2.2000

Table 11: Criteria of selection of Locations. Source: Primary Data.

## 4.4.2 Criteria for the Selection of Intermediaries

The criteria followed in the selection of intermediaries saw the facilities of the middle level college as the major factor with a mean score of 8.625 out of ten. Using a ten point likert scale, the results for the criteria of selection of intermediaries are summarized by table 12 below:

No.	Variable	Mean	Standard
			Deviation
1.	The university chose this particular middle level college(s) of the size of the institution	7.125	1.8833
2.	The university chose this particular middle level college(s) because of the reputation of the institution	8.125	1.1388
3.	The university chose this particular middle level college(s) because of the location of the institution	8.375	1.1924
4.	The university chose this particular middle level college(s) because of the facilities of the institution	8.625	1.1924
5.	The university chose this particular middle level college(s) because of the resource capabilities of the institution	7.875	2.1469
6.	The university chose this particular middle level college(s) because of the type of programmes ran by the institution	7.625	1.6345
7.	The university chose this particular middle level college(s) because of the history & heritage of the institution	6.375	1.5562
8.	The university chose this particular middle level college(s) because of the relationship with the institution	7.500	0.5000

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9.	The university chose this particular middle level college(s) because it is state owned just like the university	5.750	1.7500
10.	The university chose this particular middle level college(s) because it has qualified personnel	7.125	1.8833
11.	The university chose this particular middle level college(s) because it markets the courses well and admits many students	5.625	1.6345

#### Table 12: Criteria of selection of Intermediariess. Source: Primary Data.

#### 4.5 Factors that have led to the distribution of University Programmes

A ten point likert scale was used to measure the factors. A score of one to 10 was assigned to each scale point progressively. This was analysed for both level "zero" and level "one" channels. Factors that have led to the use of locations for level "zero" and factors that have led to the use of intermediaries for level "one" channels.

## 4.5.1 Factors That Have Led to the Use of Locations

The factors that have led to the use of the level zero channel saw expansion as the leading factor with a mean score of 8.9 out of ten. Using a ten point likert scale, the results for the factors that have led to the use of locations are summarized by table 13 below:

No.	Variable	Mean	Standard
	d arte bio		Deviation
1.	The university has satellite/constituent colleges as part of a marketing strategy	7.3	0.7483
2.	The university has satellite/constituent colleges because of a government directive	3.9	2.0079
3.	The university has satellite/constituent colleges as a	7.9	1.2806
	method of managing excess demand	7 975	0.7085
4.	The university has satellite/	8.9	1.0198
	constituent colleges as a means of expansion	8,375	1.8924
5.	The university has	7.7	1.1661
	satellite/constituent colleges as a source of revenue generation	· 8.500	1 5000
6.	The university has satellite/constituent colleges as a cost reduction strategy	3.3	1.3266
7.	The university has satellite/constituent colleges so as to reach out to students in other geographic areas	8.6	1.5937

## Figure 13: Factors That Have Led to the Use of Locations.

Source: Primary Data.

## 4.5.2 Factors That Have Led to the Use of Intermediaries

The factors that have led to the use of the level one channel saw type of programmes run by the middle level college as the leading factor with a mean score of 8.5 out of ten. Using a ten point likert scale, the results for the factors that have led to the use of intermediaries are summarized by table 14 below:

No.	Variable	Mean	Standard Deviation
2.	The university uses middle level colleges because of a government directive	3.625	1.0825
3.	The university uses middle level colleges as a method of managing excess demand	7.875	0.7395
4.	The university uses middle level colleges as a means of expansion	8.375	1.1924
5.	The university uses middle level colleges because of the type of programmes in the middle level institution	8.500	1.5000
6.	The university uses middle level colleges because of the facilities in the middle level institution	7.750	0.8291
7.	The university uses middle level colleges because of the human resource competence in the middle level institution	7.625	1.4737

8.	The university uses middle level colleges as a source of revenue generation	7.125	0.7395
9.	The university uses middle level colleges as a cost reduction strategy	5.875	1.7455
10.	The university uses middle level colleges to reach out to students in other geographic areas	7.625	2.2741
11.	The university uses middle level colleges to avoid administrative chores	5.125	1.2437

Figure 14: Factors That Have Led to the Use of Intermediaries. Source: Primary Data.

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#### 5.0 SUMMARY DISCUSSIONS AND CONCLUSIONS

#### 5.1 Summary, Discussions and Conclusions

This study was curried out to ascertain the objectives as set out in the opening chapter. The conclusions derived are presented in summary in this chapter. Upon the investigation of the patterns, length, criteria and factors relating to the distribution of university programmes the following issues were salient:

- The retailing of higher education in Kenya's state owned universities has led to the development of distribution patterns that are either zero level or one level in length.
- All the seven public universities have both sets of channel length.
- The public universities in Kenya have differently adopted all the three distribution patterns that are known to marketing theory; intensive, selective and exclusive.
- Each of the seven cases that were studied had a unique distribution mix pattern.
- The criteria adopted in the determination of level one intermediaries and that adopted in the determination of zero level locations had no similarities.
- The criteria adopted by public universities in the selection of locations is only applicable to the zero level channel.
- The criteria adopted by public universities in the selection of intermediaries is only applicable to the one level channel.
- Factors that have led to the use of locations are only applicable to the zero level channel.
- Factors that have led to the use of intermediaries are only applicable to the one level channel.
- Factors that have influenced the distribution of higher education by public universities for both zero and one level channels had a common denominator in that they were financially inspired.

#### 5.2 Limitations of the Study

There were time and budgetary constraints that made it difficult to include more views from administrative officers with respect to factors.

Secondly, the study focused only on the public universities. The privately owned universities in Kenya have also engaged in the retailing of their programmes. It would have been the researcher's interest to cover both the public and private universities and then apply discriminant analysis to compare the two.

The collection of data from Case 4 was constrained by rigid administrative procedures that would not have been adhered to because of the time constraint of the study (See Appendix 5). Only secondary data that was available on the website was used in this study. The absence of primary data hindered the second and third objectives of the study.

#### 5.3 Suggestions for Further Research

The following areas of study are recommended for further study:

- Pattern of distribution channels in both public and private Kenyan universities.
- Relationship between financial performance and distribution pattern in Kenyan universities.
- The use of direct electronic channels of distribution in Kenyan universities.

#### 5.4 Implications of the Study for Policy and Practice

The proper use of distribution channels not only leads to competitive advantage, but also profitability and growth. This is true especially in competitive business environments. Both the level zero and level one channels for the public universities are operating in environments of intense competition and their application is a persuasive managerial solution. Other public institutions and more so the service oriented ones may consider the use of a distribution mix for their services as a marketing solution. The proper use of distribution channels highlighted above in the paragraph implies the adoption of an optimal distribution mix whereby the variables concerned include:

- The type of pattern
- The channel length
- The intermediary characteristics
- The environmental imapct

These variables should be blended in the most optimal manner relative to both the internal and external environments to achieve

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#### 7.0 APPENDICES

7.1 Appendix 1

Questionnaire

#### QUESTIONNAIRE

Part A

Name of Public University:

Name of Respondent:

Designation:

Does the university run privately sponsored degree programmes? Please tick as appropriate

Yes

No



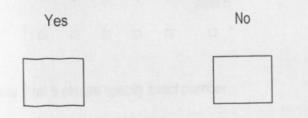
Builde gives any of the middle, and colleges accordination to furth

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 (a) How many existing collaborations does your university have with other middle level institutions of higher learning?

If more t	than 5	please	e spe	cify ex	kact r	number							
				,									
							_	-					
How -						rrontly	hoir	00 5	on hu	/ mi	iddla laval	institutions	
collabor	ative a	rrange	emen	ts with	n you	r unive	rsity?		an Dy	/ 111	iuule level	institutions	u
		0	2		5	c	7	8	0	10	More		
	1	2	3	4	5	6	7	8	9	10	More Than 10		
	1	2	3	4	5	6	7	8					
											Than 10		

(c) Has your institution given any of the middle level colleges accreditation to further run its programmes with a third middle level college?



(d) For collaborated programmes with middle level colleges, how many middle level institutions have been given the accreditation? Please also indicate the geographical locations in the table below.

Name of middle level college	Region (district, province, country) in which programme is being run
to mediale aparala studi	is does the university have?

(e) How many constituent or satellite campuses does your university have for programmes that run parallel in the main campuses?

1	2	3	4	5	More than 5

If more than 5 please specify exact number

(f) For each of those satellite campuses or constituent colleges please indicate the geographical location and reason for choosing that location.

No.	Name of satellite campus or constituent college	Geographical location (province, district)	Reason for selecting this location
1.	and the second of the second		
2.			
3.			
4.			
5.			
6.			
7.			
8.			
9.	Little Muderele	Graat	
10.		E TRAIL	

(g) How many module 2/parallel students does the university have?

 (a) Please circle the number that indicates the extent of usage of the following statements as they relate to your university:

		Not At All		Little Extent		Moderate Extent		Great Extent		Gr	ery eat tent
1.	The university chose the locations in 1 (f) above because of the presence of the targeted market	0	1	2	3	4	5	6	7	8	9
2.	The university chose the locations in 1 (f) above for social/corporate responsibility reasons	0	1	2	3	4	5	6	7	8	9

The university chose The locations in 1 (f) above										
for job creation	0	1	2	3	4	5	6	7	8	9

(b) If there is any other reason why your university chose these locations and is not listed in question 2 (a) above, please specify in the blank below and please indicate the number that represents the extent of usage.

		2 3	4.5	6.7.6
Not At All	Little Extent	Moderate Extent	Great Extent	Very Great Extent
0 1	2 3	4 5	6 7	8 9

 (a) Please circle the number that indicates the extent of usage of the following statements as they relate to your university:

		Not At All			Little Moderate Great Extent Extent Extent					Very Great Exten	
1.	The university has satellite/constituent colleges as part of a marketing strategy	0	1	2	3	4	5	6	7	8	9
2.	The university has satellite/constituent colleges because of a government directive	0	1	2	3	4	5	6	7	8	9
3.	The university has satellite /constituent colleges as a method of managing excess demand	0	1	2	3	4	5	6	7	8	9
4.	The university has satellite/ constituent colleges as a means of expansion	0	1	2	3	4	5	6	7	8	9
5.	The university has satellite/constituent colleges as a source of revenue generation	0	1	2	3	4	5	6	7	8	9
6.	The university has satellite/constituent colleges as a cost reduction strategy	0	1	2	3	4	5	6	7	8	9

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- 7. The university has satellite/constituent colleges 0 1 2 3 4 5 6 7 8 9 so as to reach out to students in other geographic areas
  - (b) If there is any other reason why your university has satellite or constituent colleges and is not listed in question 3 (a) above, please specify in the blank below and please indicate the number that represents the extent of usage.

Not At All	Little Extent	Moderate Extent	Great Extent	Very Great Extent
0 1	2 3	4 5	6 7	8 9

 (a) Please circle the number that indicates the extent of usage of the following statements as they relate to your university:

		Not At All		Little		Moderate Extent		Great Extent		Very Grea		
				LAICI	n	LAIC	5111	LA	ent	Exte		
1.												
	particular middle level college(s) because of the size of the institution	0	1	2	3	4	5	6	7	8	9	
2.												
	particular middle level college(s) because of the reputation of the institution	0	1	2	3	4	5	6	7	8	9	
3.	The university chose this											
	particular middle level college(s) because of the location of the	0	1	2	3	4	5	6	7	8	9	
	institution											
4.	The university chose this particular middle level college(s) because of the facilities of the institution	0	1	2	3	4	5	6	7	8	9	
5.	The university chose this particular middle level											
	college(s) because of the resource capabilities of the institution	0	1 -	2	3	4	5	6	7	8	9	
6.	The university chose this particular middle level											
	college(s) because of the type of programmes ran by the institution	0	1	2	3	4	5	6	7	8	9	

7.	The university chose this particular middle level college(s) because of the history & heritage of the institution	0	1	2	3	4	5	6	7	8	9
8.	The university chose this particular middle level										
	college(s) because of the relationship with the institution	0	1	2	3	4	5	6	7	8	9
9.	The university chose this particular middle level college(s) because it is a state owned just like the university	0	1	2	3	4	5	6	7	8	9
10	The university chose this										
10.	particular middle level										
	college(s) because - it has qualified personnel	0	1	2	3	4	5	6	7	8	9
11.	The university chose this particular middle level										
	college(s) because it markets the courses well and admits many	0	1	2	3	4	5	6	7	8	9
	students										

(b) If there is any other reason why the university chose this particular middle level college(s) as a partner and is not listed in question 4 (a) above, please specify in the blank below and please indicate the number that represents the extent of usage.

Not At All	Little Extent	Moderate Extent	Great Extent	Very Great Extent	
0 1	2 3	4 5	67	8 9	

 (a) Please circle the number that indicates the extent of usage of the following statements as they relate to your university:

		Not At All	1	Little Exter		Mode Exte		Gre	eat tent	Ve Gre Ext	
1.	The university uses middle level colleges										
	as part of a marketing strategy	0	1	2	3	4	5	6	7	8	9
2.	The university uses middle level colleges as a government directive	0	1	2	3	4	5	6	7	8	9
3.	The university uses middle level colleges as a method of managing excess demand	0	1	2	3	4	5	6	7	8	9
4.	The university uses middle level colleges as a means of expansion	0	1	2	3	4	5	6	7	8	9
5.	The university uses middle level colleges										
	Because of the type of programmes in the middle level institution	0	1	2	3	4	5	6	7	8	9
6.	The university uses middle level colleges										
	Because of the physical facilities of	0	1	2	3	4	5	6	7	8	9
	the middle level institution										

7.	The university uses middle level colleges because of the human resource competence of the institution	0	1	2	3	4	5	6	7	8	9
8.	The university uses middle level colleges as a source of revenue generation	0	1	2	3	4	5	6	7	8	9
9.	The university uses middle level colleges as a cost reduction strategy	0	1	2	3	4	5	6	7	8	9
10.	The university uses middle level colleges to reach out to students in other geographic areas	0	1	2	3	4	5	6	7	8	9
11.	The university uses middle level colleges to avoid administrative chores	0	1 abril a	2	3	4	5	6	7	8	9

(b) If there is any other reason why your university uses middle level colleges and is not listed in question 5 (a) above, please specify in the blank below and please indicate the number that represents the extent of usage.

No At A		Lit Exte	tle ent		lerate tent	Gre Ext	eat ent		ery eat tent
)	1	2	3	4	5	6	7	8	9

7.2 Appendix 2 Letter of Introduction



# UNIVERSITY OF NAIROBI SCHOOL OF BUSINESS MBA PROGRAM - LOWER KABETE CAMPUS

Telephone: 020-2059162 Telegrams: "Varsity", Nairobi Telex: 22095 Varsity

P.O. Box 30197 Nairobi, Kenya

DATE. AUGUST 27, 2008

# TO WHOM IT MAY CONCERN

FRED MEROKA

The bearer of this letter .....

is a Master of Business Administration (MBA) student of the University of Nairobi.

He/she is required to submit as part of his/her coursework assessment a research project report on a management problem. We would like the students to do their projects on real problems affecting firms in Kenya. We would, therefore, appreciate if you assist him/her by allowing him/her to collect data in your organization for the research.

The results of the report will be used solely for academic purposes and a copy of the same will be availed to the interviewed organizations on request.

Thank you. UNTERSITY OF NAIROBI MEA OFFICE DR. W.N. IRAK ROBI CO-ORDINATOR, MBA PROGRAM

### 7.3 Appendix 3

## List of Outlets and Intermediaries

## 1. Western University of Science & Technology

#### i) Level 'Zero' Channel

Name of satellite Campus or constituent college	Location
Nairobi Aviation college	Nairobi

### ii) Level 'One' Channel

Name of middle level college	Location
Nairobi Aviation college	Nairobi
Sangalo Institute of Technology	Bungoma
Kaimosi College of Technology	Vihiga
Lake Institute of Technology	Kisumu
Bombe Technical Institute	Busia

## 2. Egerton University

### i) Level 'Zero' channel

Name of satellite Campus or constituent college	Location
Nakuru Town campus	Nakuru
Kisii Camputs	Kisii
Laikipia Campus	Nyahururu
Eastern Campus	Chukka
Kenyatta Campus	Njoro

#### ii) Level 'One' Channel

Name of middle level college	Location
Railway Training Institute	Nairobi
Lake Nakuru college of Tourism & Hospitality management.	Nakuru
Kenya Institute of Psychology	Nairobi
Naivasha Dairy Institute	Naivasha
Bukura Institute	Kakamega

### 3. Moi University

## Level 'Zero' Channel

Name of satellite Campus or constituent college	Location
Nairobi campus	Nairobi
Mt. Kenya Campus	Nyeri
Kericho Campus	Kericho
Kitale campus	Kitale
Kisumu Campus	Kisumu

## iii) Level 'one' channel

Name of middle level college	Location
Eastern Africa School of Aviation	Nairobi
Sagret Heart	Bungoma
Nakuru College of Health	Nakuru
Sciences Elgon view Institute	Eldoret
Rongo Institute of technology	Kisumu
Kericho Training Institute	Kericho
St., Phillips	Embu
Narok Teachers Training College	Narok
Voi Institute	Voi
	Mombas
	Mombasa
	Mombasa

## 4. Maseno University

## i) Level 'Zero' Channel

Name of satell constituent colle	or	Location
Kisumu Town Ca		Kisumu

#### ii) Level 'One' Channel

Name of middle level college	Location
Institute of Advanced Technology	Nairobi

### 5 Kenyatta University

#### i) Level 'Zero' Channel

Name of satellite campus or constituent college	Location
Pwani University College	Mombasa
Parklands Campus	Nairobi
Mombasa Campus	Mombasa
Ruiru Campus	Ruiru
Kitui Campus	Kitui

### ii) Level 'one' channel

Name of middle level college			Location	
Regional	Institute	of	Business	Nairobi
managem	nent	echi	moder	1. Adartani

# 6 Jomo Kenyatta university of Agriculture & Technology

## i) Level 'zero' channel

Name of satellite campus or constituent college.	Location
Karen campus	Nairobi
Kimathi campus	Nyeri
Taita taveta campus	Taita Tavata
Mombasa campus	Mombasa
Westands	Nairobi.

## ii) Level 'One' Channel

Name of satellite campus or	Location
constituent college.	cation
Alphax College	Eldoret
Augustana College	Nairobi
Bandari College	Mombasa
Co-operative College of Kenya	Nairobi
Diamond Systems Ltd	Nairobi
Holy Rosary College	Nairobi
Jaffery Institute of Professional Studies	Mombasa
Kenya School of Professional Studies	Nairobi
Kenya College of Accountancy (Ruaraka)	Nairobi
Kenya College of Accountancy (Kisumu)	Kisumu
Kenya College of Communications Technology	Nairobi
Kenya Armed Forces Technical College	Nairobi
Kimathi Institute of Technology	Nyeri
Loreto College Msongari	Nairobi
Murang'a College Technology	Muranga.
Nairobi Institute of Technology	Nairobi
Nairobi Institute of Business Studies	Nairobi
Region Centre for Mapping of Resources for Development	Nairobi
Starehe Boys Centre	Nairobi
Shepherds Foundation, Education and Research Centre	Nairobi
Tracom College	Nakuru
Kimathi College	Nyeri
Institute of Technology	Nairobi

#### 7 University of Nairobi

#### i) Level 'Zero' Channel

Name of satellite campus or constituent college	Location
Bandari Campus	Mombasa
Kenya Science Campus	Nairobi
Kisumu Campus	Kisumu

#### ii) Level 'one' channel

-

Name of middle level college	Location Nairobi	
Riccatti College		

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7.4 Appendix 4

Sample of Collaborative Evidence



# Maseno University in Collaboration with Institute of Advanced Technology



# BACHELOR OF SCIENCE DEGREE IN INFORMATION & COMMUNICATION TECHNOLOGY MANAGEMENT (BSc. ICTM)

#### PROGRAM DESCRIPTION

The Bachelor of Science in Information and Communication Technology Management (BSc ICTM) is a degree program jointly developed by the Department of Computer Science & Technology, Maseno University and the Institute of Advanced Technology (IAT). The program is approved by the Maseno University senate and offered through a joint collaboration with IAT.

The BSc Information and Communication Technology Management combines the essential aspects of computer science (covering areas such as software development, communications and networking, security, systems analysis, databases, systems software etc.) with the key facets of business and management as they relate to ICT, with a view to producing technically proficient graduates who also understand business and management issues.

This combination of skills and knowledge will prepare graduates to be immediately productive in the ICT industry.

#### OBJECTNES

Graduates of the BSc Information and Communication Technology Management (BSc ICT Management) shall be able to: -

- Have adequate knowledge and skills in ICT infrastructure management, software development or ICT consultancy to be immediately productive in the ICT industry.
- Take up employment in the ICT industry, research Institutions or any other relevant private and public sectors.
- Undertake postgraduate studies and research in related areas of specialization

#### COURSE STRUCTURE

Duration: Semester 1-4:

Semester 5-8: Industrial Attachment 1: Industrial Attachment 2: 8 semesters for 3 Years 7-8 core modules

6 core & 2 elective Modules 3 months after semester 6 3 months after semester 8

#### ENTRY REQUIREMENTS

KCSE aggregate of C+, with a C and above in Mathematics or any other qualification approved by the Maseno University senate

COURSE CONTENT

#### SEMESTER 1 CODE TITLE

ICTM 2101 ICTM 2102 ICTM 2103 ICTM 2104 ICTM 2105 ICTM 2106 ICTM 2107	Business Organisation HIV/AIDS Communication Skills Introduction to Programming in C Self Management and Leadership Computer Systems Introduction to Computer Applications

#### **SEMESTER 2**

 SCT 113
 Data Communications

 SCT 110
 Introduction to Logic Systems

 ICTM 2108
 Business Communication

 SCS 204
 Operating Systems

 SCS 308
 Object Oriented Programming in C++

 ICTM 2109
 Database Management Systems

 ICTM 2110
 Database Systems

#### SEMESTER 3

SCT 205 ICTM 2201 ICTM 2202 ICTM 2203 ICTM 2204 ICTM 2205 ICTM 2206 Computer Networks Object Oriented Programming in V Office Applications Programming Report Generation Skills Internet Technology I Organisational Processes Systems Support

Programming project

#### **SEMESTER 4**

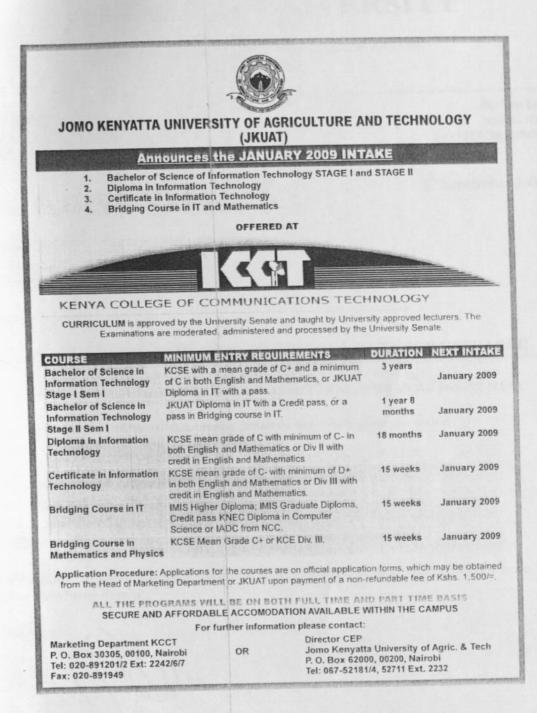
ICTM 2208 ICTM 2209 ICTM 2210 ICTM 2211 ICTM 2212 ICTM 2213 ICTM 2214 ICTM 2215 Application Identification Technique Management Processes Messaging and Communication Security in Applications Customer Care Work Flow Applications Structured Programming Models ICT Consultancy project

> 84 01 2

Developing Leaders Website; <u>http://www.iat.co.ke</u> www.maseno.ac.ke

IAT is an ISO 9001 certified training institution

# Sample of Collaborative Evidence



7.5 Appendix 5 Sample of Drawbacks to Study



# KENYATTA UNIVERSITY

OFFICE OF THE DEPUTY VICE-CHANCELLOR (ACADEMIC)

Fax: (+254-20)811380 E-mail:dvcacad@wananchi.com Website: www.ku.ac.ke P.O. Box 43844 Nairobi, 00100 Tel: (+254-20) 810901-19

1<sup>st</sup> September 2008

KU/DVCACAD/GEN/11

Fred Meroka, P.O. Box 14411-00800, **NAIROBI.** 

Dear Mr. Meroka,

# RE: REQUEST FOR AUTHORITY TO COLLECT DATA FOR RESEARCH

Your letter to the Vice-Chancellor dated 28th August 2008 on the above subject refers.

Kindly furnish me with details on the research project for necessary action. You are required to submit the following: -

- The research proposal;
- Names of sponsors of the research; and
- Rationale of the project;

in addition to the data collection instrument that you have submitted.

Authorization to carry out your research in this institution may be considered once we receive the above details

Thank you.

PROF. PHILIP OWINO AG. DEPUTY-VICE-CHANCELLOR (ACADEMIC)

cc: Vice-Chancellor Director Centre for Research and Development 7.5 Appendix 5 Sample of Drawbacks to Study



# KENYATTA UNIVERSITY

OFFICE OF THE DEPUTY VICE-CHANCELLOR (ACADEMIC)

Fax: (+254-20)811380 E-mail:dvcacad@wananchi.com Website: www.ku.ac.ke P.O. Box 43844 Nairobi, 00100 Tel: (+254-20) 810901-19

1<sup>st</sup> September 2008

KU/DVCACAD/GEN/11

Fred Meroka, P.O. Box 14411-00800, **NAIROBI.** 

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Thank you.

PROF. PHILIP OWINO AG. DEPUTY-VICE-CHANCELLOR (ACADEMIC)

cc: Vice-Chancellor Director Centre for Research and Development