PRODUCERS' AWARENESS AND PERCEPTION OF VALUE ADDING STRATEGY IN THE MARKETING OF KENYAN TEA

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ABSTRACT

This study undertakes to examine producers’ awareness and perception of value adding strategy in the marketing of Kenyan tea. It looks at the entire tea industry which comprises the small-scale and large-scale sectors. To bring out the awareness and perception of value adding, a census study was carried out in which the Chief Executive Officers (CEOs) of the major producers were interviewed. A semi-structured Questionnaire was administered through e-mail, mail and telephone.

The principal objectives of the study were threefold: To establish whether producers are aware of the need of tea value adding, to establish the perception of tea value adding strategy by producers and to identify the challenges facing tea value adding.

The study found out that although the concept of tea value adding is new in the tea industry in Kenya, producers acknowledged being aware of it and was eager to adopt it. They reckon that tea value adding has many advantages among them increased revenue and employment creation in packaging and marketing spheres.

It was found out that many countries have succeeded in tea value adding and this made the producers perceive it as something that can be achieved even if initial capital is high. Other challenges that were identified include expensive machinery and marketing costs.
It was generally agreed that for Kenya to make an impact in the global tea market, it has to address the main challenges and bottlenecks that hinder the establishment of a vibrant tea value-adding sector. This is the only way through which we can rival countries like Sri Lanka and India who have a much more developed tea value-adding sector.