ASSESSMENT OF PRICING STRATEGIES PURSUED BY SHIPPING FIRMS IN KENYA

BY

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ABSTRACT

The shipping industry plays a very crucial role in the Kenyan economy. As the world business environment changes it is vital that businesses including the shipping firms adapt to these changes in order to survive and achieve their corporate objectives. Marketing is one of the important activities of an organisation. It is through marketing the products or services of the company are to reach the customers. The company gets the money back when the products are sold out in the market. Price is an important aspect of any firm especially firms whose goal is to maximize profits. Each price has a different implication for profits, sales revenue and market share. The overall aim of this study was to assess the pricing strategies of shipping firms in Kenya. The specific objectives were to establish the pricing strategies shipping firms use and to assess the extent to which firms in the shipping industry in Kenya use pricing as a marketing mix tool. Literature review was gathered from various sources with emphasis on current literature from renowned authors in marketing. The research design used was a census survey which aimed at assessing the importance of pricing among the shipping firms in Kenya. The data collection tool used was a questionnaire with closed and open-ended questions guided by the contents of the literature review and aimed at achieving the set objectives. The study revealed that the shipping firms in Kenya use similar pricing strategies with a greater emphasis on profit and revenue maximization. The study also established that pricing is an important element of the marketing mix of shipping firms in Kenya. A recommended area for further study in future is the view of other shipping industry stakeholders on the matter of pricing strategy apart from that of the shipping firms themselves as captured here.