

**THE INFLUENCE OF GREEN MARKETING MIX STRATEGIES
ON PERFORMANCE OF FAST MOVING CONSUMER GOODS
COMPANIES IN NAIROBI COUNTY.**

KIRIMI CHARLES GITONGA

**A RESEARCH PROJECT SUBMITTED IN PARTIAL
FULFILLMENT OF THE REQUIREMENTS FOR AN AWARD OF
THE DEGREE OF MASTER OF BUSINESS ADMINISTRATION,
SCHOOL OF BUSINESS, UNIVERSITY OF NAIROBI.**

OCTOBER, 2014

DECLARATION

This research project is my original work and has not been presented for examination in any other institution of higher learning.

Sign: Date:

Kirimi Charles Gitonga

D61/67028/2011

The research project has been submitted for examination with my approval as the University Supervisor.

Sign: Date:

Professor Francis Kibera

Department of Business Administration

School of Business

University of Nairobi

ACKNOWLEDGEMENTS

Special thanks to my supervisor, Professor Francis Kibera, for his professional guidance and support as well as the moderator, Dr. Raymond Musyoka, who were very instrumental in making the research project a success. I also wish to acknowledge Dr. Winnie Njeru, for her immense support, all the respondents from the Fast Moving Consumer Goods companies, University of Nairobi staff, my MBA colleagues, friends, and family, for their encouragement and kind support.

DEDICATION

I wish to dedicate this research project to my mum, Elizabeth Wakonyo Magiri, and my dad, Julius Kirimi Magiri, for their unlimited support throughout my journey in school, moral support and encouragement in enabling me achieve my dreams. Thank you, I humbly and kindly appreciate. May God bless you abundantly.

ABBREVIATIONS AND ACRONYMS

AMA: American Marketing Association

CIM: Chartered Institute of Marketing

CPC: Consumer Packaged Goods

FMCG: Fast Moving Consumer Goods

KAM: Kenya Association of Manufacturers

NEMA: National Environment Management Authority

ISO: International Standards Organization

UNEP: United Nations Environment Programme

TABLE OF CONTENTS

DECLARATION.....	ii
ACKNOWLEDGEMENTS	iii
DEDICATION.....	iv
ABBREVIATIONS AND ACRONYMS.....	v
LIST OF TABLES	ix
LIST OF FIGURES	x
ABSTRACT.....	xi
CHAPTER ONE	1
INTRODUCTION.....	1
1.1 Background of the study	1
1.1.1 Green marketing mix strategy	2
1.1.2 Organizational performance	4
1.1.3 Fast Moving Consumer Goods companies in Nairobi County.....	5
1.2 Research problem.....	7
1.3 Research objectives.....	8
1.4 Value of the study	8
CHAPTER TWO	10
LITERATURE REVIEW	10
2.1 Introduction.....	10
2.2 Theoretical foundations of the study.....	10
2.3 Level of adoption of green marketing strategies.....	12
2.4 Green marketing mix strategies and organizational performance.....	13
2.4.1 Green product strategies and organizational performance	13
2.4.2 Green pricing strategies and organizational performance	14
2.4.3 Green promotion strategies and organizational performance.....	15
2.4.4 Green place strategies and organizational performance	16
2.4.5 Green people strategies and organizational performance.....	17
2.4.6 Green process management strategies and organizational performance	17
2.4.7 Green physical evidence strategies and organizational performance.....	18

CHAPTER THREE	19
RESEARCH METHODOLOGY	19
3.1 Introduction	19
3.2 Research design.....	19
3.3 Population of the study.....	19
3.4 Sample design	20
3.5 Sample size.....	20
3.6 Data collection.....	21
3.7 Reliability and Validity of the Research Instrument.....	21
3.8 Data analysis	21
CHAPTER FOUR.....	23
DATA ANALYSIS, RESULTS AND DISCUSSION.....	23
4.1 Introduction	23
4.2 General demographic information	23
4.2.1 Response rate.....	23
4.2.2 Respondents' characteristics.....	24
4.2.3 The length of time in years the firms have been in manufacturing business....	25
4.2.4 The geographical spread of the firms	25
4.2.5 Listing of Companies by Sector	26
4.3 Green marketing mix strategies adopted by Fast Moving Consumer Goods Companies in Nairobi County.....	27
4.4 Influence of green marketing mix strategies on organizational performance of FMCG's in Nairobi County	29
4.4.1 Green product strategies and organizational performance	30
4.4.2 Green price strategies and organizational performance	31
4.4.3 Green promotion strategies and organizational performance.....	32
4.4.4 Green place strategies and organizational performance	33
4.4.5 Green people strategies and organizational performance.....	34
4.4.6 Green process management strategies and organizational performance	35
4.4.7 Green physical evidence strategies and organizational performance.....	36

CHAPTER FIVE	38
SUMMARY, CONCLUSION AND RECOMMENDATIONS	38
5.1 Introduction	38
5.2 Summary	38
5.3 Conclusion.....	40
5.4 Recommendations for policy and practice	41
5.5 Limitations of the study.....	42
5.6 Suggestions for further research.....	42
REFERENCES.....	43
APPENDICES.....	47
Appendix I: Introduction letter.....	47
Appendix II: Questionnaire.....	48
Appendix III: List of FMCG's in Nairobi County	56

LIST OF TABLES

Table 3.1: Proportion sampling of FMCG's in Nairobi County	20
Table 4.1: Response rate	23
Table 4.2: Number of years the FMCG's have been in operation	25
Table 4.3: Green marketing mix strategies adopted by FMCG Companies in Nairobi County.....	28
Table 4.4: Mean scores of green product strategies on performance of FMCG's	30
Table 4.5: Mean scores of green price strategies on performance of FMCG's	31
Table 4.6: Mean scores of green promotion strategies on performance of FMCG's	32
Table 4.7: Mean scores of green place strategies on performance of FMCG's.....	33
Table 4.7 continued.....	34
Table 4.8: Mean scores of green people strategies on performance of FMCG's	34
Table 4.8 continued.....	35
Table 4.9: Mean scores of green process management strategies on performance of FMCG's	35
Table 4.9 continued.....	36
Table 4.10: Mean scores of green physical evidence strategies on performance of FMCG's	37

LIST OF FIGURES

Figure 2.1: Maslow's Hierarchy of Needs Theory	11
Figure 4.2: Geographical spread of the Fast Moving Consumer Goods companies	26
Figure 4.3: FMCG's Respondents by Sector	27

ABSTRACT

Environmental problems are of great concern in the society today and a majority of FMCG's are investing towards a green economy by adopting green marketing strategies in their day to day activities to improve organizational performance. It was therefore why this study sought to establish the influence of green marketing mix strategies on performance of Fast Moving Consumer Goods companies in Nairobi County. The aim of the study was to attempt to answer the questions: to what extent have FMCG's adopted green marketing mix strategies?; and to what extent have green marketing mix strategies influenced organizational performance of FMCG's in Nairobi County?. A descriptive cross-sectional survey was therefore used to establish the objectives of the study which were to: identify the green marketing mix strategies adopted by FMCG firms in Nairobi; and determine the influence of green marketing mix strategies on organizational performance of Fast Moving Consumer Goods companies in Nairobi County. The study population comprised 21 Fast Moving Consumer Goods companies. Primary data was collected using semi-structured questionnaires. The response rate was 71% which was 15 FMCG's. Data was then analyzed using descriptive statistics and presented in the form of tables and charts using frequencies, mean scores, standard deviation, and percentages. The findings indicated that organizations have adopted a combination of different green marketing mix strategies with the green place strategy being adopted to a very large extent by the FMCG's. This is due to the fact that it largely contributes to organizational performance of these organizations. Competitiveness was considered a key performance indicator with most of the organizations indicating the green marketing mix strategies influenced their competitiveness to a large extent. The green process management is also largely adopted where organizations indicated that their staff largely influences the performance of their organizations. Further results showed that green physical evidence is the least adopted strategy by FMCG's in Nairobi County with most of them indicating that recycled or reusable furniture at the organization had a small influence on performance of the organizations. Some of the drawbacks the study faced were the fact that the study was conducted in Nairobi County alone and the researcher recommends a similar study be done on the rest of the FMCG's in Kenya.

CHAPTER ONE

INTRODUCTION

1.1 Background of the study

As society becomes more concerned with protecting the natural environment, businesses have begun to modify their behaviour in an attempt to address society's "new" concerns. Green, ecological, or environmental marketing consists of all activities designed to generate and facilitate any exchanges intended to satisfy human wants, such as satisfaction of these needs and wants with minimal detrimental impact on the natural environment (Polonsky, 1994b: 2). Ottman (2008) said that by the year 2002, environmental appeals were increasing in number - the Energy Star label, for example, appeared on 11,000 different companies' models in 38 product categories. Over the years, there has been a green marketing paradigm from the conventional way of marketing to green marketing that is being used by the various organizations in all industries. Porritt and Winner (1988) add that environmental concern with regard to products and packaging should be given first priority by businesses through practicing green marketing in their day to day operations.

This study will be anchored on two main theories which are the resource-based view theory and Abraham Maslow's hierarchy of needs theory. The resource-based view theory looks at how firms utilize various strategies to achieve a competitive advantage over their competitors at lower costs thus leading to performance of the firm. Abraham Maslow (1954) on the other hand highlights the various motivation levels of individuals

and what must be satisfied at each level. For one to move to a higher level, the current one must be satisfied and thus green marketing mix strategies should aim at satisfying these needs of consumers at each level.

Fast Moving Consumer Goods companies, also referred to as FMCG's, need various green marketing strategies to achieve the firm's main objective which is profit maximization and at the same time meet the stakeholders' expectations in an environmental friendly manner. Therefore the study looked at how these strategies influence the FMCG's performance in Nairobi County.

1.1.1 Green marketing mix strategy

The term green marketing came into prominence in the late 1980's and early 1990's. The American Marketing Association (AMA) held its first workshop on "Ecological Marketing" in 1975, resulting in one of the first books on green marketing. This led to the first wave of green marketing which occurred in the 1980's. Green marketing can therefore be defined as the efforts by organizations to produce, promote, package, and reclaim products in a manner that is sensitive or responsive to ecological concerns (American Marketing Association, 2014). Polonsky (1994) goes ahead and states that green marketing consists of all activities designed to generate and facilitate any exchanges intended to satisfy human wants, such as satisfaction of these needs and wants with minimal detrimental impact on the natural environment. This can be done by using various strategies to promote products by employing environmental claims either about

their attributes or about the systems, policies, and processes of the firms that manufacture or sell them (Prakash, 2002, p. 285).

Kibera et al. (1996) define marketing mix as a conscious and deliberate process of developing a marketing programme that is composed of the controllable variables. The green marketing mix consists of the 7 P's of marketing which include the green product, green price, green promotion, green place, green people, green process management, green physical evidence.

Luo and Bhattacharya (2006) noted the positive gains firms gain through adoption of green marketing strategies and highlights that going green is beginning to take center stage in boardrooms around the world. Ottman (1998) highlights seven winning green marketing strategies that organizations should use in their day to day activities. First, organizations should understand the full range of environmental, economic, political, and social issues that affect the consumer and the products now and over the long term; they should then create new products and services that balance consumer's desires for high quality, convenience, and affordable pricing with minimal environmental impact over the entire life of their product; empower consumers with solutions by helping them understand the issues that affect the business as well as the benefits of environmentally preferable technology, materials, and designs; establish credibility for their marketing efforts for example by acquiring certifications; build coalitions with corporate environmental stakeholders like NEMA (National Environment Management Authority) in Kenya; communicate corporate commitment and project their values to the

stakeholders through the various communication channels; and lastly, they should not quit but continuously strive 'zero' environmental impact of the products and processes.

1.1.2 Organizational performance

Organizations nowadays work in very complex environments. For example a global environment means more competitors to the organization thus the need to create better systems for better outcomes. According to the Business Dictionary (2014), organizational performance is an analysis of a company's performance as compared to goals and objectives. Within corporate organizations, there are three primary outcomes analyzed: financial performance, market performance, and shareholder value performance (in some cases, production capacity performance may be analyzed). By organizations measuring their performance, they are able to plan and forecasting demand and supply, to counter competition, comply with regulations like NEMA environmental laws, and international standards like the ISO 14000. Generally, organizational performance can be classified under objective and subjective measures.

Objective measurements use mathematical formulae to calculate the respective indicator. They include time which has been spent on an overall process in the organization in delivering the end product to the consumer. Reduced time is a key performance indicator in an organization. Costs of making and delivering a product to the consumer should be significantly reduced in a performing organization. A growth in market share in terms of the number of customers in a geographical area represent performance of an organization and a reduction represent a drop thus non-performance of an organization. Increase in the

sales revenue of a product in an organization is also a key performance indicator since one of the core businesses of organizations is generation of profits for sustainability and continuity of the organization. Competitiveness of the organization is an advantage a firm acquires over its' competitors like acquiring highly trained personnel and use of latest technology.

Subjective performance indicators use subjective opinions and personal judgement of the stakeholders of the organization. They include perceived quality, efficiency, and customer satisfaction and loyalty. Perceived quality is the consumer's opinion of a product or a brand on its ability to satisfy their expectations in terms of superiority of the product over other products offered in the market. Efficiency of a product means that the organization uses the fewest resources possible to produce the product. In the case of the consumer, the product saves on energy and reduces impact on the environment. This is indicated by an energy star label on the product. Customer satisfaction and loyalty means that customers have positive attitudes towards your products. They also frequently make repeat purchases of the same products and choose them over competitors.

1.1.3 Fast Moving Consumer Goods companies in Nairobi County

Fast Moving Consumer Goods (FMCG) or Consumer Packaged Goods (CPG) industry includes food and non-food everyday consumer products. They are usually purchased as an outcome of small-scale consumer decision and are generally sold in large quantities.

Brierley (2002) defines FMCG's as products with shelf life, either as a result of high consumer demand or because the product deteriorates rapidly. FMCG's can be products

such as meat, fruits, and vegetables, dairy products and baked goods which are highly perishable. Other goods such as alcohol, toiletries, pre-packaged foods, soft drinks and cleaning products have high turnover.

Green marketing is used by various companies due to the opportunities to achieve the firm's objectives and competitive advantage, obligation to be socially responsible, Government pressure like NEMA, increased customer consciousness due to competitive pressure, cost minimization, limited resources utilization, and deterioration of climatic conditions thus protection of the environment (Dash, et al. 2012). The not-so-obvious assumption of green marketing is that consumers will be willing to pay more for green products than they would for a less-green comparable alternative product – an assumption that has not been proven conclusively (Polonsky, 2011).

There is a growing concern among the Kenyan consumers over the environmental impact of these FMCG products. The organizations have therefore resulted to using various green marketing mix strategies to meet these new concerns. In total there are 85 FMCG's in Nairobi County which comprise of both local and international organizations. Green FMCG products can be said to be products that are originally grown, are recyclable, reusable and biodegradable, have natural ingredients, contain recycled contents or non-toxic chemicals, do not harm or pollute the environment, and have eco-friendly packaging such as reusable, refillable containers.

1.2 Research problem

Green marketing entails the development and distribution of products designed in a manner that is sensitive or responsive to ecological concerns (American Marketing Association, 2014). Environmental problems are of great concern to the society as well as to the environment that we live in today. Developing countries like Kenya are having a hard time implementing environmentally sound policies and practices and bodies like UNEP have come in to assist by providing the various solutions to improve the quality of life without compromising that of future generations. A majority of organizations are investing towards a green economy and this has been witnessed by various organizations who have implemented green marketing mix strategies in their day to day activities.

In an environmental report by UNEP/NEMA (2005), the Kenyan Government came up with a strategy to deal with the plastic bag menace in the country and some of the policies include consumer awareness and anti-littering campaign, and support for a disposal system for those bags that enter the waste stream despite measures taken. FMCG organizations in Nairobi like Unilever have also come up with a sustainable living plan whose major goal is to halve the environmental footprint of the making and use of products by decoupling their growth from environmental impacts, thus achieving absolute reductions across the product lifecycle (Unilever, 2013).

In her study, Kinoti (2011) pointed out that Chief Executive Officers have taken advantage of opportunities by using green marketing strategies which indeed lead to improved organization performance. A study by Kamori (2013) on green marketing

practices of medium and large supermarkets in Nairobi further states that at least 90% of supermarkets applied green marketing practices whereas 10% did not apply due to the high costs associated with green marketing. He continues to state that some aspects of green marketing practices on product packaging for example scored very low due to costs and supermarkets instead used cost effective materials to enable them realize profits.

The current study focused on the influence of green marketing mix strategies on performance of FMCG's in Nairobi with an attempt to bridge the gap from other studies by answering the following research questions:

- i. To what extent have FMCG's adopted green marketing mix strategies?
- ii. To what extent have green marketing mix strategies influenced organizational performance of FMCG's in Nairobi County?

1.3 Research objectives

The objectives of the study were to:

- i. Identify the green marketing mix strategies adopted by FMCG firms in Nairobi.
- ii. Determine the influence of green marketing mix strategies on organizational performance of Fast Moving Consumer Goods companies in Nairobi County.

1.4 Value of the study

Green marketing has not been sufficiently researched since it is a new idea especially in Kenya. According to UNEP (United Nations Environment Programme), every year, an estimated 11.3 billion tonnes of solid waste is collected worldwide. The solution is minimization of waste, and where it cannot be avoided, recovery of materials and energy

from waste as well as re-manufacturing and recycling waste into usable products should be the second option. This can be utilized by the various FMCG's operating in Nairobi County.

The study will also be beneficial to Government authorities in Kenya like NEMA which is charged with the management of the natural environment. It will receive information on the green marketing strategies which various firms have put in place to conserve the environment and how they can be assisted.

Environmental conscious consumers and the society at large will gain insights into the need to conserve the environment by learning aspects like reducing the amount of waste they produce by buying products that do not contain a lot of packaging, re-using things instead of throwing them away, for example plastic bags, and recycling of everyday materials like paper bags, soda cans, milk cartons. They can also buy products that contain recycled materials, and biodegradable waste.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter of the study will include the theoretical foundations of the study and it seeks to link the various theories and the green marketing mix strategies. It will also cover the levels of adoption of the green marketing mix strategies; organizations have different business objectives and that is why each and every organization has to adopt one that fits to its needs and ability. And finally, it will cover green marketing mix strategies and organizational performance. These will include the 7 P's of green marketing mix strategies used by firms and how they influence the performance of FMCG's.

2.2 Theoretical foundations of the study

Newbert (2008) describes the resource-based view in terms of competitive advantage, performance, resources, and capabilities. A firm's competitive advantage is attained if the organisation has created greater economic value. This means that the firm produces products that are of better benefits than competitors, or the same benefits at lower cost compared to competitors (Peteraf and Barney, 2003). Green marketing mix is a strategy that is used by firms by producing products locally, recycling materials, producing safe materials, thus providing more benefits at a lower cost. Performance of a firm in economic benefits is also achieved as a result of implementation of these strategies.

Abraham Maslow's Hierarchy of Needs theory can be linked to the various green marketing mix strategies used by organizations and how it can be applied. Maslow (1954) came up with a five stage model that seeks to understand what motivates humans at various levels towards certain choices for example choosing a green product as opposed to other products (Figure 2.1). Organizations have to understand their customers well enough to come up with winning green marketing mix strategies. Norwood (1999) proposed that Maslow's hierarchy can be used to describe the information individuals seek at different levels.

Figure 2.1: Maslow's Hierarchy of Needs Theory



Source: Maslow (1954).

Individuals at the lowest level seek coping information in order to meet their basic needs like green products that satisfy the biological and physiological needs. Individuals at the safety level seek information that is helpful to them. This is how they can be assisted to

feel secure and safe for example products that are safe to their bodies as well as their surroundings. Enlightening information is sought by individuals seeking to meet their belongingness needs. The information is mostly found on electronic materials on a product for example the QR code on products that directs consumers to a site on more information of a product. Esteem level individuals seek empowering information on a product or firm for example a firm that is ISO certified, products branded with green labels or eco-labels, or products that are way above the normal products in quality. Finally, edifying information is sought by self-actualization individuals who seek personal growth and fulfillment.

2.3 Level of adoption of green marketing strategies

Organizations adopt green marketing strategies for various reasons and this depends on the overall objectives of the organization. According to Kibera and Njeru (2014), they can either be tactical (low) adoption indicators, quasi-strategic (moderate) indicators, and the strategic (high) adoption indicators.

Some of the tactical (low) adoption indicators are reducing packaging materials, promoting products with messages such as eco-friendly without giving more information, pollution control, treatment of effluents, designing less ecologically harmful products, and packaging in containers made of recyclable materials.

The quasi-strategic (moderate) adoption indicators are where packaging minimization is incorporated as part of manufacturing review process, durable products are emphasized,

promoting the product eco-benefits, green activities limited to one or two functional areas such as marketing and production, implementing regional environmental standards, making products that are safe for disposal and repairable, buying recycled materials from suppliers.

Strategic (high) adoption indicators include annual or bi-annual voluntary environmental reports to the public and environmental bodies; empowering employees through environmental training programs; use of cleaner technologies where a reverse logistic system is put in place to re-process and re-manufacture products; the company invites representatives of an environmental group to join its board of directors; use of internet as an alternative channel of distribution; using sustainable sources of raw materials and energy such as solar, wind, water; dematerializing the product; and incorporating green marketing at the corporate level.

2.4 Green marketing mix strategies and organizational performance

Organizations depending on their objectives use various green marketing mix strategies and this affects their performance.

2.4.1 Green product strategies and organizational performance

The demand for green products is growing each day. From 2007 to 2009, eco-friendly products increased in launch more than 500%, with green growth rising to the top of the agenda for many businesses (Unruh & Etteson, 2010). Green product is defined as product-related decisions and actions whose purpose is to protect or benefit the natural

environment by conserving energy and/or resources and reducing pollution and waste (Danjelico & Pujari, 2010). The products have to be developed depending on the needs of the customers who prefer environment friendly products. The products can be made from recycled materials, or from used goods, products with green labels as long as they offer substantiation, organic products, certified products which meet or exceed environmentally responsible criteria. Efficient products not only save water, energy and money, but they also reduce harmful effects on the environment. Product differentiation can be a key effort where firms differentiate the products using green marketing practices. Eco-performance therefore is a key issue in differentiation where low performers become targets for new substitution in the market. Organizations identify customer's environmental needs and develop products to address these needs; or develop environmentally responsible products that have less impact than competitors. This increases the perceived quality of the firm's products, market share, as well as customer satisfaction.

2.4.2 Green pricing strategies and organizational performance

An acceptable price change is determined by the buyers' willingness and ability to purchase a product, and the sellers' cost of producing and distributing the product. Often, green products have higher initial out-of-pocket expenses but lower long-run costs (Polonsky & Rosenberg, 2001). A company on the other hand can for example save on costs due to existing energy-efficiency features of a product. Price discrimination is a common method used by organizations where products are of different prices depending on the quality, thus green products are of high quality and priced higher than similar

products thus scooping the crème of the market and eventually more profits for the organization. The organization can show that a portion of the price goes to a worthy cause such as scholarships, sponsorships and donations to the needy in the society. Welford (2000) points out that if social and environmental protection measures cost extra money, they can be passed on to consumers, making it clear that the price differential is as a result of such improvements.

2.4.3 Green promotion strategies and organizational performance

Green promotion encourages use of promotion tools that are biodegradable to reduce effects on the environment. It is therefore necessary when packaging products the firm can modify the product packaging by making use of recycled as well as handmade paper in packaging rather than using mechanized material. The company can leverage on eco-friendly promotion through use of internet by e-mails instead of print media, trade shows, and eco-labels on packaging and the corporate website. According to Polonsky and Rosenberger (2001), one of the most difficult questions to address within green marketing is what environmental information should be communicated and how it should be communicated.

Ottman (2008) noted that it is important to be transparent, so that customers can easily find out if the promoted information is correct. Consumer awareness can be created by spreading the message among consumers about the benefits of environmental-friendly products. This is when sellers use terms like low-fat, on the packaging of products. The organization should communicate while putting stress on environmental aspects, green

credentials and profile them to customers and other stakeholders. They should however avoid 'greenwashing' by not spending more resources on advertising being 'green' than actual environmental practices. During direct sales the marketers can convince customers to be environmental friendly and this encourages loyalty as well as a gain of market share in existing and new markets.

2.4.4 Green place strategies and organizational performance

Green place can be carried out by promoting in-store activities and differentiating it from competitors by recycling of materials, and using of environmental friendly materials at the location of the organization. Distribution is done using marketing channels that are friendly to the environment and the main aim is reducing carbon print on the firm's products. An example is instead of importing products from far away, it can be licensed for local production, reducing shipping costs, thus consequent reduction of emissions by the ships and other modes of transport. Others include working with the distributors and suppliers to develop product re-use or disposal arrangements and ensuring customers are able to return recyclable materials. An example is Hewlett-Packard that has partnered with Staples in its authorized recycling location program for printer ink cartridges (Matthews, 2011). This in turn results to efficiency due to the reduced costs as well as customer satisfaction and loyalty due to the fact that consumers feel they 'own' the brand since the materials used are local.

2.4.5 Green people strategies and organizational performance

These are the employees of the organization and it relates to how they perform their duties. They should be well trained on environmental issues, well motivated and with a good attitude since the reputation of the organization rests in their hands. Some factors such as competitiveness of an organization can be determined by the green people strategy of an organization. The employees can also affect either positively or negatively the customer satisfaction levels due to the way they carry out their day to day activities.

2.4.6 Green process management strategies and organizational performance

This is how smooth customers acquire the services that your organization offers. Customers need to be always happy and satisfied with the system. This can be the information given to them and how helpful the staff is in acquiring the services. E-commerce has been very helpful in this where customers can purchase items online and await delivery and in case of reading materials, they can download them and reduce wastages. The internet has been very helpful in saving time and money and social media is widely used to serve customers since they get immediate responses as opposed to the original phone inquiries where customers have to stay on hold for several minutes before they can get a response.

2.4.7 Green physical evidence strategies and organizational performance

The Chartered Institute of Marketing (2009) notes that the physical evidence demonstrated by an organization must confirm the assumptions of the customer. The physical setting of the reception for example must demonstrate the organizations green intentions in an attractive manner. The layout should be made out of attractive furniture, creative environments, from recycled materials or are reusable. The reading materials at the waiting area can be in digital form whereby customers can read them on monitor screens, tablets or kindles. Reading materials that are printed should be fully recycled papers and the ink on the papers can be vegetable-based or with water-based coatings. Customers speak to other customers to find out their opinions and testimonials and therefore green physical evidence strategies strengthen customer satisfaction as well as customer loyalty of the organizations products.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter outlines the methods that were used in the study by explaining the research design, population of the study, sample design, sample size, data collection, validity and reliability of the research instrument, tools that were used in data analysis and presentation.

3.2 Research design

The study adopted an exploratory research design to identify the green marketing mix strategies adopted by FMCG's, and to determine the influence of green marketing mix strategies on performance of FMCG's. The study being a survey research and a single time assessment, a cross-sectional design was used.

3.3 Population of the study

Population is a complete set of objects with common observable traits (Mugenda & Mugenda, 2003). The target population of the study was all the Fast Moving Consumer Goods companies in Nairobi County. There are a total of 85 FMCG's according to the Kenya Association of Manufacturers 2014 directory. The source of the population was therefore the KAM Kenya Manufacturers and Exporters 2014 Directory. The source was comprehensive since it classified the organizations by sectors, their contacts, physical addresses and websites for the researcher to acquire more information.

3.4 Sample design

Sampling involves selecting a subset of individuals to estimate characteristics of the whole population. The researcher used a list of FMCG's provided by the Kenya Manufacturers and Exporters 2014 Directory as the sampling frame and selected the companies through a stratified random sampling. The FMCG companies' list was grouped into 6 different sectors and a random selection of organizations from each stratum was applied. Albright, Zappe and Winston (2011) noted that sampling randomly from a population allows a researcher to use probability to make inferences about unknown parameters.

3.5 Sample size

A sample size of 21 FMCG's which was 25% of the population was selected for this study. The population of the study was homogenous thus requiring a small size (Table 3.1).

Table 3.1: Proportion sampling of FMCG's in Nairobi County

Sample category	Number	Sample (n)
Chemical & allied sector	20	5
Food & beverages	45	11
Paper & board	10	2
Pharmaceutical & medical equipment	4	1
Plastics & rubber	4	1
Textile & apparels	2	1
Total	85	21

Source: Researcher (2014)

Mugenda and Mugenda (2003), points out that the resource and time factor influences the sample to use thus the identified sample was justifiable adequate for the study.

3.6 Data collection

A semi-structured questionnaire was administered to collect the primary data and it comprised of both the open-ended and closed-ended questions (see Appendix II). Part A consisted of the general questions; part B the green marketing mix strategies adopted by FMCG's in Nairobi County; and part C the influence of green marketing mix strategies on organization's performance. Prior arrangements were made between the researcher and the respondents on how to receive the questionnaire. The questionnaires were shared via emails and drop and pick method.

3.7 Reliability and Validity of the Research Instrument

Reliability of the research was enhanced though pre-testing of the questionnaire by carrying out a pilot study on 2 FMCG companies in Nairobi County to identify whether any adjustments needed to be made. To establish content validity of the research instrument which was the questionnaire, the researcher sought expert opinions from the supervisor and lecturers to facilitate the necessary revision of the research instrument.

3.8 Data analysis

Data analysis enabled the researcher to clarify problems, and provide a sense of direction. Quantitative data was analyzed using descriptive statistics whereby tables, frequency

distribution, pie charts, bar charts, percentages, mean scores, and variances were used to present the data. Qualitative data was also analyzed and it included verbal description or measurements with non-standard scales (Ngau & Kumssa, 2004). The raw data was entered, organized, and cleaned for completeness. IBM Statistical Package for Social Sciences (SPSS) version 22 was used for analysis. The analyzed data was then presented in a report format.

CHAPTER FOUR

DATA ANALYSIS, RESULTS AND DISCUSSION

4.1 Introduction

This chapter presents the findings and analysis, interpretations and presentations of the study set out in the research methodology. The study aimed at identifying the green marketing mix strategies adopted by FMCG's as well as the influence of the green marketing mix strategies on organizational performance. Of the targeted 21 FMCG's in Nairobi County, 15 respondents returned the questionnaire, a 71% response rate.

4.2 General demographic information

4.2.1 Response rate

Completion rate is the proportion of the population that participated as intended in all the research procedures (Table 4.1).

Table 4.1: Response rate

Response rate	Frequency	Percentage (%)
Responded	15	71
Not responded	6	29
Total	21	100%

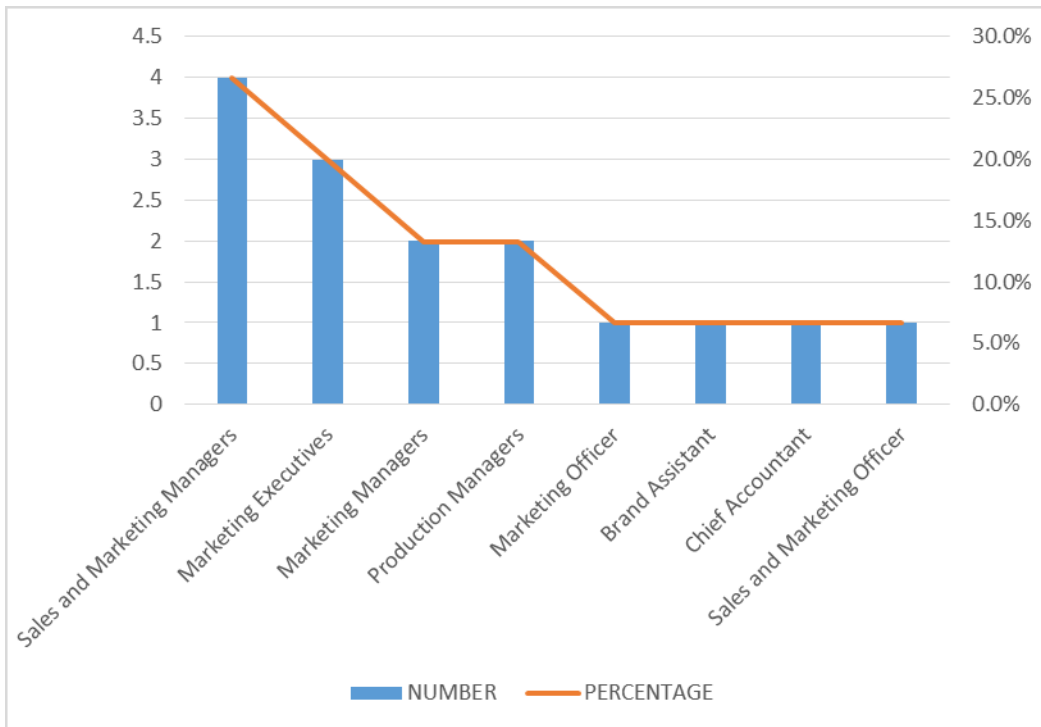
Source: Primary data

Out of 21 target respondents, 15 filled and returned the questionnaire contributing to a 71% response rate. This return rate was deemed good and representative for the study.

4.2.2 Respondents' characteristics

Demographic information of the respondents in the 15 Fast Moving Consumer Goods companies in Nairobi County was one of the information collected and analyzed as illustrated in Figure 4.1.

Figure 4.1: Designation of respondents



Source: Primary data

From the findings, it was noted that in all the organizations sales and marketing managers were 26.6%, marketing executives 20.0%, marketing managers 13.3%, production managers 13.3%, sales and marketing officers 6.7%, brand assistants 6.7%, sales and marketing officers 6.7%, chief accountants 6.7%.

4.2.3 The length of time in years the firms have been in manufacturing business

Respondents were required to indicate the number of years their organization has been in business (Table 4.2).

Table 4.2: Number of years the FMCG's have been in operation

Number of years firm has been in operation	Frequency	Percentage (%)
Less than a year	0	0
1 – 5 years	1	7
6 – 9 years	1	7
10 or more years	13	86
Total	15	100%

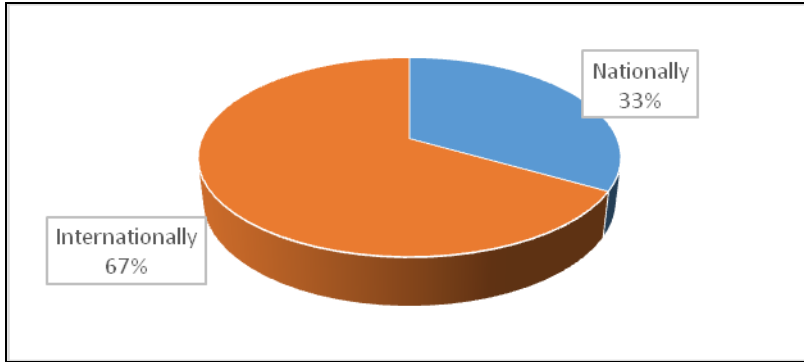
Source: Primary data

Majority (86%) which is 13 of the 15 organizations have been in operation for 10 or more years, 7% which represents 1 organization between 6 - 7 years, and 7% which represents 1 organization between 1 - 5 years.

4.2.4 The geographical spread of the firms

From the findings as illustrated in Figure 4.2, 33% of firms operate at a national level whereas the majority (67%) operate at an international level.

Figure 4.2: Geographical spread of the Fast Moving Consumer Goods companies



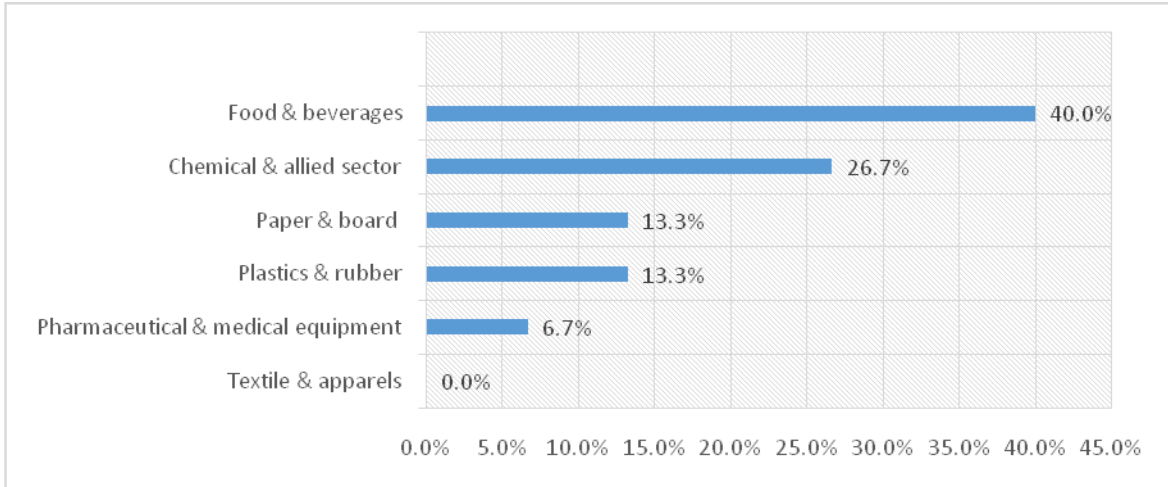
Source: Primary data

International FMCG's in Nairobi that responded were 10, whereas national FMCG's that responded were 5.

4.2.5 Listing of Companies by Sector

From the findings on the different sectors of the organizations (Figure 4.3), the study found that a majority of the respondents, 40% were food and beverage sector, followed by the chemical and allied sector with a 26.7% response rate, 13.3% paper and board, 13.3% plastics and rubber, 6.7% pharmaceuticals and medical equipment.

Figure 4.3: FMCG's Respondents by Sector



Source: Primary data

There was no response from the textile and apparels sector.

4.3 Green marketing mix strategies adopted by Fast Moving Consumer Goods Companies in Nairobi County

Respondents were required to indicate the extent their companies have adopted the green marketing strategies on a Likert scale of 5 to 1, where 5 = to a very large extent, 4 = to a large extent, 3 = to a moderate extent, 2 = to a small extent, and 1 = not at all. Average means of between 3.16 and 4.30 were recorded whereas the average standard deviations were between 0.873 and 1.302 were recorded as shown in Table 4.3.

Table 4.3: Green marketing mix strategies adopted by FMCG Companies in Nairobi County

	To a very large extent	To a large extent	Moderate extent	Small extent	Not at all	Total Percentages (%)	Average Mean	Average Standard Deviation
Green product strategy	41.7	15.0	18.3	11.7	13.3	100	3.77	1.041
Green pricing strategy	23.4	20.0	26.6	16.7	13.3	100	3.32	1.290
Green promotion strategy	46.7	10.0	18.3	18.3	6.7	100	3.73	1.302
Green place strategy	65.0	15.0	6.6	6.7	6.7	100	4.30	0.873
Green people strategy	49.0	20.0	31.0	0	0	100	4.18	0.899
Green process management strategy	37.8	20.0	20.0	20.0	2.2	100	3.71	0.896
Green physical evidence strategy	16.7	20.0	21.7	21.7	20.0	100	3.16	1.159

Source: Primary data

A standard deviation of <1 means that there was no significant variation in responses whereas a standard deviation of >1 means that there was significant variation in responses. Percentages were also used to present the findings. The green place strategy

recorded the highest percentage with 65% of the respondents agreeing to a very large extent that they had adopted the strategy in their organizations. This was supported by an average mean score of 4.30 which is the highest among the strategies and a low average standard deviation of 0.873 meaning that there was no significant variations in the responses. Green people strategy followed with an average mean of 4.18 and an average standard deviation of 0.899. Green product strategy had an average mean of 3.77 but an average standard deviation of 1.041. Green promotion strategy had an average mean score of 3.73 and recorded the highest average standard deviation of 1.302 which means there was a significant variation in responses. Green process management recorded a mean of 3.71 and an average standard deviation of 0.896. Green pricing strategies had an average mean of 3.32 and an average standard deviation of 1.290. Green physical evidence recorded the lowest adoption rate by FMCG's with 20% of the respondents indicating that they did not adopt it at all in their organizations. The average mean of the same was 3.16 and an average standard deviation of 1.159 indicating a significant variation in responses.

4.4 Influence of green marketing mix strategies on organizational performance of FMCG's in Nairobi County

Data was analyzed using mean scores to rate the influence of green marketing mix strategies against the various performance indicators. A mean score of <1.5 implies not at all, 1.5 to 2.5 implies to a small extent, 2.5 to 3.5 implies moderate, 3.5 to 4.5 to a large extent, and a mean score of >4.5 implies to a very large extent.

4.4.1 Green product strategies and organizational performance

Table 4.4 illustrates mean scores of the influence of green product strategies on performance of FMCG's in Nairobi County. Certified products that meet specifications that are required by law scored a mean of 4.86 implying that it greatly influences competitiveness of an organization to a very large extent.

Table 4.4: Mean scores of green product strategies on performance of FMCG's

	Customer satisfaction & loyalty	Sales volume	Efficiency	Market share	Time	Perceived quality	Costs	Competitiveness
Green product strategies								
Certified products that meet specifications that are required by the law.	4.71	4.64	4.50	3.38	3.18	4.57	4.25	4.86
You use organic products	4.00	3.00	2.89	2.33	2.78	3.90	3.44	3.90
Your products are recyclable / reusable.	3.31	2.83	3.33	2.45	2.98	3.38	3.09	3.62
You develop environmental friendly products that have less impact than competitors.	4.31	4.00	3.83	3.42	3.10	4.15	3.82	4.21

Source: Primary data

The use of organic products influences the market share to a small extent with a mean of 2.33 followed by organizations recycle products or products are reusable against market share with a mean of 2.45.

4.4.2 Green price strategies and organizational performance

The green price strategy where customers are willing to pay an extra price for the ‘green’ products scored a high mean of 4.36 against perceived quality implying it influences it to a large extent, followed by; against competitiveness 4.14; sales volume 4.00; costs 3.58; customer satisfaction 3.50; efficiency 3.20; and finally time with a mean of 2.00 implying it is influenced to a small extent (Table 4.5).

Table 4.5: Mean scores of green price strategies on performance of FMCG’s

	Customer satisfaction & loyalty	Sales volume	Efficiency	Market share	Time	Perceived quality	Costs	Competitiveness
Green price strategies								
Customers are willing to pay an extra price for the ‘green’ products.	3.50	4.00	3.20	3.38	2.00	4.36	3.58	4.14
A portion of the price goes to charitable.	3.46	2.55	1.60	2.27	1.78	3.54	1.90	3.46

Source: Primary data

A portion of the price goes to charitable green price strategy recorded a mean of 3.54 against perceived quality implying that it is influenced to a large extent. The same strategy scored a mean of 3.46 against customer satisfaction and loyalty as well as competitiveness implying it influences them to a moderate extent. Other means were against sales volume 2.55; market share 2.27; costs 1.90; time 1.78; and lastly efficiency a mean of 1.60 implying it was influenced to a small extent.

4.4.3 Green promotion strategies and organizational performance

The organization has modified the product packaging to make it more recyclable or reusable green promotion strategy scored the highest mean score of 4.36 against competitiveness implying it influences it to a large extent (Table 4.6).

Table 4.6: Mean scores of green promotion strategies on performance of FMCG's

	Customer satisfaction & loyalty	Sales volume	Efficiency	Market share	Time	Perceived quality	Costs	Competitiveness
Green promotion strategies								
You have modified the product packaging to make it more recyclable/ reusable.	4.00	3.87	3.82	2.67	2.64	4.23	4.08	4.36
You profile environmental and green aspects to stakeholders such as use of green labels.	3.50	2.45	1.89	2.50	1.44	3.85	1.89	3.46
You regularly communicate to your customers on benefits of environmental products.	3.64	2.77	2.10	2.62	1.70	3.36	1.80	3.50
You use digital platforms and minimize paper work.	3.43	3.00	3.79	3.17	3.62	3.57	3.85	3.93

Source: Primary data

The organization profiles environmental and green aspects to stakeholders such as use of green labels strategy scored the lowest mean of 1.44 against time implying it does not influence it at all.

4.4.4 Green place strategies and organizational performance

The green place strategy where firms store products in a manner that quality is maintained scored the highest mean of 4.67 against customer satisfaction and loyalty implying it influences it to a very large extent. The firm uses environmental friendly premises scored the lowest mean of 3.08 implying it influences it to a moderate extent (Table 4.7).

Table 4.7: Mean scores of green place strategies on performance of FMCG's

	Customer satisfaction & loyalty	Sales volume	Efficiency	Market share	Time	Perceived quality	Costs	Competitiveness
Green place strategies								
Your firm uses environmental friendly premises.	4.27	3.08	4.21	3.73	3.20	4.40	3.86	4.08
Your firm stores products in a manner that quality is maintained.	4.67	4.29	4.36	3.42	4.38	4.67	4.07	4.36
You produce materials locally to reduce carbon print on the	3.18	3.18	3.64	3.64	3.73	3.55	3.55	3.80

Table 4.7 continued

firm's products.								
You use environmental friendly modes of transport.	3.55	3.92	3.62	3.82	4.25	3.46	3.85	3.92

Source: Primary data

4.4.5 Green people strategies and organizational performance

The green people strategy where employees are highly motivated on green aspects scored the highest mean of 4.40 against efficiency implying that it influences it to a large extent the lowest was a mean of 3.54 whereby the employees are highly motivated on green aspects influences market share to a large extent (Table 4.8).

Table 4.8: Mean scores of green people strategies on performance of FMCG's

	Customer satisfaction & loyalty	Sales volume	Efficiency	Market share	Time	Perceived quality	Costs	Competitiveness
Green people strategies								
You have well trained employees on importance of environment conservation.	4.27	3.92	4.31	3.67	3.83	4.08	4.00	4.29
The employees are highly motivated on green aspects.	3.86	3.85	4.40	3.54	3.86	3.77	4.00	4.14

Table 4.8 continued

Your employees have a positive attitude on the greenness of the organization.	4.07	3.85	4.27	3.77	4.14	3.92	4.00	4.07
---	------	------	------	------	------	------	------	------

Source: Primary data

4.4.6 Green process management strategies and organizational performance

The green process management strategy where staff is always ready to assist and respond in time to the customers scored the highest mean of 4.80 against customer satisfaction and loyalty implying it influences it to a very large extent (Table 4.9).

Table 4.9: Mean scores of green process management strategies on performance of FMCG's

	Customer satisfaction & loyalty	Sales volume	Efficiency	Market share	Time	Perceived quality	Costs	Competitiveness
Green process management strategies								
Your organization uses e-commerce.	3.92	3.92	4.12	4.00	4.45	4.23	4.30	4.46
Social media is an essential tool in responding	3.93	3.35	3.80	3.92	3.80	3.71	3.80	3.93

Table 4.9 continued

to the customer's queries.								
The staff is always ready to assist and respond in time to the customers.	4.80	4.53	4.73	4.46	4.23	4.23	4.28	4.40

Source: Primary data

Social media is an essential tool in responding to customer's queries scored the lowest mean of 3.35 against sales volume implying it influences it to a moderate extent.

4.4.7 Green physical evidence strategies and organizational performance

Reading materials are printed on recycled paper physical evidence strategy scored the highest mean of 3.90 against competitiveness implying that it influenced it to a large extent (Table 4.10).

Table 4.10: Mean scores of green physical evidence strategies on performance of FMCG's

	Customer satisfaction & loyalty	Sales volume	Efficiency	Market share	Time	Perceived quality	Costs	Competitiveness
Green physical evidence strategies								
Furniture at your organization is recycled or reusable.	2.63	1.30	1.70	1.30	1.30	3.27	2.10	2.72
Reading materials in the waiting area are digital.	2.44	1.50	2.12	1.25	2.25	3.00	2.71	2.87
Reading materials are printed on recycled paper.	3.20	2.66	3.44	2.33	2.00	3.88	3.88	3.90
Ink on reading materials is environmental friendly such as vegetable-based or water-based.	3.11	2.42	3.12	2.25	2.00	3.00	3.62	3.75

Source: Primary data

Furniture at the organization is recycled or reusable strategy scored the lowest mean of 1.30 against sales volume, market share, and time implying it did not have any influence.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

The study was on the influence of green marketing mix strategies on performance of FMCG companies in Nairobi County. This chapter will therefore outline; a summary of the findings, conclusion, recommendations for policy and practice, limitations of the study, and finally suggestions for further research.

5.2 Summary

The researcher administered 21 questionnaires to the Fast Moving Consumer Goods companies in Nairobi County and 15 of them responded constituting a response rate of 71%. Of the 15 respondents, majority were sales and marketing managers who were 4 in number (26.6%). The study found that of the 15 respondents, 13 FMCG's (86.6%) have been in business for 10 or more years and none for less than a year. The study further revealed that 67% of the FMCG's that responded have operations at international levels whereas 33% operate nationally, and a majority 40% of respondents were listed under the food and beverage sector.

The study revealed the green product strategy is adopted by organizations to a large extent with an average mean of 3.77 but with a significant variation in responses indicated by an average standard deviation of 1.041. 13.3% of the organizations indicated that they did not adopt it at all. Certified products that meet specifications that are

required by law product strategy scored a mean of 4.86 implying that it greatly influences competitiveness of an organization to a very large extent.

Green price strategies are adopted to a moderate extent with an average mean of 3.32 and the green price strategy where customers are willing to pay an extra price for the 'green' products scored a mean of 4.36 against perceived quality implying it influences it to a large extent. The study indicated that organizations did not consider a portion of the price that goes to charitable had any significant influence on the efficiency, time and costs. This was indicated by means of 1.60, 1.78, and 1.90 consecutively.

The study further indicated the green promotion strategy has been adopted to a very large extent by the FMCG's with an average mean score of 46.7% but with a mean standard deviation of 1.302 indicating a significant variation in responses. Some organization have not adopted it at all whereas others it's to a small extent. The organization has modified the product packaging to make it more recyclable or reusable green promotion strategy was considered to influence the competitiveness, perceived quality, and costs to a large extent.

The study revealed that the green place strategy is the most adopted green marketing strategy by FMCG's in Nairobi County to a very large extent at 65.0%, and an average mean of 4.30 out of the possible 5.00. It also recorded an average standard deviation of 0.873 implying there were no significant variances in the responses. This indicates that it

influences performance to a large extent with more than half of the strategies recording a mean of more than 3.50.

Green people strategy is adopted by the FMCG's to a very large extent with no organisation indicating they adopted it to a small extent or not at all. The respondents indicated that their staff largely influences the performance of their organizations.

Green process management strategy is adopted to a large extent by the FMCG's with an average mean of 3.71. The green process management strategy where staff is always ready to assist and respond in time to the customers scored means of 4.23 to 4.80 against all the performance indicators implying it influences it to a large extent the performance of the organizations.

The study also revealed that green physical evidence strategy is adopted to a moderate extent by the FMCG's with an average mean of 3.16 with most of the organizations indicating that it influences their performance to a low extent and in some cases like furniture at the organization is recycled or reusable against sales volume, efficiency, market share, and time not at all.

5.3 Conclusion

Green marketing strategies are essential in today's world for any competitive organization. From the findings it can be concluded that organizations have adopted a combination of green marketing mix strategies to suit their needs. Most of the FMCG's in

Nairobi County though can be said to exhibit tactical (low) adoption indicators as well as the quasi-strategic (moderate) adoption indicators. The green place strategy has been adopted to a very large extent by the FMCG's in Nairobi County. This is due to the fact that it largely contributes to organizational performance of these organizations. The green process management is also adopted to a large extent where organizations indicated that their staff largely influences the performance of their organizations. Competitiveness was considered a key performance indicator with most of the organizations indicating the green marketing mix strategies influenced their competitiveness to a large extent.

Further results showed that green physical evidence is the least adopted strategy by FMCG's in Nairobi County with most of them indicating that recycled or reusable furniture at the organization had a small influence on performance of the organizations.

5.4 Recommendations for policy and practice

The study recommends that the Government through authorities in Kenya like NEMA which is charged with the management of the natural environment to create more awareness on the need for organizations to implement green marketing strategies, and give more incentives to green FMCG's.

The study further revealed that the FMCG's do not utilize the physical evidence strategy which in most cases is the first point of contact when stakeholders visit the organization or at the point of buying. Environmental friendly furniture at the reception can greatly influence the performance of an organization by increasing the perception of the

customers, customer satisfaction, reducing costs, and gain a competitive edge over the competitors. Digital reading materials can go a long way in saving the company costs associated with printed papers, efficiency, create customer satisfaction, reduce time significantly, and gain a competitive edge.

5.5 Limitations of the study

The study was limited to the perspective of the Fast Moving Consumer Goods companies in Nairobi County alone and not the entire FMCG sector in Kenya. The results of this study were as well limited by time and financial constraints. Furthermore, respondents did not give additional information to the questions at the end of each section which could have been essential in coming up with findings and conclusions.

5.6 Suggestions for further research

The study focused on the influence of green marketing mix strategies on performance of Fast Moving Consumer Goods companies in Nairobi County. The study can be collected from other Counties in the country as well. An equally significant study is on the challenges faced by FMCG companies in Kenya in adopting the green marketing mix strategies.

REFERENCES

Albright, C., Zappe, C., & Winston, W. (2011). *Data Analysis, Optimization, and Simulation Modeling*. MPS Limited. 4th Edition.

American Marketing Association (2014). *Dictionary*. Available at <https://www.ama.org/resources/Pages/Dictionary.aspx>. Accessed on July 9, 2014.

Brierley, S. (2002). *The advertising handbook*, 2nd ed. Routledge. pp. 14. ISBN 978-0-415-24391-9.

Business Dictionary (2014). *Organizational Performance*. Available at: www.businessdictionary.com/definition/organizational-performance.html. Accessed on July 17, 2014.

Chartered Institute of Marketing (2009). A brief summary of marketing and how it works. *Marketing and the 7Ps*. Available at: www.cim.co.ke/marketingresources. Accessed on July 16, 2014.

Danjelico, R. M., & Pujari, D. (2010). Mainstreaming green product innovation: why and how companies integrate environmental sustainability. *Journal of Business Ethics*, 95, pp 471 – 486.

- Dash, B.M., P.C. Padhy, S.M. Das. (2012). Green Marketing Strategies for Sustainable Business Growth. *Journal of Business Management & Social Sciences Research*, Vol. 1, No. 1, pp 82 – 87.
- Kamori, P.T. (2013). Green Marketing practices of medium and large supermarkets in Nairobi, Kenya. (Unpublished MBA Project, University of Nairobi).
- Kibera, F. N. (1996). *Introduction to Business: A Kenyan perspective*. Nairobi: Kenya Literature Bureau.
- Kibera, F.N. & Njeru, W. (2014). *Assessment of adoption of green marketing practices* [PowerPoint slides]. Accessed July 27, 2014.
- Kinoti, M.W. (2011). Green marketing intervention strategies and sustainable development. *International Journal of Business and Science*. Vol. 2 No. 23.
- Luo, X., & Bhattacharya, C.B. (2006). Corporate Social Responsibility, Customer Satisfaction, and Market Value. *Journal of Marketing*, 70, 1 – 18.
- Maslow, A. H. (1954). *Motivation and personality*. New York: Harper.
- Matthews, R. (2011). HP's sustainable innovation serves the planet and profits. *Green Conduct*, www.greenconduct.com. Accessed July 27, 2014.

- Mugenda, O.M. & Mugenda A.G. (2003). *Research Methods: Quantitative and Qualitative Approaches*. Nairobi: Acts Press.
- Newbert, S. L. (2008). Value, rareness, competitive advantage, and performance: A conceptual-level empirical investigation of the resource-based view of the firm. *Strategic Management Journal*, 29(7), 745 – 768.
- Ngau, P. & Kumssa, A. (2004). *Research Design, Data Collection and Analysis*. Nairobi: UNCRD Africa Office.
- Norwood, G. (1999). Maslow's hierarchy of needs. *The Truth Vectors* (Part 1). Retrieved on August 19, 2014, from <http://www.deepmind.com/20maslow.htm>.
- Ottman, J.A. (2002). Green Business Letter. *The real news about green consuming*.
- Ottman, J.A. (1998). *Green Marketing: Opportunity for innovation*. Lincolnwood, IL: NTC Business Books.
- Ottman, J.A. (2008). The Five Simple Rules of Green Marketing. *Design Management Review*, 19 (4), 65 – 69.
- Peteraf, M., & Barney, J. (2003). "Unraveling The Resource-Based Tangle", *Managerial and Decision Economics*, Vol. 24, 309 – 323.

- Polonsky, M.J. (1994b). "A Stakeholder Theory Approach to Designing Environmental Marketing Strategy." Unpublished Working Paper.
- Polonsky, M.J. (2011). Transformative green marketing: Impediments and opportunities. *Journal of Business Research*, 64 (12), 1311 – 1319.
- Polonsky, M.J., & Rosenberg, P.J. (2001). Reevaluating Green Marketing: A Strategic Approach. *Business Horizons*, 44(5), 21 – 30.
- Porrirt, J., & Winner, D. (1988). *The Coming of the Greens*. London: Elhaven Press.
- Prakash, A. (2002). Green Marketing, Public Policy and Managerial Strategies *Business Strategy and the Environment*, 285 – 297. Retrieved on July 9, 2014, from <http://onlinelibrary.wiley.com/doi/10.1002/bse.338/abstract>.
- Unilever Sustainable Living Plan (2013). *Small Actions. Big Difference*. Retrieved on July 7, 2014, from www.sustainable-living.unilever.com.
- Unruh, G & Eteson, R. (2010). *Growing Green*. Harvard Business Review. Pg 94 – 100.
- UNEP/NEMA (2005). *Selection, Design and Implementation of Economic Instruments in the Kenyan Solid Waste Management Sector*. Nairobi: UNEP and NEMA.
- Welford, R. (2000). *Hijacking environmentalism*. London: Earthscan.

APPENDICES

Appendix I: Introduction letter

**Kirimi Charles Gitonga,
C/O University of Nairobi,
School of Business,
P.O. Box 30197 – 00100,
Nairobi - Kenya.**

TO WHOM IT MAY CONCERN

Dear Sir/Madam,

RE: MBA MANAGEMENT RESEARCH PROJECT

I am carrying out a research study on **“the influence of green marketing mix strategies on performance of Fast Moving Consumer Goods companies in Nairobi County”**.

This is in partial fulfillment of the requirements for an award of the degree of Master of Business Administration at the University of Nairobi.

Your organisation has been selected to form part of the study, and therefore, I kindly request your assistance by availing time to respond to the questionnaire. The information you give will be treated with strict confidentiality and is needed purely for academic purposes. A copy of the final report will be made available to you upon request. Your assistance and co-operation will be greatly appreciated.

Kind regards,

.....
Kirimi Charles Gitonga
(Researcher)

.....
Professor Francis Kibera
(Supervisor)

Appendix II: Questionnaire

Instructions:

For each certain questions, you are required to choose by ticking (✓) one answer among the alternatives. For other questions you are asked to rank the alternatives in terms of their relative importance to the firm. Use a scale where 5 = to a very large extent, 4 = to a large extent, 3 = to a moderate extent, 2 = to a small extent, and 1 = not at all. Please do not assign ranks to alternatives that do not apply to your firm, just leave the space provided. You can write helpful comments where appropriate in the margins provided if necessary.

Part A: General information

1) Name of the firm:

Firm's address:

Telephone:

Website:

Email:

Please indicate your designation:

2) How many years has your firm been in manufacturing business?

a) Less than a year ()

b) 1 – 5 years ()

c) 6 – 9 years ()

d) 10 or more years ()

3) What is the geographical spread of the firm?

a) Nationally ()

b) Internationally ()

Others (specify).....

4) What sector is your company listed under?

- a) Chemical & allied sector ()
- b) Food & beverages ()
- c) Paper & board ()
- d) Pharmaceutical & medical equipment ()
- e) Plastics & rubber ()
- f) Textile & apparels ()
- g) Others (specify).....

Part B: Green marketing mix strategies adopted by FMCG’s in Nairobi County

The tables below represents the various aspects regarding to what extent FMCG’s adopt green marketing mix strategies. You are required to choose by ticking (✓) one answer among the alternatives. Kindly indicate your rating on the statement applying the following key:

5 = To a very large extent, 4 = To a large extent, 3 = Moderate extent, 2 = Small extent, and 1 = Not at all.

1)

Green product strategies	5	4	3	2	1
a) Products from your company are certified and meet environmental specifications that are required by the law.					
b) You use organic products.					
c) Your firm’s products are reusable / recyclable.					
d) You develop environmental friendly products that have less impact than competitors.					
e) Others (specify)					

2)

Green pricing strategies	5	4	3	2	1
a) Customers are willing to pay an extra price for the 'green' products.					
b) A portion of the price goes towards charities.					
c) Others (specify)					

3)

Green promotion strategies	5	4	3	2	1
a) You have modified the product packaging to make it more recyclable / reusable.					
b) You profile environmental and green aspects to stakeholders such as use of green labels					
c) You regularly communicate to your customers on benefits of environmental products.					
d) You use digital platforms and minimize paper work.					
e) Others (specify)					

4)

Green place strategies	5	4	3	2	1
a) Your firm uses environmental friendly premises.					
b) Your firm stores products in a manner that quality is maintained.					
c) You produce materials locally to reduce carbon print on the firm's products.					
d) You use environmental friendly modes of transport.					
e) Others (specify)					

5)

Green people strategies	5	4	3	2	1
a) You have well trained employees on the importance of environment conservation.					
b) The employees are highly motivated on green aspects.					
c) Your employees have a positive attitude on the greenness of the organization.					
d) Others (specify)					

6)

Green process management strategies	5	4	3	2	1
a) Your organization uses e-commerce.					
b) Social media is an essential tool in responding to customers queries.					
c) The staff is always ready to assist and respond in time to the customers.					
d) Others (specify)					

7)

Green physical evidence strategies	5	4	3	2	1
a) Furniture at your organization is recycled, reusable.					
b) Reading materials in the waiting area are digital.					
c) Reading materials are printed on recycled papers.					
d) Ink on reading materials is environmental friendly such as vegetable-based or water-based.					
e) Others (specify)					

Part C: Influence of green marketing mix strategies on the organizations performance

Please indicate the extent to which you agree with the statements listed below about the influence of various green marketing mix strategies on organizational performance by inserting a number that reflects your rating of each strategy using a rating scale where:

1 = Not at all, 2 = To a small extent, 3 = To a moderate extent, 4 = To a large extent, 5 = To a very large extent.

	Customer satisfaction & loyalty	Sales volume	Efficiency	Market share	Time	Perceived quality	Costs	Competitiveness
a) Green product strategies								
Certified products that meet specifications that are required by the law.								
You use organic products								
Your products are recyclable / reusable.								
You develop environmental friendly products that have less impact than competitors.								
Other (specify)								
	Customer satisfaction & loyalty	Sales volume	Efficiency	Market share	Time	Perceived quality	Costs	Competitiveness
b) Green price strategies								
Customers are willing to pay an extra price for the 'green' products.								

A portion of the price goes to charitable								
Others (specify)								
	Customer satisfaction & loyalty	Sales volume	Efficiency	Market share	Time	Perceived quality	Costs	Competitiveness
c) Green promotion strategies								
You have modified the product packaging to make it more recyclable / reusable.								
You profile environmental and green aspects to stakeholders such as use of green labels.								
You regularly communicate to your customers on benefits of environmental products.								
You use digital platforms and minimize paper work.								
Others (specify)								
	Customer satisfaction & loyalty	Sales volume	Efficiency	Market share	Time	Perceived quality	Costs	Competitiveness
d) Green place strategies								
Your firm uses environmental friendly premises.								
Your firm stores products in a manner that quality is maintained.								

You produce materials locally to reduce carbon print on the firm's products.								
You use environmental friendly modes of transport.								
Others (specify)								
	Customer satisfaction & loyalty	Sales volume	Efficiency	Market share	Time	Perceived quality	Costs	Competitiveness
e) Green people strategies								
You have well trained employees on importance of environment conservation.								
The employees are highly motivated on green aspects.								
Your employees have a positive attitude on the greenness of the organization.								
Others (specify)								
	Customer satisfaction & loyalty	Sales volume	Efficiency	Market share	Time	Perceived quality	Costs	Competitiveness
f) Green process management strategies								
Your organization uses –commerce.								
Social media is an essential tool in responding to the customer's queries.								
The staff is always ready to assist and								

respond in time to the customers.								
Others (specify)								
	Customer satisfaction & loyalty	Sales volume	Efficiency	Market share	Time	Perceived quality	Costs	Competitiveness
g) Green physical evidence strategies								
Furniture at your organization is recycled or reusable.								
Reading materials in the waiting area are digital.								
Reading materials are printed on recycled paper.								
Ink on reading materials is environmental friendly such as vegetable-based or water-based.								
Others (specify)								

Please specify any other green marketing mix strategy used by your firm that is not highlighted in the questionnaire.....
.....

Thank you very much for your time and cooperation.

Appendix III: List of FMCG's in Nairobi County

1. African Spirits Ltd.
2. Alpha Fine Foods Ltd.
3. Alpine Coolers Ltd.
4. Aquamist Limited
5. Associated Paper and Stationery
6. Basco Products (K) Ltd.
7. Bayer East Africa Ltd.
8. Beiersdorf East Africa Ltd.
9. Belfast Millers Ltd.
10. Beta Healthcare International
11. Beverages Services (K) Ltd.
12. Bio Food Product Ltd.
13. Bobmil Industries Ltd.
14. BAT (K) Ltd.
15. C. Dormans Ltd.
16. Cadbury Kenya Ltd.
17. Candy Kenya Ltd.
18. Chandaria Industries Limited
19. Coca-Cola East Africa Ltd.
20. Colour Labels Ltd.
21. Colour Print Ltd.
22. Cosmos Limited
23. Crown Paints (Kenya) Ltd.
24. Dawa Limited
25. Dodhia Packaging Ltd.
26. East African Breweries Ltd.
27. East African Sea Food Ltd.
28. East African Seed Co. Ltd.
29. Edible Oil Products
30. Ennsvalley Bakery Ltd.
31. Eslon Plastics of Kenya Ltd.
32. Eveready Batteries East Africa
33. Farmers Choice Ltd.
34. Galaxy Paints & Coating Co.
35. Giloil Company Limited
36. GlaxoSmithkline Kenya Ltd.
37. Haco Tiger Brands East Africa
38. Highlands Canners Ltd.
39. Interconsumer Products Ltd.
40. Jambo Biscuits (K) Ltd.
41. Johnson Diversy East Africa Ltd.
42. Kapa Oil Refineries Ltd.
43. Kartasi Industries Ltd.
44. Kenafic Industries Limited

- | | |
|-----------------------------------|--|
| 45. Kenpoly Manufacturers Limited | 66. Proctor & Allan (E.A.) Ltd. |
| 46. Kenya Stationers Ltd. | 67. PZ Cussons EA Ltd. |
| 47. Kenya Sweets Ltd. | 68. Rafiki Millers Ltd. |
| 48. Kenya Wine Agencies Limited | 69. Ramco Printing Works Ltd. |
| 49. Kevian Kenya Ltd. | 70. Rubber Products Ltd. |
| 50. Kuguru Food Complex Ltd. | 71. Sadolin Paints (E.A.) Ltd. |
| 51. Kwaliti Candies & Sweets Ltd. | 72. Sameer Agriculture & Livestock
(Kenya) Ltd. |
| 52. London Distillers (K) Ltd. | 73. SC Johnson and Son Kenya |
| 53. L'Oreal East Africa Ltd. | 74. SoilexProsolve Ltd. |
| 54. Manji Food Industries Ltd. | 75. Spin Knit Ltd. |
| 55. Mastermind Tobacco (K) Ltd. | 76. SupaBrite Ltd. |
| 56. Match Masters Ltd. | 77. Tri-Clover Industries (K) Ltd. |
| 57. Mini Bakeries (Nbi) Ltd. | 78. Tropikal Brand (Afrika) Ltd. |
| 58. Nairobi Bottlers Ltd. | 79. Trufoods Ltd. |
| 59. Nairobi Flour Mills Ltd. | 80. Twiga Stationers & Printers Ltd. |
| 60. Nestle Foods Kenya Ltd. | 81. Unga Group Ltd. |
| 61. Paperbags Limited | 82. UniliverEast and Southern Africa |
| 62. Pembe Flour Mills Ltd. | 83. Vaja's Manufacturers Ltd. |
| 63. Premier Floor Mills Ltd. | 84. Wanji Food Industries Limited |
| 64. Premier Foods Industries Ltd. | 85. Wrigley Company (E.A.) Ltd. |
| 65. Procter & Gamble East Africa | |

Source: (KAM) Kenya Manufacturers & Exporters Directory, 2014

