

**THE INFLUENCE OF ECO-MARKETING STRATEGIES ON
SUSTAINABLE DEVELOPMENT AMONG
NON-ALCOHOLIC BEVERAGE FIRMS IN KENYA**

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**A RESEARCH PROJECT SUBMITTED IN PARTIAL FULFILLMENT
FOR THE AWARD OF MASTER OF SCIENCE DEGREE IN
MARKETING, SCHOOL OF BUSINESS, UNIVERSITY OF NAIROBI**

OCTOBER 2015

DECLARATION

I, the undersigned, declare that this is my original work and has not been presented to any institution or university other than the University of Nairobi for examination.

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This project has been submitted for examination with my approval as the University supervisor.

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DEDICATION

To my family for the unlimited support and prayers all through.

ACKNOWLEDGEMENT

First and foremost I am grateful to God Almighty Allah for giving me the opportunity, guidance, strength and wisdom to go through the entire program despite the challenges I faced during the course. To You I remain dedicated and steadfast to the path You have prescribed to humanity.

My special thanks goes to my supervisor and lecturer, Prof. Justus M. Munyoki for his guidance and patient during this project and during my course work. His time, expertise and professionalism will always remain appreciated.

Lastly, I am grateful to all my lecturers, Mr. Victor Ndumbuki, Mr. Victor Munayo, Dr. Mary Kinoti and Dr. Joseph Owino for their time and patient and expertise. You all have impacted knowledge during my entire program in one way or the other. Forever it will be a memorable experience. To you all God bless you, you have transformed the world.

ABSTRACT

As a response to global sustainable development challenges resulting from overuse of the natural resources and environmental deterioration business are facing challenges on how to address these challenges. Eco marketing strategies is one of the most effective strategic operations that many firms are adopting at the same time because it is able to address sustainable development and firm's economic prosperity. In furtherance of the research interest in the area of eco marketing "green practices" this study sought to investigate eco marketing strategies on sustainable development among non-alcoholic beverages manufacturing firms in Kenya. Although there are numerous studies that have carried out on eco marketing globally few have been done on firms operating in Kenya. This study was therefore aimed at contributing to knowledge specifically in area of eco marketing strategies on sustainable development. This study had two objectives; first, to determine the relationship between Eco-marketing strategies and sustainable business performance by Non-alcoholic beverages manufacturing firms in the County of Nairobi. The second objectives was; to determine the relationship between eco marketing strategies and organizational performance; To realize the objectives of the study a descriptive census survey methodology was used. The study population constituted 64 Non-alcoholic beverage manufacturing firms in the County of Nairobi were selected and responded to a questionnaire. 39 questionnaires were completed and returned making the response rate of 61%. Primary data was collected using a semi-structured questionnaire. Mean score, percentages, Pearson correlation coefficient; and multiple regression analysis were used in the analysis. The study found out that corporate strategy was important aspect for the organization efforts towards sustainable business practices with a mean of (3.84) followed by organization system and design and operational (3.79) and business processes mean (3.74). Customer pressure, regulation and legislation were found to be key external factors that influence adoption of eco strategies. These findings could be linked to the benefits respondents found important; corporate image and reputation, customer loyalty and firms profitability. The study found that firms gave priority to energy reduction activities, product innovation and design, and health and safety practices. While the critical challenges impacting on their operations were effects of climate change and global warming was highly ranked followed by water resource availability, plastic and waste management and social concerns respectively. The spearman regression analysis indicated that there was weak positive association between eco-marketing strategies and organization performance. However there were other strong positive relationships identified. However these associations were aimed to target short term business gains and not long term vision of the firms. The study concluded that enforcement of environmental regulations and laws was found to be a major impediment that hinders sustainable development because firms continue to discharge harmful waste into the environment unabated.

TABLE OF CONTENTS

DECLARATION	ii
DEDICATION	iii
ACKNOWLEDGEMENT	iv
ABSTRACT	v
LIST OF TABLES	viii
ABBREVIATIONS AND ACRONMNYNS	ix
CHAPTER ONE : INTRODUCTION	1
1.1 Background of the Study	1
1.1.1 Concept of Strategy	2
1.1.2 Concept of Eco-Marketing	3
1.1.3 Concept of Sustainable Development	4
1.1.4 Food and Beverage Sector in Kenya	5
1.1.5 Non-Alcoholic Beverage Manufacturers in Kenya.....	5
1.2. Research Problem	7
1.3. Research Objectives.....	8
1.4. Value of the Study	8
CHAPTER TWO: LITERATURE REVIEW	9
2.1 Introduction.....	9
2.2 Theoretical Foundation	9
2.2.1 Institutional Theory	9
2.2.2 Theory of Planned Behaviour	10
2.3. Eco-Marketing and Sustainable Development.....	11
2.4. Eco-Marketing and Firm’s Performance	11
2.4.1 Environmental Marketing Strategy	13
2.4.2 Sustainability Marketing	15
2.4.3 Green Marketing	15
2.5. Summary of Knowledge Gaps	16
CHAPTER THREE: RESEARCH METHODOLOGY	17
3.1 Introduction.....	17
3.2 Research Design.....	17
3.3 Population of the Study.....	17
3.4 Data Collection	17

3.5 Data Analysis	18
CHAPTER FOUR:DATA ANALYSIS, INTERPRETATION AND PRESENTATION	19
4.1 Introduction.....	19
4.2 Response Rate.....	19
4.3 Demographic Information.....	19
4.3.1. Distribution of Respondents Gender and Education levels.....	19
4.3.2 Respondents’ Years of Experience	20
4.3.3. Nature of Respondents Firms Products	21
4.3.4 Years in Operation in Kenya	21
4.4 Firms’ Environmental Policy.....	22
4.5 Strategic Factors that Influence Environmental Sustainability.....	23
4.6 External factors Influencing Adoption of Eco Marketing practices	24
4.7 Internal Factors Influencing Adoption of Eco Strategies	25
4.8 Firms Sustainable Business Practices	27
4.9. Benefits of Implementing Eco Marketing Strategies.....	28
4.10. Challenges of Adopting Eco Marketing Practices	30
4.11 Relationship between Eco-Marketing Strategies on Organizational Performance.....	32
CHAPTER FIVE : SUMMARY, CONCLUSION AND RECOMMENDATIONS	37
5.1 Introduction.....	37
5.2 Summary of findings.....	37
5.3 Conclusions.....	39
5.4 Limitations of the Study.....	40
5.5 Recommendations with Policy Implications	40
5.6 Suggestions for Further Research	42
REFERENCES.....	43
APPENDICES	49
Appendix I: Research Questionnaire	49
Appendix II: List of Non Alcoholic Beverage Firms	50
Appendix III:Correlation Coefficient Analysis.....	50
Appendix IV: Field Cover Letter	58

LIST OF TABLES

Table 4.1: Respondents Gender and Education Level.....	20
Table 4.2: Respondents Years of Experience.....	20
Table 4.3: Nature of Firms Products.....	21
Table 4.4: Years of Operation in Kenya.....	22
Table 4.5: Strategic Factors of Influence.....	23
Table 4.6: External Factors of Influence.....	24
Table 4.7: Internal Factors of Influence.....	25
Table 4.8: Firms Sustainable Business Practices	27
Table 4.9: Benefits of Green Practices.....	29
Table 4.10: Challenges of Implementing Eco Strategies.....	31
Table 4.11: Pearson Correlation Model	33
Table 4.12: Regression Model Summary.....	33
Table 4.13: Analysis of Variance (ANOVA) Model.....	34
Table 4.14: Regression Coefficient Model.....	35

ABBREVIATIONS AND ACRONMNYs

AMA	American Marketing Association
CRS	Corporate Social Responsibility
EMS	Environmental Management Systems
EBMP	Environmental Based Marketing Program
CO ₂	Carbon Dioxide
GDP	Gross Domestic Product
GHGs	Greenhouse Gases
GOK	Government of Kenya
LCA	Life Cycle Assessment
WBCSD	World Business Council for Sustainability Development
NGO:	Non-Governmental Organization
SDC	Sustainability Development Commission
SPSS	Statistical Program for Social Sciences
UN	United Nations
LCIA	Life Cycle Impact Assessment
ISO	International Standardization Organization
WCED	World Commission of Environmental Development
KNBS	Kenya National Bureau of Statistics
KMA	Kenya Manufacturers Association
KRA	Kenya Revenue Authority

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

The 21st century greatest challenges are environmental issues brought about by the demand of the natural resources and the services they provide to the rapidly increasing population. The pressure is a consequence of intensive industrial activities and increasing levels of prosperity and consumption. It is on this basis the governments and corporate world had to find ways to address these challenges. The government of Kenya through the enactment of Kenya constitution 2010 Article 69 outlines the obligations of the state in respect to the environment and the measures the state shall undertake in protecting and conserving the environment. Article 69 (2) obligate every person to cooperate with the state organs and other persons to protect and conserve the environment and ensure ecologically sustainable development and use of natural resources. It is on this regard that organizations are taking initiative to develop strategies and tools to protect and conserve the environment as they pursue their economic prosperity. Corporate interest in sustainability has been influenced by carbon budgets, the “cradle to grave” life cycles of products, energy and pollution costs, natural resources use, and consumer concerns with these issues (Press and Arnould 2009). It is due to these emerging challenges that the concept of eco-marketing has gained prominence and has undergone a tremendous transformation as a business strategy.

Institutional theory forms the theoretical framework of this study. This theory has been used extensively on studies exploring environmental management in organization (Hoffman, 1997, Bansal, 2005, Delmas, 2002). Institutional theory aims to understand how an organization interacts with its institutional context to determine its reaction to societal expectations and how such expectations are incorporated in its activities (Martinez, 1999). The strength of institutional theory is that it offers explanation of why certain practices are chosen without obvious economic returns (Berrone et al., 1010; Mayer and Rowen, 1977; DiMaggio and Powell, 1983). Planned behaviour theory offers a clearly defined structure/model that allow the investigation of the influence the attitudes, personal and cultural determinants and volitional control have on consumers intention to buy environment friendly product.

The Non-alcoholic beverage industry is one of the major progressive sectors of the Kenyan economy because of its contribution to the exchequer and employment opportunities to thousands of people. The industry is reported to be approximately 1 billion dollar per year.

The Non-alcoholic beverage firms in Kenya comprises both large multinational and local established small and medium size manufacturers who produces carbonated and non-carbonated drinks. However, in pursuit of sustainable development the industry is facing numerous challenges such as volatile weather, unreliable rainfall patterns, over reliance on natural resources, greenhouse gases emission, plastic waste and deforestation that threatens their efforts. Some of the products especially the carbonated drinks have been reported to contribute to lifestyle diseases such as obesity and diabetics due to sugar content in them. It is therefore on this regard that reduction of sugar components, conserving, usage or preservation, management and sourcing of water is becoming key objective of the industry.

1.1.1 Concept of Strategy

A strategy describes a set of objectives from any organization into a series of time frames to enable people to know what must be achieved, by whom, and when. The resources and the competitive environment condition firms' strategy. West et al., (2010) describe strategy as the direction and scope of an organization over the long term, which achieves advantage in a changing environment through its configuration of resources and competences with the aim of fulfilling stakeholders expectations. The strategy of sustainable development includes a broad approach that is aimed at the integration of economic, environment and social dimension. Johnson, Scholes and Whittington (2008) view strategy as the direction and scope of an organisation over the long term which achieves advantage for the organisation through its configuration of resources within a challenging environment to meet the needs of markets and fulfil stakeholder's expectations.

Strategy is evaluated on its performance and effectiveness to meet the overall vision, mission and objectives. Firms also formulate strategies to help them compete effectively in the marketplace and also position themselves favourably in the consumers' minds. According to Johnson and Scholes (1993) management's concern would be on deciding on the strategy and planning how that strategy is to be put in effect via strategy analysis, choice and implementation. Implementing a market-oriented sustainability strategy involves first identifying the sustainability issues that are most important for the organization, the industry and the region of the world (Crittenden et al., 2011). From a marketing perspective strategy can be defined in various ways. Greenley (1989) states that 'according to different companies, marketing strategy is a long term activity and deals with achievement of specific objectives through broad plan of actions). According to Walker et al., (1992) marketing

strategy is defined as the effective allocation and coordination of marketing resources to accomplish the organization's objectives within a specific product market.

According to Zinkhan and Pereira (1994) marketing strategy decisions involve specifying the target market segment(s) to be pursued and the product line to be offered. Further the firms seek competitive advantage and synergy and planning a well-integrated program of marketing elements (the 4P's) that are tailored to the needs and wants of customers in the target segments (Kumar, 2012).

1.1.2 Concept of Eco-Marketing

Due to global challenges of climate change and the growing concerns among consumers toward environmental protection a new form of business has emerged as green business. It began in Europe in the early 1980s when specific products were identified as being harmful to the earth's atmosphere. Eco-marketing here defined as all marketing activities that are geared towards addressing triple bottom line of sustainability development. Henion and Kinneer (1976) defines ecological marketing as marketing that is concerned with all marketing activities that serve to help environmental problems, and that may serve to provide a remedy for environmental problems. The eco-marketing is today referred mostly as green practice. Other terminologies used include ecological marketing, green marketing, environmental and sustainability marketing.

Today the concept of green practice is becoming more and more popular as corporates organizations are now embracing this new concept to help them to address emerging challenges of the century. Empirical studies by Chen et al., (2006) found out that green core competences of firms has positive effects on their green product innovation performance, green process innovation and green images. The ecological concerns espoused by Henion and Kinneer (1976) would be integrated into the strategies, policies, and processes critical to the organization. Thus, ecological marketing is the study of the positive and negative aspects of marketing activities on pollution, energy depletion and non-energy resource depletion. In addition, an eco-marketing orientation may provide the organization with a strategic competitive advantage in both domestic and international markets.

Banerjee et al., (2002) argue that firms ecological behaviour can be manifested through two dimensions that reflected on the one hand, degree of acceptance of ecological ideas with the firms culture and on the other hand to what extent environmental issues are implemented into

the strategic planning process. Saxena (2010) argue that ecologically sensitive corporate orientation sometimes referred to as the green strategy, can originate with a firms evaluation of current production and marketing practice. Some of the eco strategies include; ecological marketing, green marketing, sustainability marketing, environmental marketing and Environmental Management systems.

1.1.3 Concept of Sustainable Development

Sustainable development or sustainability is basically a normative concept pursuing ecological, economic, and social goals of ensuring human survival and a good, free, and meaningful life for today's and future generations (WCED 1987, Pearce et al., 1990, Welford 2000). Our Common Future report popularly referred to as Brundtland report defines sustainable development as development that meets the needs of the present without compromising the ability of the future generations to meet their own needs (WCED, 1987).

According to United Nations Agenda 21 report (1992) the major cause of the continued deterioration of the global environment is the unsustainable pattern of consumption and production particularly in industrialized countries, aggravating poverty and imbalance. According to The Institute of sustainable development (1990) sustainable development for the business enterprise, sustainable development means adopting business strategies and activities that meets the needs of the enterprise and its stakeholders today while protecting , sustaining and enhancing the human and natural resource that will be needed in the future.

Companies not only focus on obtaining economic benefits, but they also seek to deliver environmental and social benefits. Elkington (1998) referred to this approach as triple bottom line (TBL).The triple bottom line of sustainability is the implication that assessment of business results should be based on not only economic performance, but also on environmental and social impacts as well (Sheth, Sethia and Srinivas, 2011). Sustainable development requires “sustainable marketing” that is marketing efforts that are not only competitively sustainable but are also ecologically sustainable (Polonsky et al., 1997). Foster (2013) argue that sustainability is generally accepted nowadays as the key success factor in the long term business strategy of firms, and firms that incorporate sustainability into their marketing strategy are thought to have a differential competitive advantage over other companies (Crittenden, Crittenden, Ferrell, Ferrell and Pinney, 2011).

1.1.4 Food and Beverage Sector in Kenya

Kenya's vision 2030 identifies food processing as one of the most important contributor to the country's GDP at 28.7% and manufacturing sector employment contribution of 34.5%. Kenya is expected to increase its share of products into the regional markets and both processing food and basic food processing machinery are viewed as the good contenders for the growth. Kenya food and beverage industry is composed of meat and dairy products, grain milling, edible fats and oil, beverages, fruit and vegetables processing and wines and spirits. It is estimated that the food processing industry account for approximate 50% of manufacturing production turnover (KMA, 2014). Kenya's food and beverage processing industry comprises more than 1,232 businesses. Agro process the largest manufacturing sub sector accounting for 13% of total manufacturing output (2002). Most of the firms are small in size and family owned, whereas others are medium in size while a few large multinational players who hold bigger percentage of the market share. Some of the dominant players include large multinationals firms such as Coke Cola, Pepsi Cola, Unilever, Nestle , Cadbury and a few local giants namely East African Breweries, Brookside Dairy, Delmont, Bidco Africa, Brook bond tea and majority of small and medium size enterprises.

The sector is currently under intense pressure from environmentalist, government and communities to produce and market their products in a sustainable way. Food and beverage sector has been affected by climate change resulting to higher cost of energy, water resources availability, damage infrastructure due to flooding and availability of raw material for production. The sector has equally share of blame as a result of industrial pollution, packaging waste, food waste, CO₂ emission, and other social issues such as labour and health related issues. Other challenges and risks include industry's transportation and logistics, refrigerant gases for cold storage facilities, livestock production, and other operational issues related to production processes.

1.1.5 Non-Alcoholic Beverage Manufacturers in Kenya

The Kenyan soft drink manufacturing industry produces and bottles non-alcoholic carbonated beverages including fruit flavored beverages, colas, and sodas. Carbonated soft drinks are beverages that consist mainly of sugar, carbonated water and other flavored syrups as the key raw material. The Industry also produces other non-alcoholic non-carbonated beverages including but not limited to tea and coffee, dairy-based beverages, fruits juices and fruit drinks, bottled water, sports drinks and energy drinks. According to KNBS soft drinks

constitute a major part of the Kenya's food and beverage industry and the market is estimated to be approximately I billion dollars and contributes significantly to the manufacturing industry through employment opportunities and the Kenya's economy. The Kenyan Non-Alcoholic beverage manufacturing industry collectively with the other food industry comprises of more than 1,232 businesses generating about 10% of GDP and export sales valued at Kshs 197,888 million. According to Kenya National Bureau of Statistics (2014) the industry employed 83,100 people in 2009.

The Kenyan Non-alcoholic beverage market has been for some time now dominated by multinationals carbonated soft drink producers namely Coca Cola with its popular drink Coke, Fanta, Sprite Schweppes brands and PepsiCo with its Pepsi and Mirinda brands. Other multinational players include Unilever/Brooke bond with tea brands, Cadbury, Nestle among others. According to a global survey soft drinks account for 40% of the global beverages market, with alcoholic drinks making up a further 50% and hot drink the remaining 10%. Carbonates account for the largest share of the soft drinks market (37%), followed by juices (20%), bottled water (20%), ready-to-drink tea (9%), sports and energy drinks (9%), and concentrates (3%).

However as the producers of carbonates drinks still dominate the soft drinks industry, other categories of beverages such as ready to drink fruit juice, tea, coffee and dairy-related drinks have caught up quickly in recent years, with especially bottled water making up ground. According to KNBS (2014) report indicate that manufacture of mineral water grew by 10.9 per cent in 2013. As consumers become more health conscious, the popularity of drinks that contain minerals and vitamins has increased. Carbonated drinks have also been associated with lifestyle diseases such as obesity and diabetics. In view of this the carbonated drink manufacturers have diversified their product line by adding into their portfolio non-carbonated drinks such as Minute maid fruit juice brands by Coca Cola.

According to KNBS (2013) report production of soft drinks dropped to 472,005 metric tonnes in the first ten months of 2012 from 494,778 metric tonnes in the same period the previous year. This was attributed to competition from bottled water and juice products. Key players in the ready to drink juice include Kevian Kenya which sells the Pick 'N' Peel brands, Delmonte among other players. Growing disposable incomes of consumers and the need for cleaner and safer drinking water, continued growth of the Kenyan population, improvement

of marketing strategies and better distribution channels of the products by manufactures are some of the drivers to the continued growth of the sector.

1.2. Research Problem

The Non-alcoholic beverage manufacturing industry's performance is no longer based on just taste and product presentation but other indicators as well. Health issues, changing demographics, increased purchasing power as well as environmental and ethical concerns are becoming critical factors for consideration. In response, companies continue to incorporate environmentally-friendly practices in their business plans including consumer education on various environmental issues, corporate involvement in ecological programs, and lobbying for effective environmental public policy (Hitchcock,1996).

Several studies have been carried on ecological marketing in relation to sustainability globally. A study by Gopalan (2001) found that current methods of food production and consumption are imposing a severe burden on the environment and their constituent natural resources. Belz and Schmidt-Riediger (2012) in their study found out that legislators are one of the most influential external drivers for a company's social and environmental marketing commitment (Lawrence and Morell, 1995; Wong et al., 1996). They further state that besides external stakeholders such as consumer, retailers, competitors and legislators, internal stakeholder play a decisive role in sustainability marketing as well.

Locally, few studies have been carried out on green marketing strategies and practices by organizations. For example Ngeno (2011) carried out study on the influence of green marketing strategies adopted by agrochemical firms on performance of Agro stockists in Kericho County. Vashta (2012) carried out a study on green supply chain management and supply chain responsiveness among food and beverages manufacturing firms in Nairobi, Kenya. Similarly Mungeria (2014) carried out study on green marketing practices by supermarkets in Nairobi. However these studies are of limited focus and none have been able to address the eco-marketing strategies practices and sustainability in Non-alcoholic beverages manufacturing firms operating in the County of Nairobi. This study will therefore seek to determine to what extent eco-marketing strategies influence sustainable development among Non-alcoholic beverage manufacturing firms in the County of Nairobi?

1.3. Research Objectives

- i. To determine the extent to which eco-marketing strategies influence sustainable development among Non-Alcoholic beverage firms in Kenya.
- ii. To establish the relationship between eco-marketing strategies and sustainable business performance among Non-Alcoholic beverage firms.

1.4. Value of the Study

The findings of this study will be of great significance to practicing firms and stakeholders in the entire food and beverage industry with knowledge and help build on policies on eco-marketing strategies to advance sustainability development agenda. On the basis of the findings of the study the leadership and management can also make decisions related to eco-marketing strategies and sustainability from an informed position.

The study will add value to theory and practice by forming a basis for source of reference upon which further research on issues of eco-marketing strategies in attaining sustainability can be undertaken by scholars and practicing managers. It is also important to note that eco-marketing strategies studies in the developing economies have been minimal unlike the developed nations therefore this study will be a value addition to academicians since it will offer opportunity for furthering research towards the development of green practice initiative in Kenya.

This study will be important to the government of Kenya, non-governmental agencies, regulatory and environmental management authorities that are responsible for protection and conservation of the environment in policy formulation and decision making. In addition, the results of the study will be important to consumers' right groups and environmentalism movement in the Republic of Kenya.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter presents theoretical foundation on extent to which eco-marketing strategies influencing sustainable development in Non-Alcoholic beverage industry. It looks at various green strategies, challenges and opportunities and will attempt to identify the knowledge gaps.

2.2 Theoretical Foundation

This section focuses on theoretical review of how firm's activity can institutionalize sustainability philosophy and eco-marketing practices into the firm's system. Two theories are reviewed in this study and they include institutional theory and ajzen theory of planned behaviour.

2.2.1 Institutional Theory

External pressure from the governments, regulatory agencies, natural environment and consumers is become a critical factor for organization, and threatens its economic, social and environmental future organizations prosperity. Institutional theory argues that 'external pressures' affect organizations through the influence of institutional environment and not necessarily by the need for efficiency (Meyer and Rowan, 1977; DiMaggio & Powell, 1983). Scott (1995) defines institution as cognitive, normative, and regulative structures and activities that provide stability and meaning to social behaviour (Martinez, 1999).

Institutional theory argues that 'external pressures' affect organizations through the influence of institutional environment and not necessarily by the need for efficiency (Meyer and Rowan, 1977; DiMaggio and Powell, 1983) as cited by Glover et al.,(2014). Environmental institutions include internal structures and rules such as the organization's environmental policy and management, and formal external rules such as environmental legislations and regulations (DiMaggio and Powell, 1990; Suchman, 1995). Institutional theory involves an examination of how some of the organization's social structures including schemas, rules, norms, and routines, become established as authoritative guidelines for organization behaviour (Scott, 2004). According to institutional theory external social, political, and economic pressures influence firm's strategies and organizational decision making as firms

seek to adopt legitimate practices or legitimize their practices in the view of other stakeholders (Jennings and Zandbergen, 1995).

Institutional theory focuses on the process by which societal expectations of proper behaviour influence the structure and practices of organizations (Handelman and Arnold 1999). For institutional theorists, “sustainability” is a socially constructed concept (Jennings and Zandbergen, 1995). Its meaning and methods will be refined and objectified over time, and organizations will be part of this process through their discourse and policies. Selznick (1996) argued that organization becomes institutionalized when it is infused with value beyond the technical requirements of the task at hand. Institutional theory has also been used to explain the extent of marketing influence within the firm (Homburg et al., 1999) and how internal factors may influence the degree of marketing strategy comprehensiveness (Atuahene-Gima and Murray 2004).

2.2.2 Theory of Planned Behaviour

This theory is important for this study because to incorporate sustainability in the firm we also need to understand the attitudes of individual managers, who are key in the operationalization of sustainability practices. Managerial involvement has been found to be a critical factor in the implementation of organizational values (Nystrom 1990; Spencer and Butler 1987). The leadership of an organization is believed to play a critical role in shaping its values and orientation (Kohli and Jaworski 1990). Steg and Vlek (2009) argue that in order to reduce the degree of deterioration of environmental sustainability, it is necessary to understand and change the relevant human behaviour.

Ajzen theory has been used by to study linking between attitude and behaviour .It has been used to examine behaviour, such as recycling (Boldero, 1995, Taylor and Todd, 1995) green consumerism (Sparks and Shephard, 1992), ethical behaviour (Kurland, 1995). This theory is significant for the study because it will help in the understanding of individual manager’s attitudes and behaviours towards sustainable issue for example carbon emission reduction, recycling, water use reduction, pollution and waste minimization.

Ajzen theory of planned behaviour (Ajzen, 1985, 1987, 1991) includes three independent variables measuring attitudes, subjective norms and perceived behaviour control that together determine behavioural intention. According to the theory, attitudes variables examine a person’s disposition toward behaviour. The subjective norms variable addresses variation in a

person's social environment. Whereas perceived behavioural control variable include, attributes of persons ability to control the performance of behaviour. According to Ajzens theory of planned behaviour, behavioural intention is the immediate antecedent to behaviour.

2.3. Eco-Marketing and Sustainable Development

Sustainable strategies may incorporate various methodology or approaches that are geared towards the achievement of economic, social and environmental prosperity. Businesses can also benefit from waste minimization by improving efficiency in their organization, marketing benefits, enhanced environmental performance, cost saving in inputs, improved profitability, development of strong customer loyalty from 'green-consumer', enhanced staff loyalty and enhanced reputation (Hyde et al., 2001; Walker and Wang, 2008; Ball and Taleb, 2011). Mason et al., (2011) suggest that there is also cost of energy, cost of purchasing, transporting and storing the wasted food lost materials from inefficient practices in the workplace, and liabilities of not managing waste properly. The move towards sustainability has predominantly been driven by strict international regulations and conventions of environmental protection along with the rise of consumer environmentalism in response to climate change (Chen, Shyh-Bao and Chao-Tong, 2006).

Fraj-Andreas et al., (2013) argue that the benefits that environmental strategies are able to generate have their origin in an improvement of the firm's image and reputation; the higher satisfaction of the company's employees, and improvement in relations with the authorities; and even, in the higher satisfaction and loyalty of customers (Menon and Menon, 1997, Menon et al., 1999). However firms are facing challenges in the implementation of eco-marketing strategies for example lack of knowledge on environmental issues, financial constraints and good environmental leadership to drive the company's environmental agenda. According to Shrivastava (1994) corporate transformation to ecological sustainability requires a new form of ecocentric management and leadership. Kohli and Jawarski (1990) emphasized that leadership of an organization is believed to play a critical role in shaping its value and orientation. The availability of financial or human resources seems to positively affect the company's commitment in terms of environmental activities (Melnyk et al., 2003) and eco-marketing (Belz, 2003).

2.4. Eco-Marketing and Firm's Performance

As consumers are becoming more and more conscious about their environment and products they are consuming, firms on the other hand are trying to match these needs. Due to this

therefore the firms are no longer measured on their product prices and quality but on issues related to environment. Soderstrom and Thomas (1998) classified corporate environmental performance into process measures (organizational systems and stakeholder relations) and outcome measures regulatory compliance and environmental impact. Companies engaging in environmental management and green innovation actively can not only minimize production waste and increase productivity, but also improve the overall productivity, increase corporate reputation, and thereby enhance corporate competitiveness under the trends of popular environmentalism consciousness of consumers and severe international regulations of environmental protection (Berry and Rondinelli; 1998; Chen et al., 2006; Porter and Van der Linda, 1995; Shrivastava 1995). The concept of organizational performance involves all the additional indicators that complete traditional economic and financial measures in order to improve and complete the conceptualization of the company's overall performance (Man and Kehue, 1994).

The environmental, social and economic factors are always at the centre of companies and the business strategies, they are part of the daily operations that expose the firms to risks, threats and opportunities. These factors therefore forms part of the corporate performance reporting. Kotler (1994) states that organizational performance also must take into account other performance measures that refer to the firm's capacity to manage and improve its relationship with the society, customer, suppliers or the local community. According to Kocmanova and Hrebicek (2011) it is important to create measureable and relevant goals of sustainable development and suitable metrics, and further integrated reporting in the financial and non-financial information on a defined period of time. Responsiveness to ecological issues may prove beneficial in terms of reducing regulatory costs and penalties, lowering legal costs, and improving sales results through the resulting improvement in corporate image (Hainswoth and Meng 1988; Alatsgy and Hage 1990). The green image generates a more positive public image which can in turn, enhance sales, increase stock prices, and open access to public capital markets (Marshall and Mayer, 1992).

Hubbard (2009) referred sustainable reporting as reporting by company on matters related to its social, environmental and sustainability performance. Kocmanova and Hrebicele (2011), state that corporate sustainability report has become mainstream business activity. However, lack of transparency on the existing system for corporate reporting has failed stakeholders (Board of Global Reporting Initiative report Amsterdam). Firms can voluntarily report their environmental performance and as such Sharma (2000) state that the voluntary strategy

categorization cover a wide range of possible action, ranging from pollution prevention to habitat preservation, voluntary restoration, reduction in the use of unsustainable materials and fossil fuel and increase use of environmentally friendly technologies.

2.5. Eco-Marketing Strategies

The concept of ecological marketing was first introduced by Fisk (1974) and then Henion and Kinnear (1976) elaborated it after giving the concept of 'Ecologically Concerned Consumer'. The eco-orientation is a construct that may describe the ecologically-oriented, latent business philosophies of environmentally sensitive organization (Miles and Munilla, 1993). According to Fisk (1974), Ecological marketing focuses on the acknowledgement of an impending ecological crisis and the willingness and ability of marketers to assume responsibility for avoiding this doom. Henion and Kinnear (1976) described the concept of ecological marketing as, all marketing activities (a) that have served to cause environmental problems and (b) that may serve to provide a remedy for environmental problems (Peattie, 2001).

Miles and Munilla (1993) argue that the adoption of an eco-orientation by a firm is principally a response to the increased pressure by society for business to meet its comprehensive ethical and moral responsibilities and that an eco-orientation may provide a strategic competitive advantage in many markets. The eco-marketing orientation could be conceptually decomposed into Kotler's (1988) four components of the marketing orientation, augmented by both an explicit concern for ecologically and socially responsible business and consumer behaviour and the innovative and environmental adaptive characteristics of the entrepreneurial orientation. Given the development and implementation of appropriate policies and strategies, ecological marketing can be used to increase process efficiency of sustainable development (Funaru and Baranov, 2011).

2.4.1. Environmental Marketing Strategy

Environmental marketing is a firm's response to society's and governmental environmental awareness. The environmental marketing approach tends to develop a focus or differentiated-based competitive advantage and is an adaptation of traditional marketing that includes environmental issues in the development of the product, corporate and product promotion, distribution systems, and pricing strategy (Miles and Russell, 1997; Ottman, 1998). Fraj-Andres et al., (2009) environmental marketing is a firm's response to society's and governmental environmental awareness. They further state that the objective of this new

vision of marketing is to satisfy the firm's and consumer's needs in such a way that the external impact of their economic activity is minimized.

The environmental strategy of an organization here refers to a pattern in action overtime (Mintzberge, 1989) which is intended to manage the interface between business and the natural environment. It could also serve as an important business philosophy (Chamorro and Benegal, 2006) to maximize its financial results. Environmental marketing should be concerned with the reduction of firms negative environmental impact on the natural environment, while satisfying the needs of consumers and objectives of the firm (Polonsky, 1995), i.e. an ethical perspective where the firm is a good corporate citizen.

Fraj-Andres et al., (2013) defines environmental marketing as a business philosophy that aims to satisfy consumers' needs for environmentally friendly products and services and to adapt the firms' behaviour to the social and environmental values and ideals that prevail in today's societies; meet the firms' economic objectives, making companies: achieve these objectives provoking the minimum environmental damage. According to Menon et al., (1999) environmentally based marketing programs (EBMP) refer to corporate policies, practices and procedures in the realm of marketing that explicitly incorporate an ecologically friendly focus with the goal of creating revenue providing exchanges that satisfy organizational and individual objective for a product and or product line.

Environmental orientation reflects the firm's responsibility toward the natural environment and its acknowledgment of the need to reduce the environmental impact of the firm's productive activities (Banerjee, 2002). This integration of green values into the firm's culture responds to a change in the traditional marketing orientation that requires firms to widen their marketing scope and include the protection of the social stakeholders and the natural environment among its marketing objectives (Miles and Munilla, 1993). In some cases firms are adopting environmental management systems (EMS) as a sustainable tool to address environmental and social challenges. Kleindorfer (1997) states that EMS help an organization establish and meet its own environmental policies through documented accountability and responsibility structures, communication and training programs and management control and review functions.

According to Belz and Peattie (2012) systemic approaches to integrating environmental responsibilities into business operations and decision-making processes have commonly

involved the use of environmental management and audit systems and the adoption of international standards for the management of environmental and social aspects of business. However some of these firms are just doing so out of pressure from authority, positive public image and for gaining reputation. Thus, to develop and implement an environmental marketing strategy, firms must integrate ecological issues into their marketing mix (Rivera, 2007). This transformation process should be supported by the integration of green ideals into the organization's whole culture.

2.4.2 Sustainability Marketing

Fuller (1999) defined sustainability marketing as a process of planning, implementation and development control, price policy, promotion and distribution of a series of products, in a way that the following three criteria are met, satisfying the consumers' needs; achieving the firm's aims; making this process compatible with ecosystems. Similarly Belz and Peattie (2012) defines sustainability marketing management as planning, organizing, implementing and controlling marketing resources and programmes to satisfy consumers' wants and needs, while considering social and environmental criteria and meeting corporate objectives. They further argue that sustainability marketing more explicitly relates to the sustainable development agenda.

Sustainability marketing transformations are about the active participation of companies in public and political processes to change institutions in favour of sustainability. According to Meler et al.,(2014) sustainable marketing can contribute to sustainable development not only through every day's practice of minimizing the environmental impact but also be implementing new policies and strategies to bolster a wider concept of sustainable growth as a fundamental part of economic entities

2.4.3. Green Marketing

Green marketing represents a paradigm shift strategy in many business firms since it has altered the manner in which a business goes about in reaching out to the customers (Fiksel 2003). Belz and Peattie (2012) suggests that green marketing also included environmental issues like the loss of species, the destruction of ecosystems and habitats, and poverty in developing countries. The American Marketing Association (AMA) defines green marketing as ; the marketing of products which are presumably safe for environment, generate minimal harmful effects to the environment and efforts made by organizations to create products which are beneficial to the environment.

Peattie (1995) defines green marketing as the holistic management process responsible for identifying, anticipating and satisfying the requirements of customers and society, in a profitable and sustainable way. Similarly, Polonsky (1994) defines green marketing as all activities designed to generate and facilitate any exchanges intended to satisfy human needs or wants, such that the satisfaction of these needs and wants occurs with minimal detrimental impact on the natural environment.

As a strategy, green marketing involves strategic options such as green products, green packaging, green prices and green communication (Ottman, 1998). As per green marketing philosophy each element in the marketing mix must have a green outlook from developing to introducing a product to the market Kotler (1997). Sustainable products and services offer solutions to customer problems as well as to social ecological problems (Belz and Peattie 2012).

The adoption of a green marketing orientation by a firm is principally a response to the increased pressures by society for business to meet its comprehensive ethical and moral responsibilities (Saxena and Khadelwal, 2010). More firms are engaging in "green marketing" to gain or maintain a competitive advantage, consumers and consumer groups are increasingly concerned that firms should be more environmentally sensitive, and political groups struggle with how much more should be required of firms to preserve the earth (Lowy 1995).

2.5. Summary of Knowledge Gaps

Study	Focus	Gaps	Focus of current study
Gopalan (2001)		Study focused more on developed economies	Will attempt to localize the study to Kenyan context
Belz and Schmidt-Riediger (2012)		Covered green marketing from a developed economy perspective	Will attempt to localize the study to Kenyan context
Ngeno (2011)	green marketing strategies adopted by agrochemical firms performance of Agro stockist	Focused limited to stickiest but not producers	The study will address environmental issues from the production and entire values chain
Mungeria (2014)	Green marketing practices by spur markets in Kenya	focused only on the retailers perspective	Will attempt to cover production and the entire value chain

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This section discussed the research design, sampling procedures, data collections methods and the instrument that was used for the research, measurement and scaling and the procedure in data analysis

3.2 Research Design

The study employed descriptive cross sectional survey design. Descriptive research studies are those studies that are concerned with describing the characteristic of a particular individual or of a group. Kothari (2011) defines descriptive survey as studies that are concerned with describing, recording, analyzing and interpreting conditions that either exist or existed. The purpose of cross sectional survey is to collect information that will be pertinent to finding the answers to the research questions (Sekaran, 1992). This design was therefore deemed appropriate as it allowed the researcher to draw conclusion on the extent to which eco marketing strategies influence sustainable development among Non-alcoholic beverage manufacturing firms and also to determine the relationship between eco marketing strategies and organization performance.

3.3 Population of the Study

The population of interest was all the Non-alcoholic beverage manufacturing firms in the County of Nairobi. The study was carried out on all the 64 Non-Alcoholic beverage firms that are located in County of Nairobi (Kenya Revenue Authority, 2015) (see appendix ii). For the purpose of this study, a census study was conducted due to relatively small size of the population. This study therefore assumes that census study gave a comprehensive view on issues under study. According to Kothari (2004) it needs to be emphasized that when the universe is a small one, it is no use resorting to a sample survey, hence the adaption of census for this study. This number is deemed appropriate because it was representative and the outcome could be generalized.

3.4 Data Collection

Primary data was collected using semi-structured questionnaire (see appendix i). The questionnaire was administered using drop and pick method. The questionnaire was either handed directly to the respective managers of the firms or deposited at the reception within

the study location, County of Nairobi. The collection of the questionnaire was done directly or later via telephone contact. To ensure content validity and reliability, the questionnaire was pretested with 5 selected non-alcoholic beverage firms and where necessary the questions revised as appropriate. The questionnaire is divided into three sections. Section one consists of background information, Section two addressed influence of eco-marketing strategies on sustainable development among the Non-alcoholic beverage firms in Kenya, whereas section three addressed the environmental performance, benefits and challenges faced by Non-alcoholic beverage manufacturers and the relationship between eco-marketing strategies and sustainable business performance among the Non-Alcoholic beverage firms in Kenya.

Marketing managers, Strategy and Risk Managers, Production Managers, Distribution manager, Supervisors and Operations Managers for the respective firms were the target respondents for this study. The study assumed that collecting data from multiple sources from the firms will enrich the study by providing critical knowledge and reliable information on issues under investigation. Of the 64 questionnaires distributed, 39 completed questionnaires were collected represented a response rate of 61%.

3.5 Data Analysis

The data was gathered through questionnaires and was analysed by use of descriptive statistics. The data was edited then code numbers assigned to each answer of question to generate a coding list which was then fed into a computer software SPSS version 20. The mean was used to analyse on average the number of responses on key drivers that influence commitment to green practices, benefits as well as challenges in implementing Eco-Marketing strategies. The results from the analysis were presented in tables. In analysing objective two, regression analysis was used to determine the relationship between eco-marketing strategies and organization performance. The multiple regression model that was applied is as given below:-

$$y = \alpha + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \beta_5X_5 + \beta_6X_6 + \beta_7X_7 + \beta_8X_8 + \beta_9X_9 + \epsilon$$

Where: y = Eco-marketing strategies; α = constant;

X₁= operational efficiency; X₂= marketing benefits; X₃= product design; X₄ = ecological conservation; X₅ = cost reduction activities; X₆ = overall profitability; X₇ = customer loyalty; X₈ = staff loyalty and morale; X₉ = improved image and reputation; and ϵ = error term

CHAPTER FOUR

DATA ANALYSIS, INTERPRETATION AND PRESENTATION

4.1 Introduction

This chapter presents the findings of the study based on the research objectives. The main aspects discussed in this chapter include: research design; population of study; methods of data collection and data the method of analysing data. The first section presents respondents' demographic information and the other sections will discuss the two research objectives; influence of Eco marketing strategies on sustainable development among non-alcoholic beverage manufacturing firms and relationship between eco marketing and sustainable development.

4.2 Response Rate

The research findings are based on 39 (61%) respondents who returned completed questionnaires out of the original target population of 64 Non-alcoholic beverages manufacturing firms in the County of Nairobi. The population constituted on marketing manager, supervisors, operation manager, strategy and risk managers and distribution managers According to Mugenda and Mugenda (2003) a response rate of 50% is considered adequate enough for analysis. The chapter is organized into several sections based on the research objectives.

4.3 Demographic Information

This section presents the demographic information of respondents; their gender, educational background, their current position in the firm, the number of years in their current role and the duration respondents' firms has been operating in Kenya.

4.3.1. Distribution of Respondents' Gender and Education levels

The respondents' gender and education level was considered important for this study because the researcher assumed that the more educated the respondents were, the better the quality of responses. Whereas the gender of the respondent was important because the study assumed the gender of the respondents could influence responses towards some specific environmental issues and therefore enrich the information gathered. The results are shown in Table 4.1.

Table 4.1. Distribution of Respondents' Gender and Educational Level

		Level of Respondents education				Total
		Bachelor's degree	Master's degree	Diploma/ College	High School	
Gender of Respondents	F	6	3	2	0	11
	M	14	9	1	4	28
Total		20	12	3	4	39

Source: Author (2015)

Table 4.1 shows the respondents level of education of which the majority are bachelor's degree holders with (46.2%), 6 of them were female and 14 male followed by master degree with (35.9%) 3 were female and 9 male, High school were (10.3%) 4 male and no female, and Diploma/college level respondents constituted of (7.7%) 2 female and 1 male respectively. These findings show that the industry has managers of high educational background. Gender was equally important because global studies show that women are more sensitive to the natural environment than their male counterparts.

4.3.2 Respondents' Years of Experience

The work experience of the respondents was considered important for the study. This was so because more experienced staff would be well informed about issues under investigation and provide a deeper insight from their experience. The results are shown in table 4.2 below:-

Table 4.2. Respondents' Years of Experience

	Frequency	Percent	Valid Percent	Cumulative Percent
1 - 5 years	14	35.9	35.9	35.9
5 - 10 years	18	46.2	46.2	82.1
10 - 15 years	2	5.1	5.1	87.2
Above 15 years	5	12.8	12.8	100.0
Total	39	100.0	100.0	

Source: Author (2015)

Results from table 4.2 show that the majority of the respondents 18 (46.2%) had work experience ranging from 5 to 10 years. While 14 (35.9%) had work experience of between 1 to 5 years, and 5 (12.8%) had over 15 years work experience. Lastly, 2 of the respondents had work experience of between 10 and 15 years.

4.3.3. Nature of Respondents Firms Products

The study sought to establish the nature of products the respondents, firms were producing. This was important because the study assumed that different products could have different levels of environmental impact. The results are shown in Table 4.3.

Table 4.3: Nature of firms' products

	Frequency	Percent	Valid Percent	Cumulative Percent
Fruit Juice	11	28.2	28.2	28.2
Soda	5	12.8	12.8	41.0
Bottled water	13	33.3	33.3	74.4
Tea beverage	3	7.7	7.7	82.1
Coffee Beverage	3	7.7	7.7	89.7
Dairy Beverages	4	10.3	10.3	100.0
Total	39	100.0	100.0	

Source: Author (2015)

Table 4.3 shows that majority of the respondents were from firms that manufactured bottled water were 12 (30.8%), followed by fruit juice makers were 11 (28.2%), carbonated drinks (soda) were 6 (15.4%), Dairy beverages was 4 (10.3%), coffee beverages were 3 (7.7%) and tea beverages 3 (7.7%) respectively. The trends agrees with other findings that growth in the non-carbonate drinks for example bottled water manufacturers and fruit juice makers is on the increases to cater for the health conscious consumers. The other concern was bottled water manufacturers are the major contributors to plastic waste.

4.3.4 Years in Operations in Kenya

The study sought to establish the years the firms having been operating in Kenya. This was important because the study sought to establish if the firms understood the external business

environment challenges therefore are in a better position to respond effectively on the subject matter.

Table 4.4 Years in operation in Kenya

	Frequency	Percent	Valid Percent	Cumulative Percent
1 - 2 years	2	5.1	5.1	5.1
3 - 4 years	4	10.3	10.3	15.4
4 - 6 years	10	25.6	25.6	41.0
Above 6 years	23	59.0	59.0	100.0
Total	39	100.0	100.0	

Source: Author (2015)

Results in Table 4.4 presents the number of years the respondents' firms have been in operational in Kenya. Majority of the firms have been operating in Kenya for over 6 years representing a (59.0%), this percentage indicates firms' maturity and experience in the marketplace, between 4 to 6 years (25.6%) 3 to 4 years (10.3%) and lastly 1 to 2 years were 2 firms representing (5.1%) respectively. The results shows that majority of respondents' firms 23 (59.0%) had operated in Kenyan market for over 6 years, long enough experience to understand the business challenges faced by Non-alcoholic beverage firms in Kenya and the issues under the study.

4.4 Firms' Environmental Policy

This section of the study sought to establish whether the firms have a formal environmental policy that commit to legal compliance, continuous measurement and continuous improvement on environmental performance.

The research findings established that the majority of the respondents 21 (53.8%) have no formal environmental policy which commitment to legal compliance, continuous measurement and continuous improvement in environmental performance; and 18 (46.2%) have a formal environmental policy in place. Majority of the respondents who did not have a formal policy said they were just following guidelines from the regulatory authority and the laid down legislation. While other said lack of sufficient knowledge in matters of environment.

4.5 Strategic Factors that Influence Environmental Sustainability

This section present the results on what strategic factors that influence the environmental sustainability concerns regarding firm's product, consumers, community and environment that are applicable to the firms green initiatives. The respondents were asked to rate by ticking on a five point Likert scale. The range was 5 = 'a very high influence,' 4 = high influence 3 = certain influence,' 2 = a very low influence,' and 1 = No influence,'. The results are shown in Table 4.5.

Table 4.5. Strategic issues Influencing Sustainable Business Practices

Corporate Strategic considerations	Mean	Std. Deviation
Operational and business processes	3.7436	.93803
Corporate Mission the governance the firms toward sustainability	3.6667	1.47494
Work procedures influence on Sustainable practices	3.7692	1.01207
Organization's system and design	3.7949	.97817
Organizational structures	3.5128	.99662
Corporate strategies (to give company direction)	3.8462	.77929
Grand mean	3.7222	

Source: Author (2015)

Table 4.5 shows that corporate strategic considerations that recorded the highest means scores were firm's corporate strategies with a mean of (3.8462) and standard deviation of (.77929); organization's systems and design (mean 3.7949) and standard deviation of (.97817); work procedure influence on sustainable practice was measured as (mean 3.7692) and standard deviation (1.01207); operational and business processes (mean 3.7436) and standard deviation (.93803); corporate mission and vision influencing sustainable practices was lowly ranked with a mean (3.6667) and standard deviation of (1.47494); lastly, organizational structures recorded the least with a (mean 3.5128) and standard deviation of (.99662).

These findings are critical because it shows that if firms incorporate eco marketing into their mainstream strategy the firm could achieve long term business prosperity. These findings are in consistent with other scholars. Johnson, Scholes and Whittington (2008) studies who viewed strategy as the direction and scope of an organisation over the long term which achieves advantage for the organisation through its configuration of resources within a challenging environment to meet the needs of markets and fulfil stakeholder's expectations. Furthermore, Funaru and Baranov (2011) studies found out that given the development and implementation of appropriate policies and strategies, ecological marketing can be used to increase process efficiency of sustainable development.

4.6 External factors Influencing Adoption of Eco Marketing practices

This section presents the results on External factors that influence the adoption of Eco-Marketing strategies for sustainable development among the non-alcoholic beverage manufacturing firms. The respondents were asked to rate the factors influencing environmental sustainability concerns regarding their product, consumer, community and environment in a five point Likert scale. The range was 5 = 'a very high influence', 4 = high influence, 3 = certain influence', 2 = a very low influence', 1 = No influence'. The results are shown in Table 4.6.

Table 4.6. External Factors Influencing Adoption of Eco-Marketing strategies

External factors influencing adoption of Eco-Marketing strategies	Mean	Standard deviation
Competition as influence green practices	3.7949	1.19603
Regulation and legislation	4.3333	.77233
NGOs and Environmental pressure groups	2.7949	.83286
Media influence	2.6667	1.10818
Consumer pressure	4.6667	.77233
Company owners	4.2051	1.21784
Shareholders influence	3.5897	1.01872
Retailers Influence	3.7692	.84173
Grand Mean	3.727	

Source: Author (2015)

Table 4.6 present the results on external factors that influence the adoption of eco strategies as indicated by the respondents. The grand mean was 3.727 which indicated that the respondents generally found eco marketing practices important. The main areas of influence were; consumer pressure (mean = 4.6667); regulation and legislation (mean = 4.3333); company owners (mean = 4.2051); competition among firms (mean = 3.7949); retailers (mean = 3.7692). The areas that recorded least influence of no influence were: NGOs and pressure groups (mean = 2.7949); and lastly, media influence (mean = 2.6667).

Consumer pressure has been found to be one of the most influential external drivers on adoption of eco-marketing strategies. This finding is in consistent with studies by Williams, Medhurst, and Drew (1993) who found out that consumers are increasingly better informed and more aware of the environmental impact of consumer products and may demand that industry improve the environment performance of its products. Saxena and Khadelwal (2000) in their studies found out that adoption of a green marketing orientation by a firm is principally a response to increased pressure by society for business to meet its comprehensive ethical and moral responsibilities.

4.7 Internal Factors Influencing Adoption of Eco Strategies

The section presents the results on key internal factors that influence the adoption of Eco marketing strategies by the respondents firm. The drivers were measured using 11 variables. The respondents were required to rate by ticking on a five point Likert scale. The range was 5 = 'a very high influence', 4 = 'high influence', 3 = 'certain influence', 2 = 'a very low influence' and, 1 = 'No influence'. The results are shown in Table 4.7.

Table 4.7 Internal factors Influencing Adoption of Eco Strategies

Internal factors influencing adoption of Eco strategies	Mean	Std. Deviation
Company governance structure and policies	4.5128	.79046
Corporate culture	3.6923	1.02992
Top Management	4.5641	.85208
Human capital	3.6667	.86855
Financial resources availability	4.1538	.96077
Suppliers influence of Green practices	4.0513	.91619

Energy conservation practices	4.4872	.72081
Water resource conservation & preservation	4.6410	.66835
Raw material availability	4.2564	1.11728
Environmental friendly technological	4.6410	.81069
Pollution Control	4.1795	.85446
Grand mean	4.258736	

Source: Author (2015)

Table 4.7 presents results on key internal factors that influence the adoption of eco strategies as indicated by the respondents. The grand mean was 4.2587 which indicated that the respondents generally found eco marketing practices as important and of beneficial to the firms. The main areas of influence were: water resource conservation and preservation (mean = 4.6410); environmental friendly technology (mean = 4.6410); top management attitude and behaviour towards environmental issues (mean = 4.5641); corporate governance and firm's policy (mean = 4.5128); energy conservation practices (mean = 4.4872); "green" raw material availability (mean = 4.2564); pollution control initiatives (M = 4.1795); financial resource availability (mean = 4.1538); green suppliers influence (mean = 4.0513); internal factors that recorded certain influence or no influence were: Corporate culture (mean = 3.6923); and lastly, human capital (mean = 3.6667).

Top management was also ranked highly as a major influencer towards sustainable business practices (mean = 4.5641). This finding is consistent with Arseculerate and Yazdanifard (2013) studies which found that top management commitment toward a green marketing strategy would be crucial. Nystorom (1990), Spencer and Butler (1987) in their studies found out that managerial involvement is a critical factor in the implementation of organizational values. Miles and Covin (2000) in their studies also found out that good management theory will tend to seek out emerging sources of competitive advantage such as environmental marketing to better satisfy customers and other stakeholders and ultimately enhance shareholder value.

Corporate governance and firm policy has high influence on sustainable business practice (mean = 4.5641). This finding is consistent with studies by Kohli and Jaworski (1990) who found out that leadership of an organization is believed to play a critical role in shaping its values and orientation.

4.8 Firms Sustainable Business Practices

This section presents the result on sustainable business practices ‘green practices’ adopted by the respondents firms. The practices were measured using 17 statements as indicated on table 4.8. The respondents were asked to rate the possible sustainable practices ‘green practices’ on a five point Likert scale. The range was 5= ‘a strongly agree’, 4= ‘agree’, 3= ‘neither agree nor disagree’, 2 = ‘Disagree’, and 1 = ‘strongly disagree’. The results are shown in Table 4.8.

Table 4.8 Aspects of Firms Sustainable Business Practices

Sustainable Business Practices (green practices)	Means	Std deviation
Firms take measures to reduce energy consumption or use of renewable energy	4.5385	.75555
Firm practices and develop recycling programs internally and externally	3.9744	.84253
Firms purchase and use environmental friendly materials	4.0256	.90284
Firms endeavour to design ,develop innovative and quality products that environmental friendly	4.4103	.71517
Firms carry out CSR and other community support activities	3.7692	1.18013
Firm engage and support conservation activities	3.3077	1.21728
Firm monitor its environmental and other sustainable practices	3.3333	1.08418
Firm participate in the global reporting initiative	2.9231	1.17842
Firm has developed and implemented environmental strategies	4.3077	.73104
Firm has eco-label its products	3.7949	.97817
Firm participant in customer environmental education and awareness programs	2.7436	1.14059
Firms practices health and safety programs for its staff	4.1282	1.08044
Firm lobby for environmental policy	3.5385	.94162
Firm develop and support ecological programs (<i>reduce emission, pollution & affluent into water sources</i>)	3.3846	.96287
Firms has health and safety program internally /externally	4.1282	1.08044

Firms engage third party certification programs	3.4615	1.02202
Firm considers environmental management system (ISO 14000) programs	3.9231	.98367
Firm practices green marketing activities (products, promotion, pricing, and distribution decisions)	4.0513	.99865
Grand Mean	3.742	

Source: Author (2015)

Table 4.8 shows results on the sustainable business practices that respondents’ firms engage in as means to achieving sustainable development. The grand mean was 3.742 which indicated that the respondents generally agreed that they practices some form of sustainability. The main areas of practices that recorded highest means scores were: measures to reduce energy consumption (mean = 4.5385); product innovation and quality (mean = 4.4103); firms strive to develop environmental strategies to improve their sustainable performance (mean = 4.3077); health and safety (mean = 4.1282); purchase of environmental friendly raw materials (products) (mean = 4.0256); green marketing programs development (mean = 3.7692); eco labelling products (mean = 3.7949); CSR and community support activities (mean = 3.7692); lobbying for environmental policies (mean = 3.5385); The areas that recorded least agree upon or strongly disagreed with were: environmental management system (mean = 3.9231) consumer education and awareness (mean = 2.7949); engaging in conservation activities (mean = 3.3077); monitoring sustainability practices (mean =3.3333); report on sustainable performance (mean = 2.9231) and lastly, ecological programs initiatives (mean = 3.3846).

The findings of this study is consistent with Chen et al., (2006) studies who found out that green core competences of firms has positive effects on their green product innovation performances, green process innovation and green images. Verdiem Corporation (2008) found out sustainability has become a major focus for businesses, and that sustainable practices can strengthen reputation, improve employee morale, lead to cost savings and benefit the environment.

4.9. Benefits of Implementing Eco Marketing Strategies

This section presents the result on benefits accrued as a result of implementing Eco Marketing strategies by the respondents firms. The practices were measured using 9 statements as indicated

on Table 4.9. The respondents were asked to rate the benefits of implementing Eco Strategy which influence firms performance. A five point Likert scale was used where 5= strongly agree, 4= agree, 3= neither agree nor disagree, 2= disagree, and 1= strongly disagree. The results are shown in Table 4.9.

Table 4.9 Benefits of Eco Marketing Strategies

Benefits	Mean	Std. Deviation
Improved operational efficiency	4.1795	1.02268
Marketing benefits	4.1795	.99662
Product differential and Positioning	4.0000	.94591
Cost saving in inputs	3.8974	1.46530
Overall improved profitability	3.5897	1.39015
Customer Loyalty	3.6923	1.19547
Staff Loyalty & Morale	3.6923	1.28050
Improved firm's image and reputation	4.3846	.78188
Grand mean	3.9326	

Source: Author (2015)

Table 4.9 present results on the benefits accrued as a result of adopting eco marketing strategies as indicated by the respondents. The grand mean was 3.9326 which indicated that the respondents generally agreed that Eco-marketing strategies as important tool for sustainable business practice. The main areas of benefit were: improved firm's image and reputation (mean = 4.3846); increased marketing benefits such as sales turnover, market share, brand image etc) (mean = 4.1795); improved operational efficiency (mean = 4.1795); favourable product positioning and differentiation (mean = 4.0000); cost saving in inputs and other resources (mean = 3.8974); improved environmental performance (reduce carbon emissions and pollution (mean = 3.8462). The areas that recorded least benefit were: customer loyalty (mean = 3.6923); staff loyalty and morale (mean = 3.6923).

These findings support the Theory of planned behaviour which states that subjective norms and perceived behaviour of individual managers together could determine their behaviour towards sustainable development related issues. The study findings also show that individual

managers had shown favourable attitudes towards areas that they perceived to have short term gains. These findings are also in agreement with several other studies by green marketing scholars. For example Mason et al., (2011) suggest that there is also cost of energy, cost of purchasing, transporting and storing the wasted food lost. Hyde et al., (2001) also found that businesses can benefit from waste minimization by improving efficiency, marketing benefits, enhanced environmental performance, cost saving in inputs, improved profitability. The results of this study is also consistent with other studies by Miles and Covin (2000) who found out that superior reputations provide a reputational advantage which may result in ; pricing concessions; better morale; reduced risk; increased strategic flexibility and enhance financial performance.

Fraj-Andreas et al., (2013) agree that the benefits that environmental strategies are able to generate have their origin in an improvement of the firms image and reputation fundamental benefit of going green is positive long term impact on the financial performance of the organization while Murray (2012) maintain that companies can find cost savings by reducing the environmental impact of their business processes. Marshall and Mayer (1992) in their studies also found out that green image generate a more positive public image which can in turn, enhance sales, increase stock prices, and open access to public capital markets (Marshall and Mayer, 1992). Fombrun and Shanley (1990) and Fombrun (1996) in their studies found out that superior reputations provide a reputational advantage which may result in pricing concessions; better morale; reduced risk; increased strategic flexibility; and enhanced financial performance.

4.10. Challenges of Adopting Eco Marketing Practices

This section presents the results on challenges the respondents' firm faces in the adoption and implementation of eco-marketing practices among Non-alcoholic beverages manufacturing firms in the County of Nairobi. Again a five point Likert scale was used where 5= strongly agree, 4=agree, 3= neither agree nor disagree, 2=disagree and 1= strongly disagree. The results are shown in Table 4.10.

Table 4.10 Challenges of Adopting Sustainable Business Practices

Challenges of Adopting Sustainable Practices	Mean	Standard Deviation
Climate change impact on firms operations	4.4872	.75644
High cost of implementation	4.2308	.87243
Sustainability programs are too complex to implement	3.6923	1.19547
Lack of skills to implementation	3.6667	1.00873
Lack of Information & Support in implementation	3.8462	1.15937
Not a priority to the Firm	2.1795	1.12090
Water resources availability	4.4359	.99459
Green raw material availability	4.1282	.89382
Land fill waste management	4.1282	.80064
Plastic waste management	4.3077	.73104
Preservation of the Biodiversity Services	4.0000	1.02598
Social concerns	4.1282	.89382
Ozone depletion (as a result of carbon emissions)	3.0000	1.33771
Photochemicaloxidant	2.3077	.95018
Acidification	2.2051	.76707
Eutrophication	2.4103	.88013
Human toxicity (due to water pollution)	2.4615	1.12029
Grand mean	3.5077	

Source: Author (2015)

Results in Table 4.10 shows challenges that firms faces in the implementation of green practices. The areas of challenges that recorded the highest means scores were; effects of climate change and global warming (mean = 4.4872); water resource availability and management (mean = 4.4359); plastic waste and recycling management (mean = 4.3077); high cost of implementing sustainability program (mean = 4.2308); social concerns (mean = 4.1282); green (raw) materials supply (mean = 4.1282); preservation of the biodiversity services (mean = 4.0000); lack of Information and support in the implementation (mean = 3.8462); sustainability programs are too complex to implement (mean = 3.6923); lack of skills to implement green practice (mean = 3.6667) and ozone depletion (emission control) (mean = 3.0000).The areas that showed the least mean scores were: human toxicology (mean

= 2.4615); eutrophication (mean = 2.410); photochemical oxidant (mean = 2.3077); acidification (mean = 2.205) and lastly 'not firm's priority' (mean = 2.1795).

These findings are in consistent with other scholars. Melynk et al., (2003) in their studies found out that availability of financial or human resources seem to positively affect the company's commitment in terms of environmental activities and eco-marketing (Belz, 2003). Other global studies have indicated that chemical found in water have affected biodiversity has affected human health of locals population who are exposed to the water. Cases of cancer and waterborne disease such as diarrhoea have been reported in areas along the water source because of pollution.

4.11 Relationship between Eco-Marketing Strategies on Organizational Performance

This section presents the results on the relationship between Eco-Marketing strategies and organization's performance among the Non-alcoholic beverage firms. The relationships were measured using some financial and non-financial performance variables. The following were the independent variables; operational efficiency, marketing benefits, product design , innovation and differentiation, ecology conservation programs, cost reduction , firms profitability, customer loyalty, staff morale/loyalty and corporate image and reputation.

To analyse the relationship of each factor correlation coefficient between eco-marketing strategies and performance was applied. The Pearson correlation analysis was used to determine the strength of correlation between variables. The regression model applied was:

$$y = \alpha + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \beta_5X_5 + \beta_6X_6 + \beta_7X_7 + \beta_8X_8 + \beta_9X_9 + \varepsilon$$

Where: y = Eco-marketing strategies (ECMK); α = constant;

β_1 = (OPE) operational efficiency; β_2 = (MKTB) marketing benefits; β_3 = (PDI) product design; β_4 = (ECOS) ecological conservation; β_5 = (CRB) cost reduction activities; β_6 = (OPR) overall profitability; β_7 = (CUL) customer loyalty; β_8 = (SLM) staff loyalty and morale; β_9 = (FIR) firm's image and reputation; and ε = error term.

X_1 = operational efficiency, X_2 = Marketing benefits; X_3 = Product design and innovation; X_4 = ecology conservation programs; X_5 = cost reduction activities; X_6 = Firms overall profitability; X_7 = Customer loyalty; X_8 = staff morale/loyalty; X_9 = Firm's image and reputation; ε = error term

Table. 4.11. Pearson Correlation Analysis

	ECMK	OPE	MKTB	PDP	ECOS	CSI	OFP	CUL	SLM	FIR
Eco Marketing practices	1									
Operational efficiency	.120	1								
Marketing benefits	.308	.587**	1							
Product design, positioning	.446**	.381*	.530**	1						
Ecology conservation	-.220	.447**	.510**	.161	1					
Cost saving in inputs	.112	.733**	.391*	.361*	.369*	1				
Overall firm's profitability	-.041	.831**	.529**	.380*	.447**	.702**	1			
Customer Loyalty	-.008	.584**	.600**	.419**	.660**	.582**	.619**	1		
Staff Loyalty & Morale	-.131	.405*	.251	.391*	.497**	.347*	.563**	.452**	1	
Firm's image and reputation	.008	.504**	.517**	.391*	.301	.242	.367*	.383*	.384*	1

****.** Correlation is significant at the 0.01 level (2-tailed).

***.** Correlation is significant at the 0.05 level (2-tailed).

Source: Author (2015)

The results in Table 4.11 show the strength and significance on the relationships among variables. The study observed that the variables with the highest Pearson coefficients (r) were: overall firm's profitability and operational efficiency (OPE) had a strong positive association at (.0831**) significant level 0.001 (2 tailed) and an intermediate significant association with cost saving in puts (COS) at (.702**). There was an intermediate correlation between cost saving in inputs (COS) and operational efficient (OPE) at (.733**); customer loyalty (CUL) has intermediate positive correlation with ecological conservation programs (ECOS) at (.660**); overall firm profitability at (OFP) (.619**); marketing benefits (MKTB) at (.600**); operational efficiency at (.584**); and cost saving in inputs at (.582**) significant levels (2 tailed).

Marketing benefits (MKTB) and a positive intermediate correlation with operational efficiency at (.587**) significant level 0.01 (2 tailed); product design, development (PDP)

has a positive correlation with marketing benefits (MKTB) at (.530**) at 0.01 level (2 tailed). Firm's image and reputation (FIR) has a strong positive correlation with marketing benefits (MKTB) (.504**); and operation efficiency (OPE) at (.504**) at 0.01 level (2 tailed). There is also an intermediate positive correlation between ecological conservation (ECOS) and operational efficiency (OPE) (.477**); product design, innovation and differentiation (PDI) at (.446**) and a weak negative correlation with eco marketing strategy (EMKS) at (-.220) at 0.01 level (2 tailed). Lastly, there is a significant intermediate correlation between staff loyalty and morale (SLM) and product design (PDP) at (.391**) and a positive intermediate correlation with ecological conservation (ECOS) at (.497**) at level 0.01 (2 tailed).

Table 4.12: Regression Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.707 ^a	.500	.345	.80829	.500	3.223	9	29	.008

Table 4.12 shows correlation coefficient (r) of (.707). The determination coefficient is measured by the adjusted R square (.345) presents an intermediate relationship between depend and independent variable given a value of (.500). This statistically means that there was a weak relationship between eco-marketing strategies and organization performance.

Table 4.13: Analysis of Variance (ANOVA) model

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	18.951	9	2.106	3.223	.008 ^b
	Residual	18.947	29	.653		
	Total	37.897	38			

a. Dependent Variable: Eco Marketing practices

b. Predictors: (Constant), Enhanced image and reputation, Cost saving, Ecological conservation, Product design, innovation and differentiation, Staff Loyalty & Morale, Marketing benefits, Customer Loyalty, Overall improved profitability, Operational efficiency benefits

Table 4.14 Regression Coefficients Model

Model 1	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
	B	Std. Error	Beta			Lower Bound	Upper Bound
(Constant)	3.000	.884		3.393	.002	1.192	4.809
Improved efficiency	.435	.289	.445	1.502	.144	-.157	1.026
Marketing benefits	.514	.222	.513	2.322	.027	.061	.968
Product design, innovation, differentiation	.407	.191	.385	2.126	.042	.016	.798
Ecology conservation	-.389	.200	-.405	-1.943	.062	-.799	.020
Cost saving in inputs	.080	.148	.117	.542	.592	-.222	.382
Overall improved profitability	-.436	.208	-.607	-2.096	.045	-.862	-.011
Customer Loyalty	-.061	.184	-.072	-.329	.745	-.437	.316
Staff Loyalty and Morale	.050	.158	.065	.318	.752	-.273	.374
Improved Firm's Image and reputation	-.400	.226	-.313	-1.769	.087	-.862	.062

a. Dependent Variable: Eco Marketing practices

Source: Author (2015)

Table 4.14 show that when predictors (constant variable: image and reputation (IMR), cost saving in inputs (COS) ,ecological conservation (ECOS), product design and innovation (PDI) staff loyalty/morale (SLM), marketing benefits (MKTB), customer loyalty (CUL), profitability (OFF) and operational efficiency (OPE) are at zero, the predictor indicator : a constant value of 3.000. holding other factors constant , a unit of change in operational efficiency would lead to a beta coefficient of (.445) (p = 1.026) change in eco-marketing strategies; a unit change in marketing benefits would lead to a (.513) (p = .968) change in Eco-marketing practices; a unit change in product design, innovation and differentiation would lead to a (.385) (p =.798) change in eco-marketing strategies; a unit change in ecology conservation programs would lead to a (-.405) (p =020) change in Eco-marketing practices; a unit change in cost saving in inputs would lead to a (.117) (p = .382) change in eco-marketing practices; a unit change in overall profitability would lead a (-.607) (p = -.011) negative

change in eco-marketing practices; a unit change in customer loyalty would lead to a (-.072) (p = .316) would change in eco-marketing practices; a unit change in staff loyalty and morale would lead to a (.065) (p = .374) change in eco-marketing practices; a unit change in improved firms image and reputation would lead a (-.313) (p = 0.62) change in eco-marketing practices.

The regression equation therefore would be: $Y=3.000 +.445X_1 + .513X_2 + .385X_3 + -.405X_4 + .117X_5 + -.607X_6 + -.072X_7 + .065X_8 + -.313X_9$

Where $y= 3.000$ is (constant) variable; $(.445X_1)$ is improved efficiency; $(.513X_2)$ is marketing benefits; $(.385X_3)$ is product design, innovation and differential; $(-.405X_4)$ is ecological conservation programs; $(.117X_5)$ is cost saving in inputs; $(-.607X_6)$ is overall improved profitability; $(-.072X_7)$ is customer loyalty; $(.065X_8)$ is staff loyalty and morale and $(-.313X_9)$ is improved firm's image and reputation.

These results shows that marketing benefits, improved efficiency, product design and innovation, cost saving in inputs and staff loyalty and morale have a positive relationship with eco marketing strategies with beta coefficient values of (.513), (.445), (.385), (.117), and (.065) respectively. Whereas overall improved profitability, ecological conservation, image and reputation and customer loyalty have a negative relationships with a beta coefficient values of (-.607), (-.405), (-.313) and (-.072) respectively.

This implies that eco marketing strategies influence organization performance on marketing benefits, improved efficiency, product design and innovation and cost saving in inputs showing stronger influence and lastly a weak positive relationship with staff loyalty and morale. However generally there was a weak positive correlation between eco marketing strategies and organization performance

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter provides a summary of the findings of the study. The first section provides a summary of the findings. The other sections provide the conclusions of the study, the limitations of the study, suggestions for further research and recommendations for quality and practice in that order.

5.2 Summary of findings

The study was designed to investigate two main objectives. First, was to determine the influence of eco-marketing strategies on sustainable development. Second was to establish the relationship between eco-marketing strategies and organization sustainable business performance among the Non-alcoholic beverage manufacturing firms in the County of Nairobi.

The research findings established that majority of the firms 21 (53.8%) did not have any formal environmental policy which commitment to legal compliance, continuous measurement and continuous improvement in environmental performance and only 18 (46.2%) have a formal environmental policy in place. This finding could explain the reason for the slow uptake of green practices in Kenya and other developing economies. There could be another possibility that firms are focusing their attention towards short term objectives of profit making ventures at the expense of sustainable business practices. To demonstrate the importance of environmental policy, DiMaggio and Powell; Suchnman ,1995 in their studies found out the environmental institutions include internal structures and rules such as the organization's environmental policy and management, and formal external rules such as environmental legislations and regulations.

According to the study the respondents' firms felt that firm's corporate strategy has high influence on adoption of sustainable business practices. In order for firms to gain competitive advantage the firms must make changes in their philosophy which should be rooted into the mainstream strategy. Other critical view was that organization's systems and design is equally a high influencer to sustainability development and followed closely to work procedure, operational business processes, corporate missions and vision and lastly the organization's structures.

The study established that consumers are increasingly becoming aware of the products they consume and their natural environment hence they may perceive firms that are not sensitive to the natural environment negatively. Media, non-governmental agencies and other special groups could do more by bring to public attention of the environmental injustices that is affecting the population. Chavis (1993) on defining environmental injustice as the pursuit of equal justice without discrimination based on race, ethnicity, and or socioeconomic status concerning both the enforcement of existing environmental laws and regulations and reformation of public health policy. Ottman (1998) in his study found out that initiatives by special interest groups often generate extensive publicity and consequently engender community awareness and government action.

However the regulatory agencies lack the capacity to enforce and monitor organizations' environmental standards effectively. Enforcement of the laws and strict compliance to the standards will contribute positively environmental protection. It is also important to note that the two major influencer of environmental change that is consumer pressure and government regulations and laws can push the firms further to change their behaviour towards the environment and sustainable development.

The study found out there is a slow uptake of eco-marketing as a strategy. The study found that there was a weak positive correlation between adoption of eco-marketing strategies and organization performance. Studies have shown that environmental strategy is a long term and that its prosperity is a long term gains. This study is in consistent with McKinsey (2011) survey carried on firms which shows that most companies creating value through sustainability look first to improving returns on capital which often means reducing operating costs through improved natural resource management. Bhargava and Welford in their studies also found out that companies tend to lay an emphasis on short term gains and returns, thus discounting long term environmental benefits. Furthermore, Berrone & Gomez-Mejia (2009) found that pollution reduction strategies are also hard to put into practices, since they required production redesign, new equipment and cross function employee coordinations.

The study found that firms that adopted eco-marketing practices experienced some improvement in their business operations and also found to have some benefits. The main areas of benefits were: improved firm's image and reputation; increased marketing benefits such as (sales turnover, market share, brand image etc) improved efficiency and optimization and cost saving on inputs. The study also found out that firms face numerous challenges that

are associated with sustainability. This included effects of climate change and global warming, lack of skills on environmental marketing issues, lack of information related to eco-marketing concept and sustainable business practices especially for majority of the small and medium size non multinationals firms.

The study found out that respondents have generally shown favourable attitude towards image and perception, marketing benefits, cost saving benefit and efficiency; areas that they considered to guarantees short term gains and profits. This finding is in consistent with Ajzen theory of planned behaviour that this study adopted. Top management attitude and behaviour toward environmental issues is critical in the adoption of eco strategies. Their behaviour and attitude of individual manager could influence the organization positively or negatively.

5.3 Conclusions

The aim of this study was to answer the questions: what factors influenced eco-marketing strategies among Non-Alcoholic beverages manufacturing firms in County of Nairobi? And what is the relationship between Eco-Marketing strategies and organizational performance on sustainable development? These questions were to be answered through the objectives which were: to determine the Influence of Eco-marketing strategies on sustainable development among Non-alcoholic beverage manufacturing firms in the County of Nairobi; and to determine the relationship between Eco-Marketing strategy on organizational performance among the Non-alcoholic beverage manufacturing firms in the County of Nairobi.

However, this study found out that eco-marketing strategy or green practices is still a new phenomenon among many of the local firms unlike for the multinational firms. The local firms view the green practice from a cost reduction and savings point and do not look sustainability from a global perspective. This finding is in agreement with Arseculeratne & Yazdanifard (2013) who found out that green strategy in general and green marketing strategies in particular are costly and they required long term planning, the outcome of a green marketing strategy cannot be expected in the short terms. Lack of knowledge on matters related to green strategies could be another reason for the slow uptake. This study established that firms are engaging more in short term economic profits gains that favour them against environmental and social benefits prosperity. This findings is in consistent with studies carried out by Royal Dutch Shell in 1990s who found that the average life expectancy of large corporation worldwide was less than 50 years and that more companies

dies prematurely. They further identified four factors that distinguished long-lived companies; sensitively and adaptability to the business environment; cohesion and sense of identity; tolerance of diversity (decentralization and lastly conservative use of capital. It was also noted that profitability was considered to be an outcome rather than a predictor of longevity (Fiksel 2003). It is therefore critical for firms to look at sustainable development is a long term plan that has a long term business prosperity. Berrone & Gomez-Mejia (2009) further emphasized that managers may avoid environmental strategies and allocate resources to more conservative investments.

5.4 Limitations of the Study

This study focused on the Non-alcoholic beverages manufacturing firms that were located in the County of Nairobi only. To get a better insight on eco-marketing strategies on sustainable development it would have been prudent to broaden the study objective to cover the entire food and beverage industry countrywide. This could have given a larger picture of the subject under investigation. However due to time factor and financial resources availability this was not possible.

Green practices and sustainable business practice is still at its infancy in Kenya especially for the local manufacturing firms unlike their global counterparts. The study established that environmental sustainability knowledge was very low and therefore could have affected the ability to effectively answer critical eco-marketing strategies and sustainability questions appropriately. This brings the question of sustainability knowledge and information as a critical point of reference and possible research opportunity. Further, respondent bias could also exist in the responses obtained since most of the manufacturing firms may wish to portray themselves positively and that they are abiding to the regulations and laws from an environmental perspective.

Lastly, the researcher found it challenging to collect information from firms. As a number of respondents were sceptical about sharing company information that they thought was sensitive and against company policy. This lowered the response rate.

5.5 Recommendations with Policy Implications

Based on the findings of this study, it is recommended that all firms should have a clear environmental policy as a precondition for operating in Kenya. This will help the firms especially the small and media size to take environmental issues seriously.

Firms should entrench Eco-marketing strategy into their main corporate strategy, mission and vision as part of institutionalizing sustainable business activities. This will help in the allocation of necessary resources towards developing of long term ecological goal such as consumer education; eco-marketing programs; eco-technological development; corporate social responsibility (CSR) and engagement in other environmental programs.

Kenya has very strong regulatory and legislation laws that address environmental issues however enforcement of the same laws and regulations has not been very effective. Few firms are able to self-regulate themselves while it is a tall order for the rest of the firms. It is therefore important for the government and regulatory authority to strongly address enforcement of the same laws by punishing and or rewarding firms that are engaging in dumping of industrial waste into water sources and other hazardous material without due care.

The non-alcoholic beverage manufacturing firms could extend their level of sustainable business practices by engaging suppliers and retailers to conform to environmental standards such as sourcing and recycling of waste, producing ingredients that do not harm the environment and using refrigerates that are eco environmental friendly. The firms could also engage in behavioural change programs that are geared toward influencing attitudes on purchasing and consumption behaviours such as; using of environmental shopping bags, recycling, energy use and managing waste and disposal.

Studies have shown that some non-alcoholic beverage products are causing harm to consumers. Cases of diabetic and obesity among young consumers have been reported after consumption of some beverages. Industries have also been blamed for contributing to respiratory infections due to carbon and other toxic emissions into the atmosphere. For instance the Kenya economic survey (2014) reported that respiratory infections caused the highest number of illnesses in Kenya in 2013 with 14,823,864 cases being reported. The air pollution in country caused by transport, and industries is a major concern. It is also emerging that poor solid waste management is contributing to environment degradation and health of the local population as open dumpsites emit dangerous gases into the atmosphere. This study therefore, recommends that the industry sites be relocated further away from human settlement, proper land fill management and strict monitoring of industrial activities for compliance.

Special interest groups and environmental agencies should re-evaluate their responsibilities and address the emerging environmental injustices caused by businesses economic activities. This will help to put more pressure to organizations and the governments to act more responsibly towards environmental protection. On the other hand the environmental and public health agencies should make environmental justice part of their policy and day to day activities.

5.6 Suggestions for Further Research

Given the limitations and scope of this study, the study can be repeated with a wider population of study across the entire food and beverage manufacturing industries in Kenya so as to get findings that are applicable to all industries in the country where environmental marketing is evident.

Another area for further studies could be to understand the level of eco-marketing “green practices knowledge among practicing marketing managers. This will help in identify knowledge gap among practitioners in practices and a way to improve in important decision within marketing departments and company as a whole.

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APPENDICES

APPENDIX I: RESEARCH QUESTIONNAIRE

INTRODUCTION

You are requested to answer all questions in this research study questionnaire. The information you provide shall be treated with confidentiality and will be used purposely for this study. This study aims at exploring **The Influence of Eco-marketing strategies on sustainability development among Non-Alcoholic beverage manufacturers in Kenya**

SECTION A: BACKGROUND INFORMATION

Job title : _____

Company Name: _____

Q1. Gender Male [] Female []

Q2. Level of Education

a) Bachelor's degree []

b) Master's Degree []

c) Diploma []

d) High School []

e) Others (Specify) _____

Q3. No. of years in your current position

a) 1 - 5 years []

b) 5 - 10 years []

c) 10- 15 years []

d) Above 15 years []

Q4. How long has the business been operating in Kenya? (*please tick where appropriate box*)

a) 1- 2 years [] (b) 3-4 years [] (c) 3-5 years [] (d) Above 5 years []

Q5. What product(s) does your firm manufactures? *(please tick where applicable)*

- | | | | |
|------------------|--------------------------|---------------------------------|--------------------------|
| a) Fruit Juice | <input type="checkbox"/> | f) Soda | <input type="checkbox"/> |
| b) Soda | <input type="checkbox"/> | g) Bottled water | <input type="checkbox"/> |
| c) Bottled Water | <input type="checkbox"/> | h) Tea | <input type="checkbox"/> |
| d) Tea | <input type="checkbox"/> | i) Dairy beverages | <input type="checkbox"/> |
| e) Health drinks | <input type="checkbox"/> | j) Other <i>(specify)</i> _____ | |

SECTION B: INFLUENCE OF ECO-MARKETING STRATEGIES ON SUSTAINABLE DEVELOPMENT

Q6. Does your company have a formal environmental policy which commitment to legal compliance, continuous measurement and continuous improvement in environmental performance? *(please tick where applicable)*

- NO YES

Q7. If your answer is NO to the above question, how have you been addressing environmental and other social challenges as a company?

--

Q8. To what extent does the following influence environmental sustainability concerns regarding your (product, consumers, community, and environment?) are applicable to your firm's green initiatives? *(please tick where applicable)*. Use a scale of 5 - 1 where 5= a very high influence 4= high 3=certain influence 2= a very low influence 1= No influence

Strategic Considerations	5	4	3	2	1
Processes that efficiency					
Corporate Mission/vision					
Work procedure					
Systems design					
Organization structures					
Corporate Strategies					

Q9. What are the key driver(s) which positively or negatively influence your firm's commitment toward sustainable marketing (green practices?) (*Please tick where appropriate and applicable to your*). Use a scale of 5 - 1 where 5= a very high influence 4 = high impact, 3=certain influence 2= a very low influence 1= No influence

External Factors	5	4	3	2	1
Competition					
Regulations & Legislation					
NGOs/Environmental pressure groups					
Media					
Consumers pressure					
Company owners					
Shareholders					
Retailers					
Internal Factors					
Internal Factors	5	4	3	2	1
Company policies/structures/procedures					
Corporate culture					
Top Management					
Human Capital					
Financial resources					
Suppliers (green suppliers)					
Energy conservation					
Water resource conservation/preservation					
Raw material availability & use					
Environmental friendly technologies use					
Pollution control					

Q10.. Please respond to the following statement on sustainable business practice (*green practices*) in your firm?(*Please tick which is applicable to your firm*).Use a scale of 5-1 where 5= Strongly agree 4= Agree 3= Neither agree or disagree, 2= Disagree 1= Strongly disagree

Sustainable Business Practices	5	4	3	2	1
Firms to measures to reduce energy consumption or use of renewable energy					
Firm practices and develop recycling programs internally and externally					
Firms purchase and use environmental friendly materials					
Firms endeavour to design ,develop innovative and quality products that environmental friendly					
Firms carry out CSR and other community support activities					
Firm engage and support conservation activities					
Firm monitor its environmental and other sustainable practices					
Firm participate in the global reporting initiative					
Firm has developed and implemented environmental strategies					
Firm has eco-label its products					
Firm participant in customer environmental education and awareness programs					
Firms practices health and safety programs for its staff					
Firm lobby for environmental policy					
Firm develop and support ecological programs (<i>reduce emission, pollution & affluent into water sources</i>)					

Firms has health and safety program internally and externally					
Firms engage third party certification programs					
Firm considers environmental management system (ISO 14000) programs					

SECTION C: ENVIRONMENTAL PERFORMANCE, BENEFITS AND CHALLENGES

Q11. What are the key benefits which positively or negatively influence your firm’s performance toward sustainable marketing ‘‘ green’’ practices? Please tick where appropriate and applicable to you. Use a scale of 5-1 where 5= a very high influence 4= high impact 3= certain influence 2= a very low influence 1 = No influence

Performance /Benefits	5	4	3	2	1
Improved operational efficiency					
Marketing benefits (sales turnover, marketing share)					
Favourable product positioning and differentiation					
Improved environmental performance (reduced carbon emission, pollution, and other environmental impact)					
Cost saving in inputs and other resources					
Overall improved profitability					
Customer Loyalty					
Staff Loyalty & Morale					
Improved firm's image and reputation					

Q12.To what extent does the following impact your product and or operations? (*Please tick ✓ where applicable*).Use a scale of 5 -1 where 5= a very high impact 4= high impact 3= certain impact 2= a very low impact 1 = No impact

Challenges/barriers to Sustainable Development	5	4	3	2	1
Climate change impact on firm's operations					
High cost of implementation					
Sustainability programs are too complex to implement					
Lack of skills to implementation					
Lack of Information & Support in implementation					
Not a priority to the Firm					
Water resource availability					
Green raw materials availability					
Land fill/ waste disposal management					
Plastic and packaging waste and recycling management					
Preservation of the Biodiversity Services					
Social concerns as a result of your operations					
Ozone depletion (as a result of carbon emissions)					
Photochemicaloxidant					
Acidification					
Eutrophication					
Human toxicity (due to water pollution)					

Q13. Please comment on the above answer(s) on challenges/barriers if any?

Q14. Additional information

Please use the space below to provide additional information that may not have been captured by his questionnaire

APPENDIX II: LIST OF NON ALCOHOLIC BEVERAGE FIRMS

No	COMPANY	No.	COMPANY
1	ABERDARES WATERS LIMITED	33	MILLY FRUITS PROCESSORS
2	ALPHINE COOLER	34	MIRITINI KENYA LTD
3	ALPHA DAIRY	35	NAIROBI BOTTLERS
4	AQUAMIST LIMITED	36	NESCAFE
5	AVODALE WATER CO.	37	NESTLE FOODS LTD
6	ALMASI BEVERAGES LTD	33	PEARL INDUSTRIAL LTD
7	ANSPAR BEVERAGES LTD	39	PREMIER FOODS
8	AZAM FOOD PRODUCTS	40	PIONEER FOODS
9	BIO FOODS LTD	41	RAZOC LTD
10	BLUEWAVE CO. LTD	42	RAGOS TRADING CO.
11	CWAYS KENYA LTD	43	TEN OUT OF TEN
12	CROWN FOODS	44	TWIN OAKS LTD
13	CDORMANS LTD	45	UNILEVER EAST AFRICA
14	CADBURY LTD	46	BROOMHIL SPRING WATERS
15	COCA COLA EAST AFRICA LTD	47	KERINGET PURE NATURAL WATER
16	COCA COLA JUICE	48	FINE BLENDZ JUICE
17	EABL (ALVARO)	49	OASIS MINERAL WATER
18	DUPLEX WATERS	50	SAVANAH SPRINGS
19	EXCEL CHEMICALS LTD	51	NEW KCC
20	GOLDEN CROWN BEVERAGES	52	KOMAX INVESTMENT
21	GLAXOSMITH KLINE LTD	53	TRUFOODS LTD
22	GLOBAL TEA LTD	54	PRIME WATER
23	GRANGE PARK LTD	55	NAIROBI MINERAL WATE
24	JETLAK FOODS LTD	56	WIMPSSY DAIRY PRODUCT LTD
25	KEVIAN KENYA LTD	57	ABLUN E.A LTD
26	KILIMANJARO WATERS	58	AQUACHILL CO. LTD
27	KETEPA LTD (tea0	59	AQUALITE LTD
28	KETEPA LTD (bottled water)	60	AVIANO E. A LTD
29	KENYA WINES LITD (Juice)	61	DUTCH WATER
30	KOBA WATER LTD	62	TRICLOVER
31	KUGURU FOOD COMPLEX (SOFTA)	64	WORLD TRADE LTB
32	KENYA ORCHARDS LTD	63	DIAMA DIARY PRODUCTS

Source: KRA (2014)

APPENDIX III: CORRELATION COEFFICIENT ANALYSIS

	ECMK	OPE	MKTB	PDP	ECOS	CSI	OFP	CUL	SLM	FIR
Eco Marketing practices	1	.120	.308	.446**	-.220	.112	-.041	-.008	-.131	.008
Operational efficiency	.120	1	.587**	.381*	.447**	.733**	.831**	.584**	.405*	.504**
Marketing benefits	.308	.587**	1	.530**	.510**	.391*	.529**	.600**	.251	.517**
Product design, positioning	.446**	.381*	.530**	1	.161	.361*	.380*	.419**	.391*	.391*
Ecology conservation	-.220	.447**	.510**	.161	1	.369*	.447**	.660**	.497**	.301
Cost saving in inputs	.112	.733**	.391*	.361*	.369*	1	.702**	.582**	.347*	.242
Overall firm's profitability	-.041	.831**	.529**	.380*	.447**	.702**	1	.619**	.563**	.367*
Customer Loyalty	-.008	.584**	.600**	.419**	.660**	.582**	.619**	1	.452**	.383*
Staff Loyalty & Morale	-.131	.405*	.251	.391*	.497**	.347*	.563**	.452**	1	.384*
Firm's image and reputation	.008	.504**	.517**	.391*	.301	.242	.367*	.383*	.384*	1
**. Correlation is significant at the 0.01 level (2-tailed). * . Correlation is significant at the 0.05 level (2-tailed).										

Source: Author (2015)

APPENDIX IV: FIELD COVER LETTER



UNIVERSITY OF NAIROBI

**SCHOOL OF BUSINESS
MSc. MARKETING PROGRAM**

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

P.O. Box 30197
Nairobi, Kenya

Date 4/9/2015

TO WHOM IT MAY CONCERN

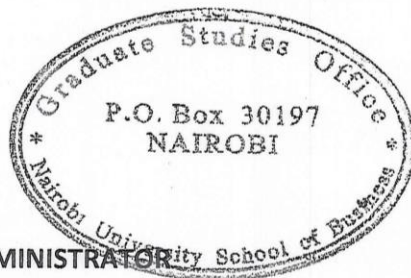
The bearer of this letter **AHMED MUSA**

Registration No. **D65/68584/2013**

is a bona fide student in the Master of Science in Marketing (MSc. Marketing) degree program in this University.

He/She is required to submit as part of his/her coursework assessment a research project on marketing problems. We would like the student to do their projects on real problems affecting firms in Kenya. Your organization has been identified for the study and we would, therefore appreciate your assistance to enable him/her collect data in your reputable organization.

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




JANE MUTURI

**MSc. MARKETING ADMINISTRATOR
SCHOOL OF BUSINESS**