

**MARKETING STRATEGIES USED BY ENTERTAINMENT
SPOTS IN SMALL TOWNS IN KENYA
A CASE OF BARS AND NIGHTCLUBS IN VOI MUNICIPALITY**

By:

Mwachanya Thomas Makungu

**A Management Research Project submitted in partial fulfillment of the
requirements for the award of Masters Degree in Business Administration in the
University of Nairobi**

October 2011

Declaration

This Management Project is my own original work and has not been presented for a degree in any other University.

Signed

November 5th, 2011

Mwachanya Thomas Makungu

Reg. No. D61/71474/2008

This Management Research Project has been submitted for examination with my approval as the University Supervisor.

Signed

November 5th, 2011

Catherine Ngahu
Senior Lecturer
School of Business
University of Nairobi

Dedication

This Management Project is dedicated to my Grandparents the late Mr. and Mrs. Thomas Makungu, God rest their souls in eternal peace; they contributed in building my academic foundation that has lead to this great achievement. It is also dedicated to my Parents Mr. and Mrs. Mwachanya, my Siblings Liz, Jemima and Charles and my Cousins, Uncles and Aunts for their support and encouragement throughout my MBA course.

Acknowledgement

I owe my deepest gratitude to God the Almighty for wisdom, strength, health and life that has brought me this far.

My sincere thanks go to my Supervisor, Catherine Ngahu, for her support, guidance, supervision and contribution towards this Project from the beginning to completion. I would like to thank my Project Moderator, Thomas Mutugu, and Dr. Raymond Musyoka for their contributions towards this project.

It is a pleasure to thank the Bars and Night Clubs Managers and Managing owners for provision of information that was used in this Academic Research Project. I offer my regards and blessings to my parents, friends and all those who supported me in any respect towards the completion of this project.

I am heartily thankful to my colleagues Victor, George, Paul and Fridah (MTK-Machakos Staff) for their unlimited support, tolerance and enthusiasm from the initial level of my post-graduate studies to the completion of this research project. This project would not have been possible were it not for them.

Abstract

The objective of this study was to establish Marketing Strategies used by Entertainment Spots in Small Towns in Kenya and the Marketing Challenges they face. The research was carried out in Voi Municipality in Coast Province by administering questionnaires to 27 Managers of different Bars and Nightclubs in the Municipality. The data collected was edited, tabulated and analyzed using descriptive statistics like means, modes, ranking and percentages and presented in tables and charts.

The study found out that a few Entertainment Spots used the various Marketing Strategies available for them. These Marketing Strategies were based on the Seven Marketing Elements which are: Product/Service, Price, Promotion, Place, People, Processes and the Physical evidence. Those Entertainment Spots that utilized some marketing strategies were performing better than those that did not utilize any of the strategies. Most of the Bars and Night Clubs Managers lacked Marketing skills and as a result they did not take full advantage of the opportunities available in the sector. Entertainment Industry in small towns in Kenya is in its growth or early maturity stage of the industry life cycle and only those managers with marketing knowledge are using appropriate marketing strategies and are fully taking advantage of opportunities available. Government controls and regulations is the greatest challenge to the Bars and Night Clubs attributed to the implementation of Alcoholic Drinks Control Act, 2010.

Managers of the Entertainment Spots in small Towns in Kenya need to be trained on basic marketing skills, or they hire skilled marketers. This will enable them to improve and grow their businesses and take advantage of opportunities available in the industry as they improve on the quality and standards of entertainment to the satisfaction of their customers.

The Government should formulate policies to regulate and control Entertainment and Alcohol sector without scaring away investors and at the same time protecting the wellbeing of consumers and non-consumers while focusing on Kenya's economic growth and Vision 2030.

TABLE OF CONTENTS

DECLARATION.....	I
DEDICATION.....	II
ACKNOWLEDGEMENT.....	III
ABSTRACT.....	IV
TABLE OF CONTENTS.....	V
LIST OF TABLES.....	VIII
LIST OF FIGURES.....	IX
CHAPTER ONE: INTRODUCTION.....	1
1.1 Background.....	1
1.1.1 Marketing Strategies.....	1
1.1.2 Brief History Of Bars And Nightclubs.....	2
1.1.3 Bars And Nightclubs In Voi Municipality.....	3
1.1.4 Statement Of Research.....	4
1.2 Research Objectives.....	6
1.3 Importance Of This Study.....	6
CHAPTER TWO: LITERATURE REVIEW.....	7
2.1 Introduction.....	7
2.2 Marketing Mix Overview.....	8
2.2.1 Product/Service.....	8
2.2.2 Place.....	10
2.2.3 Price.....	10
2.2.4 Promotions.....	11
2.2.5 People, Processes And Physical Evidence.....	11
2.3 Stages Of Industry Evolution And Marketing Strategy Choice.....	12
2.3.1 Marketing Strategies For Introduction Stage.....	12
2.3.2 Marketing Strategies For Growth Stage.....	13

2.3.3	Marketing Strategies For Maturity Stage.....	14
2.3.4	Marketing Strategies For Decline Stage.....	14
2.4	Competitive Marketing Strategies.....	15
2.4.1	Marketing Strategies For Market Leaders.....	15
2.4.2	Marketing Strategies For Market Challengers.....	17
2.4.3	Marketing Strategies For Market Followers.....	18
2.4.4	Marketing Strategies For Market Nicher.....	18
2.5	Alcoholic Drinks Industry Regulation Authority.....	19
2.6	Implications Of Alcoholic Drinks Control Act 2010 On Marketing Mix Elements.....	19
2.7	Marketing Challenges.....	20
CHAPTER THREE: RESEARCH METHODOLOGY.....		21
3.1	Introduction.....	21
3.2	Research Design.....	21
3.3	Population Of Study.....	21
3.4	Sample And Sampling Design.....	21
3.5	Data Collection.....	22
3.6	Data Analysis.....	22
CHAPTER FOUR: DATA ANALYSIS, RESULTS AND DISCUSSION.....		23
4.1	Introduction.....	23
4.2	Respondents Profile.....	23
4.3	Bars And Night Clubs Market Information.....	24
4.3.1	Distribution In Relation To Size.....	24
4.3.2	Market Trends and Industry Life Cycle.....	25
4.3.3	Segmentation and Targeting.....	27
4.4	Marketing Strategies used by Entertainment Spots.....	28
4.4.1	Marketing Mix Elements.....	29
4.4.1.1	Product/Service Offer.....	29
4.4.1.2	Price.....	30
4.4.1.3	Place.....	31

4.4.1.4 Promotions.....	32
4.4.1.5 People, Processes and Physical Evidence.....	33
4.5 Competitive Marketing Strategies.....	35
4.6 Marketing Challenges.....	38
CHAPTER FIVE: SUMMARY, CONCLUSIONS AND RECOMMENDATIONS.....	40
5.1 Introduction.....	40
5.2 Summary Of Findings.....	40
5.3 Conclusion.....	41
5.4 Recommendations.....	42
5.5 Limitations And Challenges Of The Study.....	43
5.6 Recommendations For Further Studies.....	43
REFERENCE LIST.....	44
APPENDIX I: TYPES OF ALCOHOLIC DRINKS LICENSES.....	i
APPENDIX II: QUESTIONNAIRE.....	ii
APPENDIX III: A LIST OF ALCOHOLIC DRINKS OUTLETS IN VOI MUNICIPALITY.....	iii
APPENDIX IV: INTERVIEWER’S INTRODUCTION LETTER.....	iv

LIST OF TABLES

	Page
Table 4.2: Response Rate.....	24
Table 4.4.1.1(a): Product/Service Offered By Different Bars and Nightclubs.....	29
Table 4.4.1.1(b): Product/Service offered by Bars and Nightclubs and their Importance Ranking.....	30
Table 4.4.1.2: The Price of Common Fast Moving Beer Across Various Outlets.....	31
Table 4.4.1.4(a): The Percentage of Outlets Heavily Using Different Promotional Tools and their Ranking.....	32
Table 4.4.1.4(b): The extent to which Various Outlets Utilized Different Promotional Tools.....	33
Table 4.5: Ranking of various Marketing Challenges.....	38

LIST OF FIGURES

	Page
Figure 4.3.1: Percentage of Outlets in Various Categories of Sitting Capacity.....	25
Figure 4.3.2(a): Percentages of Respondents in Different Categories in Relation to Current Business Trends.....	26
Figure 4.3.2(b): Perception of the Future Business Performance as categorized in percentages.....	27
Figure 4.3.3: Percentage of Outlets Targeting different Segments in the Market.....	28
Figure 4.4.1.5(a): Importance Rating of Good Service by Various Outlets.....	34
Figure 4.4.1.5(b): Rating of Clients' Attraction to Good Premises and Nice Setting.....	35
Figure 4.4.2(a): Rating of How Much Importance is Offered to Innovation and Creativity by the Respondents.....	36
Figure 4.4.2(b) Pricing Policies Adopted By Various Respondents.....	37
Figure 4.6(c) Percentage of Respondents That Utilized Various Promotional Tools.....	37

CHAPTER ONE: INTRODUCTION

1.1 Background

There has been a growing trend in the number of businesses producing similar products and services across all industries. Bars and restaurants are not exempted in this trend; as a result bar owners have been faced by a challenge to keep their business on top of an ever growing competition and marketing challenges. The bars and restaurants have to use relevant marketing strategies by strategically altering the seven marketing element which includes the product, price, place, promotions, people, physical evidence and processes for them to create competitive edge in an extremely competitive market. Some of these strategies include: industry life cycle strategies and competitive positioning marketing strategies.

1.1.1 Marketing Strategies

Businesses today operates under stiff competition, fighting for limited market with ever changing needs, tastes and preferences. In such situations businesses need to choose the right marketing strategies to increase their market shares and build a competitive advantage. Kotler (1993, 68) defines a marketing strategy as broad principles used by marketers to make a business achieve its objectives in a target market. It includes basic decision on marketing expenditure, marketing mix and marketing allocation. According to Kotler and Keller (2006, 56), a strategy is a game plan to achieve the business unit goals. Marketing strategies helps the business utilize its resources to increase its sales and win market over their competitors. This makes marketing the most important function of the business since it involves the whole organization and thus it should be everyone's function to market their business. Marketing used to be the work of the marketing department alone; but as late David Packard of Packard and Hewlett observed: "Marketing is far too important to leave to the marketing department." A good marketing strategy should be focused on the customer needs and every employee has an impact to the customer and has to see the customer as the source of the company's prosperity. (Kotler and Keller 2006, 27). A good marketing strategy should not only be aimed at

acquisition of new customers but it should also be focused on retention of existing customers. Therefore for a business to perform well and win over competition it requires proper choosing and implementing relevant marketing strategies.

Local businesses are faced by competition from multinationals and as a result firms are adopting a combination of centralization and decentralization to balance local adaptation and global standardization to encouraging local entrepreneurship at global standards. (Kotler and Keller 2006, 28). Most bars and nightclubs in small towns in Kenya have limited marketing budgets if any at all. For this reasons their owners/managers need to think a little bit more creatively to market at little or no cost at all. Proper choice of marketing strategies will help the businesses concentrate and fully utilize their limited resources to take advantage of the greatest opportunities to increase sales and achieve a sustainable competitive advantage while focused on the customer needs.

1.1.2 Brief History Of Bars And Nightclubs

The history of bars and Night Clubs goes back to Bronze Age of history. The inhabitants of Great Britain have been drinking Ale since that time. It is with the arrival of Roman and establishment of the Roman Road Network that the first Inns named Tabernae were developed where locals met, drunk, gossiped and planned their businesses and these Ale Houses eventually developed to modern Inns and Pubs. As the business grew and there was no order, the authorities regulated the industry. Some of the regulations put forth include the Gin Act of 1736 and 1751 and Beer Act in 1830, Wine and Beer House Act of 1869 with restriction on operating hours. However licensing got liberalized after 1960's until contested licensing application became very rare and remaining administrative function was transferred to Local Authorities. (Haydon, 2001)

In East Africa, alcoholic brews were made from cereals, banana, honey and sugarcane. Alcohol was taken both for leisure and during rituals and prayers. Distillation was largely unknown in Pre-Twentieth Century E. Africa. Although with the beginning of caravan trade it led to introduction of new goods in East Africa. In 1920 the Colonial Government

allowed the Local Government to license indigenous alcoholic drinks which led to formation of Municipal Beer Halls in Nairobi and Dares Salaam and other Municipalities in East Africa followed. In Rural East Africa, wives brewed beer and native alcohol for sale in their homes; this business became so profitable and modernized which led to formation of licensed privately owned clubs from the 1950's in towns and countryside and as such the site of consumption of alcohol changed. In 1947 new Liquor Laws gave Africans access to wine and bottled beer. (Willis 2002)

In Taita Taveta County, where Voi is situated, alcohol consumption goes back to pre-twentieth century just like other parts of East Africa. The local brew commonly known as "Mwasina" was made from sugarcane juicy or honey, cereals and a catalyst. The brew was mainly consumed by men during special community functions like prayer meetings, thanks giving, marriage negotiations, funerals among others. As time went by Taita community also brew alcohol for sale. With the Government regulations and introduction of more modernized breweries the drinking houses developed to better Bars and Clubs.

1.1.3 Bars And Nightclubs In Voi Municipality

Voi is located in South Eastern Kenya, in Coast Province, Taita County. It is situated along Nairobi Mombasa Highway. 329 Kilometers from Nairobi, about four hours drive; 160 kilometers from Mombasa, two hours drive. (Google Maps) is also at the junction of the road leading to Wundanyi (Taita Hills) and Taveta boarder to Tanzania. Voi is situated at Tsavo East National Park making it a strategic point for tourists visiting the park to take lunch and to rest over night. Voi is also the largest town in Taita County with a population of 94,074 people as compared to, Mwatate-71,513; Taveta 67,663 Wundanyi- 66,021 (GoK, 2010) in relation to the most recent census and serve the administrative function headquarters of the District, these factors makes Voi busy for twenty four hours therefore creating room for 24-Hour Business Regime. With travelers stopping over to rest or waiting to continue their journeys and college students thirsty for partying, Bars and Night Clubs is a vibrant business in Voi.

The oldest club in Voi was Voi Railway Club which was basically for the white settlers. Africans continued to brew and sell alcohol in their homes until 1920's when the colonial

government allowed Local Government to start Municipal Beer Halls where they could brew and sell local beer. Voi Municipal Hall was one of the Beer Halls in Kenyan Towns. In the early 1950's apart from the Municipal Halls individuals were licensed to brew and sell local beer commonly known as "denge or mwasina." In 1955 the colonial government allowed Africans to drink spirits and bottled beer which led to opening of more modernized bars. (Mwachanya 2011)

Today the alcoholic drinks and entertainment industry is one of the most attractive businesses to venture in Voi Town given that Voi town is growing and its strategically positioned it has all kind of drinking and entertainment spots in Coast Province. The premises vary from Nightclubs, Bars and restaurants, hotels and small wines and spirits outlets. There are 54 alcoholic drinks outlets in Voi Municipal today. The market has grown from the traditional stopping over travelers and track drivers to professionals, business people, college students, residents and both local and international tourists.

1.2 Statement Of The Problem

According to Thompson and Stickland (1998) as quoted by Swalleh (2007), strategy is the management game plan for the business. Although marketing strategies vary from industry to industry and from product to product. Marketing strategy is a set of direction or guide of the marketing effort towards helping the company/organization achieve its business and marketing objectives. Therefore for a business to perform well and win over competition it requires proper choice and implementation of relevant marketing strategies. It is important to develop marketing strategies in that, Marketing Strategies provide goals for the organization's marketing plan; they also enable one to create tactics that are better than those of the competitors. Marketing strategies enable one develop innovative techniques that give you an edge over competitors who may have been in the market for long but have not revised their strategy to fit the current changes in the market. (Google, 2009)

In 2007 the NACADA (National Campaign Against Drugs Abuse) Authority was given power to regulate production, sale and consumption of alcoholic drinks in Kenya. This led to the formation of the Alcoholic Drinks Control bill which was signed into law in

2010. (GoK 2010). This law has greatly impacted on the marketing strategies of bars and nightclubs and therefore they need to review their strategies in order for them to remain competent in a highly regulated industry.

The Vision 2030 has three pillars namely: the Economic Vision and Strategy, the Social Strategy and the Political Pillar. Under the Economic Vision and Strategy there are six key sectors given priority acting as the key growth drivers towards vision 2030. These are: tourism, increased value in agriculture, a better and more inclusive wholesale and retail trade sector, manufacturing for regional market, business process off shoring (BPO) and financial services. (GoK, 2007). Bars and Nightclubs come in under 'wholesale and retail sector therefore they play a role to the Vision 2030. By practicing proper marketing in this sector; it will increase its importance and relevance in the Vision. They also contribute greatly in building the local and foreign tourism sector. It is in these bars and nightclubs where locals mingle with foreigners as they share cultures and make friends. Bars and Nightclubs create employment directly and indirectly. They also provide funds to the Government in form of taxes and different licensing fees

Related studies have been done in Hotel and food retail sector including: an MBA project done by Oduor (2006) on Application of Customer Relationship Marketing Strategies by Classified Hotels in Nairobi, Theuri (2002) studied on Competitive Strategies Adopted by Branded Fast Food Chains in Nairobi and Other related studies in different Industries but under the retail sector include a study by Munyoki (1997) on Analysis of Factors Affecting Pricing Strategies of some Consumer Goods in Retail Markets- A case study of supermarkets in Nairobi- Kenya and another one by Swalleh (2007) studied on the Competitive Strategies Adopted by Petroleum Retail Stations in Kenya- A case of Mombasa City. Studies done on the brewing and alcohol includes the study by Willis (2002) on Potent Brews, A Social History of Alcohol in East Africa 1850-1999 and a study by NACADA (2010) on Alcohol Use in Central Province of Kenya

From the studies on marketing strategies in retail sector, it is found that competitive strategies are important for the growth and survival of the independent business units and the retail sector at large. The study also notes that different strategies are applicable in

different industries and in different situations. However no study has been carried out on marketing strategies used by bars and nightclubs in small towns in Kenya. It is therefore important to study and document the marketing strategies used by the bar and nightclubs. The study will contribute to the literature on the retail sector marketing strategies and bridge the literature gap that existed.

The study seeks to answer the following questions:

- i. What are the marketing strategies used to market bars and nightclubs in small towns in Kenya?
- ii. What are the challenges faced in marketing bars and nightclubs?

1.3 Research objective

- i. To establish marketing strategies used by bars and night clubs
- ii. To identify the marketing challenges faced in marketing bars and nightclubs

1.4 Importance of this Study

Marketing strategies and stiff competition leads to growth and improvement in bars and nightclubs leading to increased benefits to the customers. The study will benefit the investor in the bars and nightclubs business for they will be able to identify the effective marketing strategies which will help them grow their market share, profits and also build competitive edge with their major focus on the customers. The Government may use the findings to set up or review policies used to regulate the sector and also help the sector grow. Potential investors interested in opening bars or nightclubs in Voi and other small towns in Kenya can have information that can help them make the right decision of either to invest in the industry or not; if they invest in the industry what marketing strategies they can use. The findings may be used by manufactures to strategize how they can help the outlets (bars and nightclubs) maximize their sales and as such manufactures sales grow too.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

A marketing strategy is the general direction adopted by a business to focus its resources to the opportunities in the market to increase its sales and build on its competitive advantage. Kotler (1993, 68) states that a marketing strategy is made of broad principals used to achieve marketing objectives in a target market. It involves decision of marketing expenditure, marketing mix and marketing allocation. Kotler and Keller (2006, 56) argues that a strategy is a game plan for achieving business goals. A marketing strategy can be defined as a process or a model used by a business to utilize its limited resources on most attractive opportunities to increase its sales and there by achieve a sustainable competitive advantage. (Easy Marketing Strategies.com, 2009). A marketing strategy often integrates the organization's Marketing Goals, policies and tactics into cohesive whole.

There are several combinations of marketing strategies that can be used at different situations in different industries. The whole concept of marketing strategies involves regular reviewing of the marketing mix elements (7Ps) which are: product, price, place, promotion, people, processes and physical evidence. An industry has a life cycle just like the product with different stages in this life (introduction stage, growth stage, mature stage and decline). Different Marketing strategies are used in different stages of product/industry life cycle. In an industry, firms can be categorized in relation to the roles they play in the market. These categories include the market leader who owns about 40% of the total market share, the market followers, the challengers and finally the nicher. Different categories use different marketing strategies to increase or retain their market shares. (Kotler and Keller 2006)

Organizations face several challenges to market their businesses in order to improve their performances. In Kenya alcoholic drinks industry is faced by regulations from the government recently legislation- the alcoholic drinks act 2010 which describes how the industry should operate from production to consumption of alcoholic drinks. The

government also appointed the NACADA Authority as the regulating body to oversee the implementation of the act which they contributed a great deal in drafting the act.

2.2 Marketing Mix Overview

Chartered Institute of Marketing (2004) defines marketing mix as a combination of tactics used in achieving business objectives by marketing its products/services to the targeted market. Marketing mix is also referred to as the 7 P's which are the Product, Price, Promotion, Place, People, Process and the Physical Evidence. Marketers need to be sure that their product/service meet or satisfy customer needs. It is important that marketers keep on modifying their product or service with the changing needs of the market, taste and preferences. Place or distribution strategies will always impact on the promotion and pricing decisions. A price is the expected or perceived value for the product or service. Promotions are means by which the marketer attempt to inform, persuade and remind the market of their offer. This is the "voice" of the business; also known as marketing communications. (Kotler and Keller 2006, 536). The other three additional elements, (people, processes and physical evidence), are common in service sector. Employees (people) of the business always determine the quality of the service the customers receive. "Happy skilled and motivated staff will make happy customers." (CIM 2004). Processes and procedures used to deliver product or service to the customer will impact on the perception of the customer towards the business. Physical Evidence is the image portrayed by the business through its physical presence which includes its premises, the appearance of its staff, appearance of its vehicles, its reception and offices...it is very important if a firm offers services instead of tangible products.

2.2.1 Product/Service

According to Kotler (1993) a product is "anything that can be offered to someone to satisfy a need or want". Kotler and Keller (2006) notes that a "product is a key element in the market offering. Market leaders generally offer products and services of superior quality." A product can be a physical object or in form of a service. Kotler (1993) further argues that a service can be provided by other vehicles such as persons, places, activities, organizations and ideas. For example if one is bored he can walk to a nightclub (place)

and listen to music as he/she enjoys a drink. He further notes that a physical product is a means of packaging a service. (Kotler, 1993)

The chartered Institute of Marketing (2004) states that, “marketing is about identifying, anticipating and satisfying customer needs”. Marketers need to continually probe on the performance of their products to be sure that their customers are still positive on their product or service. Some of the variables of a product that marketers need to regularly review for them to remain competent in the market include: quality, design, features, brand name, packaging, sizes, services, warranties and returns. (Kotler and Keller, 2006)

In planning an offer to the market, the marketer needs to address the five product levels as discussed by Kotler and Keller (2006). The benefit that the customer is real buying is the core benefit, for example a person paying an entry to a club is buying entertainment. Then the marketer turns the core benefit into a basic product which in the case of a night club may include, televisions, music, drinks, dance floor and alike. The third level is the expected product which is a set of characteristics that a customer expected when he/she bought the product. In this case the customer may expect to get a refrigerated beer, seats, flat screen satellite televisions, Disc Jockey mixed music. The fourth level is an augmented product; this is expected to exceed customer expectations. Kotler and Keller (2006), argues that brand positioning and competition take place at this level. It is in this level that a bar or nightclub owner can differentiate its product from the competitors. A club may do video music mixing, live bands performances, wifi internet, and alike. Product Augmentation leads to added cost and hence increased price. As time goes by augmentation may become expected attributes therefore marketer need to always look for newer attributes to augment their product. The fifth level is the potential product- includes all the augmentations and transformations which the product might undergo in future.

Marketers need to be sure that their product/service meet or satisfy customer needs and find out how effective their product/services are satisfying customer needs. They have to get regular information on the performance of their product/service in the market and keep on modifying their product or service with the changing market needs, taste and preferences. It is important to identify the product’s stage in the PLC (Product Life

Cycle) that is Introduction, Growth, Maturity or Decline; to use the appropriate marketing strategies because they vary at each stage. (CIM, 2004)

2.2.2 Place

Bars and nightclubs are retailers to alcoholic beverages, none alcoholic beverages, and cooked food. Lots of other activities entail the retail of these products which include music, indoor sports, events and other forms of entertainment. “Retailers are accustomed to saying that the three keys to success in retailing are “location, location and location.” (Kotler, 1993). Retailers may locate in a central business district, regional shopping center, a community shopping centre or a shopping strip. Retailers need to identify and decide on advantageous point to start up its business. Kotler (1993), further argues that they can assess location by use of traffic counts, consumer shopping habits surveys, analyzing competitive locations, and so on. According to CIM (2004), place will impact on the pricing and promotion decisions.

2.2.3 Price

Price is the exchange value given to the product or service offered to the market. Price is the one element of marketing mix that brings revenue to the business unlike other elements that are costs to the business. It is also believed that price shows the intended value positioning of the business. Good designing and marketing of products can command premium price and hence high profits. (Kotler and Keller, 2006).

Price generates profits and as such it is an important part of the marketing mix. It is important to determine what the target market is willing to pay for the product/service. The price should not be too low since the customer may perceive the product or service to be inferior; likewise if the prices are too high customer may feel cheated. In pricing effectively one should think about how they positioned their product in terms of class and quality. A price should always cover all the costs incurred before the product gets to the consumer plus a profit margin. When pricing it is important to consider what the competitor are charging for the same or similar product. (CIM, 2006)

The customer demand, cost and the competitor prices are the key to setting of the product price. Some of the pricing methods include: mark-up pricing, target return pricing, perceived value pricing, value pricing, going rate pricing, and auction type pricing. Companies do not always offer same prices rather pricing structure reflect variations in geographical demand and costs, market segment requirements, purchase timing, order levels, delivery frequency, guarantees service contracts among other factors (Kotler and Keller, 2006).

2.2.4 Promotions

Promotions are the means by which the marketer attempt to inform, persuade and remind the market of their offer. This is the “voice” of the business; also known as marketing communications. (Kotler and Keller 2006, 536). The promotion mix is made of five elements, namely: Advertising, Sales Promotion, Public Relations, Direct Marketing, and Personal Selling.

The combination of the promotion tools to use depends on the budget available, the intended message to be communicated and the target market. After deciding on the combination one should also come up with means to measure and control the communication efforts. (CIM, 2004)

2.2.5 People, Processes And Physical Evidence

The other three additional elements, (people, processes and physical evidence), are common in service sector. People are the employees of the business who always determine the quality of the service the customers receive. “Happy skilled and motivated staff will make happy customers.” (CIM 2004). Good service can help the business build a competitive advantage and also impact on the pricing. A satisfied customer is likely to pay more for good service. Marketers need to: identify those staff who come into contact with customers in different ways, analyze their task, set customer service standards and give the staff a relevant training to serve the customers satisfactorily.

Processes are the ways or procedures used to deliver product or service to the customer/consumer. The process will impact on the perception of the customer towards

the business. Marketers need to: always review the processes to make sure all the delays in service or product delivery are reduced or fully eliminated; make sure that customers are familiar with the processes involve in product/service delivery and service staffs always honor their promises to their customers. Delays should always be explained and apology given with a promise of improvement where necessary and finally they need to develop an effective process of handling customer complaints and feedback. (CIM, 2004)

Physical Evidence: this describes the image portrayed by the business through its physical presence which includes its premises, the appearance of its staff, appearance of its vehicles, its reception and offices...it is very important if a firm offers services instead of tangible products. If the product marketed is less tangible, that is it depends so much on the service element like for the case of Bars and Nightclubs, one should pay particular attention to this element of the mix. The image portrayed should be consistent with the type of the product or service offered. One should give attention to the reception area, the car park, appearance of the service delivery staff, condition of the premises and other related items. Make innovations, repairs and improvement regularly and whenever needed. (CIM, 2004)

2.3 Stages Of Industry Evolution And Marketing Strategies Choice

Industries, just like a product have a life cycle. That means they have a limited life, and passes through different stages with different opportunities and challenges to the investors. Revenues, costs and profits vary at different stages of Product Life Cycle (PLC). These stages are: Introduction, Growth, and Maturity and Declines stages.

2.3.1 Marketing Strategies For Introduction Stage

This is usually a period of slow sales growth and no profits. The costs are high at this stage because of high promotional costs. Organizations need to choose when to enter a market. To be first may be rewarding but risky and expensive, but it may be paying as the organizations may dominate the market; to come in later is good but needs one to come in with superior ideas, technology, quality, or brand strength. Some of the strategies used in

the introduction stage as discussed by Kotler (1993) include: rapid skimming, slow skimming, rapid penetration and slow penetration strategies.

Rapid skimming strategy involves introducing a product at high price and intensive promotions to the market. The organization spends a lot on promotions to inform and convince the market of the product merits at the same time charging a higher price to recover as much as possible best if there is low product awareness and likelihood of potential competition. Slow Skimming Strategy involves introducing a new product at a higher price and low promotion intensity to ensure maximum profit margins. This strategy is effective when the market is limited, and there is high product awareness, less price sensitive and there are no competition threats.

A rapid penetration strategy involves launching a product at low price and high promotion impact. This strategy ensures fastest market penetration and a larger market share; viable when there is large market, less product awareness, competition threats and likelihood of increasing profits with volume sales. On the other hand slow penetration strategy involves kick-starting your product at low price and low promotions levels. Low price is aimed at encouraging rapid trials and possible acceptance of the product or service in the market and the low promotion cost are to retain the profitability of the product or service. This strategy is viable if there is ready market, high awareness, price sensitive market and high competition threats.

2.3.2 Marketing Strategies For Growth Stage

This stage is marked with increased sales as the early adopters like the product and the middle majority consumers starts buying the product in this stage. It is in this stage too when competitors get attracted and joins the industry with improved products and services. This stage is also characterized by constant or declining prices. Promotion expenditures are either maintained at the same level or kept slightly higher due to the increased competition and also the need to educate the market of the product or service benefits and improvement. The sales of the product grow faster leading to decline in promotions sales-ratio as a result profit margins grow. The following marketing strategies are put in practices: improving on the product/ service quality, add new product models,

sizes, service packages, and flanker products to protect the main product, enter new market segments, shift advertising message focus from awareness creating to bring about product conviction and purchase and lower prices to attract next layer of price sensitive customers

2.3.3 Marketing Strategies For Maturity Stage

This stage is usually longer than the previous stage and it poses a challenge to most of the marketers. This is a common stage for most products and services therefore most marketers focus their skills, energy and resources at this stage. The dominating firms survive by selling at lower prices and making profits by high sales volumes and retaining low costs. In Mature stage some companies drop their weaker products and focus on new products, product modification and feature improvement different kind of users. Marketers may be required to alter other marketing mix elements including price, distribution channels, advertisement budget, personal selling, altering and changing sales team, and improved physical setting. Sales promotions are believed to have more impact than advertising at this stage because its effects are quicker and more visible. Market modification strategies are also common in this stage whereby one may try to enlarge the market by converting non-users to use their products/services, by entering new market segments, and creating new and more varied users. (Kotler 1993, 360-61)

2.3.4 Marketing Strategies For Decline Stage

After sometime the sales and profits of some products begin to decline because of either technological advance, consumer shifts in tastes and preferences or increased competition in the industry. This will result to overcapacity, increased price cutting and profit erosion and competitors withdraw from the market. Remaining firms reduce the number of products offering and lower their promotion budget. Marketers are faced with several tasks and decisions to make on the product at this stage that includes: Identify the weak products based on historic data; managers may decide on steps to take on dubious products. They may decide to leave the product alone, modify its marketing strategies or drop the product.

Other decision is determining Marketing Strategies: If there are low exit barriers, some firms may decide to leave the market while others may take advantage and take over the market share of the businesses that drop out of the race. Harrigan, as quoted by Kotler (1993, 365) distinguished five decline stage marketing strategies available for the firm, these are: increasing the firm's investment (to develop or strengthen its competitive advantage), maintaining the firm's investment levels until the uncertainties in the industry are resolved, decreasing the firm's investment level selectively by sloughing off unprofitable customer groups, while simultaneously strengthening the firm's investment in lucrative niches, harvesting (or Milking) the firm's investment to recover cash quickly and finally divesting the business quickly by disposing off its assets as advantageously as possible. The final decision is the drop decision, if the product has good reputation and goodwill, the company can sell it to smaller firms or else the firm may decide to abandon the product quickly or slowly.

2.4 Competitive Marketing Strategies

Competitors are organizations that satisfy the same customer needs (Kotler and Keller 2006, 346). For example all bars and nightclubs target a market with a similar need, entertainment and socializing. Several other businesses provide entertainment and socializing centers; these include cinema halls, coffee houses/places, casinos, restaurants, public gardens and parks and alike. Competitors can be classified by roles they play in the market; these classifications are the market leader, challengers, followers and nichers. These categories differ from industry to industry and they use different marketing strategies for their success and survival in the market.

2.4.1 Marketing strategies for Market leaders

Market Leader of an Industry is the firm with the largest market share and leads other industry players in price changes, new product development, distribution and promotion intensity. To achieve this they need to expand their total market demand, protect and increase its market share. In order to expand total market demand a market leader need to recruit more users, introduce new uses and encourage more usage per occasion of use of

its product. While working on expansion, a market leader should always defend its current market share from rival attacks. Even if the market leader does not launch offensive campaigns it must fully guard its share of the market. Defense strategies reduce the probabilities of being attacked. Just like in a Military setting, Marketing Managers has focused on similar strategies to develop Market Defensive Strategies as discussed by Kotler (1993) which includes- position defense, flank defense, counter attack, mobile defense and contraction defense.

Position defense involves building an impregnable fortification around ones territory though protecting the firm's position alone is a form of a marketing myopia. Market leaders will not be wise to put all their resources into building fortification around their current product (Kotler, 1993). Second strategy is flanking defense which involves creating other products to counter the impact of a competitor's new product in the market from affecting their core brands. Another is preemptive defense strategy which involves a market leader launching attack against a competing company before it builds up a defense. "Prevention is better than cure." (Kotler, 1993). Next is counter offensive defense where if a competitor attacks the market leader will carry out a counter attack. If the competitor takes a price cut, improve the quality of its product, intensify promotion and distribution; the market leader will meet the attacker frontally and possibly cut off the attacker formations from the base of its operations. It is important to be careful on a counter attack; learn the strengths and the weaknesses of the attacker before making the move. Another strategy is mobile defense; it involves spreading ones domain to new territories that can serve as the future centers for defense or offence. Finally contraction defense or strategic withdrawal whereby if a dominating firm has spread to a too wider market and it notices that it cannot control and protect its market well; then it can surrender the weaker territories and focus on the stronger and more profitable territories. (Kotler, 1993)

2.4.2 Marketing Strategies For Market Challengers

Market Challengers always pose a challenge to the market leader and the followers. Therefore their survival and growth strategies are generally attacking strategies. First of all the market challenger needs to choose who to attack. If the challenger has enough resources can attack the market leader; it's a high risk move but highly paying too. If the resources don't allow it can choose to attack firms of its size or smaller ones. The challenger then chooses the right attack strategy as discussed by Kotler (1993).

According to Kotler (1993), the first one is frontal attack (head-on attack) whereby the challenger attacks the opponent's strong points instead of the weak points. This will involve matching the opponent's product, advertising, pricing and distribution. Another way of a frontal attack is to match the competitor's product and then cut the price; this can work if the market leader does not retaliate by cutting price too. Or alternatively the attacker can invest in R&D to come up with low production costs and then attack the competitor on the price basis. Kotler (1993), further note that the second possible strategy is flank attack strategy whereby the challenger may threaten to attack the leading product of the market leader so that the leader may focus all their resources on protecting the main product; then the attacker can now launch its main attack at the flanks. Alternative strategy is when a challenger offers the market almost everything that the opponent offers and more; an offer that cannot be turned down; this is called encirclement attack which can work well when the attacker has more resources than the opponent so that the encirclement will kill the opponent will. Bypass attack is also a common strategy whereby aggressor ignores the main opponent and attacks smaller and easier targets in the market to broaden its resources base. The challenger may diversify into unrelated products; go to unreached geographical regions or leapfrogging into new technology to supplant existing products. Finally, a strategy that is commonly used by smaller firms is called guerilla attack. This involves wagging of small attacks on different territories of the opponent with the aim of harassing and demoralizing the opponent and eventually securing permanent footholds. (Kotler, 1993)

In summary the challenger may build up a market share by offering price discounts, cheaper goods, prestige goods, product proliferation, product innovation, improved service, distribution innovation, manufacturing or service cost reduction strategies and intensive advertising and promotions.

2.4.3 Marketing Strategies For Followers

Followers are comprised of firms that copy or improve existing products and launch them as their own as a result they achieve more profits since they do not bear any innovation expenses. A follower must know how to retain its current customers and win a fair share of the market. Followers are always target for attack by challengers therefore a market challenger must keep its operation costs low and their products/services quality high. They should also enter new markets as they open. There are three broad followers' strategies: cloner, imitator and adapter. (Kotler, 1993)

The cloner copies the market leader's strategies from the product, price, distribution and promotion. It does not originate anything; is a counterfeiter who produces knock-offs of leader's products. Secondly, imitators who copy some things from the market leader product but differentiate on some features like packaging, advertising, pricing and so on. The market leader gives little attention to the imitator as long as they don't aggressively attack them. Finally, the adapter takes the market leader product, adapts it and often improves them and sales them to a different market to avoid confrontation with the market leader. (Kotler 1993)

2.4.4 Marketing Strategies For Market Nichers

Nichers are comprised of firms that target to meet and satisfy the needs of a segment of a segment or niches. This is a common strategy used by small firms with limited resources. Firms with low market share can be more profitable through smart niching, since it services a smaller segment ends up knowing and understanding their customers well as a result meet its customer needs better than any other competitor. As a result the nicher can charge a substantial mark-up over costs because of the added value. Ideal niche should be of sufficient size with a profitable purchasing power, have a potential to grow and it

should not attract the interest of bigger competitors. The nicher should be able to build up a goodwill which it can use as defense against potential attackers although a niche may attract competitors; therefore it is important to develop multiple niches. (Kotler and Keller, 2006)

2.5 Alcoholic Drinks Industry Control Authority

The alcoholic drinks industry control authority in Kenya is NACADA (National Campaign Against Drug Abuse) Authority. NACADA was formed in March 2001 and in 2007 parliament ratified the formation of NACADA Authority to replace NACADA with reinforced mandate to prevent, control and mitigate the menace of drug and substance abuse in Kenya. NACADA Authority facilitates development of policy and legislation on drugs and substance abuse and enhances youth preventive education and public empowering, facilitate enhancement of law enforcement on drug and substance abuse. Alcoholic Drinks Control Act 2007 provide for NACADA Authority to maintain data and research on alcoholic drinks, promote treatment and rehabilitation of alcohol addicts, advise the Minister on national policy to adopt on Alcoholic Drinks Industry on issues related on alcoholic drinks products content, packaging and labeling. (NACADA, 2011)

2.6 Implications Of Alcoholic Drinks Control Act, 2010 On Marketing Mix

Alcoholic drinks control act, 2010 affects several aspects of the marketing mix elements. It affects the products constituents, packaging and labeling. The act has set the standards for the constituents of the products and the producer is required to meet those standards to be licensed to produce. The act does not allow drinks to be packaged in sachets and the containers should not be less than 205 milliliters. It is a requirement that all packaging should clearly state the constituents of their products and carry a health warning. The pricing may also be affected due to increased cost of production and licensing in line with requirements of the new regulations. In line with place, the act specifies that there shall be no alcoholic drinks sale outlet in the radius of 300 meters from any basic learning institution; therefore bars and nightclubs affected may need to

relocate or risk closure. The act also has a section that regulates the promotions of alcoholic drinks industry. It prohibits misleading and deceptive promotions that may lead to false perception about characteristics, health effects/hazards or social effects of alcoholic drinks. (GoK, 2010)

2.7 Marketing Challenges

In relation to Kotler and Keller (2006), a challenge is a threat posed by an unfavorable trend or development that will lead to lower sales and profits. The environments under which businesses operate pose a lot of challenges to the marketers. Marketing challenges may come from within the business or from outside. Some of the challenges from within include lack of marketing skills, lack of allocation of marketing funds, unmotivated staffs among others. Other challenges are from the environment in which the businesses operate in. These challenges affect the marketing strategies of a business in that the business has to adjust to overcome the challenges. The challenges include changing demographic trends, poor economy, unfavorable environment change, hostile culture, government regulations, changing customer tastes and preferences, supplier monopoly, increased interest groups and stiff competition. (Kotler and Keller, 2006)

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

The research methodology is the way or process by which the research was carried out. It clearly states the research design, the population of study, sample and sampling method from which data was collected, means by used to collect data and finally the methods that was used in data analysis.

3.2 Research Design

For the purpose of this research survey methods were used and to be specific personal interviews and telephone interviews were utilized for this research. According to Cooper and Schindler (2008), Survey methods cost less, are faster and allow for discussions and explanations where necessary. This made it effective design for this research.

3.3 Population of Study

The primary population for this research was alcoholic drinks outlets in Voi town; they included all bars and nightclubs. There were 104 alcoholic drinks outlets in Voi District with 54 within Voi Municipality and the neighboring Tsavo East National Park. The outlets are categorized into general retail liquor outlets, restaurants liquor outlets, hotel liquor outlets, off-license liquor outlets, proprietor clubs and liquor distributors (Ref. Appendix 3).

3.4 Sample and sampling Design

Due to existence of different categories of alcoholic drinks outlets and the necessity to include all of them in the research stratified random sampling was ideal for this study. This enabled the researcher to select representatives from each category in order to get representative findings across the industry. The researcher collected data from 26 alcoholic drinks outlets in Voi Township; that is close to half the total outlets in Voi Municipality. The sample was made of 9 general retail liquor outlets, 7 restaurants liquor outlets, 3 hotel liquor outlets, 1 off-license liquor outlets, 3 on bar and 3 proprietor clubs.

3.5 Data Collection

Personal interview was used for this research; which involved face to face interview with the bars and night clubs managers or managing owners. This provided an opportunity for the interviewer to clarify technical questions to the interviewees thereby increasing the accuracy of the data collected and completion for questionnaires. Both open ended and closed ended questions were used for this research. (Aaker et al 1990, 201

3.6 Data Analysis

Questionnaires were edited for errors and data coded for analysis. The information was tabulated and descriptive statistics like frequency, means, percentages, mode and median of responses was used to give the results of the analysis and presented in form of charts and tables.

CHAPTER FOUR: DATA ANALYSIS RESULTS AND DISCUSSION

4.1 Introduction

This chapter is to discuss data analysis, results and the recommendation of the research. The study was aimed to establish marketing strategies used by Entertainment Spots in Small Towns in Kenya; Case of Bars and Nightclubs in Voi Municipality. The data was collected by use of a questionnaire with bar and Nightclubs Managers, Supervisors or Managing owners as the main respondents. Analysis and interpretation was done using statistical tools like frequency, mode, mean, percentage and ranking to drive conclusions. The response was 96% (Percent).

4.2 Respondents Profile

Among those interviewed 46% were female and 54% were male. 58% of the respondents were employed as managers, 15% held other positions like receptionists, cashiers or supervisors while the remaining 27% were the managing owners. 18% of the interviewees were aged between 18 and 25 years, 42% were aged between 26 and 35 years, 27% were between 36 and 45 years and the remaining 8% were above 45 years of age. 92% of the respondents were directly involved in decision making and running of the businesses. In relation with the education levels of the respondents, 8% did not go beyond Primary School, 46% had Secondary School Education, 42% were College Graduates and 4% were University Graduates. Among those who were University and College Graduates 8% are Bachelors of Commerce Graduate, 34% Graduated in Hotel Management, 17% in Tourism Management, 8% Catering, and 33% other courses not related with what they are currently doing.

License Categories	Frequency	Percentage
On Bars	3	11%
Proprietor Clubs	3	11%
Bar and Restaurant	7	27%
General Retail	9	35%
Wines & Spirits (off License)	1	4%
Hotel	3	12%

N= 26

Table 4.2: Response rate

Table 4.2 shows the response rate from different license categories. There were 3 respondents who operated on an “on bar” alcoholic drinks sale license, which is 11% of all respondents; 3 of proprietor club (11%), 7 of Bar and Restaurant (27%), 9 of General Retail (35%), 1 of “off-License” (4%), and 3 of Hotel which is 12%.

4.3 Bars and Nightclubs Market Information

4.3.1 Distribution In Relation to Size

The industry is comprised of both small scale local bars to international class Hotels and Nightclubs, targeting from low income local residents to international tourists with different offers to satisfy their thirst for entertainment. The small size bars and nightclubs of less than 100 customers sitting capacity dominated the market while those of medium and large size being fewer. Figure 4.3.1 shows the distribution of the industry players in different sizes as reflected by their sitting capacity.

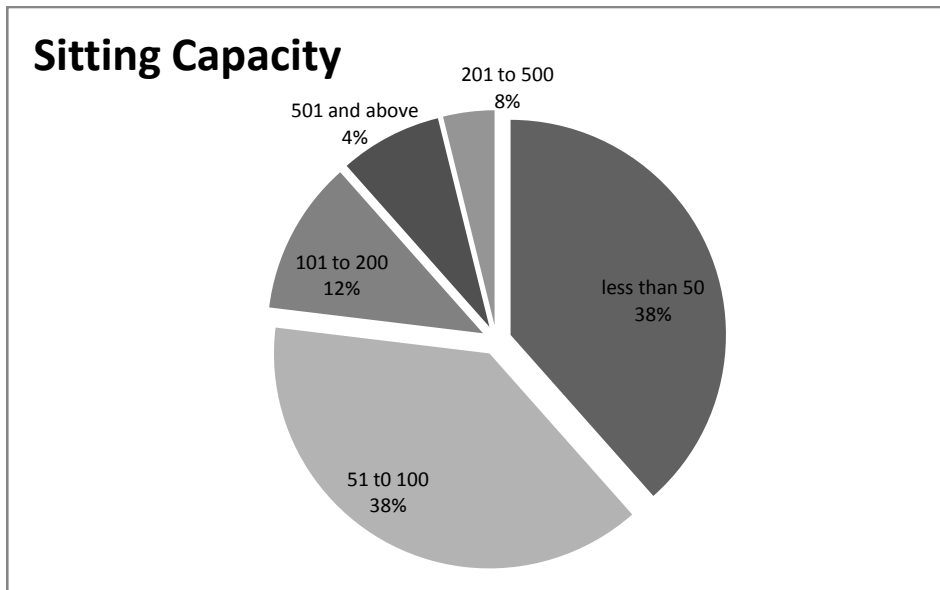


Figure 4.3.1: Percentages of Outlets in Various Categories of Sitting Capacity

Figure 4.3.1 demonstrates that 38% of Alcoholic drinks outlets have a sitting capacity of less than 50, another 38% have a sitting capacity of between 51 to 100, 12% have a sitting capacity of between 101 and 200, 8% have a sitting capacity of between 201 and 500 and 4% have a sitting capacity of 501 and above.

4.3.2 Market Trends and Industry Life cycle

Alcoholic drinks sale industry has been in existence in East Africa since pre-twentieth century (Willis, 2002). Despite the challenges the industry is believed to have been growing with the changing technology and trends in the entertainment sector. In relation with the research findings some of the respondents believed that the business currently was growing as reflected in figure 4.3.2 (a).

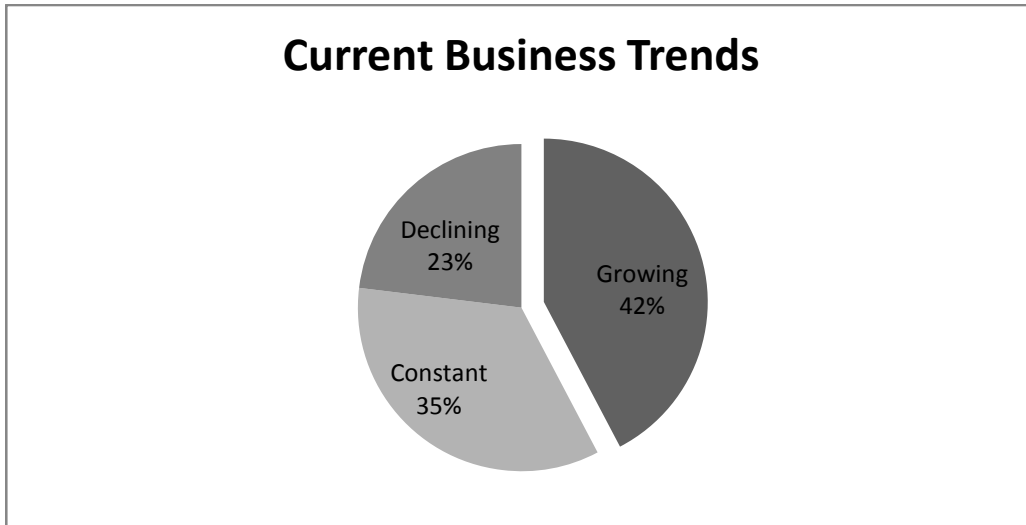


Figure 4.3.2 (a): Percentage of Respondents in different categories in relation to the current business trends

A greater percentage of the respondents noted that despite the current business challenges the business is improving. 42% of the respondents said they have noticed growth in their business, 35 percent said there was neither growth nor decline while the remaining 23 said there was decline and they attributed it to the introduction of the new Alcoholic Drinks Control Act, 2010- commonly known to them as “the Mututho Laws”.

Although when asked of what their future expectation of the industry performance was, the distribution of the respondents changed and the results are as shown in figure 4.3.2 (b).

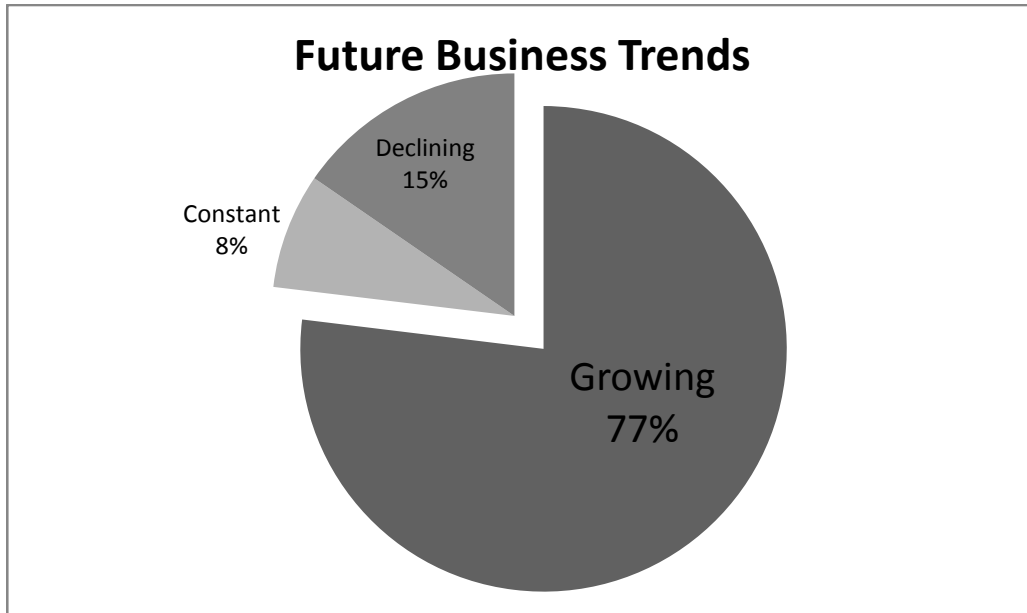


Figure 4.3.2 (b): Perception of the future business performance as categorized in percentages

77% of the respondents were positive that the business will grow in future, 15% thought it will decline while 8% thought it will remain constant. From the above results it may be concluded that the Alcoholic Drinks Sales Industry is on its early maturity stage since it has been in existence for a long time and it is expected to continue growing.

4.3.3 Segmentation and Targeting

Bars and Nightclubs target individuals of 18 years and above, since most of them sell alcoholic drinks and is not allowed to be sold to individuals who are less than 18years. The market is further segmented into: Mature individuals/professionals aged 36 years and above, young professionals aged between 25 and 35 years, college and University Students who are mostly aged between 18 and 24 years, local youth aged between 18 and 35 years, and others. The local youth are either unemployed or employed in the informal sector while others in this case include travelers, local tourists and international tourists among others. The research results show that mature individuals are targeted by most of the outlets, while few target students and young professionals. Figure 4.3.3 shows the percentage of outlets competing for various target segments.

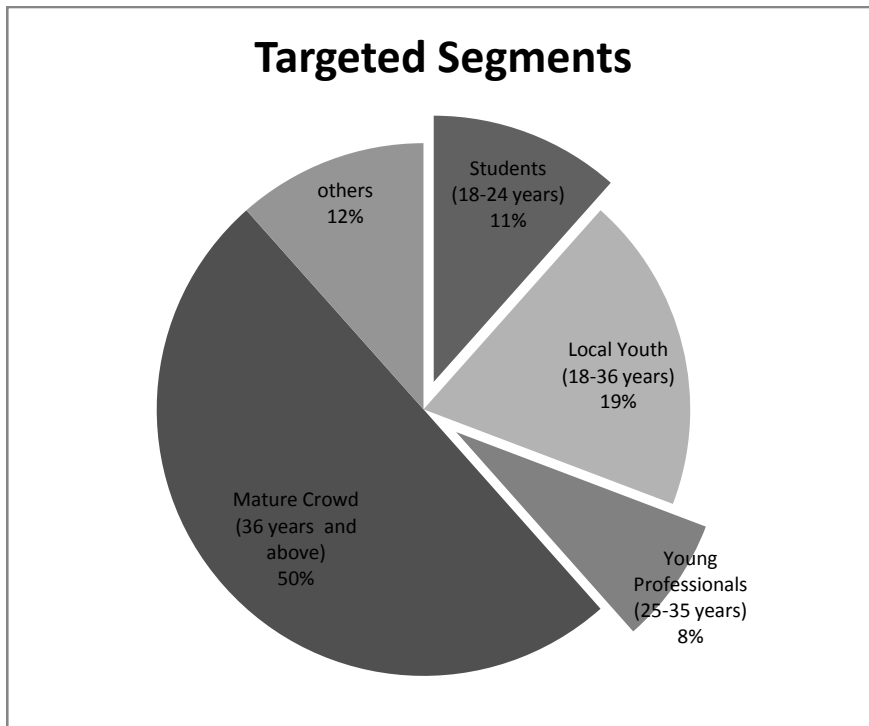


Figure 4.3.3: Percentage of outlets targeting different segments in the market

50% of all the outlets target mature crowd as their basic target market. Most of the bars and nightclubs owners said they targeted them because they have spending power and they are easy to attract than students and young professionals. 19% of the outlets target local youth, 11% target College and University students, 8% target young professionals and 12% target others.

4.4 Marketing Strategies Used By Entertainment Spots

Most of the traders in the industry did not use proper marketing strategies to market their business and grow their market share. A few that practiced marketing had exceptional performance and were leading in the industry. They used marketing strategies common with the ones used by industry at its growth stage of the life cycle. Some of the common strategies used at this stage include product/service improvements which include quality improvement; features improvement, new product models, entering new market segments, and market penetration pricing to attract the price sensitive customers. Some of the players in the industry practiced “smart niching” and they were performing well.

4.4.1 Marketing Mix Elements

Bars and nightclubs businesses operate in a competitive industry therefore they utilize different marketing mix elements to keep them competent in the industry. Most of the small bars and nightclubs with a sitting capacity of less than 100 customers, make use of few marketing mix elements. The marketing mix elements in this case are the 4 Ps- Product, Place, Price and Promotion and the additional 3P's that are common to service sector where the entertainment industry belong.

4.4.1.1 Product/ Service Offer

Bars and Nightclubs have a wide variety of items they offer to their customers. Some of these items vary from a wide variety of drinks to live shows, performances and indoor sports like- darts, snooker, drafts, skating and alike. Some of the items are analyzed in table 4.4.1.1 (a).

Product/ Service offered	Frequency	Offered by (%)	Ranking
Wide Variety of Drinks	25	96%	1
Cigarettes	24	92%	2
Service staff	24	92%	2
Music	19	73%	4
Food	18	69%	5
Television and Projectors	13	50%	6
Accommodation	7	30%	7
Indoor Sports	6	26%	8
Disc Jockey (DJ)	4	15%	9
Live Show and Performances	4	15%	10

Table 4.4.1.1 (a): Product/Service offered by different bars and night clubs

The research results show that a wide variety of drinks, cigarettes and service staff are available in more than 90% of the bars and nightclubs. This shows these are very basic to the business and no bar or nightclub can ignore them. Music is offered by 73% of the outlets while food is offered by 69% of the outlets. 50% of the outlets have televisions or projectors or both fitted in their premises. 30% of the outlets offered accommodation, 26% offered some indoor sports, 15% offered Disc Jockey and another 15% had live

performances and shows. Disc Jockey and Live shows were common with proprietor clubs and tourists hotels.

The research also rated these items in relation with the importance awarded to each of them. Table 4.4.1.1(b) shows the percentages of respondents that said the product item offer was very important. 92% of the respondent said that offering a wide variety of drinks was very important to the bar or nightclub, 92% said service was very important, 82% said cigarettes are very important, 69% said food was very important, music 65%, television and projectors 42%, accommodation 23%, shows and performances 15%, Disc Jockey 15% and finally indoor games 8%. A wide variety of drinks and service staff are ranked number one in the industry.

Product/ Service offered	Frequency	Percentage (%)	Ranking
Wide Variety of Drinks	24	92%	1
Service Staff	24	92%	1
Cigarettes	18	82%	3
Food	18	69%	4
Music	17	65%	5
Television and/or Projectors	11	42%	6
Accommodation	6	23%	7
Live Show and/or Performances	4	15%	8
Disc Jockey (DJ)	4	15%	9
Indoor Sports	3	8%	10

Table 4.4.1.1(b): Product/Service offered by bars and night clubs and their importance ranking

4.4.1.2 Price

Price is the exchange value given to the product or service offered to the market. The pricing of the bars and nightclubs vary greatly. For example the price of beers; there are outlets that sell at a price as low as Kenya Shillings 105.00 and another selling it as high as Kenya shillings. 400. Pricing depends on the target market and the positioning strategy of the business. Table 4.4.1.2 shows the distribution of a price of a common beer across the industry in Voi Municipality.

Price in Kenya Shillings (Ksh.)	Freq	Percentages (%)
Ksh. 400.00	1	4%
Ksh. 300.00	1	4%
Ksh. 130.00	3	13%
Ksh. 120.00	5	21%
Ksh. 110.00	13	54%
Ksh. 105.00	1	4%
Total	24	100%

Mode= 110; Average Price Ksh. 134.40

Table 4.4.1.2: The price of a common fast moving beer across various outlets

Table 4.4.1.2 shows that 54% of the outlets sell a bottle of beer at Ksh. 110; 4% sell at 400, 4% at 105, another 4% sell at 300, 12% at 130 and 21% sell at Ksh. 120. Those outlets pricing their beer at Ksh. 300 and above target international tourists, while those priced at Ksh. 110 or less are targeting the mature crowd and local youth.

The main pricing strategy used by bars and nightclubs in Voi Municipality was “the going rate pricing.” They set prices in line with the prices charged by direct competitors. The target market in this case is highly price sensitive therefore the businesses are price takers, they must accept the going price as determined by the forces of demand and supply. This will account for the 92% of the Alcoholic drinks outlets in Voi Municipality that are selling below the average price of the sample, that is Kenya Shillings 134.40; they need some other ways to attract customers, they have to use non-price methods to compete. The remaining 8% that target the tourist and the upper class market use “premium pricing” strategies. This is because they operate under luxurious industry and the target market is not price sensitive.

4.4.1.3 Place

Bars and Nightclubs are retailers of entertainment industry. They are the final outlets that deliver entertainment to the market. All retailers need to be conveniently located to serve their customers well; they have to be easily accessible to their target market. Most of the bars and nightclubs in Voi are either located in the CBD (Central Business District), Tsavo East National Park or at the community shopping centers. Most of the outlets that

target the Mature Crowd are located in residential estates shopping centers, those targeting the students, local youth and young professionals are located in the CBD while those targeting tourists are located in Tsavo National Park or on the road to the Park. “Retailers are accustomed to saying that the three keys to success in retailing are “location, location and location.” (Kotler, 1993).

4.4.1.4 Promotions

Promotions are the means by which the marketer attempt to inform, persuade and remind the market of their offer. This is the “voice” of the business; also known as marketing communications. (Kotler and Keller 2006, 536). The promotion mix is made of five elements, namely: Advertising, Sales Promotion, Public Relations, Direct Marketing, and Personal Selling. Table 4.4.1.4(a) shows the rating and ranking at which different promotion tools are used by different kinds of outlets.

Promotion Tool	Heavily used (%)	Ranking
Posters, Fliers, Brochures and Banners	19%	1
Price Discounts and Special Offers	19%	1
Social Networks Advertising	15%	2
Websites and Internet Marketing	11%	3
Print Media Advertisement	11%	3
Gifts and Free Samples	8%	4
Events Sponsoring	8%	4
Television Advertisement	4%	5
Shows and Exhibitions	4%	5
Radio Advertisements	4%	5
Others	4%	5

Table 4.4.1.4(a): The percentages of outlets heavily using different promotional tools and their ranking

Posters, fliers, brochures and banners are ranked number one on the tools that are highly used together with price discounts and special offers; each being heavily utilized by 19% of the bars and night clubs in Voi Municipality. Social Networks are heavily used by 15% of the bars and nightclubs and ranked second most utilized tool. Websites and internet marketing together with print media are ranked third, followed by gifts and free samples together with event sponsoring being ranked fourth. The least used tools with 4% each of

heavy users are television advertisement (4%), Shows and Exhibitions (4%), Radio advertisement (4%), and others (4%).

Promotion Tool	Heavily used (%)	Little used (%)	Not Used (%)
Posters, Fliers, Brochures and Banners	19%	19%	62
Radio Advertisements	4%	4%	92
Television Advertisement	4%	4%	92
Print Media Advertisement	11%	4%	85
Social Networks Advertising	15%	4%	81
Websites and Internet Marketing	11%	4%	85
Shows and Exhibitions	4%	4%	92
Price Discounts and Special Offers	19%	4%	77
Gifts and Free Samples	8%	8%	84
Events Sponsoring	8%	4%	88
Others	4%	6%	90
Totals	107	65	928
Average Scores (%)	9.7%	5.9%	84.4%

Table 4.4.1.4(b): The Extent to which outlets utilize promotion tools

Table 4.4.1.4(b) shows that an average of only 9.72% heavily use different promotional tools, 5.9% little used the tools while 84.36% never used any promotional tool mentioned above. This shows that most of the bars and nightclubs in Voi did not utilize promotion as one of the marketing tool.

4.4.1.5 People, Processes and Physical Evidence

People are the employees of the business who always determine the quality of the service the customers receive. “Happy skilled and motivated staff will make happy customers.” (CIM 2004). Service Staff has been rated as one of the most important component for the success of a bar or nightclub business. The service staff has to be well trained and motivated for the business to perform well.

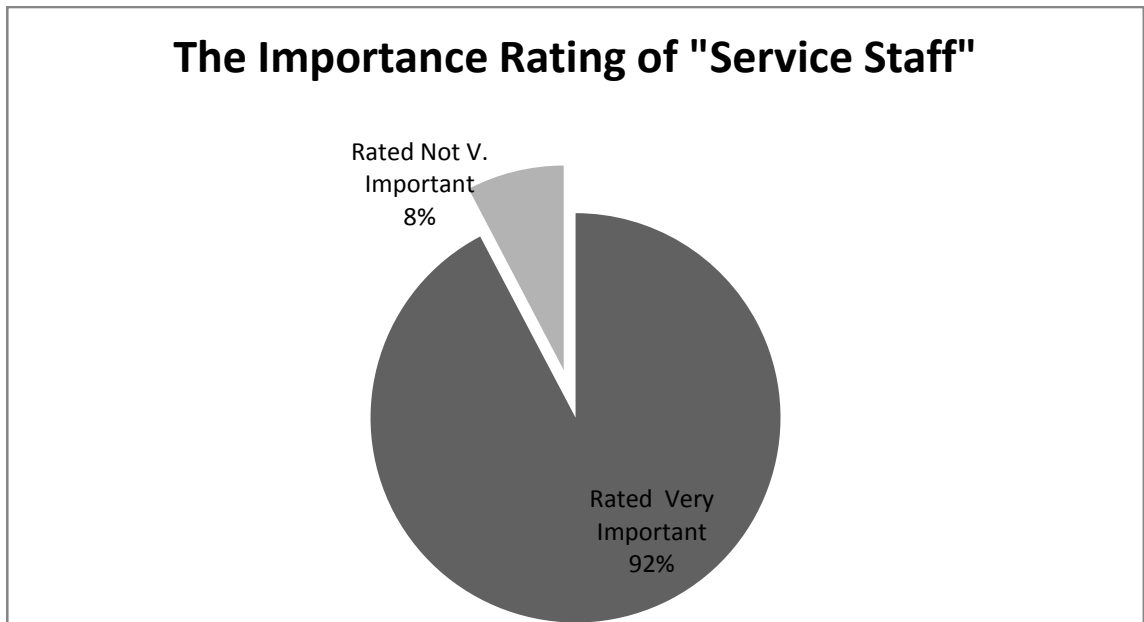


Figure 4.4.1.5(a): Importance Rating of- Good Service

In relation to figure 4.4.1.5(a), 92% of the respondents rated “service staff” as being very important to the business; as opposed to 8% of the respondents who did not think service staffs were very important to the success of their business.

The process by which a customer order is placed, processed and delivered to the customer is also very important to the perfection of service. Some of them expect the customer to pay before he/she is served or served and pay later. Both ways the customers need to understand the process and the delivery speed is very important too.

Physical Evidence: this describes the image portrayed by the business through its physical presence which includes its premises, the appearance of its staff, appearance of its vehicles, its reception and offices...it is very important if a firm offers services instead of tangible products (CIM, 2004). All those bars and nightclubs that were performing well in the industry have an outstanding physical setting and they accepted that it was a major attraction to the customers.

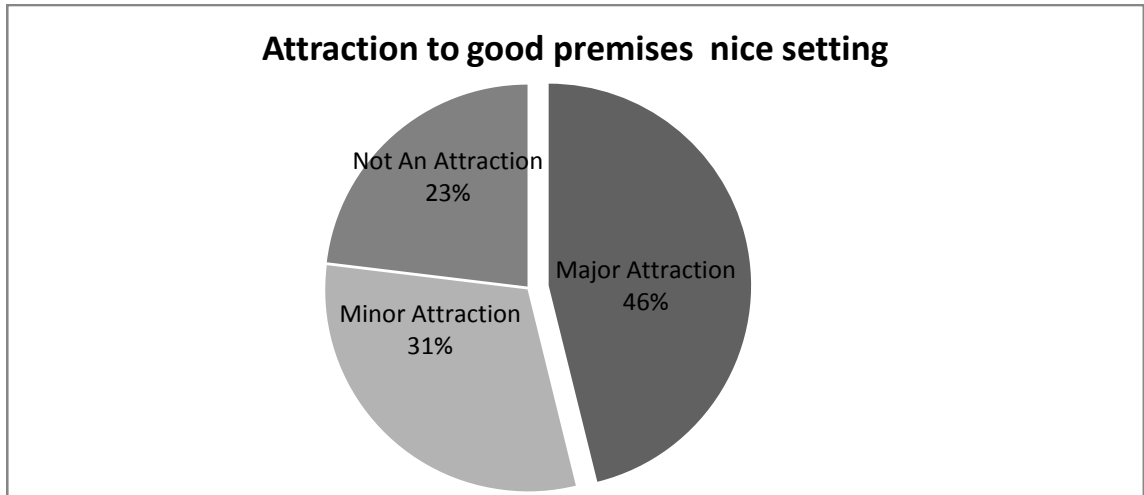


Figure 4.4.1.5(b): Rating of client attraction to good premises and nice settings

Figure 4.4.1.5(b) show that 46% of the respondents believe that a nice and attractive business setting is one of the major customer attraction components to the business. 31% thinks it is a minor attraction while 23% thinks it is not an attraction.

4.4.2 Competitive Marketing Strategies

Market Leader of an Industry is the firm with the largest market share and leads other industry players in price changes, new product development, distribution and promotion intensity. To achieve this they need to expand their total market demand, protect and increase its market share. (Kotler, 1993). Kotler (1993) further notes that, Market Challengers always pose a challenge to the market leader and the followers; therefore their survival and growth strategies are generally attacking strategies. The other category is the followers: followers are comprised of firms that copy or improve existing products and launch them as their own as a result they achieve more profits since they do not bare any innovation expenses. Finally the last category is the Nicher: they are comprised of firms that target to meet and satisfy the needs of a segment of segment or niches (Kotler, 1993). In Voi Municipality there are few Bars and Night clubs that lead the industry while others follow. The market leader and the challengers utilized and valued innovation and new product/service development while the rest gave little attention to innovation and creativity; they just copied what others have introduced. 4% of the respondents

pointed creativity and innovation to be very important, another 4% thought it was not very important while the remaining 92% thought it was not important at all as demonstrated in figure 4.4.2(a)

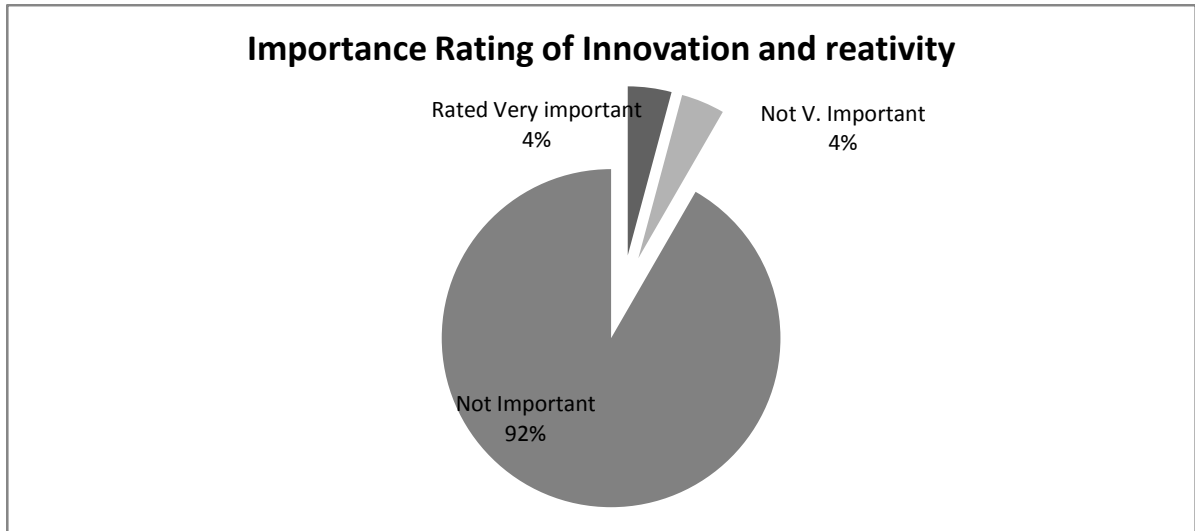


Figure 4.4.2(a): Rating of how much importance is offered to innovation and creativity by the respondents

Most of the respondents were price takers since the industry is characterized by high competition and a limited price sensitive market; as a result competitor based pricing is the ideal pricing strategy for most of respondents. This strategy is used by the followers; while challengers used penetration pricing strategy. The market leader has superior and innovative services that gives it a competitive advantage and able to use price skimming strategy. Some Nichers in the sector use prestige or premium pricing strategy. This is common with the bar and nightclubs that targeted the upper class local market and international tourists. The other category used Economy pricing strategy to serve the low income earners market. Figure 4.4.2(b) shows that 38% of the respondents' prices were close to the manufacturers recommended retail prices, 23% sold either at recommended retail price or slightly below and 8% were much above average price. It was also observed that some outlets made use of "seasonal pricing strategy" in relation with peaks and off peaks of the industry. Nightclubs increase their prices during weekends; while tourists hotels lowered their charges during off peak seasons.

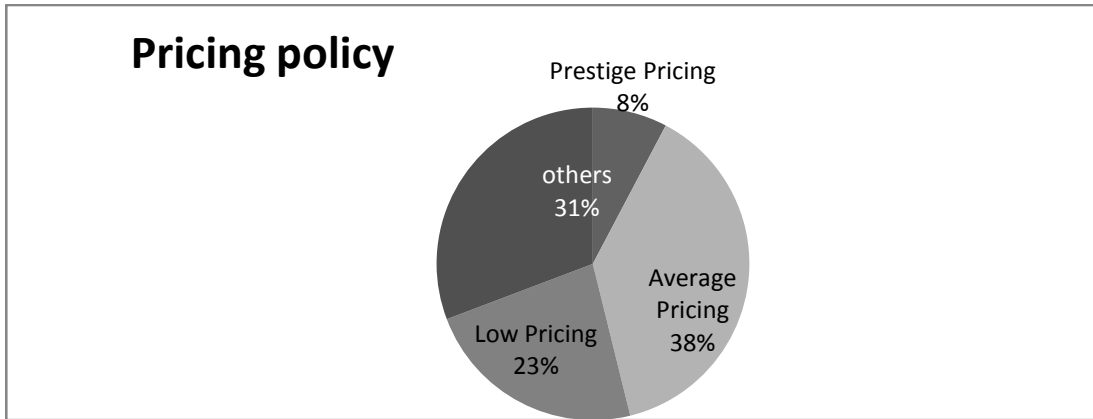


Figure 4.4.2(b): Pricing Policies Adopted by Various Respondents

Most of the outlets never used promotional tools to market their business, a few little use and another percentage intensively used promotions to market their businesses. Figure 4.4.2(c) demonstrates that 84% either never used any promotion tools or did not recognize their importance in marketing their businesses. 6% little used promotions as one of the marketing tools while the remaining 10% heavily utilized promotions as one of their marketing tools.

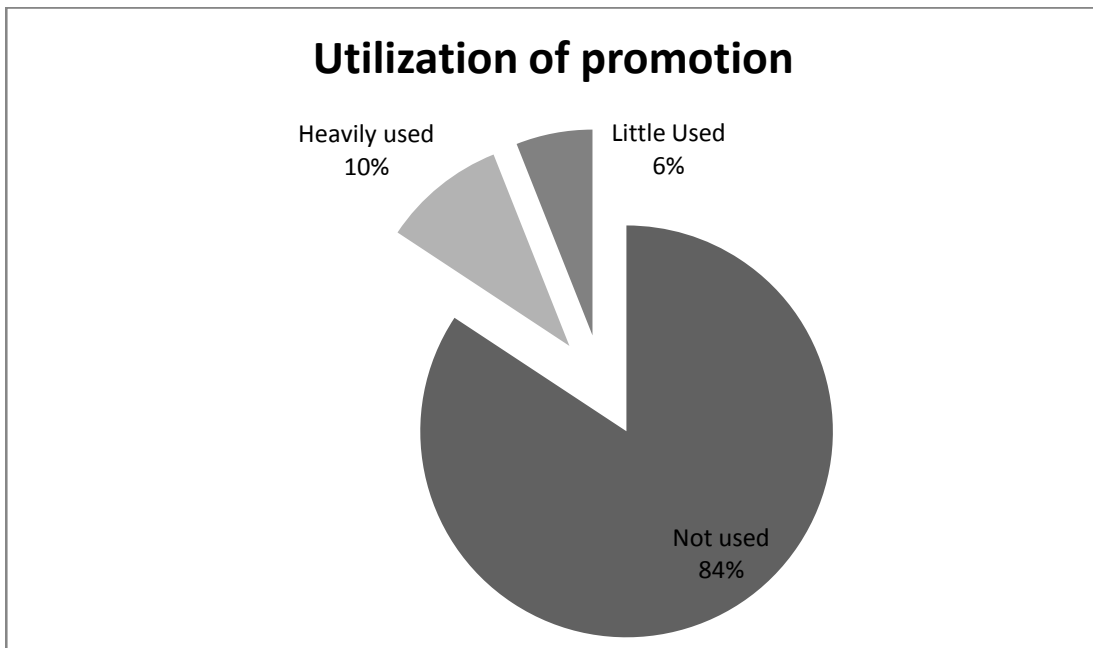


Figure 4.4.2(c): Percentages of Respondents that Utilized Promotion Tools

4.5 Marketing Challenges

A challenge is a threat posed by an unfavorable trend or development that will lead to lower sales and profits. The environments under which businesses operate pose a lot of challenges to the marketers. (Kotler and Keller, 2006). Table 4.5 shows some of the challenges pointed out by the Bars and Nightclubs Managers in Voi Municipality and are ranked starting from the most challenging one to the least challenging.

The Challenge	Those Challenged (%)	Rank
Government Controls	96%	1
Increased Energy Cost	92%	2
Price Sensitive Customers	73%	3
Increased Competition	73%	3
Growth of Special Interest Groups	65%	5
Changing Technology	58%	6
Supplier Price Instability	54%	7
Suppliers Monopoly	46%	8
Unmotivated Staff	35%	9
Changing Tastes and Preferences	35%	9
Changing Lifestyle	27%	11
Inadequate Marketing Skills	22%	12
Religion, Language and Ethnicity	8%	13
Others	4%	15

Table 4.5: Ranking of Marketing Challenges

Government controls is the most blamed challenge with 96% of the respondent pointing it as a great challenge. This is mainly caused by the Alcoholic Drinks Control Act, 2010; commonly known as “the Mututho laws” this has effect on all of the marketing elements thus the need to review strategies in order for them to remain competent. An increase in energy cost is ranked as second with 92% pointing it as a challenge. This is in relation to increased electricity and fuel cost. Price Sensitivity and competition are ranked third each with 73%, followed by Supplies price instability with 54%, then Suppliers monopoly with 46%, Unmotivated staff and changing tastes and preferences next with 35% each. Inadequate marketing skills is ranked number 12 with 22% while religion, language and

ethnicity was not a challenge to most respondents; only 8% pointed it out as a challenge. There were few other challenges unique to different respondents; only 4% pointed out other challenges not listed in figure 4.5.

CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATION

5.1 Introduction

The Chapter outlines the conclusion, recommendation and limitations of the study. The research objective was to establish marketing strategies used by Entertainment Spots in small towns in Kenya and the marketing challenges they face.

5.2 Summary of Findings

Majority of the Bars and Night clubs managers were aged between 18 and 35 years. They accounted for 60% of the respondents interviewed in this study with 46% of all the respondents being either university or college graduates. 76% of the bars and night clubs have a sitting capacity of between 1 and 100 clients and the remaining 24% with a sitting capacity of above 100.

Most bars and nightclubs did not use proper marketing strategies to make them competent in the market. Most of the outlets focused on the basic product and had no effort to improving their services. A few bars and nightclubs used strategies like product improvement, new product development, increased promotion, strategic partnership with other stakeholders and niche targeting. The greater market is highly price sensitive; therefore most bars and nightclubs use the going rate pricing strategy, although those who had richer niches were able to use prestige pricing strategy. Seasonal pricing is also common across the industry whereby Nightclubs increased prices during weekends and public holidays and Tourists Hotels increased their charges during peak seasons.

Most of the respondents thought a wide variety of drinks and service was basic to operating a bar or nightclub then Cigarettes, food and music follow in importance. Bars and nightclubs that wanted to add value to their customers' benefits offered televisions/projectors, accommodation, live shows, resident DJs and indoor sports. 92% of the respondents priced their products below average price. This is attributed to the highly price sensitive market and as a result bars and night clubs need to use non-price

methods to compete, although those targeting tourism and upper market niche are able to use prestige pricing strategies.

The study also found out that about 10% of Bars and Night Clubs highly recognize and or utilize various promotional tools, 6% little recognize or utilize them and the remaining 84% did not recognize or utilize the various promotional tools. 92% of the respondent noted that service and motivated staff was very important to the business and 46% of the respondents agreed that an attractive business setting was very important to the success of the business.

Entertainment Industry is in its growth or early maturity stage with 42% of the respondents acknowledging that there is growth in business; 35% thought that there was neither growth nor decline while 23% of the respondents thought that Bars and Night Clubs business was declining. This was attributed to the implementation of the Alcohol Control Act, 2010. 96% of the respondents identified government controls as the greatest challenge in operating a bar or Night club in small towns in Kenya.

5.3 Conclusion

The research found that a few Bars and Night Clubs in Voi Municipality utilize various marketing strategies to grow their market share and build a competitive advantage. Entertainment industry is either in the growth stage or its early maturity stage, therefore it has attracted competitors who come in with new and modern entertainment gear, ideas and features. Instead of Jukeboxes, one man guitar bands, hump back television sets, news papers on the tables... it is all for a new world of resident DJs, huge plasma television screens, audio-visual mixing, Karaoke parties, attractive décor, wifi network and clients who would rather be surfing the web on their hand phones or lap tops instead of reading news papers. The observation is similar to the one made by Gathura (2011) in his article “Uhuru Generation Gives Way to the Youth in City Clubs” focusing on the changing trends in the entertainment sector in Nairobi City. Few leading Bars and Night Clubs utilize Marketing Strategies like product features improvement, effective and strategic pricing, advertisement, trained and motivated service staff, promotional events, public relations, and improved physical setting. Creativity and innovation is common

among the best performing entertainment spots in Voi. Marketing plays a key role in the success of business since it generates sales revenue required for all operations and profit to the owners. Therefore it is only those spots that utilize various marketing strategies that had outstanding performance in the market.

5.4 Recommendations

Entertainment spots, which includes Bars and Night Clubs are retail outlets and plays a role in improving and growing the tourism sector in Kenya. Both retail and tourism are key growth drivers towards the achievement of Kenya's Vision 2030. The government is also focused in empowering the youth by creating employment for them. The government should formulate policies that will encourage more investors to put resources towards development and growth of Entertainment Sector in Kenya instead of putting forth regulations that are likely to cripple the sector.

Marketing Strategies are important for the growth of the Entertainment Sector in Small towns in Kenya. Most of the managers and managing owner had no professional management or marketing skills. Therefore Bars and Night Clubs Managers should acquire Marketing Skills or hire Marketers to help them in implementing marketing strategies to grow their businesses and create competitive advantage. Appropriate utilization of marketing strategies will ensure customer satisfaction and build customer loyalty towards the Bar or Night Club.

Bars and Night Clubs need Strategic partnership with various stakeholders for smooth and successful operations in their businesses. It is important that they are in good terms with their suppliers, bankers, security officers, communication media, and general public among others. This will ensure that they are well stocked, financed, and have public trust and support.

There has been an increase in alcoholic drinks abuse in Kenya which prompted the formulation of Alcoholic Drinks Control Act, 2010 that has impacted negatively on the Entertainment Industry. Instead of hurting this lucrative industry, the government should focus on strategies to stop the illegal brewers of deadly liquor that has caused ill health

and deaths to its consumers in different parts of the country while protecting and encouraging the legally licensed ones. The Government should set regulations and measures that will make the industry attractive to investors. Illegal brewers and outlets give unfair competition to the licensed ones and they are responsible for the negative image on the Alcoholic Drinks industry in Kenya.

5.5 Limitations And Challenges Of The Study

The study was carried out in Voi Municipality on a sample of 26 Bars and Night Clubs, based on the assumption that the views of the sample will represent the views of the whole population. This means findings of this study and conclusions made may differ if the study was carried out on all the Bars and Night Clubs in all the small towns in Kenya. The conclusions were derived from the primary data collected from the respondents which could be biased.

There was problem in collecting data since some of the respondents were unwilling to give out information as they thought that the interviewer may be collecting data for financial benefits or for a competitor. Most of the respondents were not conversant with marketing jargon and as a result it was difficult to interpret the questions and get reliable answers from them.

5.6 Recommendations For Further Studies

Since this study covered the Marketing Strategies Used by Entertainment Spots, case of Bars and Night Clubs in Voi Municipality, similar studies may be carried out in different towns in Kenya for comparative results. It is also important to carry out a study on Implications of Alcoholic Drinks Control Act, 2010 on Marketing Mix Elements.

REFERENCE LIST

- Aaker, David A. and George S. Day. (1990). **Marketing Research** (4th Ed.). New York: John Wiley and Sons.
- Cooper, Donald R. and Pamela S. Schindler. (2008). **Business Research**. (10th Ed.). Asia: McGraw-Hill Education.
- Gathura, Gatonye (2011, July 20). **Uhuru Generation Gives Way to the Youth in City Clubs**. Daily Nation. Nairobi
- GoK.(2010). **2009 Population and Housing Census**. Nairobi: Government Printers.
- GoK. (2007). **Kenya's Vision 2030**. Nairobi: Government Printers.
- GoK. (2010). **The Alcoholic Drinks Act**. Nairobi: Government Printers.
- Haydon, Peter. (2001). **Beer and Britannia- An Inebriated History of Britain**. Sutton: Stroud.
- Hurskainen, Pekka. (2004). **The Informal Settlement of Voi**. Finland. University of Helsinki
- Kotler, Philip and Kevin Lane Keller.(2006). **Marketing Management**. (12th Ed.). New Jersey: Pearson Education Inc.
- Kotler, Philip. (1993). **Marketing Management- Analysis, Planning, Implementation and Control**. (7th Ed.). New Delhi: Prentice-Hall of India.
- Munyoki, J. M. (1997). **Analysis of Factors Affecting Pricing Strategies of Some Consumer Goods in Retail Market- a Case Study of Supermarkets in Nairobi**. University of Nairobi
- Mwachanya, Japheth. (6th May, 2004). **Interview**. Voi Business Man
- NACADA. (2011). **National Campaign Against Drugs Authority**. NACADA

- Odur, Fredrick N. (2003). **Application of Customer Relationship Marketing Strategies by Classified Hotels in Nairobi.** University of Nairobi
- Peace II, John A. et al. (2007). **Strategic Management: Formulation, Implementation and Control.** (10th ed.). New York: Tata McGraw Hill.
- Stokes, Rob. (2009). **EMarketing - The essential Guide to Online Marketing.** 2nd Ed. Cape Town. Quirk eMarketing (Pty) Ltd.
- Swalleh, Amir A. (2007). **Competitive Strategies Adopted by Petroleum Retail stations in Kenya- Case of Mombasa City.** University of Nairobi
- Theuri. (2002). **Competitive Strategies Adopted by Branded First Food Chains in Nairobi.** University of Nairobi
- The Chartered Institute of Marketing.(2004). **Marketing Mix.** www.cim.co.uk
- The Importace of Marketing.** (2009). Retrieved from <http://knol.google.com>
- Willis, Justin. (2003). **Potent Brews- A Social History of Alcohol in East Africa 1850-1999.** Scotland. Edinburgh University Press.

APPENDIX I: TYPES OF ALCOHOLIC DRINK LICENSES

	ALCOHOLIC DRINK LICENSE TYPE	CATEGORY	LICENCED HOURS	
			WK DAYS	WKENDS& HOLIDAYS
1	General Retail Alcoholic Drink License (on Bar)		5.00p.m-11.00p.m	2.00p.m-11.00p.m
2	General Retail Alcohol License (Off License)	Rural & Sub-Urban	5.00p.m- 8.30 p.m	5.00p.m- 8.30 p.m
3	Supermarket or Franchised Retail Store (Off License)	Urban	10.00a.m 8.30p.m	10.00a.m 8.30p.m
4	Hotel Alcoholic Drink License	For residents only	24hrs	24hrs
5	Restaurants	Drinks for meals Accompaniment	24hrs	24hrs
6	Clubs (Members Clubs)	Members	24hrs	24hrs
7	Proprietor Clubs(Including Night clubs)		7.00p.m- 3.00p.m	
8	Theater Alcoholic Drink License		5.00p.m- 11.00p.m	
9	Travelers alcoholic Drink License	For Bona-Fide Air or Train Travelers	Anytime of Travel	
10	Railway Restaurant Car Alcoholic Drink License	For Travelers	24hrs	
11	Steamship Alcoholic Drink		24hrs	
13	Temporary or Occasional License		Authorized Hours	

APPENDIX II: QUESTIONNAIRE

PART - A

Interviewee Profile

- 1) What is your name(Optional)_____
- 2) Sex : Male [] Female []
- 3) What is your position in this business? Manager [] Owner/Manager []
Other[] Specify_____
- 4) What is your age bracket? 18-25 Years [] 26-35 Years [] 26-45 Years [] above 45 Years []
- 5) Are you in charge or involved in decision making and planning of this business?
Yes [] No []
- 6) What is the highest level of education you have achieved?
Primary School [] Secondary School [] College Graduate [] University Graduate []
- 7) If you are a college or University Graduate please specify you field of study?

PART - B

BUSINESS INFORMATION

- 1) What is the name of your business?_____
- 2) What is the category of your “Alcoholic Drinks License” in relation to the recent Act?
Bar [] Night club [] Restaurant [] General Retail [] Wines & Spirits [] Other (Specify)_____
- 3) What time do you usually open and close your business?

Week Days	Opening Time:	Closing Time:
Week Ends/ Holydays	Opening Time:	Closing Time:

Part - C

Market Information

1. What is the sitting capacity of you premises?

Less than 50 [] 51-100 [] 101-200 [] 201-500 [] Above 500 []

2. At what capacity does you business operate?

	Week Days	Weekends/Holidays
Less Than 25%		
25 To 50%		
50 To 100%		
Above Capacity		

3. For how long has this business been in operation?

Less than a year [] 1 -2 Years [] 3-4 Years [] 5-6 Years [] Above 6 Years []

4. In relation to your sales and profit trends, how will you classify your business performance?

Growing [] Constant [] Declining []

5. In comparative with other bars and nightclubs where do you rank yours?

No. 1 [] Top 5 [] Between 5 and 20 [] Others _____

6. In relation to the industry trends how can you conclude about the future of Bars and nightclubs business in the next five to ten years to come? It will be....

Growing [] Constant [] Decline []

7. What are your purchases in crates/packets of the following items in the last one week?

	MON	TUE	WED	THU	FRI	SAT	SUN
BEER							
SODA							
CGRT							

8. Which bar/nightclub poses the greatest threat/challenge to yours?

9. Why is this bar/nightclub (in 5 above) the greatest challenge?

10. What market segment makes your primary market?

College Students [] Local Youngsters [] Professionals [] Mature
Individuals [] Others (Specify) _____

PART- D

BUSINESS OFFER

Which of the following does your business offer? And what level of importance does your business give to that offer?

Offer	Yes/No	Very Important	Not Very Important	Not Important
A Wide Variety Of Drinks				
Cigarettes				
Food				
Music				
Disc Joker				
Live Performances				
Service Staff				
Others:				

PART- E

MARKETING STRATEGIES

Which of the following does you bar offer? If you offer any of these items, rate it in relation to how much they attract customers to you bar or Nightclub.

	Yes/ No	Major Attraction	Minor Attraction	No Attraction
Wide Variety Of Drinks				
Food				
Music				
Djs				
Live Performances				
Service staff				
Big Screens				
Creativity/ Innovations				
Low Prices				
Normal Prices				
Prestige Prices				
Attractive Place/Setting				
Beautiful Ladies				
Free Offers/ Gifts				
Memberships				
Others				

PART – F

PROMOTION

How much do you use the following promotional tools for your bar/nightclub?

Tool	Highly Used	Little Used	Not Used
Posters/Fliers Banners			
Radio Advertisements			
Television Advertisements			
Newspaper Advertisements			
E-Mail			
Social Networks			
Websites			
Sms's			
Free Live Performances			
Price Discounts/Offers			
Gifts/Samples			
Events Sponsoring			
Events Hosting			
Others (Specify)			

Part - G

Pricing

What prices do you charge for the following items if they are offered in you bar/nightclub?

Tusker lager	Ksh._____
Pilsner Lager	Ksh._____
Tusker Malt	Ksh._____
Smirnoff Ice	Ksh._____
Redds can	Ksh._____
Guinness Lager	Ksh._____
Alsoppes	Ksh._____
President	Ksh._____
Senator Keg (500ML)	ksh._____
John Walker B/label (Tot)	Ksh._____
John Walker B/label (375MI)	Ksh._____
John Walker R/Label(Tot)	Ksh._____
John Walker R/Label(375MI)	Ksh._____
Smirnoff Vodka(Tot)	Ksh._____
Smirnoff Vodka (250MI)	Ksh._____
Richot Brandy (Tot)	Ksh._____
Richot Brandy (250MI)	Ksh._____
Viceroy Brandy (Tot)	Ksh._____
Viceroy Brandy (250MI)	Ksh._____
A glass of wine	Ksh._____
Kenya Cane (250MI)	Ksh._____
Kane Extra	Ksh._____
Kenya King	Ksh._____
Napoleon Gold (250MI)	Ksh._____

Part –H

Marketing Challenges

Which of the following challenges do you think is a hindrance to successful and effective marketing of your business? And to what extent is the challenge a hindrance?

Challenge	Yes/No	High Extent	Low Extent
1. Inadequate marketing skills	_____	[]	[]
2. Unmotivated staff/management	_____	[]	[]
3. Low literacy levels of customers	_____	[]	[]
4. Religions	_____	[]	[]
5. Language Differences	_____	[]	[]
6. Hostile ethnicity	_____	[]	[]
7. Changing lifestyle	_____	[]	[]
8. Changing tastes and preferences	_____	[]	[]
9. Supplier price instability	_____	[]	[]
10. Government controls	_____	[]	[]
11. Increased Energy Costs	_____	[]	[]
12. Suppliers Monopoly	_____	[]	[]
13. Growth of special interest groups	_____	[]	[]
14. Changing Technology	_____	[]	[]
15. Price sensitive customers	_____	[]	[]
Others:			
16. _____		[]	[]
17. _____		[]	[]
18. _____		[]	[]
19. _____		[]	[]
20. _____		[]	[]
21. _____		[]	[]
22. _____		[]	[]
23. _____		[]	[]
24. _____		[]	[]
25. _____		[]	[]

Thanks a lot for your time and contribution towards this study.

APPENDIX III: LIST OF ALCOHOLIC DRINKS OUTLETS IN VOI DISTRICT

General Retail Licenses

Outlet Name	Location
1) Rita's Pub	Voi Town
2) Jonah Ent.	Tausa
3) Motherland Bar	Sagala
4) Mnarani Wines& Spirits	Voi Town
5) Sisi Kwa Sisi Bar	Ghazi
6) White House	Voi Town
7) L R & Rangers	Voi Town
8) Vibration Bar	Tausa
9) Ngutuni Lodge	Tsavo East
10) Nyamira Pub	Voi Town
11) Venus Bar	Tausa
12) Ba Ian Pub	Voi Town
13) Petsavo Gardens	Voi Town
14) Dimples Bar	Tausa
15) Kanyanga	Sagala
16) Honey Moon	Manyani
17) Flames Bar	Voi Town
18) Gateway Bar	Manyani
19) Motherland	Manyani
20) Lady Diana	Voi Town
21) Stadium Pub	Ikanga
22) Arusi Wines& Sprits	Voi Town
23) Sentrim	Tsavo East
24) Pumzika Inn	Maungu
25) Ngolia Bar	Kasigau
26) Report Bar	Maungu
27) Friends Bar	Maungu
28) Villa Inn Bar	Ghazi
29) Janymosse Bar	Kasigau
30) Bridge View	Voi Town
31) Marangi Pub	Sagala
32) Mwangaza Bar	Voi Town
33) Legends Bar	Voi Town
34) Sweet waters Pot	Tausa
35) Changamka Bar	Tausa
36) Impala Safari Lodge	Voi Town
37) Ivory Bar	Maungu
38) Rainbow	Manyani
39) Roadside Bar	Sagala
31) Silent Restaurant	Manyani

32) Sky Way	Manyani
33) Flamingo Bar	Voi Town
34) Galdessa Camp	Tsavo East
35) Kilaguni Serena	Tsavo West
36) Westmanns Camp	Sagala
37) Rahaleo Bar	Kasigau
38) Tsavo Mashariki Camp	Tsavo East
39) Mlambenyi Joint Bar	Ikanga

Restaurant Alcoholic Drinks Licenses

Name of the Outlet	Location
1) Sofia Pub	Voi Town
2) Tsavo Lodge	Voi Town
3) Milly Restaurant	Voi Town
4) Home Boys Bar & Rest	Voi Town
5) Hot Pot Bar & Rest	Voi Town
6) Green Joint Hotel	Voi Town
7) Dawida Building	Voi Town
8) Vibrations Bar	Tausa
9) Voi Safari Lodge	Tsavo East
10) Frontline	Manyani
11) Iyale Bar & Rest	Voi Town
12) Ruby Rock H/Way Motel	Maungu
13) Muchemerinyi Bar	Kasigau
14) Voi Safari Inn	Voi Town
15) Kanyanga Bar	Sagala
16) Sky Base Club	Voi Town
17) Sweet Heart Bar& Rest.	Maungu
18) Central Bar	Voi Town
19) Omega Bar	Voi Town
20) Abijan Pub & Corril	Voi Town
21) Adson Bar & Rest	Voi Town
22) Tebs Bar	Voi Town
23) Friends Corner	Voi Town
24) Yes We Can	Tausa
25) Discovery Bar	Tausa
26) Millennium Bar	Tausa
27) Gloria Bar & Rest.	Voi Town
28) Young Fathers	Maungu
29) Tarino Bar	Maungu
30) Star View Bar	Maungu

Alcoholic Drinks Off-licenses

Outlet's Name	Location
1) Mnarani Wines & Spirits	Voi Town
2) Stadium Wines & Spirits	Voi Town
3) Jai Hari Supermarket	Voi Town
4) Two tops Wines & Spirits	Manyani
5) Krystal Beverages	Voi Town

Hotel Alcoholic Drinks Licenses

Outlet's Name	Location
1) Susana Lodge	Maungu
2) Jordana Bar	Maungu
3) Sahara Resort	Maungu
4) Masimbini Bar & Rest.	Maungu
5) Voi Wildlife Lodge	Tsavo East
6) Epiya Chapeyu Camp	Tsavo East
7) Ashnil Aruba	Tsavo East
8) Man Eaters Lodge	Tsavo East
9) Finch Hattons	Tsavo West
10) Maungu Holiday Villa	Maungu
11) Silent Guest Resort	Voi Town
12) Zomeni Lion Hill Camp	Voi Town
13) Kilaguni Serena Lodge	Tsavo West
14) The Leopards Lodge-	Tsavo East Road

Proprietary Clubs (Night Clubs)

Club's Name	Location
1) Tooflet Pub	Voi Town
2) Kivulini Bar	Maungu
3) Klub Xtacy	Voi Town
4) Cannan	Ndii

Alcoholic Drinks Distributor Licenses

Distributor	location
1) Mombasa Tamasha	Voi Town
2) Shashkant Anand	Voi Town
3) Petca Enterprises	Voi Town
4) Teita Distributors	Voi Town