

**STRATEGIES USED BY THE MANUFACTURERS OF FAST MOVING
CONSUMER GOODS TO MOTIVATE CHANNEL MEMBERS: THE CASE OF
SUPERMARKETS IN KENYA**

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For The Degree of Master of Business Administration, School of Business, University of
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DECLARATION

I, undersigned, declare that this project is my original work and has not been submitted for a degree in any other university other than the University of Nairobi for academic purposes.

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D61/8122/06

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DEDICATION

To mum and dad for your love and encouragement this project is affectionately dedicated

ACKNOWLEDGEMENT

My utmost gratitude is to The Almighty God without whose help and guidance I would not be where I am today. I acknowledge Him in everything I do as it is from Him all good things come.

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ABSTRACT

One of the major challenges in the manufacturing industry is the dynamic competitive environment in which manufacturers of Fast Moving Consumer Goods operate. This has compelled manufacturers of FMCG to use various strategies like training and development, cooperative advertising and recognition programs among others to motivate supermarkets to carry their brands. Although manufacturers of FMCG use various strategies to motivate channel members, it is not known which strategies they use to motivate supermarkets to carry their brands from the supermarkets' management point of view.

The objectives of this research were to establish what motivates supermarkets to carry Fast Moving Consumer Goods of manufacturers from the supermarkets' management point of view, determine how the supermarkets' management perceive the motivators provided by the manufacturers of fast moving consumer goods in Nairobi and determine the difference in management expectations and the perceptions of the supermarkets' management.

The study was modeled on a descriptive design. The population of interest in this study consisted of 155 supermarkets located in Nairobi. A sample size of 60 supermarkets was used in the study. This was believed to be representative of the population of the study. Primary data was collected using a semi-structured questionnaire. The questionnaires were personally administered by the researcher to the supermarkets' distribution managers or equivalent. The questionnaire was divided into three parts. Part A contained questions on general information of the supermarket. Part B contained questions on supermarkets' management expectation and Part C contained questions on perception of what is actually done.

Out of 60 supermarkets in Nairobi, 48 filled and returned the questionnaires. The response rate was therefore 80% with a none-response rate of 20%. Most of the

supermarkets maintained that it was against the company policy to give any kind of information to outsiders including researchers. The study was limited to the perspective of the supermarkets' management point of view only. A study can be conducted to find out the manufacturers' point of view on what they perceive as motivators.

The results on experience showed that only expectations on communication, training and development, advertising and promotion support, in-store promotion, nature of work and merchandise advertising were realized by most respondents. Expectations on Incentives, recognition programs, feedback and appraisal and cooperative advertising were the least realized as the level of disparity was high.

Based on the findings it was concluded that the supermarkets' management expectations were high in most aspects of the motivational strategies such as recognition programs, feedback and appraisal, communication, training and development, provision of product and technical information advertising and promotion support, price margins and discounts, in-store promotion, nature of work, cooperative advertising and merchandise advertising. The study also revealed that Price, margins and discounts, training and development and communication were of paramount importance to the supermarkets' management.

It was recommended that manufacturers of FMCG need to look into recognition programs, feedback and appraisal and cooperative advertising. The manufacturers of FMCG should therefore allocate more funds to the dimensions of strategies that had wide discrepancies between expectations and experiences. Manufacturers also need not to allocate funds to strategies that had the least expectations like incentives and the funds be used instead to fund aspects of strategies that had high expectations such as price, margins and discounts, training and development programs and communication.

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CHAPTER ONE

INTRODUCTION

1.1 Background

Globalization is a powerful real aspect of the new world system that represents one of the most influential forces in determining the future course of the planet (Paisecki, 2004). It has had significant impacts on all economies of the world with major effects on efficiency, productivity and competitiveness (Intriligator, 2001). Globalization and liberalization of world economies has intensified competition through: widespread of computers, faxes, mobile phones, introduction of the internet and e-commerce (Hewett, 2002). Globalization of companies is continually growing in response to the changing environment of international trade. This accelerating trend is as a result of global consumer convenience in social economic, demographic characteristics, habits and culture (Intriligator, 2001).

The changing global environment has led to more competition, increased product choice, increased customer demand, lower prices, product innovations and information technology (Johnson & Scholes, 2001). According to Kotler (2006), consumers have become more educated and informed more than ever before and they have the tools to verify companies' claims and seek out superior alternatives. Companies face intense competition from domestic and foreign brands which is resulting in rising promotion costs and shrinking profit margins. Due to changes in the marketplace, companies must cope with the dynamic environment in order to survive (Adcock et al, 2001).

Due to intense global competition most organizations have adopted various strategies aimed at achieving a sustainable competitive advantage. These strategies range from improvement in products / services, acquisition / mergers, strategic alliances, partnerships and downsizing to survive (Hewett, 2002). Many organizations now consider the pursuit of global strategies as offering distinct

benefits of cost reduction, improved quality, better ability to meet customer needs and increased competitive leverage (Johnson & Scholes, 2001). According to Yoshino and Rangan (1995), firms must constantly innovate to forge a head of rivals; they must develop new capabilities in areas such as technology development, manufacturing processes, marketing and distribution in order to gain a competitive edge. In a competitive environment, the first priority of an organization should be to reach its customers effectively (Guirdham, 1972). Libin (2006) indicates that for channel members to push a company's product successfully, they have to be motivated to undertake their selling duty effectively.

1.1.1 The Concept of Motivation

Mathis and Jackson (1994) define motivation as an emotion or desire within a person causing that person to act. Futrell (1999) on the other hand defines motivation as the arousal, intensity, direction and persistence of effort directed toward job tasks over a period. From the definitions, we may deduce that motivation is the attempt to influence another person to do something that helps accomplish a desired goal. The attainment of individual and organizational goals is mutually interdependent and linked by a common denominator which is employee motivation (Farish, 1995).

Bett (2004) argues that the nation is facing many problems that demand effective utilization of human economic resources hence the need to motivate employees. James et al (1998) asserts that motivated employees are more productive and help organizations survive in rapidly changing work environment. He further states that managers need to understand what motivates employees within the context of the roles they perform. Smith (1994) indicates that of the functions a manager performs, motivating employees is arguably the most complex. This is due in part to the fact that what motivates employees changes

constantly (Bowen & Radhakrishna, 1991). From the above arguments, it can be deduced that motivation is the surest way of energizing employees to work hard.

1.1.2 Distribution Channels

Successful value creation needs successful value delivery (Kotler, 2006). Most producers do not sell their goods directly to the final users; between them stands a set of intermediaries performing a variety of functions. The statement that one can eliminate middle-men but cannot eliminate their functions is a universally accepted principle of marketing (Pride and Ferrell, 1989). A distribution channel is the external contractual organization that management operates to achieve its distribution objectives (Rosenbloom, 1999). According to Sims et al (1977) most firms move their products through many intermediate markets utilizing a complex system of agencies and institutions. These organizations are grouped together in various combinations linking particular producing units with particular using units. Such linkages are channels of distribution (McClelland, 1966). Marketing channels consists of various types of marketing middlemen such as manufacturers, wholesalers, and retailers involved in the process of moving products and services from manufacturers to consumers (Guirdham, 1972).

Stern et al (1977) indicates that intermediaries achieve superior efficiency in making goods available and accessible to target markets. Through their contacts, experience, specialization, and scale of operation; intermediaries usually offer the firm more than it can achieve on its own by smoothening the flow of goods and services (Rosenbloom, 1999). Distribution channel is a strategic marketing tool, which has now gained more prominence over the other strategies such as product, price and promotion (Mckinnon, 1989). Management must therefore develop and operate the external contractual organization to support and enhance the other strategic variables of the marketing mix in order to meet the demands of the company's target market (Farish, 1995).

1.1.3 Supermarkets in Kenya

Lewison (1989) states that a retailer is any business establishment that directs its marketing efforts towards the final consumer for purpose of selling goods and services. Stern et al (1977) states that a retail sale is one in which the buyer is an ultimate consumer as opposed to a business or institutional purchaser. From the two definitions it can be deduced that retail sale is one in which the buyer is an ultimate consumer, as opposed to a business or institutional purchaser. Retailers play a crucial role that benefits the consumers, wholesalers as well as the manufacturers themselves. Hasty (1997) argues that if it were not for retailers consumers would be forced to go from manufacturer to manufacturer to purchase goods that they needed. Retailers perform the basic functions of bulk breaking, assorting, storing, informing, and serving (McCarthy et al, 1996).

Some of the largest retail outlets are the supermarkets retail outlet is the supermarkets. Stern et al (1977) argues that Supermarket is a term used broadly for all self-service retail outlets meeting minimum size criteria (150m² in the case of Kenya) and with food lines representing an important percentage of sales (>50%). According to EAMRC report (2004), the first supermarkets to be established in Kenya were the Westlands General stores (1945), K&A (1962), Ebrahims (1970), and Uchumi (1975). These supermarkets started as self-service stores covering small trading areas. However with time they increased their volume and assortment of merchandise as well trading space to become supermarkets (Kipkorir, 1995). Davidson (2005) argues that several supermarkets have been established in Nairobi and other towns in the recent years. Most of these supermarkets are owned by Asians of Kenyan origin and are operated as family businesses (Kipkorir, 1995). He further states that in the recent years modern supermarkets like Nakumatt, Wool mart, Ukwala and Tuskys have also come up.

Growing at rate of 18% per year, supermarkets in Kenya have grown from a niche in the mid 1990s to 20% of the urban food market and 4% of the urban Fresh Fruits and Vegetables market in 2003. Supermarkets have spread from the capital to intermediate and small towns with 44% of supermarket sales and 58% of supermarket stores located outside of Nairobi in 2003 (Neven, 2005). The growth of supermarkets has stimulated the rise of a new class of Fresh Fruits and vegetables farms in Kenya. These are mostly recently established medium-sized farms which in terms of physical and human capacities differ starkly from the smallholder farmers that represent the bulk of the FFV production in Kenya. Farm size and the presence of a modern irrigation system were found to be critical determinants of participation in the supermarket channel (Neven, 2005).

A number of factors have led to the growth of supermarkets in Kenya namely; liberalization of trade, the increase among the city's population (about 5 million people), and the customers demand for effective and efficient retailing services (Kipkorir, 1995). The growth of supermarkets has downstream and upstream ripple effects. For consumers on the one hand, supermarkets offer a greater variety of food products, value-added food products, more guarantees regarding the quality and safety of food products and generally lower prices for processed food (EAMRC, 2005).

On the other hand supermarkets take market share away from traditional retailers (such as kiosks, over-the-counter shops, markets stalls, and street hawkers), lowering their margins or displacing them, and thus may reduce the set of retail outlets from which Consumers can choose (Neven, 2005). Nairobi shoppers have increasingly shown preferences for supermarkets because of lower prices and a variety of goods they offer. Because supermarkets operate in a very competitive environment, it is imperative that the manufacturers of fast moving consumer goods adopt strategies to motivate them to stock their products in order to gain a competitive edge (Kipkorir, 1995).

1.1.4 Manufacturers of Fast Moving Consumer Goods in Kenya

Vikalpia (2005) states that major Fast Moving Consumer Goods in Kenya consists of food as well as non food items like; Health drinks, Biscuits, Chocolates, Aerated drinks, napkins Toilet soaps, Toothpaste and Hair care Sanitary. According to Perpetuity Research & Consultancy International (2004), fast moving consumer goods is used by those connected with retailing to describe price sensitive goods that are packaged and branded, consumable and for mass use. The report further states that Fast moving goods are convenience products that are typically purchased on a regular basis such as toiletries and detergents. According to International Marketing Research (2005), major multinationals dealing with fast moving consumer goods have established operations in Kenya as foreign companies or as joint ventures with Kenyan shareholding to supply the domestic neighboring markets. These include Nestle, Unilever, Cadbury, Coca-cola, and Wrigly. International Market Research (2005) further states that food and beverages make up over half of Kenya's exports mainly to the neighboring countries. Traditional suppliers from European Union are the main source of Kenya imports supplying over 32 percent of the FMCGs.

According to Unilever data monitor magazine (2005), due to liberalization, the manufacturing sector is characterized by several players, increased competition, regulatory changes, changing consumer styles and expectations, availability of a wide variety of substitutes, shorter distribution channels as manufacturers gain direct access to most markets, increasing costs of advertising and distribution outlets demand higher rebates. The industry faces increasing competition from imported substitutes both in price and quality (Bello et al, 2002). According to the Unilever Data Monitor magazine (2005), Unilever Company has suffered setbacks because of its inability to cope with increased competitiveness in key markets. For example, hair care products in the US and Japan suffered declining sales and volumes as a result of intense competition. Declining prices, coupled with rising demand for discounts from the trade partners puts pressure on

margins. The magazine further states that in some emerging markets Unilever is losing the price advantage it once enjoyed in home and personal care products to companies such as Reckitt & Benckiser and Procter & Gamble.

Griswold et al (2007) argues that fast moving consumer goods retailers must invest in key process and technology areas to become demand driven and stay relevant in a hypercompetitive environment. While FMCG retailers are evolving to meet the needs of consumers, they lack maturity in some key technology and business process capabilities. The key to survival is the ability to engage in rapid and relentless continuous change to deliver customer value, especially by developing new products (IMR, 2004). The Company's chosen channels ultimately affect all other marketing decisions and therefore the optimal strategy that a company can use to gain a competitive edge is by motivating its channel members (Stanton et al, 1994).

Companies use push and pull strategies to influence wholesalers and retailers to stock their products, thus pushing the product through the channel to the final consumer, they may offer intermediaries higher margins for carrying a particular product, allowances for retail advertising, quantity discounts, contests and bonuses to reward retailers and wholesalers for higher sales, in-store promotions and displays to make it easier for the retailer to sell the product (Assael, 1993).

1.2 Statement of The Problem

Manufacturers of fast moving consumer goods play a significant role in the Kenyan economy. They are major employers of the Kenyan population. Central Bureau of Statistics estimates (2000) indicate that in the year 1999 the entire Kenyan manufacturing sector employed 3.7 million individuals equivalent to 68 per cent of all persons engaged in the economy. The Manufacturing sector also generates revenues for the government. According to Soderbom (2001), the Kenyan manufacturing sector accounts for 11 per cent of the Gross Domestic Product.

The manufacturers of FMCG in Kenya face stiff competition. According to Paisecki (2005), when the Kenyan economy was liberalized in the early 1990s, several major industries that had operated as monopolies suddenly came face to face with unexpected competition. Currently there are many players in the market which has resulted to reductions of market shares of companies as well as profits (McCarthy et al, 1996). There is pressure on the manufacturer to ensure that they get their product mix right or risk losing market share (Soderbom, 2001). According to IMR (2004), before there was more pull on the consumer side than push from the manufacturer side but today the reverse is the case. The customer now has a choice (Shnaars, 1991).

Farish (1995) argues that it becomes imperative that a company focus on how best to reach its customers effectively than its competitors. Rosenbloom (1999) indicates that distribution strategies that get distributors and dealers to focus their attention on a company's product are the key to building market share and sales growth for the company.

As a result of the intense competition, channel members have become a vital link and the need for survival and this call for organizations to pay intricate attention to their channel member (Buklin, 1960). A key component of effective channel management is the provision of conditions required for the attainment of a well motivated channel force (Futrell, 1988). Given that manufacturers rely more on channel members for their businesses, they need to effectively motivate them to carry their brands. A motivated salesperson is a critical asset to companies which are increasingly recognizing that salespeople determine whether the company succeeds or fails (Jackson, 1996).

Wambua (2003) conducted a study to determine factors that motivate sales people in the Kenyan insurance industries. The findings of the study indicated that compensation, incentives, field coaching, feedback and appraisal, communication and training programs are some of the motivators that insurance

industries use to motivate their sales people. The findings may not be generalized to this study because it was conducted in a service industry while this study focuses on a product industry.

Masese (2001) conducted a study on the factors considered important by large supermarkets in selecting their suppliers of merchandise. The findings of the study showed that financial stability, technology, aggressive advertising and merchandise suitability were some of the considerations. The two studies did not focus on the strategies the manufacturers of fast moving goods have adopted to motivate supermarkets. Given the need for these firms to grow, they should adopt appropriate motivational strategies to ensure that channels used facilitate the selling of their products. It is however not known as to which strategies manufacturers of FMCGs have adopted to motivate the supermarkets and how the supermarkets' management perceive these motivators. The proposed study intends to fill the gap by determining the strategies adopted by the manufacturers of fast moving consumer goods to motivate supermarkets from the supermarkets' management point of view.

1.3 Objectives of the study

The objectives of this study are to:

- i. Establish what motivates supermarkets to carry Fast Moving Consumer Goods of manufacturers from the supermarkets' management point of view.
- ii. Determine how the supermarkets' management perceive the motivators provided by the manufacturers of fast moving consumer goods in Nairobi.
- iii. Determine the difference in management expectations and what manufacturers use to motivate supermarkets to carry their brands.

1.4 Importance of the study

- i. Manufacturers of fast moving consumer goods will be in a position to determine intermediaries' needs and construct a channel positioning such that its channel offering is tailored to provide superior value to supermarkets.
- ii. The study can be beneficial to other manufacturers in finding out how channel members view motivation from their own perspective in order to improve how they motivate them.
- iii. Future researchers and scholars may use the study as a source of reference for further research.

CHAPTER TWO

LITERATURE REVIEW

2.1 Distribution channels

Stern et al (1977) indicates that a distribution channel is an interorganization system comprised of a set of interdependent institutions and agencies involved with the task of moving anything of value from one point of conception, extraction, or production to, points of consumption. The firm's sales force and advertising decisions depend on how much training and motivation dealers need. In addition, channel decisions involve relatively long-term commitments to other firms as well as a set of policies and procedures (Blem, 2001). Every company must decide how to make its goods or services available to its target market (Rosenbloom, 1999).

McCarthy et al (1996) argues that to achieve its distribution objectives any manufacturer will have to address six basic distribution decisions namely; the role of distribution in the firm's corporate strategy, role of distribution in the marketing mix, designing the firm's marketing channels to achieve its distribution objectives, channel members selected to meet the firm's distribution objectives, managing the marketing channel to implement the firm's channel design efficiently and effectively and evaluating the channel members performance. The most fundamental distribution decision for any firm to consider is the role that distribution is expected to play in a company's long term overall objectives and strategy (Rosenbloom, 1999). The intervention of the middlemen is justified on the grounds of the transactional efficiency, product assortment and functional specialization (McKinnon, 1989).

Distribution strategy requires two major decisions. The first concerns determining the structure of the channel of distribution. The second concerns deciding on the number of intermediaries, or the extent of distribution (Zikmund, 1995). A proactive and offensive strategy that keeps on surprising competitors and makes

competitors irrelevant is the ultimate strategy (Robert, 1998). A company wants a distribution channel that not only meets customers needs but also provide an edge on competition (Guirdham, 1972). Some firms gain a differential advantage with their channels (Stanton et al, 1994). Donnelly et al (1992) notes that the choice of channels can be refined in terms of distribution coverage, degree of control desired, total distribution cost and channel flexibility. Because of the characteristics of the product, the environment needed to sell the product, and the needs and expectations of the potential buyer, products will vary in the intensity of distribution coverage they require (Donnelly et al, 1992).

2.2 Meaning and role of motivation

Motivation may be defined as the arousal, intensity, direction, and persistence, of effort directed toward job tasks over period (Futrell, 1999). Solomon (1996) indicates that to understand motivation is to understand why consumers do what they do. Shifman (1991) describes motivation as the driving force within individuals that impels them to action. He further explains that the driving force is produced by a state of tension which exists as a result of an unfulfilled need. Wells (1996) argues that the driving force in recognizing needs and choosing goals to satisfy them is motivation.

The concept of motivation is very necessary in business because human needs or consumer needs are the basis of modern marketing (James et al, 1998). Needs are the essence of marketing concept. The key to a company's survival, profitability, and growth in a highly competitive environment is its a ability to identify and satisfy unfulfilled consumer needs better and sooner than the competitor (Blem, 2001). Shifman argues that successful marketers define their markets in terms of the needs they are trying to satisfy, rather than in terms of the products they sell. In fact marketers who base their offerings on recognition of consumer needs find a ready market for their products (Shifman 1991).

Being able to stimulate channel members to top performance starts with understanding their needs and wants. Carefully motivating intermediaries is vital if goods are to flow smoothly through the channel and reach satisfied customers (Sims et al, 1977). The major reason for motivating employees is survival (James et al, 1998). He further argues that motivated employees are needed in our rapidly changing workplaces. Motivated employees are more productive. To be effective, managers need to understand what motivates employees within the context of the roles they perform According to (Mostyn, 1991).

Of all the functions a manager performs, motivating the employees is arguably the most complex. This is due, in part, to the fact that what motivates employees changes constantly (Browen & Radhakrishna, 1991). Adams (1965) states that employees will attempt to restore equity through various means some of which may be counter-productive to organizational goals and objectives. Therefore motivation plays a critical role in business in general because the survival of a business enterprise depends on how effectively the top management motivates their employees.

2.3 Theories of motivation

According to Mostyn (1991) keeping motivated in order to accomplish organizational objectives is a difficult task, yet both initial and ongoing motivation are critical to succeed in today's business world. Worker alienation carries some steep price tags like under production, poor quality, sabotage, turnover, absenteeism and alcoholism (Chesney 1992). Researchers have attempted to explain motivation to work through two basic types of motivation theory: Content theories and process theories. Content theories are concerned with what energizes behavior while process theory focus on how behavior is energized (McCormic, 1987). Chung (1977) indicates that motivational theories are organized in such a manner to best describe and explain the motivational process in organizations. Five major approaches that have led to our

understanding of motivation are; Maslow's need hierarchy theory, Herzberg's two factor theory, Vroom's expectancy theory, Adam's equity theory, and Skinner's re-enforcement theory. According to Maslow, employees have five levels of need (James, 1998).

Eccles et al (2002) states that Maslow's need hierarchy theory of motivation proposes that each individual has a set of needs arranged in a developmental hierarchy. Physiological needs include basic things such as water and food that are essential for life. Once these needs are met people will then seek to take care of safety needs such as clothing, shelter and defense. The next levels of needs are social needs, the need to associate with other people to form communities that engender relationships with others. Next are esteem needs that is the need to feel a sense of self-worth and prestige. Finally we have the last and the highest need on the hierarchy that is the need for self-actualization which is the need for personal growth and self-fulfillment.

Figure 1: Maslows Hierarchy of Needs



Source: Koontz, Harold and Wehrich, Heinz, (1995), **Management**. McGraw Hill Publishers. pp. 416.

The other theory of motivation is Herzberg's dual factor theory of motivation which distinguishes factors which can cause dissatisfaction but cannot motivate (hygiene factors) and factors which can cause positive motivation. (Chesney,

1992) states that hygiene factors include physical working conditions, security, salary and interpersonal relationships. Directing managerial attention to these factors postulated Herzberg would bring motivation up to a theoretical zero but would not result in positive motivation. If this was to be achieved, attention would have to be given to true motivators. These included the nature of the work itself which allows the person to make some concrete achievement, recognition of achievement, the responsibility exercised by the person, and the interest value of the work itself (Chaponx, 1996). The result of this research shows how factors in the job are related to a person's motivation (Mathis and Jackson, 1994). According to Libin (2003), Herzberg's theory has been well received in general by practitioners, although academics have criticized it in terms of the methodology and oversimplification. The theory has undoubtedly made a substantial contribution to the understanding of motivation at work.

Another theory is Vroom's expectancy theory of motivation. The theory is based on the belief that employees' effort will lead to performance and performance will lead to reward (James et al, 1998). This theory assumes that a person's motivation to exert effort is dependent upon his or her expectations for success. Vroom based his theory on three concepts namely; expectancy, instrumentality and valence. Expectancy refers to a person's perceived relationship and effort and performance, instrumentality reflects the person's perception of relationship between performance and reward and finally valence represents the value placed upon a particular reward by a person. This theory supports the notion that for performance targets (e.g. sales quotas) to be effective motivators they should be regarded as attainable (high expectancy). The more positive the reward, the more likely the employee will be motivated. Conversely, the more negative the reward the less likely the employee will be motivated (Buford, 1990).

Adam's theory of motivation on the other hand states that employees strive for equity among themselves and other workers (Chesney, 1992). Equity is achieved

when the ratio of the employee outcomes over inputs is equal to other employee outcome over inputs (Mostyn, 1991). Rewards may either be positive or negative. Skinner's theory states that those employees behavior that lead to positive outcomes will be repeated and behaviors that lead to negative outcomes will not be repeated (James et al, 1998). When a person feels he receive more rewards than he deserves ,he attempt to reduce on this by putting in more effort and works harder to justify the overpayment or justify to themselves that they are not over paid (Mathis and Jackson ,1994).

Reinforcement theory is also a theory of motivation. The theory may be explained by understanding the concept of operant conditioning. Luthans (1992) states that operant conditioning describes the effects of the consequences of a particular behavior on the future occurrence of that behavior. There are four types of operant conditioning: positive reinforcement, negative reinforcement, punishment, and extinction. Both positive and negative reinforcement strengthens a behavior while both punishment and extinction weaken behavior (Luthans, 1992).

In the Mc Gregor Theory of motivation, Douglas McGregor presented two differing sets of assumptions about people's work motivations. This he labeled as Theory X (negative) and theory Y (positive). The key point in McGregor's theory Y is that work itself is a motivator for most people (Mathis and Jackson, 1994).

Table 1: Summary of McGregor's Theory X and Theory Y

Theory X	Theory Y
People dislike work and will attempt to avoid it	People do not inherently avoid work.
People have to be coerced and threatened with punishment for organizational goals to be met	People do not like rigid control and threats.
Most workers like direction and will avoid Responsibility	Under proper conditions, people do not avoid responsibility.
People want security above all in their work	People want security but also have other needs, such as self-actualization and esteem

Mathis, R. L and Jackson, J. A. (1994), **Human Resource Management**, West Publishing Corporation, pg. 95.

Weiner et al (2002) identified another theory of motivation known as attribution theory of motivation. He argued that the individual explanations for achievement outcomes determine subsequent effort that is the attribution theory is concerned with how people mentally assign the causes for their success or failures which affect their motivation. The attribution regarding the cause for the performance may be personal or environmental, for example if one does well he will attribute that to personal reasons while if he performs poorly he may assign it to something external (Jackson and Hisrich, 1996). Internal attributions include ability, effort, mood and others while external attributions include factors such as task difficulty, luck and unusual help from others. Therefore the channel manager must guide channel members to make the correct attribution (Weiner et al, 2002).

2.4 Motivation of channel members

Woodruff (1996) observes that motivation of channel members is essential to a achieving the producer's channel objectives. Incentives and regular contact with channel members can be helpful in maintaining effectiveness (Buford, 1990). Many other manufacturers incorporate incentives into their channel tactics to place greater emphasis on certain channel activities. Effective communication and information flows in both directions are necessary if the channel is to function properly. Owaga (2002) notes that Intermediaries must be continuously motivated to do their best. For motivation to be effective it must be channeled to the right direction, which is where leadership is crucial (Ingram, 2006).

Most producers see gaining intermediaries' cooperation as a huge challenge. They often use positive motivators such as higher margins, premiums, special bills, cooperative advertising allowances, display allowances and sales contests (Kotler, 2006). Companies use push and pull strategies to influence wholesalers and retailers to stock their products, thus "pushing" the product through the channel to the final consumer, they may offer intermediaries higher margins for

carrying a particular product, allowances for retail advertising, quantity discounts, contests and bonuses to reward retailers and wholesalers for higher sales, and in-store promotions and displays to make it easier for the retailer to sell the product (Assael, 1993). Wambua (2003) conducted a study to determine factors that motivate sales people in the Kenyan insurance industry. The findings of the study indicated that compensation, incentives, field coaching, feedback and appraisal, communication and training programs are some of the motivators that insurance industries use to motivate their sales people.

One of the ways in which manufacturers of FMCGs can motivate supermarkets is through sales contests. American marketing Association (2006) defines sales contests as a short-term incentive program designed to motivate sales personal to accomplish specific, objective. Conceptually, sales contests and piece-rate schemes, such as salary, commission, or quotas, differ in that in sales contests payment to salespeople is based on relative rather than absolute sales levels (Mengze, 2001). Popular incentives as indicated by the extent to which they are rewarded to salespeople include merchandise, gifts, certificates, cash, electronics, and travels. Sales contests can be implemented to achieve a variety of objectives (Ingram, 2006).

Contests may involve group competition whereby each salesperson competes against past performance standards or new goals or a combination of group and individual competition. Salesperson with more experience and a higher base salary will prefer longer duration contests, while a less experienced individual with a low base salary will prefer sales contests with a short-term focus and more immediate results. From a managerial perspective managers can choose to design sales contests for the average salesperson or they can choose to “dig deeper” and customize the contest by adapting designs to the individual needs and circumstances of the particular sales force (Murphy et al 2004).

To optimize the use of sales contest Allaway et al (1993) recommend the following guidelines; minimize potential motivation and morale problems by allowing multiple winners, winners should be declared when the goal is achieved, recognize that contests will concentrate efforts in specific areas often at the temporary neglect of the other areas, plan accordingly, consider the effects of including non selling personnel in sales contests, use variety of basic elements of sales contests, vary timing, duration, themes and rewards and lastly ensure that sales contests objectives are clear, realistically attainable and quantifiable to allow performance assessment. To truly motivate and create a positive attitude, sales contests must be based on the current performance level of every team member and then reward them for improving performance. Sales contests can be structured to reward an increase in performance improving close ratios (Libin, 2006).

Training and development is also another motivational strategy that manufacturers of FMCGs may use to motivate the supermarkets to carry their brands. Job training is essential in motivation as it provides adequate skills to do the job. Induction training and company orientation should be included. Training should be designed to increase product knowledge and improve skills (Mackinnon, 1989). Noonan (1998) argues that training opportunities should be provided to encourage staff development, which should be done through increased and varied responsibility, including delegation of task, functions and projects are important to recognize individual differences. Daryl Imple et al (2004) indicates that the results of a multiple industry study revealed that sales managers may be able to reduce job stress and increase job satisfaction by providing new agents with a quality sales training program. Sims et al (1939) indicates that if the manufacturer is to relinquish control of the selling function to other resellers, then it is important that steps be taken to ensure that the resellers' salesmen are adequately prepared for their responsibility.

Another strategy that may be used to motivate channel members is cooperative advertisement. According to Burgen et al (1997), cooperative advertising is an arrangement whereby a manufacturer pays for some or all of the costs of local advertising undertaken by a retailer for that manufacturer's product. Industry observers have stated that no definition of cooperative advertising would be complete without pointing out that despite its name; it is not a specialized kind of advertising. Instead it is essentially a financial arrangement under which business people agree how the costs of mutual promotion are to be defrayed. Cooperative advertising is an important aspect of many manufactures promotional budgets (Bergen et al, 1997).

To understand cooperative advertising, it is necessary to distinguish between local and national advertising (Rothschild, 1988). The former can be defined as promotional efforts undertaken by resellers in their own trading areas, where as the latter refers to corresponding efforts undertaken by manufacturers in the national marketplace. These types of advertising differ in important ways. To begin, the emphasis in national advertising is to create more favorable product attitudes, whereas local advertising is to precipitate a purchase decision. There are also significant cost differences: Retailers have access to lower prices for local media such as newspapers as well as to better local market information (Young and Greyser, 1986).

From the manufacturer point of view a well planned cooperative advertising program can be useful. First it involves the reseller financially. The wholesaler or the retailer lays some money on the line to promote a given item. To protect the wise investment the reseller must make sure of three things: the stock of the item on hand is sufficient to back up the ad; the item (or items) receive adequate display at point of purchase and, perhaps, in the window and; the item (or items) advertised receive in-store selling support from the sales personnel. If a manufacturer's cooperative advertising program can get resellers to follow

through this manner, it is probably worth the trouble and cost of its administration (Bovee et al, 1986).

The major benefits of cooperative advertising when properly executed are that it can deliver persuasive message to the ultimate consumer, it also offers strong promotional incentive to resellers to carry the manufacturers' product line and finally it informs potential consumers of the local availability of the manufacturer's line. Most of the problems inherent in the use of cooperative advertising are administrative for instance proof of performance is often difficult to obtain. Manufacturers often give up in the pretence of enforcing cooperative advertising contracts but continue to give the allowances to resellers because their competitors are doing it (Sims et al, 1935).

According to (Young and Greyser, 1986), organizations may also motivate channel members in monetary terms. The monetary perspective is through the price charged on each item. The price charged should have a reasonable percentage of margins allowed as the reward to the distributors for participating in the business. The percentage of margin should be enough to pay for distributors business expenses and remain with some profitability with which to sustain future business undertakings (Allaway et al, 1993). In addition to the margin, each organization should consider extending quantity or cash discount to distributors to motivate to sell more in respective regions. Commissions may work in motivating channel members through providing a direct reward for extra effort and by giving recognition for achievement (Farish, 1995).

According to Jobber (1998), besides the establishment of a structured distribution system, an organization needs to support channel members by communicating to the market through promotional programs. By applying an appropriate set of promotional mix factors, the organization should tell the market about the product, distinguishing characteristics and respective areas where channel members are located (Allaway et al, 1993). Channel members

should not be left with the uphill task of creating awareness of products or services on behalf of the company without tangible support.

Organizations should therefore tell the market what exists through the media advertisements, sales promotions, printed literatures and other forms of communications example billboards on strategic areas (Rosenbloom, 1999). Manufacturer provision of display material for point- of- purchase use, mailing pieces for reseller distribution, dealer identification signs, and similar incentives are other ways to supplement reseller efforts. Manufacturer uses these promotional devices to stimulate demand for product and get an increased share of the dealers promotional effort placed at the manufacturer's disposal (Engel, 1991).

Merchandising advertising is also yet another strategy that firms may use to motivate their channel members to push their products to the market. Merchandize management involves all the activities directly involved in planning, organizing, and controlling the selection, buying, price-setting, promotional, and selling policies of the retail firm's merchandise and service offerings (Stern et al, 1977). The basic objective of merchandise management is to achieve balanced stock because such stock will permit the retailer to meet customer demands satisfactorily, improve profits, provide buying information, and optimize investment in inventory.

It is therefore important to plan and control merchandise for a company to succeed (Engel, 1991). Merchandise planning and control start first with decisions about merchandise variety and assortment. Variety decisions involve determination of the generically different kinds of goods to be carried or services to be offered. For example, a department store carries a wide variety of merchandise ranging from men's clothing and women's fashions to sports equipment and appliances. The more carefully and wisely decisions on variety

and assortment are made, the more the retailer is to achieve a satisfactory rate of return (Stern et al, 1977).

In-store promotion can also be used to motivate channel members to push a manufacturer's product. In-store stimuli are promotional techniques employed to increase unplanned (or subconsciously planned) purchases of products. These techniques include in-store siting, on-shelf position, price-off promotions, sampling, and point-of-purchase displays, coupons, and in-store demonstrations (Heilman et al, 2002). According to Gaceri (2003), in-store signs are good tools for creation of brand awareness. Several tests have attempted to measure the relationship between sales of a brand and its shelf space.

In a test to measure the influence of space upon sales of two brands of salt and powdered coffee cream, Cox (1970) found no relationship between the amount of shelf given to a staple product brand and total space unit sales of that brand. Cox found a positive relationship however, between the amount of shelf space given to an impulse product brand that has high consumer acceptance and total unit sales of that brand but found no relationship between the amount of shelf space given to an impulse brand that has low consumer acceptance and total unit sales of that brand (Abratt et al, 1990). These findings have been supported to some extent by later studies conducted by Curham (1974), Wilkinson et al (1984) and Limentour (1974).

The key point arising from the various studies is that the effect of increasing facings on a shelf is likely to vary by product, by category, by brand, by in-store location, by store, but diminishes once a certain number of facings have been obtained. A research that was conducted to test the response of consumers on surprise coupons found out that consumers who use a surprise coupon will make more unplanned purchases of their items, products that are cognitively related to the one primed by the surprise coupon and products shelved in close proximity to the one primed by the surprise coupon were all supported (Bemmaor et al,

1991). Manufacturer may use in-store programs to improve reseller demand stimulation efforts aimed at achieving limited objectives over a short period of time (Libin, 2006).

Provision of technical information to the channel members may also act as a motivational strategy hence boost sales (Somers et al, 1990). Channel members are expected to serve as representatives for the company in question in their respective areas or regions. In that capacity, channel members are expected to respond to customer complaints, solve problems and meet challenges from arising products or service (Chesney, 1992). Each organization should therefore supply detailed information about all technical aspects of the product to channel members provided through sales literature, catalogue and brochures. The information should have sufficient details on use, where to buy, installation, what to do incase of failure or expiry or need for disposal Organizations should also supply updated information to members of distribution channel whenever new products or new versions of old products are introduced into the market. Such information is supplied through seminars or conferences where suppliers interact with channel members and actual or potential buyers (Sims et al, 1939).

Communication is also another motivational tool that if effectively used by the manufacturers can motivate channel members to sell more of the manufacturers brand (Hisrich, 1996). Communication is an interchange of information between two or more parties and to be effective, the information must be understood and accepted (Futrell, 1988). According to Chambers Twentieth Century Dictionary (2006), communication means to succeed in conveying one's meaning to others. This definition therefore implies that communication is a process of sending and receiving messages between parties. Most selling requires a continuous updating of the resellers a bout the product knowledge and skills. In addition the constant communication can serve as an important motivational purpose, especially in a decentralized sale program (McKinnon, 1988).

There are frequent modifications of products, prices, and delivery schedules. There are special deals, promotions, contests, and new sales plans that must be communicated to the resellers' salesmen. These communicative activities may be excellent devices for keeping manufacturer's products in the front of the salesmen's awareness (Sims et al, 1939). Blem (2001) concludes by stating that successful communication is the only way to influence others and it is also the purposeful and effective transfer of meaning between people.

Other strategies that manufacturers may adopt are Informal personal feedback and appraisal on areas like skill performance, achievements, training and development should be provided. Appraisals should be done periodically with a clear outline of gauging performance against set standards. Standards of performance should be set against which the salesperson can personally measure performance (Hisrich, 1996). Organizations may also motivate channel members through partner relationship approach. Relationship management is built on the concept of establishing strong value laden, relationship with stakeholders for the purpose of ensuring success in business through sustained customer loyalty (Jobber et al, 1998). Sales quotas may also be used by the manufacturers to motivate channel members. By setting sales targets to the distributors, they become motivated to meet the set target hence sell more (Noonan, 1998).

The organization has at its disposal various sources of power with which they can motivate channel members. Each source of power can be applied on channel members to direct their behavior towards achievement of set targets by the organization. The various sources of power include: legitimate power which includes being a registered company, legal business and operating ethically. Referent power may include corporate image, market perception, and reputation. Expert power: this includes the use of technical expertise that has been acquired

giving a competitive edge over competitors and reward power, where commissions, allowances and other forms of rewards are used (Kotler, 2003).

2.5 Summary of the literature review

Strategies that manufacturers of fast moving goods adopt to motivate channel members include sales contests ,career development ,cooperative advertising, display and selling aid, merchandising the advertising, in-store promotion, communication, pricing, margins and discounts, feed back and appraisal, advertising and promotional support, communication and provision of product and technical information.

Wambua (2003) conducted a study to determine factors that motivate sales people in the Kenyan insurance industry. The findings of the study indicated that compensation, incentives, field coaching, feedback and appraisal, communication and training programs are some of the motivators that insurance industries use to motivate their sales people. The findings may not be generalized to this study because it was conducted in a service industry while this study focuses on a product industry. Masese (2001) conducted a study on factors considered important by large supermarkets in selecting their suppliers of merchandise. The findings of the study were; financial stability, adaptation to new technology and merchandise suitability and conformity to specifications and delivery time. The findings can not be generalized to this study because the focus is quite different. This study intends to fill the gap by determining the strategies adopted by the manufacturers of fast moving consumer goods to motivate supermarkets from supermarkets' management point of view.

CHAPTER THREE
RESEARCH METHODOLOGY

3.1 Research design

The proposed study was modeled on a descriptive design. The study was concerned with what motivates channel members to carry the brands of manufacturers of FMCGs. According to Cooper and Emory (1995), a descriptive study is used to learn the, what, who, where and how of a phenomenon which is the focus of the proposed study.

3.2 The population

The population of interest in this study consisted of all supermarkets located in Nairobi. Nairobi was chosen because most of the supermarkets in Kenya are located in Nairobi. According to Davidson (2005), several supermarkets have been established in Nairobi and other towns in the recent years. According to the list obtained from the House of Manji data base as at April 2008, there were 155 supermarkets in Nairobi. These were subdivided into three categories based on the sales volume as given on Table 1.

Table 2: Stratification of supermarkets in Nairobi according to sizes

SIZE	NUMBER OF SUPERMARKETS
Large size	20
medium size	60
Small size	75
Total	155

From the table, large supermarkets were 20, medium sized were 60 while small sized were 75.

3.3 Sampling

A sample size of 60 supermarkets was included in the study. This was believed to be representative of the population. A proportionate stratified sampling was used to determine the sample size for each group of the supermarket as given on Table 2.

Table 3: proportionate sampling of supermarkets in Nairobi

SIZE	NO	PROPORTION (%)	SAMPLE
LARGE SIZE	20	12.9	8
MEDIUM SIZE	60	38.71	23
SMALL SIZE	75	48.9	29
TOTAL	155	100	60

Sample selection was done using simple random sampling method.

3.4 Data collection

Primary data was collected using a semi-structured questionnaire. The questionnaires were personally administered by the researcher to the supermarkets' distribution managers or equivalent. One manager or an equivalent in each supermarket was interviewed. The questionnaire was divided into three parts. Part A contained questions on general information of the firm. Part B contained questions on supermarkets' management expectation. Part C contained questions on perception of what is actually done.

3.5 Operationalizing The Channel Member Motivation Dimension

In order to determine the motivators, the variables were operationalized as shown below. In order to test these variables a likert scale was used.

Table 4: Operationalizing The Channel Member Motivation Dimension

DIMENSIONS OF MOTIVATION	EXPANDED DEFINITIONS	RELEVANT QUESTIONS NO. 7 & 8
Incentives	<ul style="list-style-type: none"> • Awards • Travel, • Merchandize • certificates, gifts • Travel • Cash • Praise • Quotas 	a) <ul style="list-style-type: none"> i ii iii iv v vi vii viii
Recognition programs	<ul style="list-style-type: none"> • Stock Options • Pictures in Company Advertisements & Newsletters • Manufacturing companies to assign you a distribution centers close to you where you get your stock 	b) <ul style="list-style-type: none"> i ii iii
Feedback and appraisal	<ul style="list-style-type: none"> • Feedback on knowledge of what is expected of you as a distributor. • Performance based on sales person's actions • Gives encouragements by setting achievable targets • Knowledge of the distributor's failures and successes • Performance gauged against set standards 	c) <ul style="list-style-type: none"> i ii iii iv v
Training & development	<ul style="list-style-type: none"> • Personal Growth • Ability to perform job • Understand job & responsibilities • Adequate skills 	e) <ul style="list-style-type: none"> i ii iii iv
Provision of Technical information	<ul style="list-style-type: none"> • Sales literature • Catalogue • Bronchures 	f) <ul style="list-style-type: none"> i ii iii
Advertising and Promotional support	<ul style="list-style-type: none"> • Display material for point-of-purchase use • Mailing pieces for reseller distribution • Dealer identification sign • Media advertisement • Printed literature • Billboard on strategic areas 	g) <ul style="list-style-type: none"> i ii iii iv v vi
Price Margins and Discounts	<ul style="list-style-type: none"> • Quantity • cash discounts • Commissions 	h) <ul style="list-style-type: none"> i ii iii
In-store promotion	<ul style="list-style-type: none"> • On-the shelf positon • Price-off promotion • Point of purchase displays • Coupons • In-store demonstration • Electronic store media • Special containers and stands • Free gondola 	i) <ul style="list-style-type: none"> i ii iii v vi vii viii ix

Cooperative advertisement	<ul style="list-style-type: none"> Sharing of advertising costs with the manufacturers. 	j) i
Nature of work	<ul style="list-style-type: none"> Job Interest and enjoyment Challenging activities Team work between the supermarket and the manufacturers to achieve common objectives. 	k) i ii iii
Merchandise advertising	<ul style="list-style-type: none"> Price setting of merchandise Promotional strategies of merchandise. Selection of merchandise. Formulation of selling policies 	i ii iii iv
Communication	<ul style="list-style-type: none"> Provision of necessary information to perform job through newsletter and telephone calls 	d) i

3.6 Data analysis

Data was analyzed using descriptive statistics. Data in part A was analyzed using frequencies and percentages to summarize the demographic profiles of the respondents. Data in part B and C were analyzed using mean scores, standard deviation, frequencies, percentages, reliability analysis, correlation coefficients and chi-square. Cecilia (2005) used the same ratings on a related study.

A mean score of <1.5 implies that the supermarkets' management perceptions were rated to no extent. A mean score of 1.5 – 2.5 implies to a small extent, 2.5 – 3.5 moderate extent and 3.5 – 4.5 large extent while a mean score of > 4.5 implies a very large extent. Standard deviation of <1 means that there were no significant variations in response while that >1 implies that there were significant variations in responses.

The kind of study being conducted required the use of the tools of analysis mentioned above. Wambua (2003) also used these tools for data analysis. These tools will be used to determine the strategies adopted by the manufacturers of FMCGs to motivate the supermarkets from the supermarkets' management point of view. The findings were presented in tables.

CHAPTER FOUR

DATA ANALYSIS AND FINDINGS

4.1 Introduction

The objectives of this study were to determine what the supermarkets' management expectations and perceptions were towards the strategies offered by the manufacturers of FMCG and to find out if there were any disparities between the expectations and the perceptions. Out of the sample of 60 supermarkets, 48 (80%) of them responded to the questionnaire. This was considered adequate for the objectives of this study.

In this chapter the analysed data is presented together with the relevant interpretations. Findings have been presented in three parts; General information on the respondents, Expectations and perceptions of the respondents on the strategies used to motivate them to carry brands of manufacturers of FMCG and whether there are differences in expectations and perceptions.

4.2 Demographic Information on Firms

4.2.1 Size of the supermarkets

Table 5: Size of the supermarkets

Supermarket size	Frequency	Percent
Small-scale supermarkets	8	16
Medium-scale supermarkets	20	42
Large-scale supermarkets	20	42
Total	48	100

From the table it is evident that 8 out of 48 are small-sized supermarkets (16%) while 20 (42%) are medium-sized and large-sized supermarkets. This implies that majority of those interviewed were from medium-sized and large-sized supermarkets.

4.2.2 Job title of the supermarkets' management

Table 6: Job Title of The Supermarkets' Management

Job title	Frequency	Percent
Senior sales agent	3	6
Sales manager	2	4
Sales representative	21	44
Unit manager	20	42
Area manager	2	4
Total	48	100

Majority of the supermarkets' management interviewed were either sales representatives (44%) or unit managers (42%) whereas the minorities were senior sales agents (6%), Area managers (4%) and Sales managers (4%).

4.2.3 Years worked in the supermarket

Table 7: Years Worked In The Supermarket

Years worked	Frequency	Percent
Less than one year	3	7
1-5 years	28	58
6-9 years	13	27
10 years and above	4	8
Total	48	100

The Table indicates that majority of respondents have worked in their respective supermarkets for a bout 1-5 years (%). Minority (7%) and (8%) indicated that they have worked in their firms for less than one year and ten years and above respectively.

4.2.4 Type of establishment and supermarkets' size

Table 8: Type of Establishment and Supermarkets' Size

Type of establishment	Supermarket size			Total
	Small-scale supermarkets	Medium-scale supermarkets	Large-scale supermarkets	
Agent	1	0	0	1
Retailer	7	19	20	46
Wholesaler	0	1	0	1
Total	8	20	20	48

The Table reveals that 46% of the respondents indicated that they were retailers while 1% agent and wholesaler. This implies that the largest establishments in every supermarket were retailers.

4.3 Expectations of Supermarkets' Management

Expectations of the supermarkets' management that were tested include; incentives, recognition programs, communication, training and development, provision of products and technical information, advertising and promotion support, price, margins and discounts, in-store promotion, cooperative advertising, nature of work and merchandising advertising. Data was analyzed using mean scores and standard deviations. A mean score of <1.5 implies that the supermarkets' management expectations on this motivational strategies were rated to no extent. A mean score of 1.5 – 2.5 small extent, 2.5 – 3.5 moderate extent and 3.5 – 4.5 large extent while a mean score of > 4.5 implies a very large extent. Standard deviation of <1 means that there were no significant variations in response while that >1 implies that there were significant variations in responses.

Table 9: Expectations of Supermarkets' Management

Motivational strategies	Mean	Std. Deviation
Incentives		
Awards	3.27	1.72
Certificates	3.10	1.59
Gifts	3.04	1.53
Cash	2.60	1.81
Merchandize	3.46	1.62
Travel	2.26	1.69
Praises for achieving sales targets	3.43	1.53
Quotas	3.09	1.30
Average Mean/Standard	3.03	1.60
Recognition programs		
Stock options	3.42	1.30
Pictures in Co. adverts & newsletters	3.92	1.46
Recognition of sales efforts	3.73	1.40
Manufacturing co.	3.73	1.40
Average Mean/Standard	3.70	1.39
Feedback appraisal		
Feedback on knowledge of what is expected of you as a distributor	3.96	1.25
Performance based on sales	3.29	1.52
Encouragement from the manufacturers to achieve sales objectives	3.70	1.40
Knowledge of the distributor's failures and successes	3.54	1.07
Performance on set standards	3.72	1.25
Average Mean/Standard	3.64	1.30
Communication	3.77	1.31
Training and development		
Improve earnings for person growth	3.77	1.48
Training on how to sell products	4.13	1.28
Manufacturers ensuring that distributors understand job and responsibility	4.25	0.96
Realization of potentials	3.88	1.14
Training on responsibilities as a distributor	3.92	1.15
Average Mean/Standard	3.95	1.20
Provision of product and technical information		
Sales catalogues	4.46	1.13
Sales literature	4.23	1.17
Bronchures	4.27	1.03
Average Mean/Standard	4.32	1.11
Adverts and promotion support		
Display material for point-of-purchase	4.31	0.99
Mailing pieces for reseller distribution	3.56	1.01
Dealer identification sign	4.04	1.11
Media advert	4.08	1.30
Printed literature	3.98	1.25
Company Bill-boards	4.17	0.97
Average Mean/Standard	4.02	1.11

Table 9 continued

Motivational strategies	Mean	Standard
Price margins & discount		
Quantity discounts	4.02	1.25
Cash discounts	3.94	1.21
Commissions	3.85	1.29
Average Mean/Standard	3.94	1.25
In-store promotion		
On-the shelf position	4.13	1.14
Price off promotion	4.00	1.15
Point-of purchase display	3.77	1.21
Coupons	3.69	1.27
In-store demonstrations	4.08	0.99
Provision of electronic media	4.06	1.17
Special containers & stands	3.83	1.04
Free-standard gondola	3.58	1.15
Average Mean/Standard	3.89	1.14
Cooperative advertisement		
Sharing advert costs with manufacturers	3.60	1.40
Nature of work		
Job interest and enjoyment	3.85	1.05
Challenging activities such as higher sales target	3.69	1.01
Setting achievable goals	4.06	1.00
Satisfaction of accomplishment	3.92	1.23
Meeting of sales targets	4.33	0.75
Team work	4.46	1.07
Average Mean/Standard	4.05	1.02
Merchandising advertising		
Selection of merchandise and services	3.73	1.01
Buying of merchandise and service offerings	3.40	0.96
Price-setting of merchandise and service offerings	3.19	1.58
Promotional strategies of merchandise and service offerings	3.42	1.41
Selling policies merchandise and service offerings	2.90	1.51
Average Mean/Standard	3.33	1.29

Incentives had the following mean scores awards (3.27), Certificates (3.10), Gifts (3.04), Cash (2.60), merchandise (3.46), Travel (2.26), Praises (3.43) and Quotas (3.09). The findings imply that merchandise had the highest mean (3.46) followed by the Praises for achieving sales targets at (3.43). Although most of the motivational strategies had means scores of 3 (moderate extent), there was significance variance in the standard deviation with all standard deviations scores being >1.

Recognition programs had the following mean score for each aspect stock options (3.42), pictures (3.92), recognition of sales effort (3.73) and manufacturing company assigning distribution centers closer to the supermarkets (3.73). The results imply that supermarkets' management had high expectations on Pictures in company adverts & newsletters which had a mean score of (3.92). There was significant variation in all aspects of motivational strategies that is a standard deviation >1.

Results on feedback and appraisal in terms of mean scores were; feedback on knowledge of what is expected of the distributors (3.96), performance based on sales (3.29), encouragements (3.70), knowledge of the distributor's failures and successes (3.54) and performance based on set standards (3.72). The findings showed that there was high expectation on the provision of knowledge on what is expected of the distributor which had a mean score of (3.96). The findings also showed that the supermarkets' management had a low expectation on performance based on sales (3.29). There was significant variation for the standard deviation with all the scores being >1.

Aspects of training and development had the following mean scores improved earnings for personal growth (3.77), training on how to sell products (4.13), manufacturers ensuring that distributors understand their responsibilities (4.25), realization of potentials (3.88) and training on responsibilities as a distributor (3.92). The results imply that the supermarkets' management had high expectations on the manufacturers ensuring that the distributors understand their responsibilities (4.25). There were significant variations in most aspects that is a standard deviation of >1 except for manufacturers ensuring that distributors understand job and responsibility which had a standard deviation <1 that is 0.96

Provision of product and technical information had the following means scores sales catalogues (4.46), sales literature (4.23) and brochures (4.27). The scores imply that there were high expectations in all the aspects as far as provision of

product and technical information is concerned. There were significant variations for the standard deviation with all the scores being >1 .

Results on Advertising and promotion support were as follows display material for the point-of-purchase (4.31), mailing pieces for reseller distribution (3.56), dealer identification sign (4.04), media advert (4.08), printed literature (3.98) and company bill-boards (4.17). From the findings it can be deduced that the supermarkets' management had high expectations in all the aspects of advertising and promotion support programs. There was significant variation in most aspects that is a standard deviation of >1 except for display material for point-of-purchase and company bill-boards which had a standard deviation <1 that is 0.99 and 0.97 respectively.

Price, margins and discounts had the following aspects for each of the aspects quantity discounts (4.02), cash discounts (3.94) and commissions (3.85). The range of the mean score 3.85-4.02 (large extent) shows that the supermarkets' management had high expectations as far as price margins and discounts is concerned. There was significant variation in the standard deviation with all scores having a standard deviation >1 .

Results on in-store promotion in terms of mean scores were as follows on-the-shelf position (4.13), price off promotion (4.00), point-of purchase display (3.77), coupons (3.69), special containers and stands (3.83) and free-standing gondola (3.58). The mean score range 3.58-4.13 (large extent) shows that the supermarkets' management had high expectations in all aspects of in-store promotion programs. There was significant variation in most aspects that is a standard deviation of >1 except for in-store demonstration which had a standard deviation <1 at 0.99

Nature of work had the following mean scores job interest and enjoyment (3.85), challenging activities (3.69), setting achievable goals (4.06), satisfaction of

accomplishment (3.92), meeting of sales target (4.33) and team work (4.46). From the findings it is evident that the supermarkets' management had high expectations on all the aspects of nature of work. There were significant variations in most aspects that is a standard deviation of >1 except for meeting of sales targets which had a standard deviation <1 at 0.75.

The findings on merchandising gave the following mean scores selection of merchandise (3.73), buying of merchandise (3.40), price-setting (3.19), promotional strategies (3.42) and selling policies (2.90). The results revealed that supermarkets' management had high expectations on selection of merchandise and services which had a mean score at 3.73 (large extent). On the other hand supermarkets' management had expectations to a small extent on selling policies which had a mea score of 2.90 (small extent). Even though there were significant variations in standard deviations in most aspects, there was no significant variation in standard deviation for buying of merchandise which had a standard deviation<1 at 0.96.

Table 10: Overall Expectations of Supermarkets' Management

Motivational Strategies	Mean	Std. Deviation
Incentives	3.03	1.60
Recognition programs	3.70	1.39
Feedback appraisal	3.64	1.30
Communication	3.77	1.31
Training and development	3.95	1.20
Provision of product and technical information	3.79	1.27
Adverts and promotion support	3.65	1.34
Price margins & discount	3.80	1.27
In-store promotion	3.67	1.33
Cooperative advertisement	3.60	1.40
Nature of work	3.74	1.30
Merchandising advertising	3.69	1.33

Results on the above table indicate that incentive had an average mean of 3.03 (moderate extent) showing moderate expectations by the supermarkets' management. The standard deviation score at (1.60) shows there was no

significant variation. Recognition programs had an average mean of 3.70 (large extent) for the supermarkets' management. This shows high expectations. The score 1.39 on standard deviation shows there was significant variation in the responses. Feedback and appraisal shows an average mean of 3.64 (large extent). Still this shows high expectations. The score 1.30 on standard deviation also shows there was significant variation in the responses. Communication had an average mean of 3.77 (large extent). This shows that the supermarkets' management has a high expectation on the same. The score on standard deviation 1.31 shows that there was significant variation on the responses.

Training and development had an average mean of 3.95 (large extent). This also shows expectations of supermarkets' management to a large extent. The score on standard deviation 1.20 > 1 implies that there was significant variation in the responses. Provision of product and technical information had an average mean of 3.79 (large extent). Still this shows high expectations. The standard deviations score 1.27 shows there was significant variations in the responses. Advertising and promotional support had an average mean of 3.65 (large extent). This implies there are high expectations. The standard deviation is >1 showing there was significant variations in responses. Price, margins and discounts had an average mean of 3.80 (large extent) showing high expectations. The standard deviation 1.27 is >1 showing there was significant variations in responses. In-store promotion had an average mean of 3.67 (large extent) showing high expectations. There were significant variations in responses being that the standard deviation score was >1.

Cooperative advertising had an average mean of 3.60 (large extent). This still shows high expectations. The standard deviation score 1.40 > 1 shows there was significant variations in responses. Nature of work had an average mean of 3.74 (large extent) showing high expectations. The standard deviation 1.30 is >1 showing there were significant variations in responses. Merchandising advertising

being the last motivational strategy had an average mean of 3.69 (large extent). This shows high expectations. The standard deviations score 1.33 being >1 shows there was significant variation in responses

4.4 Perceptions of The Supermarkets' Management

The perceptions covered were incentives, recognition programs, communication, training and development, provision of products and technical information, advertising and promotion support, price, margins and discounts, in-store promotion, cooperative advertising, nature of work and merchandising advertising.

Table 11: Perceptions of The Supermarkets' Management

Motivational strategies	Mean	Std. Deviation
Incentives		
Awards	2.65	1.21
Certificates	2.77	1.22
Gifts	2.35	1.16
Cash	1.94	1.12
Merchandize	3.25	1.38
Travel	1.85	1.14
Praises for achieving sales targets	2.81	1.51
Quotas	2.75	1.38
Average Mean/Standard	2.55	1.26
Recognition programs		
Stock options	3.15	1.34
Pictures in Co. adverts & newsletters	3.40	1.48
Recognition of sales efforts	3.42	1.43
Manufacturing co.	3.25	1.44
Average Mean/Standard	3.30	1.42
Feedback appraisal		
Feedback on knowledge of what is expected of you as a distributor	3.46	1.30
Performance based on sales	3.73	1.32
Encouragement from the manufacturers to achieve sales objectives	3.25	1.25
Knowledge of the distributor's failures and successes	2.85	0.82
Performance on set standards	3.35	1.21
Average Mean/Standard	3.33	1.18
Communication	3.56	1.15
Training and development		
Improve earnings for person growth	3.50	1.29
Training on how to sell products	4.06	1.28

Manufacturers ensuring that distributors understand job and responsibility	3.79	1.30
Realization of potentials	3.81	1.20
Training on responsibilities as a distributor	3.42	1.38
Average Mean/Standard	3.72	1.29
Provision of product and technical information		
Sales catalogues	3.52	1.25
Sales literature	3.42	1.16
Bronchures	3.58	1.25
Average Mean/Standard	3.51	1.22
Adverts and promotion support		
Display material for point-of-purchase use	4.17	0.72
Mailing pieces for reseller distribution	3.44	1.15
Dealer identification sign	4.02	0.73
Media advertisement	3.79	1.05
Printed literature of the product	3.52	1.11
Table 11 Continued	3.65	0.89
Average Mean/Standard	3.76	0.94
Price margins and discounts		
Quantity discounts	4.00	1.03
Cash discounts	3.77	1.12
Commissions	3.71	1.32
Average/Mean/Standard	3.74	1.16
Provision of product and technical information		
Quantity discounts	4.00	1.03
Cash discounts	3.77	1.12
Commissions	3.71	1.32
Average Mean/Standard	3.83	1.16
In-store promotion		
On-the shelf position	3.94	1.00
Price off promotion	4.17	0.95
Point of purchase display	4.06	1.06
Coupons	3.94	1.21
In-store demonstration	4.04	0.88
Electronic store media	3.77	1.10
Special containers & stands	3.79	1.03
Display unit specifically designed to carry their own particular product	3.92	0.96
Average Mean/Standard	3.95	1.02
Q8J Sharing of advertising cost with manufacturers	3.44	1.20
Nature of work		
Job interest and enjoyment of the job	3.65	1.08
Challenging activities such as sales targets	3.47	0.78
Setting achievable goals	3.73	0.82
Satisfaction of accomplishment	3.68	0.93
Meeting sales targets	3.85	0.95
Good relationship between the supermarkets and the manufacturers in terms of team work	4.27	1.01

Average Mean/Standard	3.77	0.93
Merchandising advertising		
Selection of merchandise and service offerings	3.92	0.94
Buying merchandise and service offerings	3.67	1.08
Price-setting of merchandise and service offerings	3.50	1.20
Promotional strategies	3.81	0.89
Selling policies merchandise	3.46	1.11
Average Mean/Standard	3.67	1.04

Incentives had the following mean scores in regards to supermarkets' management perceptions; awards (2.65), certificates (2.77), gifts (2.35), cash (1.94), merchandise (3.25), travel (1.85), praises (2.81) and quotas (2.75). The findings revealed that the expectations in merchandise were realized to a moderate extent. Expectations on cash were the least realized as it had a mean score of 1.94 (small extent). This shows that the supermarkets' management expectations were not fully met. All the standard deviation scores are >1 showing that there were significant variations in responses.

Results on Recognition programs had the following the mean scores stock options (3.15), pictures in company adverts and newsletters (3.40), recognition programs (3.42) and manufacturers assigning distribution centers closer to the supermarkets (3.25). The findings showed that expectations on recognition programs were realized to a moderate extent as the mean scores were within the range of 3.15-3.42 (moderate extent). This implies that the supermarkets' management expectations were not fully met. All the standard deviation scores are >1 showing that there were significant variations in responses.

Feedback and appraisal had the following mean scores feedback on knowledge of what is expected of the distributors (3.46), performance based on sales (3.73), encouragement from the manufacturers (3.25), knowledge of the distributors' failures and successes (2.85) and performance based on standards (3.35). It is evident from the scores that expectations were realized to a large extent on performance based on sales which had a mean score of 3.73 (large

extent). On the other hand expectations on knowledge of the distributors' failures and successes were the least realized as it had a mean score of 2.85 (moderate extent). The findings also imply that the management expectations were not fully met. All the scores in the standard deviation are >1 expect for knowledge of the distributors' failures and successes showing that there were significant variations in responses.

Training and development had the following mean scores improved earnings for personal growth (3.50), training on how to sell products (4.06), manufacturers ensuring that distributors understand their jobs and responsibilities (3.79), realization of potentials (3.81) and training on responsibilities as a distributor (3.42). The mean scores of improved earnings, training on how to sell products, ensuring that the distributors understand their responsibilities and realization of potentials were within the range 3.50-4.06 (large extent). This showed that even though the expectations were not fully met, they were realized to a large extent. The mean score of training on the responsibilities of a distributor was 3.42 (moderate extent) showing that expectations were not fully met. All the standard deviation scores were >1 showing that there were significant variations in responses.

Results on provision of product and technical information showed that sales catalogue had a mean score of (3.52), sales literature (3.42) and brochures (3.58). Expectations on sales catalogues and brochures were realized to a large extent as the mean scores were within the range 3.52-3.58 (large extent). Sales literature had a mean score of 3.42 (moderate extent) showing that the expectations were not fully met hence there is room for improvement. Standard deviation score are all >1 showing that there was significant variations in the responses.

Advertising and promotion support had the following mean scores display material for point-of purchase (4.17), mailing pieces for reseller distribution

(3.44), dealer identification sign (4.02) highest mean score on display material for point-of-purchase at 4.17 (large extent). This shows that the expectations of the supermarkets' management were met to a large extent. Dealer identification sign followed with a mean score of 4.02, media advertisement (3.79), printed literature (3.52) and company-billboards on strategic points (3.65). Expectations were realized to a large extent in all the aspects of advertising and promotion support except in mailing pieces for reseller distribution which had a mean score of 3.44 (moderate extent) showing the expectations were not fully met as in the case of other aspects. The standard deviations for display material, dealer identification sign and company bill boards at strategic points were (0.72), (0.73) and (0.89) respectively showing that there was no significant variations in the responses. The other aspects had standard deviations >1 showing that there was significant variations in the responses.

Price, margins and discounts had the following mean scores quantity discounts (4.00), cash discounts (3.77) and commissions (3.71) showing that expectations were realized to a large extent but not fully met. Standard deviation scores are all >1 showing that there was significant variations in the responses.

In-store promotion had the following mean scores on-the-shelf position (3.94), price off promotion (4.17), point-of-purchase display (4.06), coupons (3.94), in-store demonstration (4.04), electronic media (3.77), special containers & stands (3.79) and display unit specifically designed to carry manufacturers own products (3.92). The mean scores for all the aspects of in-store promotion were within the range 3.5-4.5 (large extent) showing that the expectations were realized to a large extent even though not fully met. Price-off-promotion, in-store demonstration and display unit specifically designed to carry manufacturers' products had the following standard deviations; (0.95), (0.88) and (0.96) respectively showing that there were no significant variations in responses. The

other aspects of in-store demonstrations had standard deviations >1 showing that there were no significant variations for the standard deviations.

Results on Nature of work revealed that job interest and enjoyment of the job had a mean score of (3.65), challenging activities (3.47), setting achievable goals (3.73), satisfaction of accomplishment (3.68), meeting sales target (3.85), good relationships between the supermarkets and the supermarkets (4.27). The mean scores of job interest, challenging activities, satisfaction of accomplishment, meeting of sales targets and team work fell within the range 3.65-4.27 (large extent) showing the expectations were realized to a large extent on these aspects. Challenging activities fell short of supermarkets' management expectations as it had a mean score of 3.47 (moderate extent). In both cases expectations were not fully met. There were no significant variations in the responses except in job interest and enjoyment of the job that had a standard deviation of 1.08 which is greater >1 .

Merchandising advertising being the last motivational strategy had the following mean scores selection of merchandise (3.92), buying of merchandise (3.67), price-setting (3.50), promotional strategies (3.81) and selling policies of merchandise (3.46). Price-setting for merchandise, promotional strategies. Buying of merchandise and selection of merchandise all had mean scores ranging between 3.50-3.92 (large extent). The findings show that expectations were realized to a large extent. Selling policies for merchandise fell short of expectations as it had a mean score of 3.46 (moderate extent). This shows that expectations were not fully met in both cases. There were significant variations in responses except for selection of merchandise (0.94) and promotional strategies (0.88) which had standard deviations <1 .

Table12: Overall Perception of Supermarkets' Management

Motivational strategies	Mean	Std. Deviation
Incentives	2.55	1.26
Recognition programs	3.30	1.42
Feedback appraisal	3.33	1.18
Communication	3.56	1.15
Training and development	3.72	1.29
Provision of product and technical information	3.51	1.22
Adverts and promotion support	3.76	0.94
Price margins & discount	3.74	1.16
In-store promotion	3.95	1.02
Cooperative advertisement	3.44	1.20
Nature of work	3.77	0.93
Merchandising advertising	3.67	1.04

The average mean score for incentives is 2.55 (small extent) showing that expectations of the supermarkets' management are only met to a small extent as far as incentives are concerned. The average standard deviation for incentives is 1.26 which is >1 showing that there were significant variations in responses.

Recognition programs had an Average Mean of 3.30 (moderate extent) showing that the expectations of the supermarkets' management were partly met. There was significant variation in responses being that the standard deviation was >1 .

Feedback and appraisal had an average mean score of 3.33 (moderate extent) showing that the expectations were partly met. The average standard deviation was 1.18 showing there was significant variations in standard deviation.

Communication had an average mean of 3.56 (large extent) showing that expectations were not fully met. The average standard deviation was 1.15 showing that there were significant variations in responses. Training and development on the other hand had an average mean score of 3.72 (large extent). This implies that the supermarkets' management expectations were met to a large extent as far as communication and training and development are concerned. In both cases there were significant variations for the standard deviation.

Provision of product and technical information had an average mean score of 3.51 (large extent). This shows that the expectations were not fully met. The average standard deviation is 1.22 which is >1 showing that there were significant variations in the responses. Advertising and promotion support had an average mean score of 3.76 (large extent) showing that the expectations were not fully met. The average standard deviation is 0.96 which is <1 showing that there were no significant variations in the responses.

Price, margins and discounts had an average mean of 3.74 (large extent). This means that the supermarkets' management felt satisfied with the price margins and discounts offered by the manufacturers of FMCG to a large extent. This also shows that the supermarkets' management expectations were not fully met and therefore there is room for improvement. There was significant variation for the standard deviations.

In-store promotion had an average mean score of 3.95 (large extent). This shows that the manufacturers of FMCG were doing well in terms of in-store promotion. However, supermarkets' management expectations were not fully met. There were significant variations in responses. Cooperative advertising on the other hand had an average mean score of 3.44 (moderate extent) showing that expectations were partly met and therefore there is need to fully meet the supermarkets' management expectations. There was significant variations in responses given that the average standard deviation of 1.20 which is >1 .

Nature of work had an average mean score of 3.77 (large extent) showing that expectations of supermarkets' management were met to a large extent as far as nature of work is concerned. The performance of manufacturers of FMCG can therefore be rated as good as nature of work is concerned. The average standard deviation is 0.93 (<1) showing that there was no significant variation in responses.

Merchandising of advertising being the last strategy had an average mean score of 3.67 (large extent) showing that the expectations of the supermarkets' management were not fully met. The average standard deviation is 1.04 (>1) showing that there was no significant variations in the standard deviations.

4.5 Differences Between Supermarkets' Management Expectations and Perception

The table below shows the differences between the expectations and perceptions of the supermarkets' management towards strategies used by the manufacturers of FMCG to motivate them to carry their brands.

Table 13: Differences Between Supermarkets' Management Expectations and Perceptions

	Mean		Std. Deviation	
	Exp	Per	Exp	Per
Motivational Strategies				
Incentives				
Awards	3.27	2.65	1.72	1.21
Certificates	3.10	2.77	1.59	1.22
Gifts	3.04	2.35	1.53	1.16
Cash	2.60	1.94	1.81	1.12
Merchandize	3.46	3.25	1.62	1.38
Travel	2.26	1.85	1.69	1.14
Praises for achieving sales targets	3.43	2.81	1.53	1.51
Quotas	3.09	2.75	1.30	1.38
Average/Mean/Standard	3.03	2.55	1.60	1.26
Recognition programs				
Stock options	3.42	3.15	1.30	1.34
Pictures in Co adverts & newsletters	3.92	3.40	1.46	1.48
Recognition of sales efforts	3.73	3.42	1.40	1.43
Manufacturing co.	3.73	3.25	1.40	1.44
Average/Mean/Standard	3.70	3.30	1.39	1.42
Feedback appraisal				
Feedback on knowledge of what is expected of you as a distributor	3.96	3.46	1.25	1.30
Performance based on sales	3.29	3.73	1.52	1.32
Encouragement from the manufacturers to achieve sales objectives	3.70	3.25	1.40	1.25
Knowledge of the distributor's failures and successes	3.54	2.85	1.07	0.82
Performance on set standards	3.72	3.35	1.25	1.21
Average/Mean/Standard	3.64	3.33	1.30	1.18
Communication	3.77	3.56	1.31	1.15
Training and development				
Improve earnings for person growth	3.77	3.50	1.48	1.29
Training on how to sell products	4.13	4.06	1.28	1.28
Manufacturers ensuring that distributors understand job and responsibility	4.25	3.79	0.96	1.30
Realization of potentials	3.88	3.81	1.14	1.20
Training on responsibilities as a distributor	3.92	3.42	1.15	1.38
Average/Mean/Standard	3.95	3.72	1.20	1.29
Provision of product and technical information				
Sales catalogues	4.46	3.52	1.13	1.25
Sales literature	4.23	3.42	1.17	1.16
Bronchures	4.27	3.58	1.03	1.25
Average/Mean/Standard	4.32	3.51	1.11	1.22
Adverts and promotion support				
Display material for point-of-purchase	4.31	4.17	0.99	0.72

Mailing pieces for reseller distribution	3.56	3.44	1.01	1.15
Dealer identification sign	4.04	4.02	1.11	0.73
Media advert	4.08	3.79	1.30	1.05
Printed literature	3.98	3.52	1.25	1.11
Company Bill-boards	4.17	3.65	0.97	0.89
Average/Mean/Standard	4.02	3.76	1.11	0.94
Price margins & discount				
Quantity discounts	4.02	4.00	1.25	1.03
Cash discounts	3.94	3.77	1.21	1.12
Commissions	3.85	3.71	1.29	1.32
Average/Mean/Standard	3.94	3.83	1.25	1.16
In-store promotion				
On-the shelf position	4.13	3.94	1.14	1.00
Price off promotion	4.00	4.17	1.15	0.95
Point-of purchase display	3.77	4.06	1.21	1.06
Coupons	3.69	3.94	1.27	1.21
In-store demonstration	4.08	4.04	0.99	0.88
Provision of electronic media	4.06	3.77	1.17	1.10
Special containers & stands	3.83	3.79	1.04	1.03
Free-standard gondola	3.58	3.92	1.15	0.96
Average/Mean/Standard	3.89	3.95	1.14	1.02
Cooperative advertisement				
Sharing advert costs with manufacturers	3.60	3.44	1.40	1.20
Nature of work				
Job interest and enjoyment	3.85	3.65	1.05	1.08
Challenging activities such as higher sales target	3.69	3.47	1.01	0.78
Setting achievable goals	4.06	3.73	1.00	0.82
Satisfaction of accomplishment	3.92	3.68	1.23	0.93
Meeting of sales targets	4.33	3.85	0.75	0.95
Team w	4.46	4.27	1.07	1.01
Average/Mean/Standard	4.05	3.77	1.02	0.93
Merchandising advertising				
Selection of merchandise and services	3.73	3.92	1.01	0.94
Buying of merchandise and service offerings	3.40	3.67	0.96	1.08
Price-setting of merchandise and service offerings	3.19	3.50	1.58	1.20
Promotional strategies of merchandise and service offerings	3.42	3.81	1.41	0.89
Selling policies merchandise and service offerings	2.90	3.46	1.51	1.11
Average/Mean/Standard	3.33	3.67	1.29	1.04

The Table above shows the expectations of the supermarkets' management in all motivational strategies, incentives, recognition programs, communication, training and development, provision of products and technical information, advertising and promotion support, price, margins and discounts, in-store promotion, cooperative advertising, nature of work and merchandising

advertising and the actual experience of the supermarkets' management and try to find out if there were Gaps between the two and how they can be filled. The same scales that were used for both expectations and perceptions are used.

Results on incentives showed the following mean scores in each aspect as far as expectations is concerned, awards (3.27), certificates (3.10), gifts (3.04), cash (2.60), merchandise (3.04), travel (2.26), praises (3.43) and quotas (3.09). There were moderate expectations in all the aspects of incentives except in praises which had a mean score of 2.26 (small extent) showing that the supermarkets' management did not regard praises as a motivator. Mean scores on perceptions were as follows; awards (2.65), certificates (2.77), gifts (2.35), cash (1.94), merchandise (3.25), travel (1.85), praises (2.81) and quotas (2.75). The results reveal that expectations on awards, certificates, merchandise, praises and quotas were realized to a moderate extent as the means were within the range 2.65-3.25 (moderate extent). Cash and travel fell short of supermarkets' management expectations. The findings imply that there was a balance between expectations and perceptions of the supermarkets' management. In the standard deviations all aspects show significant variance.

The results on Recognition programs in as far as the supermarkets' management expectations are concerned were as follows; stock options (3.42), pictures in company adverts and newsletters (3.92), recognition of sales effort (3.73) and manufactures assigning distribution centers closer to the supermarkets (3.73). The results showed that supermarkets' management expectations were to a large extent in all the aspects of recognition programs. Mean scores on perceptions were as follows stock options (3.15), pictures on company adverts and newsletters (3.40), recognition of sales effort (3.42) and manufacturers assigning distribution centers closer to the supermarkets (3.25). From the results it is evident that expectations were realized to a moderate extent as the mean scores were within a range of 3.15-3.42 (moderate extent). This implies that the

expectations scores were higher than the actual experience. The standard deviations for both expectations and perceptions showed significant variations (they were both >1)

Results on Feedback and appraisal had the following mean scores as far as expectations are concerned feedback on knowledge of what is expected of distributors (3.96), performance based on sales (3.29), encouragement from the manufacturers (3.70), knowledge of the distributors' failures and successes (3.54) and performance on set standards (3.72). It can be deduced from the results that expectations were high all the aspects of feedback and appraisal except on performance based on sales which had a mean score of 3.29 (moderate extent).

Results on perceptions were as follows; feedback on knowledge of what is expected of the distributors (3.46), performance based on sales (3.73), encouragement from the manufacturers to achieve sales objectives (3.25), knowledge of the distributors' failures and successes (2.85), performance on set standards (3.72). It is evident from the scores that majority of the aspects of feedback and appraisal had their expectations realized to a moderate extent except performance based on sales which had a mean scores of 3.73 (large extent). This would mean that there was a balance between expectations and perceptions of the supermarkets' management. The standard deviation for expectations had significant variations while that of perceptions had no significant variation.

In training and development the mean scores on expectations were; improved earnings for personal growth (3.77), training on how to sell products (4.13), manufacturers ensuring that distributors job and responsibilities (4.25), realization of potentials (3.88) and training on responsibilities of a distributor (3.92). The mean scores above fall within the range 3.77-4.25 (large extent) showing the supermarkets' management had high expectations on all the aspects

of training and development. The findings on perception were as follows improved earnings for personal growth (3.50), training on how to sell products (4.06), manufacturers ensuring that distributors understand job and responsibility (3.79), realization of potentials (3.81) and training on responsibilities of a distributor (3.42). Expectations on improved earnings, understanding job and responsibility, realization of potentials were realized to a large extent. Training on responsibilities of a distributor fell short of expectation supermarkets' management expectations as it had a mean score of 3.42 (moderate extent). This shows that there was a balance between supermarkets' management expectations and perceptions. The standard deviation for expectations had no significant variations while that of perceptions had significant variation.

The mean scores of aspects of provision of product and technical information for supermarkets' management expectations were as follows sales catalogues (4.46), sales literature (4.23) and brochures (4.27). The mean scores ranged between 4.23-4.46 (large extent). Mean scores on perception were as follows sales catalogues (3.52), sales literature (3.42) and brochures (3.58). It is evident from the results that expectations on sales catalogue and brochures were somehow realized as opposed to expectations on sales literature which had a mean score of 3.42 (moderate extent) showing that the expectations were not realized. The findings imply that there was somehow a balance between expectations and perceptions. The standard deviations for both expectations and perceptions showed significant variations (they were both >1).

Advertising and promotional support had the following mean scores on supermarkets' management expectations, display material (4.13), mailing pieces for reseller distribution (3.56), dealer identification sign (4.04), media advert (4.08), printed literature (3.98) and company bill-boards (4.17). The mean scores fall within a range of 3.56-4.17 (large extent). Results on perception were

as follows; display material for point-of-purchase (4.17), mailing pieces for reseller distribution, dealer identification sign (3.44), dealer identification sign (4.02), media advert (3.79), printed literature (3.52) and company bill-boards (3.65). Expectations in all aspects of advertising and promotion support were realized to a large extent except in the case of mailing pieces for reseller distribution which had a mean score of 3.44 (moderate extent). This shows that there was a balance between expectations and perceptions. There were no significant variations in both perceptions and expectations.

Price, margins and discounts had the following mean scores on expectations quantity discounts (4.02), cash discounts (3.94) and commissions (3.85). The results show that supermarkets' management had high expectations on price, margins and discounts. Perception on the other hand had the following scores quantity discounts (4.00), cash discounts (3.77) and commissions (3.71). The findings indicate that expectations as far as price, margin and discounts is concerned were realized to a large extent () mean score of 4.02 (large extent) while perception had the highest mean score of 4.00 (large extent) showing there was a balance between perception and expectations. The standard deviations for both expectations and perceptions showed significant variations (they were both >1).

In-store promotion expectations mean score were on-the shelve position (4.13), point-of-purchase (3.77), price-off-promotion (4.00), coupons (3.69), in-store demonstration (4.08), provision of electronic media (4.06), special container and stand (3.83) and free gondola (3.58). The findings revealed that there were high expectations by the supermarkets' management in terms of in-store promotion programs. In terms of perceptions the following were the mean scores on-the shelve (3.94), price off promotion (4.17), point-of-purchase display (4.06), coupons (3.94), in-store demonstration (4.04), provision of electronic media (3.77), special containers (3.79) and free stand gondola (3.92). The mean scores

show that expectations were realized to a large extent. The results imply that there was a balance between expectations and perceptions. The standard deviations for both expectations and perceptions showed no significant variations.

Nature of had the following expectation mean scores job interest (3.85), challenging activities (3.69), setting achievable goals (4.06), satisfaction of accomplishment (3.92), meeting of sales accomplishment (4.33) and team work (4.46). The mean scores above show that supermarkets' management had high expectations on merchandising advertising. Perception had the following mean scores job interest (3.65), challenging activities (3.47), setting achievable goals (3.73), meeting of sales targets (3.85) and team work (4.27). The scores indicate that expectations were met to a large extent showing that there were no significant differences between expectations and perception. The standard deviations for both expectations and perceptions showed no significant variations.

Merchandising advertising had the following mean scores on expectations selection of merchandise (3.73), buying of merchandise (3.40), price setting of merchandise (3.19), promotional strategies (3.42) and selling policies (2.90). The Findings revealed that there were moderate expectations in all the aspects of merchandising advertising except on selection of merchandise which had a mean score of 3.73 (large extent) showing there were high expectations on this aspect. The results on perception of the supermarkets' management were as follows; selection of merchandise (3.92), buying of merchandise (3.67), price-setting of merchandise (3.50), promotional strategies (3.81) and selling policies for merchandise (3.46). Expectations on selection of merchandise, buying of merchandise, promotional strategies and price-setting were realized to a large extent. Selling policies for merchandise was the only aspect of merchandise

advertising that fell short of the supermarkets' management expectations. The findings revealed that expectations were met to a large extent.

Table 14: Overall expectation and perception of supermarkets' management

Differences Between Supermarkets' Management Expectations and Perception

Motivational strategies	Mean		Std. Deviation	
	Expectation	Perception	Expectation	Perception
Incentives	3.03	2.55	1.60	1.26
Recognition programs	3.70	3.30	1.39	1.42
Feedback appraisal	3.64	3.33	1.30	1.18
Communication	3.77	3.56	1.31	1.15
Training and development	3.95	3.72	1.20	1.29
Provision of product and technical information	3.79	3.51	1.27	1.22
Adverts and promotion support	3.65	3.76	1.34	0.94
Price margins & discount	3.80	3.74	1.26	1.16
In-store promotion	3.67	3.95	1.33	1.02
Cooperative advertisement	3.60	3.44	1.40	1.20
Nature of work	3.74	3.77	1.30	0.93
Merchandising advertising	3.69	3.67	1.32	1.04

Looking at the averages of expectations and perceptions there are very significant gaps, which need to be worked on. Incentives had an average expectation mean score of 3.03 (moderate extent) while the mean score for perception was 2.55 (moderate extent). This shows there was no disparity between expectations and perceptions. This implies that there was a balance between supermarkets' management expectations and perceptions. The standard deviations for both perception and expectations were both >1 showing that there were significant variations in responses.

Recognition programs had an average expectation mean score of 3.70 (large score) while the average mean score of perception was 3.30 (moderate extent). The difference between expectations and perception was not so big and therefore to a certain extent the expectations were met. The standard deviations

for both perception and expectations were both >1 showing that there were significant variations in responses.

Feedback and appraisal has an average expectation mean score of 3.64 (large ext) and 3.33 (moderate extent). This shows a disparity between high expectations and low experience. On the other hand communication has an average expectation and perception mean score of 3.77 (large extent) and 3.56 (large extent) showing a balance between the supermarkets' management expectations and perceptions. In both cases the standard deviations were >1 showing that there were significant variations in responses.

Training and development has an average expectation mean score of 3.95 (large extent) and 3.72 (large extent). This shows that expectations and perceptions were the same. Expectations were met to a large extent. Provision of product and technical information has an average expectation mean score of 3.79 (large extent) and perception 3.51 (large extent). This also shows that expectations and perceptions were the same. Expectations were met to a large extent.

Advertising and promotion support has an average expectation mean score of 3.65 (large extent) and perception 3.76 (large extent). This shows that expectations and perceptions were the same. Therefore there was no disparity between expectations and perceptions. There was significant variance on expectations while perception had no significance variance.

Price, margins and discounts has an average expectations mean score of 3.88 (large extent) and perception 3.74 (large extent). This shows that expectations and perceptions were the same. Therefore there was no disparity between expectations and perceptions. In-store promotion has an average mean score in expectation of 3.67 (large extent) and perception 3.95 (large extent). This shows that expectations and perceptions were the same. Cooperative advertising on the other hand has an average mean score in expectations of 3.60 (large extent) and

perception 3.44 (moderate extent). There is a significant difference between expectations and perceptions showing there is need for improvement.

Nature of work has an average mean score in expectations of 3.74 (large extent) and perception 3.77 (large extent). This shows that expectations and perceptions were the same. Therefore there was no disparity between expectations and perceptions. There was significant variance in expectations while the no significant variation in the case of perception. Merchandising advertising has an average mean score in expectation of 3.69 (large extent) and perception 3.67 (large extent). This shows that expectations and perceptions were the same. Therefore there was no disparity between expectations and perceptions.

CHAPTER FIVE

DISCUSSIONS, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

The manufacturing industry in Kenya is characterized by foreign owned multinationals, large, medium and small manufacturing companies operating in a very competitive environment. The foreign owned multinationals enjoy exclusive public confidence acquired through a sustained competitive advantage, positive corporate image and financial stability demonstrated over the years. The big indigenous manufacturing companies have adopted various strategies to motivate supermarkets to carry their brands in order to keep pace with stiff competition in the market. This has set a stage for cut-throat competition among manufacturers of FMCG of various sizes employing multiple strategies to motivate supermarkets to carry their brands.

Motivating channel members is critical for the survival and success of any company. However, for supermarkets to carry manufacturers' brands, they ought to be motivated to do so especially in this competitive environment where every manufacturer tries as much as possible to push their products through the supermarkets.

The objective of this study were to determine what the supermarkets' management expectations of motivational strategies were and what their perceptions were and to establish if there were disparities between the expectations and the perceptions. This chapter gives a summary of the discussions, conclusions and recommendations drawn after analyzing data.

5.2 Discussions

The first objective of the study was to determine the supermarkets' management expectations of the strategies used by the manufacturers of FMCGs to motivate them to carry their brands. The studying as far as incentives are concerned revealed that awards, certificates, gifts, merchandise, praises and quotas had mean scores between 3.04-3.46 (moderate extent) while cash and travel had mean scores between 2.26-2.60 (small extent). The standard deviation in all aspects showed significant variations.

Recognition programs had pictures on company adverts and newsletters, recognition of sales effort and manufacturing companies assigning distribution centers closer to the distribution centers within a mean score of 3.73-3.92 (large extent) which means high expectations of the supermarkets' management. Stock options had a mean score of 3.42 (moderate extent) showing that management's expectation was not high as far as stock options are concerned. The standard deviation in all aspects showed significant variations.

Feedback and appraisal had feedback on knowledge of what is expected from the distributor, performance on set standards, knowledge of the distributors' failures and successes and encouragement from the manufacturers within a mean score of 3.54-3.92 (large extent) meaning there were high expectations. Performance based on sales on the other hand had a mean score of 3.29 (moderate extent) showing that expectations were not high. The standard deviation in all aspects showed significant variations. Communication had a mean score of 3.77 (large extent). This shows that the supermarkets' management expectation was high. The findings showed significant variations.

Training and development improved earnings for personal growth, training on how to sell products, manufacturers ensuring that distributors understand their job and responsibilities, realization of potentials and training on responsibilities as a distributor within the mean score of 3.77-4.25 (large extent) meaning that

there were high expectations in all the aspects of training and development. There were significant variations in all the aspects except on manufacturers ensuring that distributors understand their job and their responsibilities. Provision of product and technical information had sales catalogues, sales literature and brochures with a mean score of 4.23-4.46 (large extent). This shows that there was high expectation. The standard deviation in all aspects showed significant variations.

Advertising and promotion support had display material, mailing pieces, dealer identification sign, media advert, printed literature and company bill-boards with a mean of 3.56-4.31 (large extent) showing there were high expectations in all aspects of advertising and promotional support. The standard deviations showed significant variations except on two aspects that is display material (0.99) and company bill-boards (0.97).

Price, margins and discounts had quantity discounts, cash discounts and commissions with a mean score of 3.85-4.02 (large extent) meaning high expectations. The standard deviations showed significant variations in the scores. In- store promotion on the other hand had on the shelve position, price off promotion, point-of-purchase display, coupons, in-store demonstrations, special containers, electronic media and free-standing gondola fall within a mean score of 3.58-4.13 (large extent) showing high expectations on all the aspects of in-store promotion. The standard deviations showed significant variations on the scores except on in-store demonstrations. Cooperative advertising had a mean score of 3.60 (large extent). This shows there was high expectation. The standard deviation showed significant variations on the scores.

Nature of work had job interest and enjoyment, challenging activities, satisfaction with accomplishment, team work and meeting of sales targets with a mean score of 3.69-4.46 (large extent) meaning there were high expectations on

all the aspects of nature of work. The standard deviations showed significant variations in all the scores except in meeting of sales targets. Merchandising advertising had buying of merchandise, price setting, promotional strategies and selling policies with a mean score of 2.90-3.42 (moderate extent) showing there were no high expectations for these aspects. On the other hand selection of merchandise had the highest mean score of 3.73 (large extent) meaning there were high expectation as far as this aspect is concerned. The standard deviations showed significant variations in all the scores except in buying of merchandise.

The second objective of the study was to determine the supermarkets' management perceptions (experiences) of the strategies used by the manufacturers of FMCG to motivate them to carry their brands. The highest ranked strategies were in-store promotion (overall mean 3.95), followed by advertising and promotion support (overall mean 3.76), then price, margins and discounts (overall mean 3.74) and training and development (overall expectation 3.72). This shows that expectations on these strategies were realized to a large extent. Expectations were not realized on incentives which had an average mean of 2.55 that was below the average. Expectations were realized to a moderate extent in the remaining aspects.

The study in as far as incentives are concerned revealed that awards, certificates, gifts, cash, merchandise, praises and quotas had a mean score below the average mark (less than 3.5) meaning that expectations were not realized on these aspects. The only aspect where expectations were partly realized was merchandise which had a mean score of 3.23. All the aspects showed significant variations. Recognition programs had stock options, pictures on company's adverts and newsletters, recognition of sales effort and manufacturing companies assigning distribution centers closer to the distributors with mean scores of 3.15-4.42 (moderate extent). This shows that expectations

were not realized as far as recognition programs are concerned. All the aspects showed significant variations.

Feedback and appraisal had feedback on knowledge of what is expected from the distributors, encouragements from the manufacturers, knowledge on the distributors' failures and successes and performance on set standards with a mean score of 2.85-3.46 (moderate extent). This implies that the expectations were partly realized and therefore an improvement is required on feedback and appraisal aspect. Expectations were only realized on one aspect of feedback and appraisal that is performance based on sales that had a mean score of 3.73 (large extent). The standard deviations showed significant variations except in the aspect of knowledge of the distributors' failures and successes.

Communication had a mean score of 3.56 (large extent) meaning the expectations were somehow realized. The standard deviation showed there was significant variation in the scores. Training and development had improved earnings for personal growth, training on how to sell products, manufacturers ensuring that distributors understand their job and responsibilities and realization of potentials with a mean score of 3.50-4.06 (large extent). This means that expectations were realized on these aspects. Training on responsibilities as a distributor had a mean score of 3.42 (moderate extent) meaning that expectations were not fully met and therefore an improvement is required.

Provision of product and technical information had sales catalogue and brochures within a mean score of 3.52-3.58 (large extent) meaning expectations were realized. Sales literature on the other hand had a mean score of 3.42 (moderate extent) showing that expectations as far as sales literature is concerned was not realized and therefore an adjustment is needed. The standard deviation scores showed significant variations in the scores.

Advertising and promotion support had display materials, media advertising, dealer identification sign, printed literature and company bill-boards within a mean score of 3.52-4.17 (large extent). This means that the expectations were realized in almost all the aspects on advertising and promotional support. Mailing pieces for reseller had a mean score of 3.42 (moderate extent) meaning that expectations were partly realized and therefore there is room for improvement. There were no significant variations in display material, mailing pieces and company bill-boards. The remaining aspects had significant variations. Price, margins and discounts had quantity discounts, cash discounts and commissions within a mean score of 3.71-4.00 (large extent). This shows that expectations were realized in all the aspects of price, margins and discounts. The standard deviation score showed significant variations.

In-store promotion had on-the shelf position, price off promotion, point of purchase display, coupons, in-store demonstrations, electronic media, special containers and stands and displays unit specifically designed to carry manufacturers' product within a mean score of 3.77-4.06 (large extent). This implies that expectations of the supermarkets' management were realized. The standard deviations showed that there were significant variations in all aspects except in price off promotion (0.95), in-store demonstration (0.88) and display unit (0.96). Cooperative advertising had a mean score of 3.44 (moderate extent) implying that expectations were not realized hence there is need for improvement. The standard deviation score shows significant variations.

Nature of work had job interest and enjoyment of the job, setting achievable goals, satisfaction of accomplishment, meeting sales targets and team work within a mean score of 3.65-3.85 (large extent). This means that expectations were realized. Challenging activities had a mean score of 3.47 (moderate extent) showing that the supermarkets' management expectations were not met fully.

The standard deviation shows that there were no significant variations in all aspects except in job interest and enjoyment of the job.

Merchandising advertising had selection of merchandise, buying of merchandise, price-setting promotional strategies within a mean score of 3.50-3.92 (large extent) implying that expectations were realized. It is only in selling policies (3.46) expectations were not met. The result shows that there were significant variations for the merchandising aspects except in selection of merchandise (0.94) and promotional strategies which had a standard deviation of (0.89).

The third objective was to establish if there were disparities between the expectations and perception toward the strategies used by the manufacturers of FMCG to motivate supermarkets. Incentives had noticeable differences between expectations and the perceptions. For instance awards had a difference of 3.27 and 2.65 respectively. This would imply that the expectations of the supermarkets' management were not met as far as awards are concerned. The only expectation which seems to have had a light difference was merchandise which had expectations and perceptions scores at 3.46-3.25 respectively.

On recognition programs there was a noticeable difference between expectations and perceptions mean score. For instance pictures and newsletters had expectations mean score of 3.92 while perception had a mean score of 3.40 meaning that expectations were not met. Again recognition for sales effort had an expectation mean score of 3.73 while perception mean score was only 3.25. This also implies that expectations were not met. The only aspect that had a slight difference between expectations and perception was stock options that had an expectation mean of 3.42 and a perception mean score of 3.15. This slight difference is an indication that expectations were somehow met.

The issue of feedback and appraisal also had significant differences between expectations and perceptions. Feedback on knowledge of what is expected from

a distributor had an expectation mean of 3.96 while the mean score of perception was 3.46. This means that expectations were not met. Encouragement from the manufacturers had an expectation mean score of 3.70 while that of perception was 3.25. This shows that expectations were not realized. The only aspect that had the expectation realized was performance based on sales with an expectation mean score of 3.29 and a perception mean of 3.73. This shows that expectations were met. Communication had insignificant differences between the expectation and perception. The findings showed that expectations were realized as far as communication aspect is concerned. This has been supported by the insignificant scores between expectations and perceptions that is 3.77 and 3.56 respectively.

Training and development also had an insignificant difference between expectations and perception. For instance on the aspect of training on how to sell products, expectation had a mean score of 4.13 while perception had a score of 4.06. This shows that there was a balance between expectations and perception. It can therefore be concluded that expectations were met. However, there was a noticeable difference between expectations and perception on the aspect of training on responsibilities as a distributor. The expectations mean score was 3.92 while perception score was 3.42. This would imply that the supermarkets' management felt that the manufacturers did not offer training on how they to sell their products.

The results on provision of product and technical information showed that there was an insignificant difference between expectations and perceptions. The only aspect that had a noticeable difference was sales catalogue which fell short of expectations. For instance the expectation mean score was 4.23 while the perceptions mean score was 3.42 showing that expectations were not realized.

Advertising and promotional support had insignificant difference between expectations and perceptions. For example on the aspect of display material for

point of purchase, the expectations mean score was 4.31 while that of perception was 4.17. This would mean that the supermarkets' management was satisfied with the advertising and promotional support used by the manufacturers of FMCG to motivate them. The only difference which was noticeable was on the aspect of mailing pieces which fell short of expectations. There was no noticeable difference between expectations and perceptions in the case of price, margins and discounts. This implies that there was a balance between expectations and perceptions. The same applies to the other remaining strategies.

5.3 Conclusions

Based on the findings, it can be concluded that the supermarkets' management expectations were high in most aspects of the motivational strategies such as recognition programs, feedback and appraisal, communication, training and development provision of product and technical information advertising and promotion support, price margins and discounts, in-store promotion, nature of work, cooperative advertising and merchandise advertising. Incentives were not the key issues in supermarkets' expectations. This reveals that the supermarkets' management was more interested in other aspects of strategies and not incentives. Price, margins and discounts, training and development and communication were of paramount importance to the supermarkets' management as a way of motivating them to carry manufacturers' brands.

The results on experience show that only expectations on communication, training and development, adverts and promotion support, in-store promotion nature of work and merchandise advertising were realized by most respondents. Expectations on incentives, recognition programs, feedback and appraisal and cooperative advertising were the least realized by the supermarkets' management as the level of disparity was high. This shows that in spite of high perception in communication, expectations on feedback and appraisal was not realized and this automatically defeats the purpose of communication.

The dimension of recognition programs had a wide disparity between the expectations and experiences, which could be as a result of feedback and appraisal programs. The aspects of strategies which had the least discrepancies were nature of work, merchandise advertising and advertising and promotional support. This would mean that the manufacturers of FMCG allocated more funds to advertising and promotional strategies as a way of motivating supermarkets to carry their brands.

5.4 Recommendations

The study revealed that there were gaps in a number of dimensions in the strategies used by the manufacturers of FMCG to motivate supermarkets to carry their brands. The manufacturers of FMCG need to look into recognition programs, feedback and appraisal and cooperative advertising. The manufacturers of FMCG should allocate more funds to the dimensions of strategies that had wide discrepancies between expectations and experiences. Manufacturers also need not to allocate more funds to strategies that had the least expectations like incentives. The funds should be used to fund aspects of strategies that had high expectations such as price, margins and discounts and training and development programs.

5.5 Limitations of the study

The study was limited to the perspective of the supermarkets' management point of view only. Out of 60 supermarkets in Nairobi, 48 filled and returned the questionnaires. The response rate was therefore 80% with a none-response rate of 20%. Most of the Asian owned supermarkets maintained that it is against the company policy to give any kind of information to outsiders including researchers.

5.6 Suggestions for further research

The study was conducted in supermarkets in Nairobi. The findings can be verified by conducting the same study in other major cities as well. The study findings are according to the supermarkets' management point of view. The study can be conducted to find out the manufacturers point of view.

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APPENDICES

Appendix 1: Complementary Letter to the respondents

University of Nairobi

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To Whom It May Concern

The bearer of this letter _____

Registration Number _____ Telephone: _____

Is a Master of Business Administration (MBA) student at the University of Nairobi.

The student is required to submit a research Project as part of partial fulfillment of the requirement Masters Degree in Business Administration. We would like the students to do their projects on real problems affecting firms in Kenya today. We would therefore appreciate if you assist the student collect data in your organization to this end. The results of the report will be used solely for purpose of the research and in no way will your organization be implicated in the research findings. A copy of the report can be availed to the organization on request.

Thank you,

The Coordinator, MBA program

Appendix 2: Questionnaire

Please fill out the following questions as applicable to you. Your participation will be highly appreciated.

Section A: General information

1. Name of the supermarket:

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2. Name (Optional):

.....

3. Type of Establishment

- a) Agent..... []
- b) Retailer..... []
- c) Wholesaler..... []
- d) Other (please specify)

.....

4. Please indicate your job title:

- a) Senior sales agent []
- b) Sales manager []
- c) Sales Representative []
- d) Unit manager []
- e) Area manager []

5. How many years have you worked in your organization?

- (a) Less than one year []
- (b) 1-5 years []
- (c) 6-9 years []
- (d) 10 years and above []

Section B: Supermarkets' Management Expectation

Please tick as many as applicable to you

Where: 5 = To a very large extent, 4 = To a large extent, 3 = To some extent, 2 = To a small extent and 1 = To no extent at all

6. Below are some of the ways in which manufacturers influence channel members to increase sales for their products. In relation to Manufacturers of fast moving consumer goods, indicate what you EXPECTED them to offer you in order for you to boost the sales before you started distributing their products on a scale of 1-5.

Motivational strategies	5	4	3	2	1
a) Incentives					
i) Awards (For meeting sales targets e.g. t-shirts, caps, fridges)					
ii) Certificates					
iii) gifts					
iv) cash					
v) Merchandize					
vi) Travel					
vii) Praises for achieving sales targets					
viii) Quotas (You expect to be given an exclusive territory where to sell products from particular manufacturer)					
b) Recognition programs					
i) Stock Options (Options on the packages of the product to sell)					
ii) Pictures in Company Advertisements & Newsletters	5	4	3	2	1
iii) Manufacturing companies to assign you a distribution centers close to you where you get your stock					
c) Feedback appraisal					
i) Feedback on knowledge of what is expected of you as a distributor					
ii) Performance appraisal based on sales made					
iii) Encouragements from the manufacturers					
iv) Knowledge of the distributors' failures and successes					
v) Gauging of performance against set standards					
d) Communication					
i) Provision of necessary information to perform job through newsletters and other media by the manufacturers					
e) Training and development					
i) Companies to improve your earnings for personal growth					
ii) Training on how to sell products					
iii) Manufacturers ensuring that distributors Understand job and responsibility					
iv) Realization of potentials					
v) Training on your responsibilities as a distributor					
f) Provision of product & technical information	5	4	3	2	1
i) Sales catalogues					
ii) Sales literature					
iii) Bronchures					

g) Advertising & promotion support					
i) Display material for point-of-purchase use					
ii) Mailing pieces for reseller distribution					
iii) Dealer identification sign					
iv) Media advertisement					
v) Printed literature of the product					
vi) Company Bill-boards on strategic points					
h) Price, margins and Discounts					
i) Quantity discounts					
ii) Cash discounts					
iii) Commissions					
l) In-store promotion					
i) Manufacturers positioning their products on the shelf					
ii) price off promotion					
iii) point-of purchase display					
iv) Coupons					
v) In-store demonstration of their products					
vi) provision of Electronic media (store advertisements which have selected messages to the customers)					
vii) Special containers & stands (Manufacturers display unit specifically designed to carry their own products)					
viii) Free-standing gondola (consisting of shelves which have slotted edges so as to carry price labels for the manufacturer's merchandise)					
j) Cooperative Advertising					
i) Sharing of advertising costs with the manufacturers					
k) Nature of work					
i) Job Interest and enjoyment of selling manufacturers' products.					
ii) Challenging activities such as higher sales targets					
iii) Team work between the supermarkets and the manufacturers in order to achieve common objectives					
l) Merchandising advertising					
Manufacturers planning, organizing, and controlling the;					
i) Buying of merchandise					
ii) price-setting of merchandise					
iii) promotional strategies of merchandise					
iv) Selection of merchandise.					
v) formulation of selling policies of merchandise					

Section C: Perception of what is actually done to motivate supermarkets by the manufacturers of Fast Moving Consumer goods.

Please tick as many as applicable to you

7. Please indicate the extent to which manufacturers of fast moving consumer goods in Kenya uses the following to influence you to sell more of their products on a scale of 1-5.

Where: 5= To a very large extent, 4= To a large extent, 3= To some extent, 2= To a small extent and 1= To no extent at all

Motivational strategies	5	4	3	2	1
a) Incentives					
i) Awards (For meeting sales targets e.g. t-shirts, caps, fridges)					
ii) Certificates					
iii) gifts					
iv) cash					
v) Merchandize					
vi) Travel					
vii) Praises for achieving sales targets					
viii) Quotas (You expect to be given an exclusive territory where to sell products from particular manufacturer)					
b) Recognition programs					
i) Stock Options (Options on the packages of the product to sell)					
ii) Pictures in Company Advertisements & Newsletters					
iii) Recognition of your sales efforts					
iv) Manufacturing companies to assign you a distribution centers close to you where you get your sock					
c) Feedback appraisal					
i) Feedback on knowledge of what is expected of you as a distributor					
ii) Performance based on sales					
iii) Encouragements from the manufacturers to achieve sales objectives.					
iv) Knowledge of the distributors' failures and successes					
v) Gauging of performance against set standards					
d) Communication					
i) Provision of necessary information to perform job through newsletters other media by the manufacturers					
e) Training and development					
i) Companies to improve your earnings for personal growth					
ii) Training on how to sell products					
iii) Manufacturers ensuring that distributors Understand job and responsibility					
iv) Realization of potentials					
v) Training on your responsibilities as a distributor					
f) Provision of product & technical information					
i) Sales catalogues					
ii) Sales literature					
iii) Bronchures					

Motivational strategies	5	4	3	2	1
g) Advertising & promotion support					
i) Display material for point-of-purchase use					
ii) Mailing pieces for reseller distribution					
iii) Dealer identification sign					
iv) Media advertisement					
v) Printed literature of the product					
vi) Company Bill-boards on strategic points					
h) Price, margins and Discounts					
i) Quantity discounts					
ii) Cash discounts					
iii) Commissions					
l) In-store promotion					
i) Manufacturers positioning their products on the shelves.					
ii) point of purchase display					
iii) Coupons					
iv) In-store demonstration of their products					
v) Electronic store media (Store advertisements which have selected messages to the customers)					
vii) Special containers & stands (Manufacturers Display unit specifically designed to carry their own particular product).					
viii) Free-standing gondola (with shelves which have slotted edges so as to carry price labels for the manufacturers' merchandise display).					
j) Cooperative Advertising					
i) Sharing of advertising costs with the manufacturers					
k) Nature of work					
i) Job Interest and enjoyment of the job					
ii) Challenging activities such as higher sales targets					
iii) Satisfaction of accomplishment					
iv) Team work between the supermarkets and the manufacturers in order to achieve common objectives.					
l) Merchandising advertising					
Manufacturers planning, organizing, and controlling the:					
i) Buying of merchandise					
ii) price-setting of merchandise					
iii) promotional strategies of merchandise offerings					
iv) Selection of merchandise.					
v) Formulation of selling policies of merchandise					

Thank you very much for your time

Appendix iii: List of Supermarkets in Nairobi

House of Manji Data Base as at (2008) List of supermarkets in Nairobi.

1. Woolworths
2. Nakumatt
3. Tuskys
4. Ukwala
5. Select n' Pay
6. Mesora
7. Jack & Jill
8. Fairlane
9. Safeways
10. Chandarana
11. Magic
12. Mega Market
13. Fairdeal
14. City mattresses
15. Metro cash& Carry
16. Sheela Store
17. Uchumi
18. Ebrahims
19. Rikana
20. Tristar
21. Woolmatt
22. Lucky Star
23. Country Mattresses
24. Baranuki
25. Peponi grocers
26. Stella
27. Muthaiga
28. Snatish
29. Gigiri
30. Starehe
31. Schilada
32. Nova
33. New Westlands
34. Deepak cash&carry
35. Queensway
36. Continental
37. Karen
38. Spring Valley
39. Westlands General
40. Super value
41. Spicy spice
42. Umoja mini
43. Maridadi store
44. Eastiegh mattresses
45. Muthaite
46. Roysambu Grocers
47. MITO
48. Mount Kenya sundries
49. Budget
50. South C
51. Tesco
52. Tirana
53. Tolley & Baskets
54. Joja Ks
55. Fair price
56. Harrys
57. Salisbury
58. Shopping paradise
59. Mega & Mecca
60. Ngara
61. Mis Whole store
62. Midas touch.
63. Trchem
64. Seven eleven
65. Lucky & sons
66. Bist provision
67. Midas Touch
68. Rose collection
69. Mathare
70. Flora petty
71. African grocers
72. Uchuzi
73. Alliance
74. Sheere
74. Robert ondieki
75. Dry House Holdings
76. New Ricken Shoppers
77. Rajesh Gloria
78. Well brand
79. Market ways.
80. Lillian Rahisi
81. Mwiki
82. Fransa
83. Dattelvey
84. Rafaels
85. Cheeji
86. Victory
87. Vantage
88. Amil & Dryesh
89. Geska
90. Green forest
91. Donholm star shop
92. White star
93. Jazeer
94. Kilmani grocers
95. Elipa
96. Woodley Grocers
97. Rose jam
98. Gulabchant
99. Goodfar stores
100. Ronny
101. Porarim
102. Tihana
103. Kamindi
104. Susu
105. Ridgeways
104. Umoja
105. Sunrise
106. George
107. Juja road
108. George
109. Pangani
110. Sikendo grocers
111. Baobab mini
112. P & Shah
113. Fontana
114. Mumbi
115. Fairose
116. Chemusia
117. Kenton
118. Decoy's discount
119. Tricor
120. Pop-in pricele ltd.
121. Joss
122. Hurligham grocers
123. Calendermiam
124. Sippys
125. Versani
126. Furaha
127. Save more
128. Shafius
129. A & D
130. K & A
131. Quick pick
132. Vijiko
133. Susy
134. Faine Fayne
135. Acacia
136. Borno
137. Choices
138. Supra
139. Nafroni
140. Alfany
141. Marta
142. Angela's
143. Better price
144. Broadway
145. Evergreen
146. Keinani
147. Frankaal
148. Foodies
149. Parklands
150. Njonde
151. Toyo
152. Super value
153. Star
154. Macson
155. Bashi

Appendix 4: Descriptive classification of supermarkets' management expectations

Motivational Strategy	Percentage score				
	No extent	Small extent	Some extent	Large extent	Very large extent
Incentive					
Certificates	23	15	27	0	35
Gifts	29	4	21	25	21
Cash	54	0	2	19	25
Travel	27	0	8	29	35
Praises	55	0	2	4	23
Quotas	19	13	6	29	31
Recognition programs					
Stock options	13	13	17	38	52
Pictures in ads	15	4	8	21	52
Assigning distribution centers	13	0	38	2	48
Feedback appraisal					
Distributor knowledge expected	25	0	4	21	50
Sales performance appraisal	25	4	10	38	23
Manufacturers' encouragement	8	17	13	19	42
Knowledge of failures and successes	2	19	21	40	19
Performance against set standards	8	13	4	46	27
Communication	8	13	10	31	38
Training and development	13	15	0	27	44
Improved earnings					
Training on how to sell products	8	4	13	17	58
Ensuring that distributors understand their responsibility	0	4	23	17	56
Realization of potentials	4	4	33	17	41
Training distributors on their responsibilities	2	8	31	13	46
Provision of products and technical information					
Sales catalogues	6	2	6	10	75
Sales literature	4	6	15	13	63
Bronchures	2	8	4	31	54
Advertising and promotion support					
Display	6	0	0	44	50
mailing pieces	2	10	38	29	21
Identification sign	4	8	8	38	42
Media ads	6	8	17	8	60
Printed literature	4	13	15	19	50
Company billboards	2	0	27	21	50
Price margins and discounts					
Quantity discounts	6	10	6	29	48
Cash discounts	2	17	13	23	46
Commissions	13	0	15	35	38
In-store promotion					
On-the shelf position	6	0	21	21	52
Price-off promotion	2	15	8	31	44

Point of purchase display	4	23	23	23	38
Coupons	6	13	25	19	38
In-store demonstration	0	4	31	17	48
Provision of electronic media	2	10	21	13	54
Special containers and stands	6	0	44	10	40
Free standing gondola	6	44	10	50	31
Cooperative advertising					
Sharing of advertising cost	6	25	10	19	40
Nature of work					
Job interest and enjoyment	0	8	38	15	40
Setting achievable goals	0	15	27	33	25
Satisfaction of accomplishment	0	21	17	13	50
Meeting of sale targets	0	2	10	40	48
Team work	6	0	6	17	71
Merchandizing advertising					
Selection of merchandize	2	6	35	29	27
Buying of merchandize	0	13	56	10	21
Price setting	29	0	21	23	27
Promotional strategies of merchandise	19	4	19	33	25
Selling policies of merchandize	31	6	21	25	17

Appendix 5: Descriptive classification of perception of what is done to motivate supermarkets

Motivational Strategy	Percentage score				
	No extent	Small extent	Some extent	Large extent	Very large extent
Incentive					
Awards	25	17	31	23	4
Certificates	19	21	35	15	10
Gifts	31	25	21	23	0
Cash	50	21	15	15	0
Merchandize	21	4	21	38	17
Travel	54	17	18	4	4
Praises	29	17	13	23	17
Quotas	27	17	21	25	10
Recognition programs					
Stock options	19	4	42	15	21
Pictures in ads	13	23	13	17	35
Assigning distribution centers	0	0	0	0	0
Feedback appraisal					
Distributor knowledge expected	4	25	25	13	33
Sales performance appraisal	10	13	2	44	31
Manufacturers' encouragement	13	13	29	29	17
Knowledge of failures and successes	6	21	56	15	2
Performance against set standards	2	31	18	25	23
Communication	4	10	40	17	29
Training and development					
Improved earnings	8	17	19	29	27
Training on how to sell products	8	4	15	19	54
Ensuring that distributors understand their responsibility	8	13	8	33	38
Realization of potentials	4	10	25	21	40
Training distributors on their responsibilities	17	4	27	25	27
Provision of products and technical information					
Sales catalogues					
Sales literature	13	4	25	46	13
Bronchures	13	4	19	42	23
Advertising and promotion support					
Display	0	0	19	46	35
mailing pieces	10	4	33	55	17
Identification sign	0	0	25	48	27
Media ads	0	13	29	25	33
Printed literature	0	25	21	31	23
Company billboards	0	6	44	29	21
Price margins and discounts					
Quantity discounts	0	13	15	33	40
Cash discounts	2	4	19	33	31
Commissions	8	15	10	31	35

In-store promotion					
On-the shelf position	0	13	15	40	33
Price-off promotion	0	10	6	40	44
Point of purchase display	0	13	15	27	46
Coupons	0	21	13	19	48
In-store demonstration	0	4	23	35	35
Provision of electronic media	0	13	25	14	37
Special containers and stands	0	10	33	23	33
Free standing gondola	0	2	44	15	40
Cooperative advertising					
Sharing of advertising cost	4	19	33	17	27
Nature of work					
Job interest and enjoyment	4	8	31	31	25
Setting achievable goals	2	2	31	50	15
Satisfaction of accomplishment	2	2	44	27	23
Meeting of sale targets	2	4	27	40	27
Team work	2	6	8	29	54
Merchandizing advertising					
Selection of merchandize	2	2	29	35	31
Buying of merchandize	6	2	35	31	25
Price setting	15	0	21	50	15
Promotional strategies of merchandise	4	0	25	52	19
Selling policies of merchandize	10	4	27	46	13