

**FACTORS AFFECTING THE MARKETING OF
DAIRY PRODUCTS:A CASE STUDY OF SPIN
KNIT DAIRY LIMITED**

KENNETH WILFRED KATHURIMA MBAYA

DIP.ML/12/00171/3/21

**A RESEARCH PROJECT SUBMITTED IN PARTIAL FULFILLMENT OF
THEREQUIREMENTS FOR THE AWARD OF DIPLOMA IN
MANAGEMENT ANDLEADERSHIP OF THE MANAGEMENT
UNIVERSITY OF AFRICA**

DECEMBER 2022

DECLARATION

This project is my original work and has not been submitted for examination in any other institution.

Signed

Date

KENNETH WILFRED KATHURIMA

DIP.ML/12/00171/3/21

This project report has been submitted for examination with my approvals collage supervisor.

Signed

Date

AMYSON JAKOM.

DEDICATION

I wish to dedicate my research project to my, wife Jennifer, and daughters Olivia, Alicia, and Nelly for their support and understanding.

ACKNOWLEDGMENT

I thank God for giving me the favor and grace to further my education. I would also like to express my gratitude to my supervisor, Amyson Jakom for his untiring support in the actualization of this project.

Special thanks to Mrs. Rachael Nkatha Kinyua, CEO at Rachael Dairy Farm and Director at Meru Central Dairy Cooperative Union Limited for facilitating my studies by allowing me access to her dairy farm in North Imenti, Meru County.

I also wish to thank Dr. Mike Njeru, my mentor in business over the years, and Dr. Ben Wachira, Veterinary Officer, Buuri Subcounty, Meru, for his technical advice on diseases and feed management Mr. Kenneth Kiome, CEO at Buckram Security and Courier Services for the opportunity to intern at his company where I was able to sharpen my business management skills.

This project would not have been a success without your input.

ABSTRACT

The purpose of this study was to determine factors affecting the marketing of dairy products concerning Spin Knit Dairy Limited. This study was guided by objectives which were to determine the effects of quality, government policy, storage capacity, and market structure on marketing. This research brings out the comparison of other research studies done on this topic. The research independent variables show the gaps that exist between the past studies and the room that requires further study. The critical review of the research indicates the major concept behind the determinants of the independent variable. The target population size of 120 employees was targeted from which a sample size of 60 was chosen. The research adopted a descriptive research design and the data was collected mainly from primary sources namely interview schedules and administering questionnaires. The research used open-ended and closed-ended questions in carrying out the research. A stratified random sampling technique was used as it gave an equal chance for each element to be chosen. A stratified technique was chosen due to the heterogeneous nature of the elements of the sample size. The data analysis procedure applied a qualitative and quantitative technique that involved descriptive statistical methods namely percentages and frequencies. In the findings, it was noted that storage capacity that is required in facilitating the marketing of material, and staff training developed by marketers gives an upper hand to be awarded the materials. Market structure minimizes the cost of maintenance and repair of products. Government policy provides the guidelines to be followed in the industry. Future researchers should research the wider applicability of achieving excellence principles on the make-up and management of market activities.

TABLE OF CONTENTS

DECLARATION	ii
DEDICATION	iii
ACKNOWLEDGMENT	iv
ABSTRACT	1
TABLE OF CONTENTS	2
CHAPTER ONE:	4
INTRODUCTION	4
1.0 Introduction	4
1.1 Background of the study.....	4
1.2 Statement of the problem	9
1.3 Purpose of the study	10
1.3.1 General objectives	10
1.4 Research questions	11
1.5 Significance of the study	11
1.6 Limitations of the Study	11
CHAPTER TWO: LITERATURE REVIEW	12
2.0 Introduction	12
2.1 Theoretical Literature Review	12
2.2 Empirical Review	14
2.3 Conceptual Framework	17
Figure 1.3 Schematic Conceptual Frameworks	17
2.0 Research Gap	17
2.6 Summary	18
CHAPTER THREE:	19
RESEARCH DESIGN AND METHODOLOGY	19
3.1 Introduction	19
3.2 Research Design	19
3.3 Target Population	19
3.4 Sample and Sampling Technique	20
3.5 Instruments	21
3.6 Pilot Study	22
3.7 Data Collection and Procedure.....	22
3.8 Data Analysis Presentation.....	22

3.9 Ethical Consideration	23
CHAPTER FOUR	24
DATA ANALYSIS PRESENTATION AND INTERPRETATION.....	24
4.0 Introduction to Data Analysis.....	24
4.1 Presentation of Findings	24
4.2 Chapter Summary	41
CHAPTER FIVE	43
SUMMARY OF FINDINGS, CONCLUSION, AND	
RECOMMENDATIONS	43
5.0 Introduction	43
5.1 Summary of the Findings	43
5.2 Conclusion.....	44
5.3 Recommendations	45
REFERENCES	46
APPENDICES 1	50
SPECIMEN LETTER TO RESPONDENTS	50
APPENDICES 11	51
QUESTIONNAIRE.....	51
PART ONE – Quality	52
Scheme of work/ Research schedule	56

CHAPTER ONE: INTRODUCTION

1.0 Introduction

The study sought to zero in on factors affecting the marketing of dairy products, the area of research was based on Spin Knit Dairy Ltd, the firm under the umbrella of Brook Sidecompany. This chapter introduces the background of the study, where the history of the company and industry is detailed. This picks from a global view down to a local view on matters arising in the dairy business concerning factors impacting their marketing progressions. The next section is the organogram of the firm (Spin Knit Dairy Ltd) where the three major pin-pointed levels of focus are; business level, operational level, and functional. The chapter then presents the statement of the problem, and objectives of the study where the study purposes to speculate; To establish the extent to which the company produces dairy products, to determine if the government policy affects the marketing of dairy products, and to examine the extent at which storage capacity affect the production of dairy products.

The next section is the significance of the study where the research highlights how this thesis may be applied by the government, scholars, and policymakers in making just decisions and directives to assert, the chapter then concludes by introducing the limitation of the study.

1.1 Background of the study

In any way, an existing firm's marketing department forms a critical part of identifying, anticipating, and satisfying customer needs profitably. There is no doubt that marketing is a management process, as most successful organizations regard it as a crucial set of co-ordinate activities that must be driven from the strategic level of a business. Many organizations have an executive director with functional responsibility for marketing but, even if this is not the case, it is usually necessary for a strategic marketing plan to be put in place and implemented, consistent with the goals and objectives set out in the corporate plan.

Despite a widely held perception that marketing is synonymous with selling, the definition confirms that the scope of marketing extends far beyond selling alone. Indeed, a business strategy built on selling and without due attention to other important marketing

activities can have serious shortcomings: the customer's needs may be overlooked, the organization may sell goods and services that the customer does not need, or the customer may need for the organization's products and services but may purchase the wrong ones. The essence of marketing is captured in the words 'identifying, anticipating, and satisfying. These imply a process through which the organization must find out what customers want, or carry out research into what customers are likely to want in the future and then fulfill these needs by appropriately deploying its resources. The process has to be dynamic, as the needs

Anted preferences change over time, rendering some goods and services less suitable for their needs, or even obsolete. There are countless examples of products that have fulfilled genuine needs in the past, sometimes for long periods but have eventually been superseded by choices due to changes in needs, tastes, and preferences, or have become unnecessary for consumers. Examples include audio cassettes, Super 8 cine films and projectors, 'twin tub' washing machines, and cash registers.

Successful business organizations, therefore, regard marketing as a continuous process, through which actual and perceived customer needs are constantly analyzed and monitored to fulfill these needs to the extent that the organization's resources and capabilities allow. The marketing mix is a model used when considering the range of activities necessary to construct and implement a comprehensive marketing strategy. It is most commonly expressed in terms of 'the four Ps' of product, price, promotion, and place. 'Place' in this context refers to all activities associated with distribution.

Kenya's dairy industry is regulated through the Dairy Industry Act, Chapter 336 of the Laws of Kenya, as enacted in 1958. Under the Act, the Kenya Dairy Board (KDB) was established to "organize, regulate, and develop efficient production, marketing, distribution and supply of dairy products in Kenya". Hence the KDB has broad powers over the organization of the dairy marketing system in Kenya. However, over the years, the KDB has limited its operations primarily to the regulation of businesses involved in the processing and distribution of dairy products, at the risk of leaving the industry in the hands of a nationwide cooperative dairy processing and marketing cooperative called the Kenya Cooperative Creameries Limited (the KCC), at least up to 1992 when the "Winds of Change" in the name of marketing liberalization began to sweep across the industry.

Marketing liberalization aims at improving efficiency in resource allocation by facilitating more or less automatic price adjustments in response to market competition through the forces of supply and demand. The rationale is that market competition, over time, should lead to stability in production and consumption. The result is thus expected to be beneficial to society as a whole.

The most critical step in the liberalization of Kenya's dairy industry was the decontrol of both producer and consumer prices of milk in May 1992, followed by an explicit policy statement that any party interested in getting into the dairy processing and marketing business could be licensed, provided that the business premises met the minimum hygiene standard requirements.

Before 1983 when the government licensed two small-scale cooperative rural dairies (i.e. Meru Central Dairy Cooperative Union (MCDCU) and Kitinda Dairy Farmers Cooperative Society (KDFCS)) to receive, process and distribute milk and milk products for their members, and licensed to process and distribute milk and milk products in Kenya was always issued on the agency of the Kenya Cooperative Creameries Limited (the KCC).

That is to say that any party issued with the license had to undertake business as an agent and member of the KCC. This practice was restrictive and it gave the KCC near monopoly/monopsony power over the dairy industry in Kenya. Even though only about 40% of the estimated milk production in Kenya (estimated at 2.4 billion litres) enters the marketing system, the KCC used to handle over 90% of this marketed milk production prior to the liberalization of Kenya's dairy industry.

1.1.1 Profile of Spin Knit Dairy Ltd dairy company

Spin Knit Dairy Ltd started our operations immediately after the liberalization of the dairy sector in Kenya. The company is currently the leading dairy in Kenya with a daily throughput of 700,000 litres of milk per day. We have a workforce of 1530 employees whose skills are upgraded with technological change. We process and distribute a wide range of products, which include fresh pasteurized milk, cream, butter, yogurt, lala, ghee, and long-life milk products.

The company was formally registered under the co-operative's societies act on 26th November 1996. Since its inception, quality has been the driving force behind the company's growth. This is coupled with overwhelming support from the farmers as well as the consumer population. To secure a solid base in the procurement of raw milk, we aim to establish collection centres countrywide. Already some are commissioned namely Kiganjo in Nyeri, Eldoret, and Ol Kalou. As stated in the mission statement, we purchase all available quality milk from contracted farmers, and process and distribute quality milk products to the customers both locally and regionally. This is achieved through proper management of available resources, the use of modern technology, and keeping abreast with the local and global trends in the development of the dairy industry.

Two of Kenya's biggest dairy processors have completed a merger of their operations, 15 months after the deal was approved by the Treasury. Officials said operations of Spin Knit Dairy have been fully merged into one business unit under the Brookside brand name as part of market positioning ahead of another round of peak milk production in the March to May season. Following the merger, the combined total installed capacity now stands at 600 000 liters per day, up from 450 000 liters previously handled by the Ruiru-based processor.

“All milk processing is now being done under the Brookside brand,” said John Gethi, Brookside's general manager for milk procurement (Andy, 2020). Last week 2022 November, private equity fund Aureos Capital, announced that it had spent part of its Sh28 billion Africa Fund, the firm recently raised from European and American investors to complete the acquisition of Spin Knit Dairy and finance the ongoing expansion that has so far spread to nine countries in the region. Now, Brookside Dairy's fund of \$19.7 million is managed by Aureos Capital (Mya and Brian, 2020).

In mid-2008, Spin Knit snubbed Italian milk major Parmalat and sold its operations to its local rival, Brookside Dairy, in a move that created a dairy conglomerate to compete with the giant New KCC. The merged company has since triggered milk wars with the New KCC for the control of Kenya's multi-billion-shilling dairy industry. At the height of the glut, consumers have been reaping from the tussle for market share with an Sh 8 per half liter price cut across the board. But farmers were on the receiving end with Sh 2 per liter drop for their deliveries to either of the competing firms.

Apart from price wars, the two processors also compete through annual sponsorships for annual field days geared toward the best-practice in livestock management and provide networking opportunities for smallholders. Industry statistics by the Kenya Dairy Board show that Brookside was the biggest processor in the month of December, but was last month dislodged by New KCC, which currently processes some 620,000 liters of milk. Together, the two processors account for 90 percent of the total processed milk in the country.

Brookside said its network of suppliers has grown, especially with a wider farmers' supply base. "All the contracted farmers from Spin Knit are now on board the Brookside family. They have got a bigger farmers' base as depicted by Nicky Brown, (2022). Brookside is planning to stimulate higher consumption as well as motivate farmers through increased pay. Consequently, Brookside is a private company founded in 1993 following the deregulation of the dairy sector in the early 1990s.

Based in Ruiru, Brookside, now has a 40 percent share of the Kenyan dairy market, with milk sourced from 120,000 suppliers. Seven percent of these are commercial farmers and the remainder are small-scale producers. Established in 1996, Spin Knit Dairy which produces Tuzo, Lea, and Ever fresh milk brands started as a mini-dairy processing plant in Nakuru. It employs about 700 workers. Spin knit controls 11 percent of milk intake. Brookside says all the former workers of Spin Knit were absorbed into the expanded business unit.

1.1.2 Organizational Structure of Spin Knit Dairy Ltd dairy companies

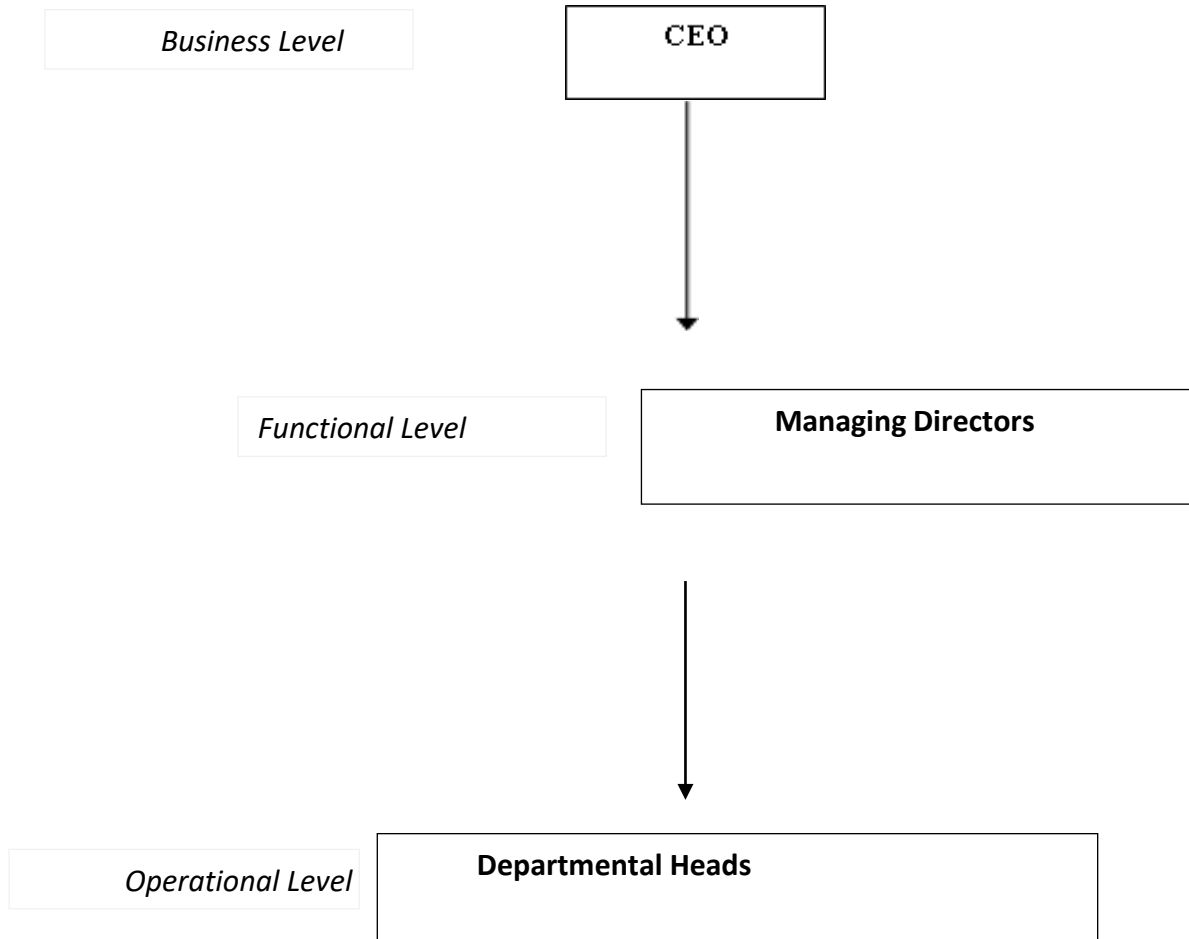


Fig: 1.0 Corporate Organogram

1.2 Statement of the problem

In several countries especially in sub-Saharan Africa, including Kenya, there has been a rising urge to incorporate policies and institutional reviews to boost sectoral productivity as well as income growth. These prospects comprise plans to motivate private industries' participation in promoting farm products (Nyariki and Thirtle, 2000).

They were also meant to allow the forces of supply and demand to guide the production, distribution, and marketing of various goods and services and therefore

promote efficiency and economic growth (World Bank,1998). Overall, these reforms have aimed at improving the macroeconomic environment, the incentives structure, and the regulatory framework within which economic activity takes place (Kimuyu and Moyi, 1998).

Particular reforms that resulted in the progressive growth of the dairy market industry which has also been evident to increase the flourishing of a dairy farm are the liberation and innovative factors in the area of distribution and marketing. The results indicate that milk and milk product marketing has reduced or remained low, on average. Food security with respect to milk has reduced from a position of sufficiency to that of insufficiency. Dairy capital stock in the form of processing plants has increased but is underutilized because of reduced milk deliveries as a result of an upsurge of small traders that offer alternative distribution to consumers. The negative impacts of liberalization policies are mainly attributed to the unsynchronized manner in which they were introduced.

It is against this context that the marketing of dairy products needs to be analyzed to update the policymakers, farmers, and the public on a high degree of performance in dairy products marketing for potential profit generation and sustainability of the industry amid a turbulent environment. To this extent, there is no single research that has been conducted on factors affecting the marketing of dairy products in Kenya. The research study intended to bridge this gap in knowledge by answering the following, what are the factors affecting the marketing of dairy products in Kenya to uphold continued performance on milk production?

1.3 Purpose of the study

To investigate the problem encountered by companies producing dairy products in the marketing area like Spin Knit Dairy Ltd Company and Brookside and try to come up with solutions to overcome these problems.

1.3.1 General objectives

To find out the problems dairy products companies face when marketing their products

1.3.2 Specific objectives

- I. To examine the extent to which companies produce dairy products
- II. To determine if the government policy affects the marketing of dairy

products

- III. To examine the extent to which storage capacity affects the production of dairy products

1.4 Research questions

- I. To what extent does the company produce dairy products?
- II. How does the government policy affect the marketing of dairy products?
- III. To what extent does storage capacity affect the production of dairy products?

1.5 Significance of the study

The finding of this research will help consumers to make good choices and preferences when buying dairy products. It will also help the government to develop policies to make companies on their toes and produce quality products. It will also help companies to know their close competitors and put more effort into their production to overthrow them. It will also help the government to know the areas of problem like where there are poor roads to overcome the problem.

1.6 Limitations of the Study

A large part of the study's target population is made of low-literacy people who have difficulties in filling out the questionnaires. Bad weather and cold weather made researchers sick. The poor road network will hinder the researcher from traveling from one place to another since it will be during the rainy season. The study covers a large area and therefore involves traveling long distances for the research to access all the companies in our country.

CHAPTER TWO: LITERATURE REVIEW

2.0 Introduction

This chapter reviews the existing literature, information, and publication on the topic related to the research problem by accredited scholars and researchers. This section examines what various scholars and authors have said about factors affecting the marketing of dairy products, in particular, it covers the theoretical review of the literature, empirical review of the literature, and conceptualization of the research problem.

2.1 Theoretical Literature Review

2.1.1 Consumers' purchase decision behavior model

Consumer behavior is clarified as "The analysis of the procedures engaged when personnel or groups identify, buy, consume or dispose of products, services, opinions or know-how to meet their needs desires. An alternative description of consumer behavior is "The vibrant engagement of effect and perception, behavior and surrounding aspects through which a man manages the exchange perspectives of their living (Akhter et al., 2017). Research on consumer behavior has budged from why individuals buy to consumption behavior.

One key aspect of consumer behavior is detailed to be market segmentation since product users in that segment are more or few profoundly in relation to products' needs and desires. Research in the article; *Bases of market segmentation Success: A marketing Decision Makers Perspective, (2016)* established that market segmentation comprises diversified classifications for example demographics which includes age, sex, social class, and geography comprising of location, state differences, psychographics which comprises of personality, living style and behavioral which includes brand dependability, as well as benefitdesire.

Consumers' physical and social niches have greater impacts on customers' purchase decisions and can change their desire and drive for product purchases. One of the fundamental scopes in consumer behavior is social time, which is "The time in regards to social aspects and progressions and programs in the community, for instance, working hours, opening hours, eating hours and other entrenched programs.

The communication aspects where product users get information have an influence on

their purchasing decision behavior. Timely customers define numerous decisions in their day-to-day lives. Consumer behavior is not only briefing in making choices or the aspect of buying, customer engagement, and the limit of understandings that aligns with consumption but also consumer behavior as well. The central sector of consumer behavior is consumers' decision-making. These choices are accompanied by certain underlying procedures as shown in figure 2 below.

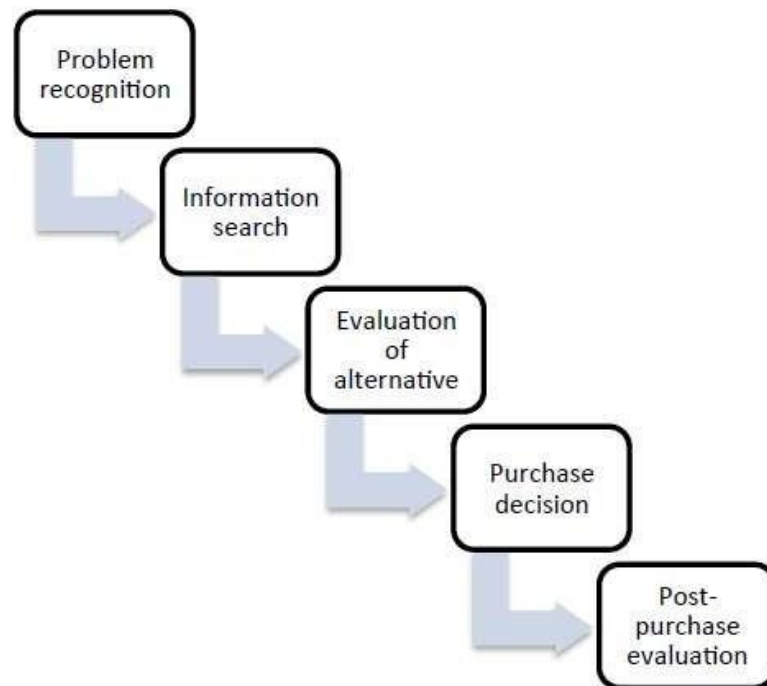


Fig. 2 Consumer decision-making process (Kardes, Cronley, and Cline, 2011)

2.1.3 Total Quality Management model (TQM)

Two complementary theoretical orientations are used to investigate the effect of regulatory burdens, including their costs, on the competitiveness of individual firms and the marketing structure of the firm. We use the total quality management framework (TQM) and the transaction cost framework (TCE). Total quality management is a practical approach to enhance the product as well as process quality aspects, strategic attitude (top-management involvement), and organizational behaviour through the empowerment of employees.

Consumer needs, not technological governance, are the starting point of all quality processes (Spencer, 2014; Hackman and Wageman, 2015).

The basic idea is that quality (legislation) has a price that could be excessive

compared to the advantages, so the net effect is negative. Prevention costs increase with higher levels of quality assurance (within this outline: of regulatory stringency), while at the same time failure costs are reduced (costs of non-compliance, such as is the case with food-borne diseases, etc.). While the European system fosters prevention (risk avoidance), the US system of litigation fosters compensation for failure. The question is what, at the firm level, is the 'ideal' combination of both policies. To solve this problem, prevention costs have to be weighed against failure costs.

While the European dairy industry in general is innovative, the spread in innovativeness is very wide, ranging from companies that for instance pack milk and try to optimize processes, and companies that modify the basic characteristics of inputs and/or output (for instance dairy products to which health claims will be attached). Administrative requirements will hamper the acquisition of capabilities to innovate because of resource scarcity at the firm level (compare: Avermaete et al., 2014; Batterink et al., 2016; Romijn and Albaladejo, 2012; Loader and Hobbs, 2019). The perception of a set of rules being 'burdensome', is dependent on the firm-specific aims and strategies that are deployed. Firm strategies can be classified from 'defender' to 'prospector' (Miles et. 2018). A defender company will, in general, tend towards a cost-oriented strategy. Prospector companies aggressively seek new market opportunities and develop new products and/or markets to outperform competitors.

2.2 Empirical Review

2.2.1 Review of marketing

According to Boone and Kurtz (1985), marketing is the process of planning and executing the conception, pricing, and Promotional distribution of ideas, goods, and services to create exchanges that satisfy individual and organizational objectives. Perhaps Publisher Red Motleys Adage (1985) says 'nothing happens until somebody sells nothing. Millions of people today want to sell something or engage in dairy businesses. This condition affects the development of the county by limiting the way they supply goods.

2.2.2 Marketing Plan

A marketing plan can take many different forms. On one edge of the spectrum is a simple one-page list of various marketing approaches you'd like to try. On the other

end is a fully detailed analysis of the market you are participating in, the strategies you'll employ, and the tactics for executing these strategies. What type of marketing plan do you need? The answer depends on who the plan is for and its main purpose.

2.2.3 Market share

A company's market share is the amount of money in sales the company earns in the industry as compared to how much the entire market has earned as a whole. One way to measure a company's market share is to divide the company's sales revenue by the amount that was earned by the entire industry.

For example, Company X sold \$1,000,000 in sales of handbags last year. The entire handbag industry sold \$5,000,000,000 in that same time period. $1,000,000 / 5,000,000,000 \times 100 = 0.02\%$ market share.

Companies concern themselves with their market share when they hope to bring new investors into their companies. Those who are searching for a new company in which to invest will want to choose companies that have a market share that is currently growing. This means that they are increasing their sales faster than the rest of the market and usually becoming more and more profitable as their market shares go up (Andy, 2016).

Another time for a company to concern itself with its market share is when they are looking into how much revenue they are earning relative to its competitors. As the market share goes up, companies can convince their management to increase their output and advertising efforts in order to continue increasing their profitability (Mya, 2020). If the company cannot demonstrate to its board of directors that its current strategies *john legend* song list have a positive effect with the increased market share they are commanding, it will have a more difficult time continuing with its present business practices.

A third-time market share is critical when you are in a "land grab" market, usually where the market is completely new, and whoever gains the largest market share will command the largest profits in the future. Social networks are the newest examples of a land grab market. Although the market share can show investors or boards of directors that the company's sales are decreasing or increasing, it does not always translate into decreasing or increasing profits. An example of this is the Apple iPhone.

The iPhone has only a 4.2% market share in the mobile devices market but it commands a massive 51% of the profits in the industry ([AppleInsider](#), 2015)

Market share is just a statistic as the saying goes, "there are three types of lies: lies, damned lies, and statistics." Market share can be used to tell almost any type of story. The real usefulness of market share comes into play when you can use it to draw conclusions about past activities and future direction. When examining your market share, don't get caught up in the number, but rather look at the number as a reflection of what you're doing in your business and marketing.

2.2.4 Pay as per-click advertising

When you perform a search in a major search engine such as Google or Bing, there are two kinds of results that show up. There are "organic" listings, which are based on the search engine algorithm. There are also sponsored listings or advertisements. These advertisements are powered by a methodology referred to as Pay Per Click or PPC. This has become one of the most ubiquitous forms of advertising on the Internet, and it is not limited to the search engine results page.

2.2.5 Direct Marketing

Direct marketing is widely used as it aims to reach potential buyers through a variety of media such as television, email, direct mail, fliers, promotional ads, and letters, and on community vehicles such as buses and company trucks. There are a couple of characteristics that differentiate this type of advertising from other kinds of advertising. One is that it communicates directly with consumers. The other one is the main idea of getting the buyer to consider a purchase and take action in the near future.

2.2.6 Expected Production

The average daily milk production per Holstein cow with decent nutrition and feeding management practices should be a minimum of 60 pounds of 4% fat-corrected milk. Herds with good nutrition and feeding management practices should maintain an average of 70 to 80 pounds or more of 4% fat-corrected milk.

The average peak milk production for first calf heifers normally is around 7 to 14 pounds over the average daily production for lactation. Second lactation and older animals usually produce 15 to 30 pounds over average daily milk production. There is

a greater differential at higher levels of production. Most mature cows and heifers will peak within 5 to 10 weeks after calving. The use of BST may result in peaks at about 90 days with a high plateau from 60 to 150 days in milk (Brain and Andre, 2020).

After animals have reached peak milk production, the average decline in milk per month generally is 10 to 15% for most of the lactation. Herds that are well-managed and well-fed may experience lower declines. In late lactation, cows may experience a 12 to 20% decline. Lactation graphs can be used to determine any variations from expected (Josephine, 2020). A normal lactation length for cows is 290 to 310 days with an average length of 296 days. A short lactation length is anything less than 270 days.

2.3 Conceptual Framework

Independent Variables

Dependent Variable

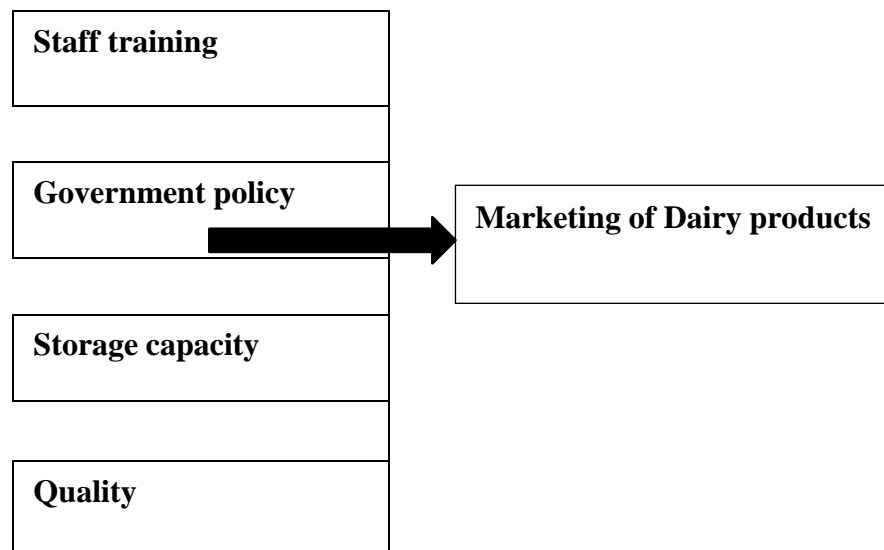


Figure 1.3 Schematic Conceptual Frameworks

2.0 Research Gap

Little has been done on the factors affecting the marketing of the dairy product in Kenya. For instance, Bett (2017) carried out research on the market of dairy products

in Kenya and the way forward to achieve success in the dairy industry but did not look at the factors affecting the performance of the dairy industry. Kioi (2021) did a study to explore how players in the dairy industry involved in milk processing conducted their businesses but did not look at the performance challenges involved. Chalet (2013) did a study of responses of milk processing firms to increased turbulence in the macro environment of the dairy industry in Kenya: A case study of new KCC Ltd but failed to address the factors that affect the performance of the industry. Macharia (2018) did a survey of the factors motivating and challenges affecting exporting activities of the firms in the dairy industry in Kenya but did not look at the factors that affected the performance of the Kenyan dairy industry. This study comes in to bridge the gap in knowledge on the factors affecting the marketing of dairy products in Kenya with a focus on Spin Knit Dairy Ltd.

2.6 Summary

The essence of the literature review is to show the past studies done on the research topic. It further considers former study's done on the variables of the research title. The study has analyzed various theories such as the consumers' purchasing decision behaviour and the Total quality management model. The empirical study identified aspects related to the review of marketing, marketing plan, market share, pay-as-per-click advertisement, direct marketing, expected production, and target population. The conceptual framework detailed the organization of variables of the study. The next chapter pinpoints the research summary, conclusion, and recommendation.

CHAPTER THREE: RESEARCH DESIGN AND METHODOLOGY

3.1 Introduction

Research methodology is a discipline that entails the procedures of carrying out research scientifically. It is used to systematically arrive at a solution to a research problem by studying the steps used in the research and the logic behind them. In research methodology, research methods are the techniques employed in research to collect or collate data to develop a research work. The research used an inferential approach to collect data to form a database of factors affecting the supply of petroleum. The case study was studied and the findings were to determine supply factors and the findings infer that all milk marketers face the same challenges. In any study, data may be collected from a variety of sources. This indicates that also different methods can be used to collect adequate, reliable, and correct data. Data collected is important for conducting inquiries or analysis of the study problem from either existing published or unpublished sources or can be done through surveys. The chapter is organized as follows; research design, target population, sample and sampling technique, instruments, pilot study, Data collection and procedure, data analysis and presentation, then ethical consideration.

3.2 Research Design

A descriptive research design was used in this study. This is because this research design describes the phenomenon as it is based on different characteristics. It describes the state of affairs, specific predictions, and narration of facts and characteristics concerning individuals, groups, or situations. It involves measurement, classification, analysis, comparison, and interpretation of data. The descriptive design aims to obtain complete and accurate information. This design involves the formulation of research objectives, collection of information through the use of questionnaires, and analysis of the data through the use of descriptive statistics (Mugenda and Mugenda 2005).

3.3 Target Population

The target population of the study was the staff working at Spin Knit Dairy Ltd milk Company Limited who are related to the purchasing and supplies of Dairy

products within the organization. The target population of the study is 120 employees of Spin Knit Dairy Ltd Milk Company, with 10 from the top management staff, 30 middle management staff, and 80 support staff.

Category	Target Population	Percentage
Top management staff	10	8
Middle management staff	30	25
Support Staff	80	67
Total	120	100

Table 3.1 Target population

3.4 Sample and Sampling Technique

According to Mugenda and Mugenda (2005), A sample is defined as a smaller group obtained from the accessible population. Sampling design is a process to give every individual chance of being represented in the final analysis, stratified sampling was used. This is because if a population from which a sample was to be drawn does not constitute a homogeneous group, a stratified sampling technique is generally applied in order to obtain a representative sample. The sampling technique is the process of selecting respondents, who are identified as representatives of the target population, in this study; stratified random sampling was used to select respondents in the three population categories, this made all the respondents in the target population have an equal and unbiased chance of participating in the study, this was made possible since

Category	Target population	Sample size	Percentage
Top management staff	10	5	8
Middle management staff	30	15	25
Support Staff	80	40	67
Total	120	60	100

the sampling frame was available. The sample size was chosen using 50% of each target population in the study as shown below: - This sampling method depended

solely on chance.

Table 3.2 Sample Size

3.4.1 Sample Size

The sample size represents the number of respondents who were selected from the target population to constitute a sample; the sample size represents the actual number of respondents who were picked from each population category through the use of stratified sampling techniques and issued with the questionnaires. In this study, a total of 60 employees were issued with the questionnaires.

3.5 Instruments

3.5.1 Data Collection Instruments

In this method, a list of questions was prepared in advance relating to the object of the study. The questionnaires are structured and responses were mainly from the choices given. This was meant to restrict the data collected to cover only relevant responses. Before the questionnaires were administered, a polite letter of introduction had been sent notifying the authorities of the intention to carry out data collection and the usefulness of the data to address the study topic. Two enumerators were employed to clarify the aims, objectives, and the need to give accurate responses.

They also shed light on technical or ambiguous questions. Some questionnaires were filled with the assistance of the enumerators while others were left for the respondents to fill out and were collected after two days. This method collected a wide range of data on any given issue and gave the respondents ample time to respond to the questions in their own free time. However, some of the respondents did not take the initiative to respond to all the questions and in a few cases, questionnaires were lost.

In addition, the accuracy of the data collected was sometimes dependent on the briefing and training of the enumerators.

3.6 Pilot Study

A pilot study was conducted for the purpose of ensuring that items in the data collection tool or instrument were stated clearly and had the same meaning to all respondents (Kothari, 2014). This process is also known as a pilot study. Its determination was to certify that items in the instrument were detailed clearly and had the same meaning to all respondents (Mugenda & Mugenda, 2003). Conferring to Kothari (2004), the purpose of the pilot study was to check if the data instrument were detailed clearly and had the same meaning to all respondents. It is only during pre-testing that the investigator can be able to assess the ease of use of the instrument. Any delicate, unclear, or biased items would be recognized and modified or omitted. Pre-testing permits modification before the final test (Cooper & Schindler., 2003). They added that this is the investigator's best chance to review scripts, look for control measures and scan the environment for factors that confound the results. The process was done where a few respondents were selected and given then questionnaires to fill where the instruments were analyzed to check whether they are effective.

3.7 Data Collection and Procedure

The research used primary data collected through questionnaires to carry out the study. The questionnaires were closed-ended questions and were administered through drop and pick method to the target respondents. The questionnaire was collected immediately after they have been filled out. The structured questions were used in an effort to conserve time and money as well as to facilitate easier analysis as they are in immediately usable form.

3.8 Data Analysis Presentation

The data collected from the field was assessed and comparisons were made so as to select the most accurate and quality information from the feedback given by various respondents, this involved assessing and evaluating the questionnaires and other sources of both primary and secondary data. A statistical package Ms. Excel computer software was used, specifically for the purpose of analysing the data obtained; this helped to generate graphs and figures to portray the results graphically and come up with information that was clearly presented through the use of charts for

proper tabulation and qualitative analysis.

3.9 Ethical Consideration

Ethics are codes of standards, norms, or behavior that guide how people behave and relate to others (Chandran, 2004). The aim of ethics is to make sure that no individual encounters adverse effects from the activities of the research. According to Mugenda and Mugenda (2003), ethics deal with an individual's conduct and guide his or her behavior.

The researcher sought permission from the relevant authorities to conduct the research. Before data collection, the research assistants sought informed consent from the respondents as the topic under study was sensitive and respondents feared that they would be victimized based on the responses they gave to the questionnaires. They signed an informed consent form before filling out the questionnaire.

The researcher explained to the respondents the benefits of the study to them and society in general. Confidentiality was emphasized, and the respondents were all debriefed. All the information obtained was used for the purpose of this research only. Respondents were not required to give any detail that would lead to their identification. The researcher exercised a high level of professionalism, confidentiality, and honesty to ensure that the information given was only used for academic purposes.

CHAPTER FOUR

DATA ANALYSIS PRESENTATION AND INTERPRETATION

4.0 Introduction to Data Analysis

This chapter shows the process of extracting findings from the data collected. The large volume of data collected must be reduced into a homogeneous group. This was done by tabulating the data and developing charts and bar graphs. The data provided information that forms the basis for discussion and interpretation of the result. The section portrays the presentation of findings, both descriptive statics and inferential.

4.1 Presentation of Findings

Table 4.1 presents an analysis of the response rate achieved in the actual field of this research. Out of the sample size, only 50 formed the actual sample of the study. The end result was that 50 distributed questionnaires were returned while 10 questionnaires were not returned. The below table displays that the total response rate was 60, where those who responded were 83%, and those who did not offer any response were about 17%.

Table 4.1 Response rate

Category	Response rate	Percentage
Response	50	83%
Nonresponse	10	17%
Total	60	100%

The above information was presented in a pie chart that shows respondent rates to the research questions asked.

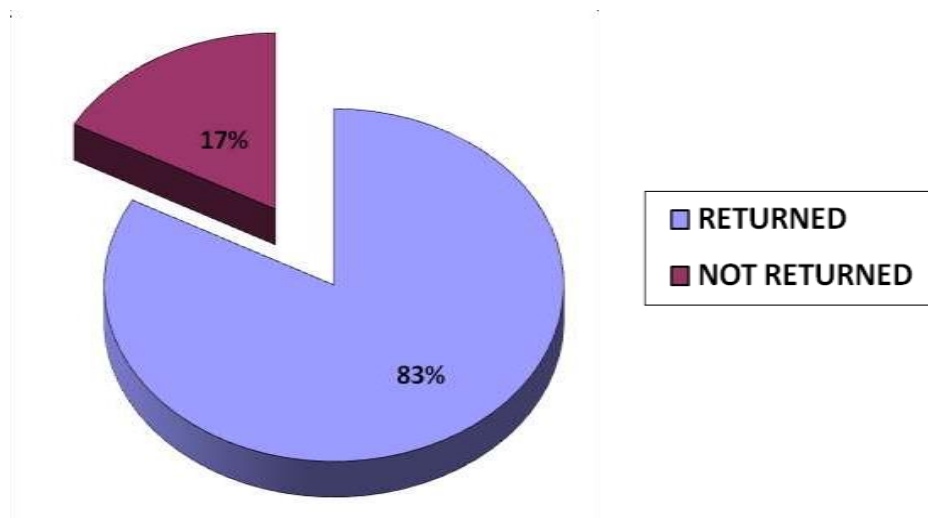


Figure 4.1 Questionnaires response rate

The above information indicated that returned questionnaires formed 83 percent of the sample size that eventually became the actual sample. However, 17 percent of the questionnaires formed unreturned questionnaires.

The table below shows the distribution of respondents in each department

4.1.1 Distribution of Respondents

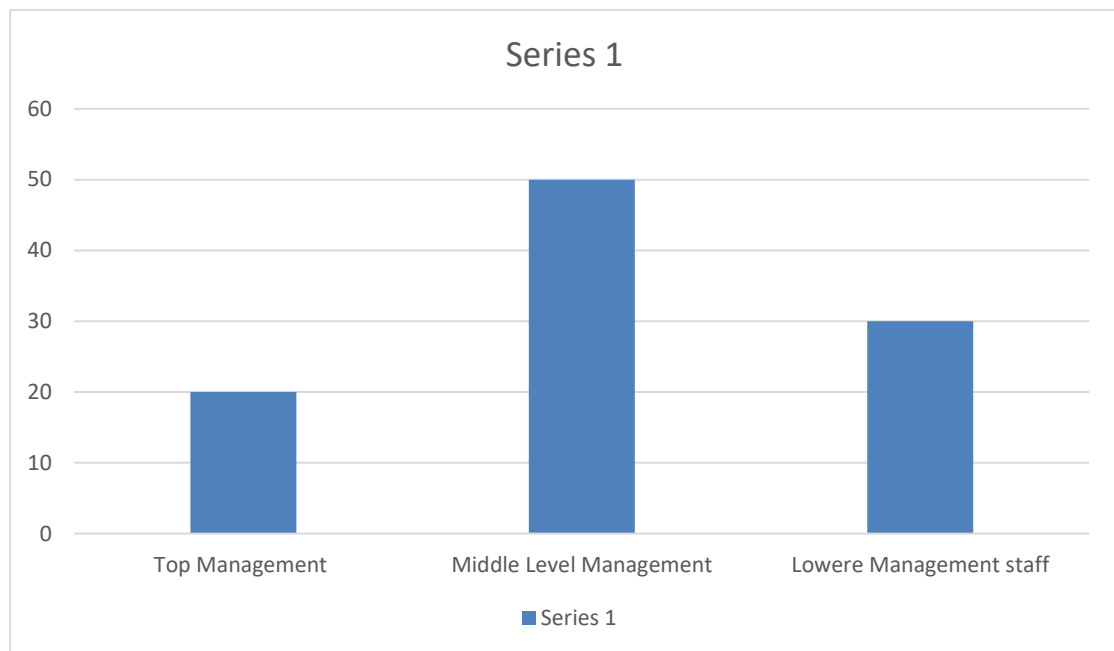
Table 4.2 Actual sample

Departmental Staff	Actual Sample	Percentage
Top management staff	10	20
Middle management staff	25	50
Support Staff	15	30
Total	50	100

4.1.2 Category response rate

The response rates from different departments are represented in a bar graph below. All the departments recorded impressive responses to the questionnaires. Middle management staff recorded the highest percentage of 50 while the Top management staff department recorded the lowest percentage of response of 10 percent.

This information was presented in the bar graph that indicated the percentage of responses against their departments.



The above bar graph represents the response rate of the members of staff who participated in the survey based on their departments. An impressive response rate was observed.

4.1.3 Gender analysis

Table 4.3 Gender analysis

Gender	Respondent	Percentage
Male	30	60
Female	20	40
Total	50	100

Gender distribution at stands at 60% for males and 40% for females, Men are dominated as workers at Spin Knit Dairy Ltd Dairy Company

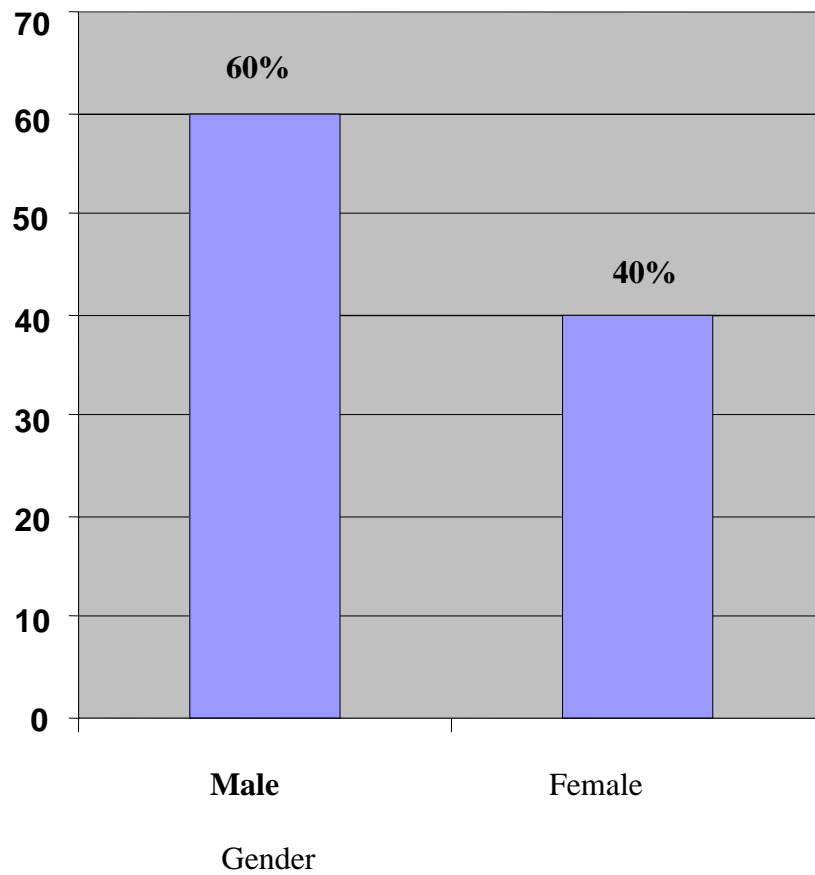


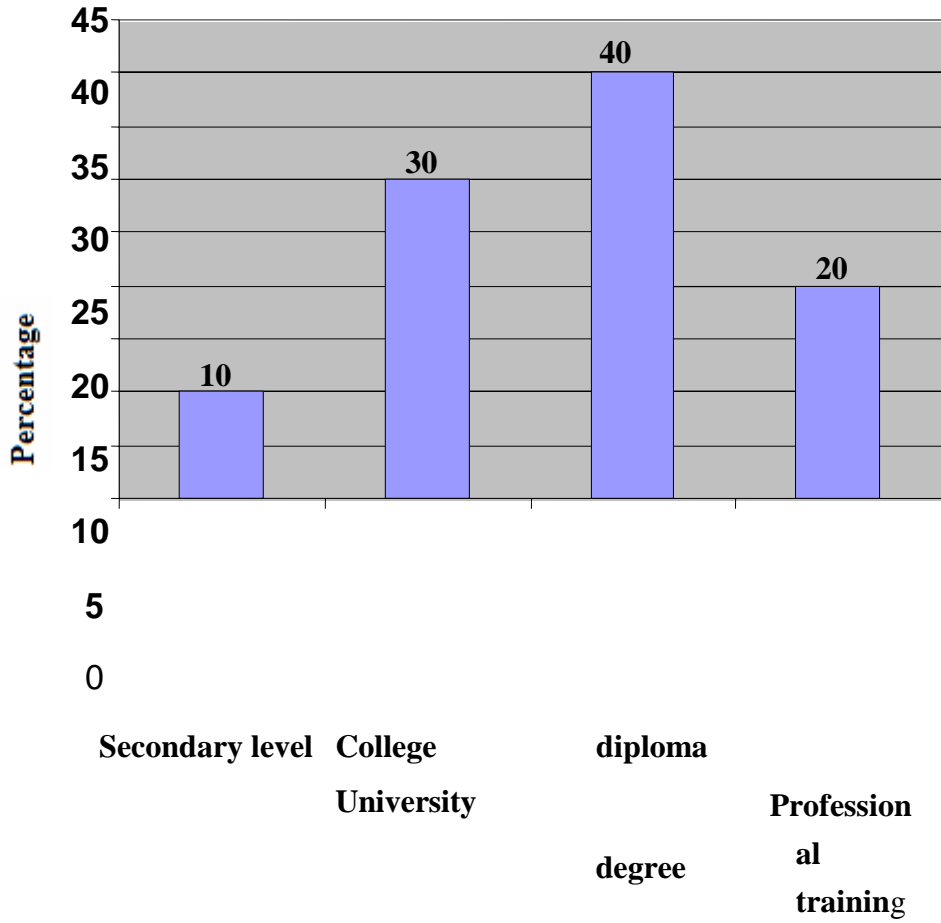
Figure 4.4 summary of gender analysis

4.1.4 Analysis of Professional Qualifications

Table 4.4 Highest level of education

Education Level	Respondent	Percentage
Secondary level	5	10
College diploma	15	30

University degree	20	40
Professional training	10	20
Total	50	100

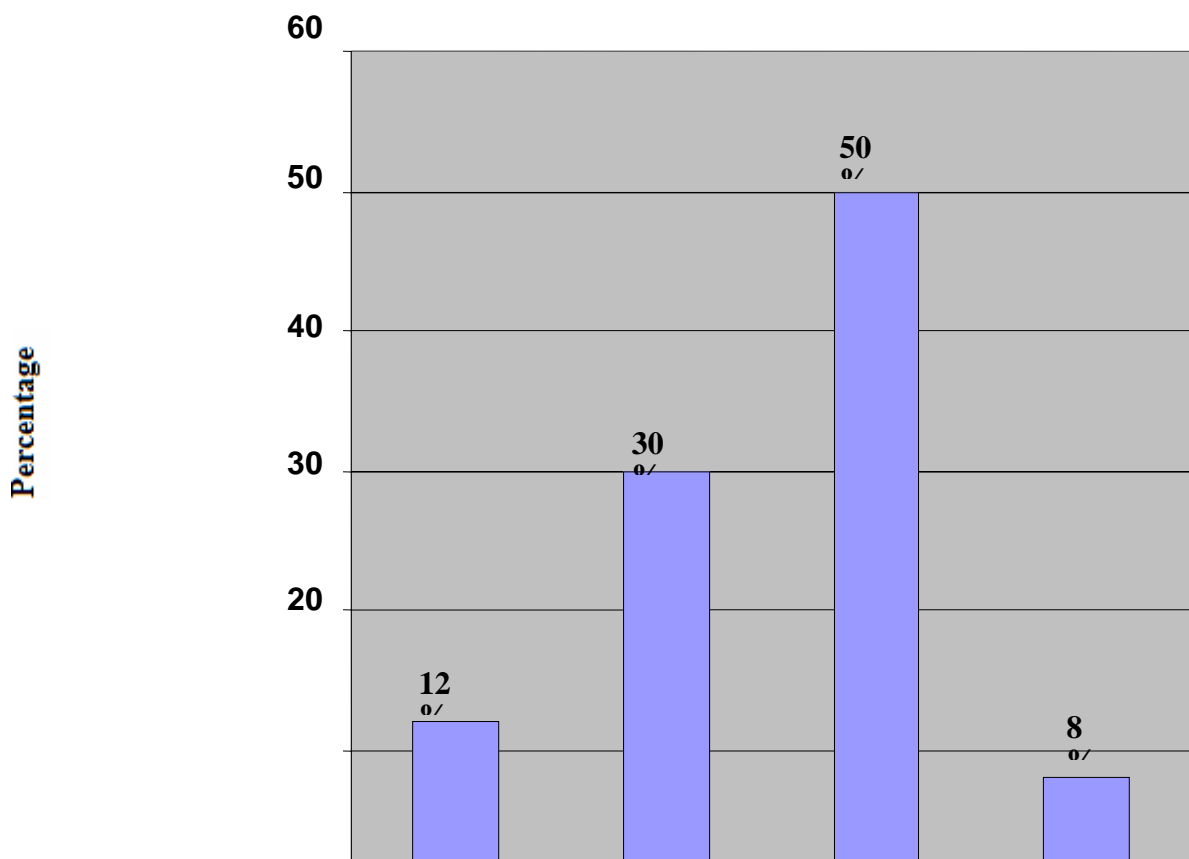


The summary of the study as determined in the table and figure above reveals that the majority of the employees are university degree graduates.

4.1.5 Analysis of years working in the company

Table 4.5 Numbers of years worked in the company.

Years Worked	Respondents	Percentage
1 – 5 years	6	12
6 – 10 years	15	30
11 – 15 years	25	50
Over 15 years	4	8
Total	50	100



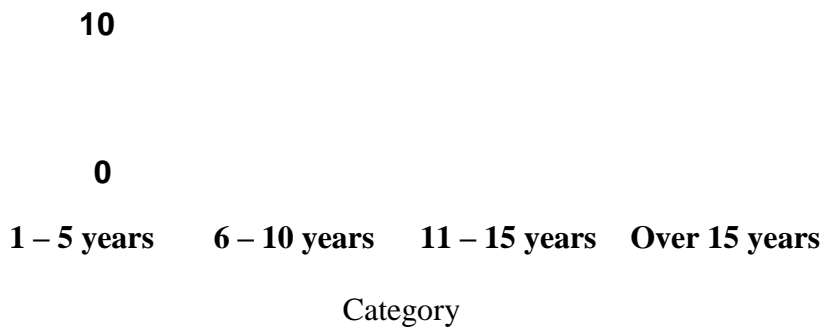


Figure 4.5 Age of respondents.

According to table 4.4 and figure 4.4 below 12% of the respondents were of the age of 1-5,30% were aged between 6-10, 50% were between 11-15 and 8% were the ages of above 15 years. Based on the study it can interfere that majority of the response was the age between 11-15 years.

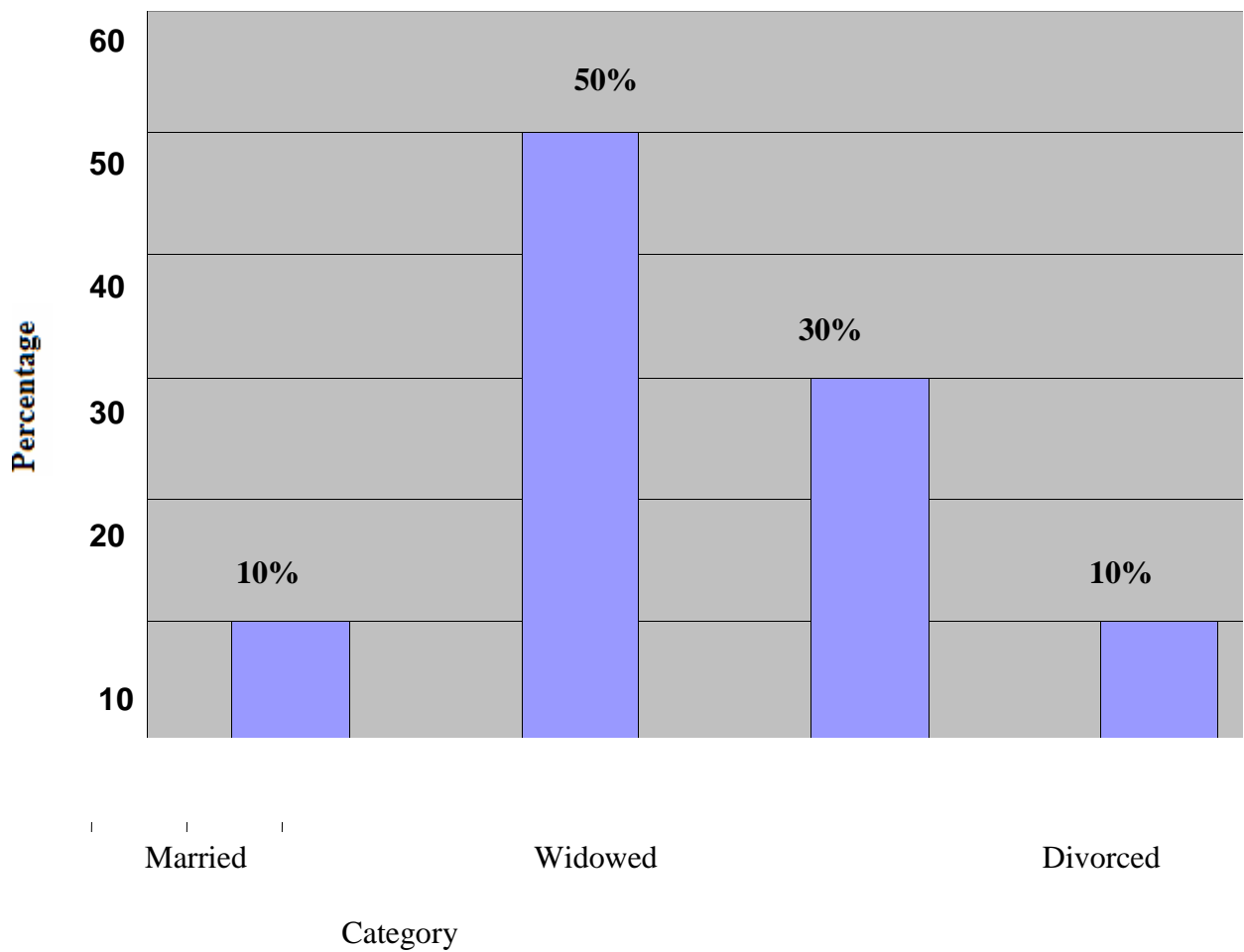
4.1.6 The analysis of the marital status

According to table 4.5 and figure 4.5 below, the analysis indicates the results of marriage. Based on the findings 10% of the respondents were single 50% of the respondents were married, 30% were widowed and 6% were divorced. This implies that the company has a stable workforce.

Table 4.6 marital status

Marital status	Respondent	Percentage
Single	5	10
Married	25	50
Widowed	15	30
Divorced	5	10
Total	50	100

Figure 4.6 Marital Status



Factors Affecting the Marketing of Dairy Products

4.1.8 Effect of quality in the marketing of dairy products.

Table 4.7 the table below shows the response rate indicating whether quality affects the marketing of the dairy product in Spin Knit Dairy Ltd dairy firm. From the table, 38 respondents gave a positive response while 12 respondents gave a negative response. 76 percent of the respondents admitted that quality affects the marketing of

dairy products. However, 24 percent of the respondents believe that quality does not affect the marketing of dairy products.

Table 4.7 Quality Response Rate

Attributes	No of respondents	Percentage
Yes	38	76
No	12	24
Total	50	100

4.1.9 Quality and Marketing of Dairy Products

On the question of what extent quality affects the marketing of dairy products, a number of respondents pinpointed the below results. 20% suggested very great, 40% great extent, 30% selected average while only 10% said not at all as shown in the table and diagram below.

Table 4.8 Quality and Marketing of Dairy Products

Category	Respondents	Percentage
Very great extent	10	20
Great extent	20	40
Average extent	15	30
Not at all	5	10
Total	50	100

The above information was presented in a bar graph below showing the number of respondents against their respective departments.

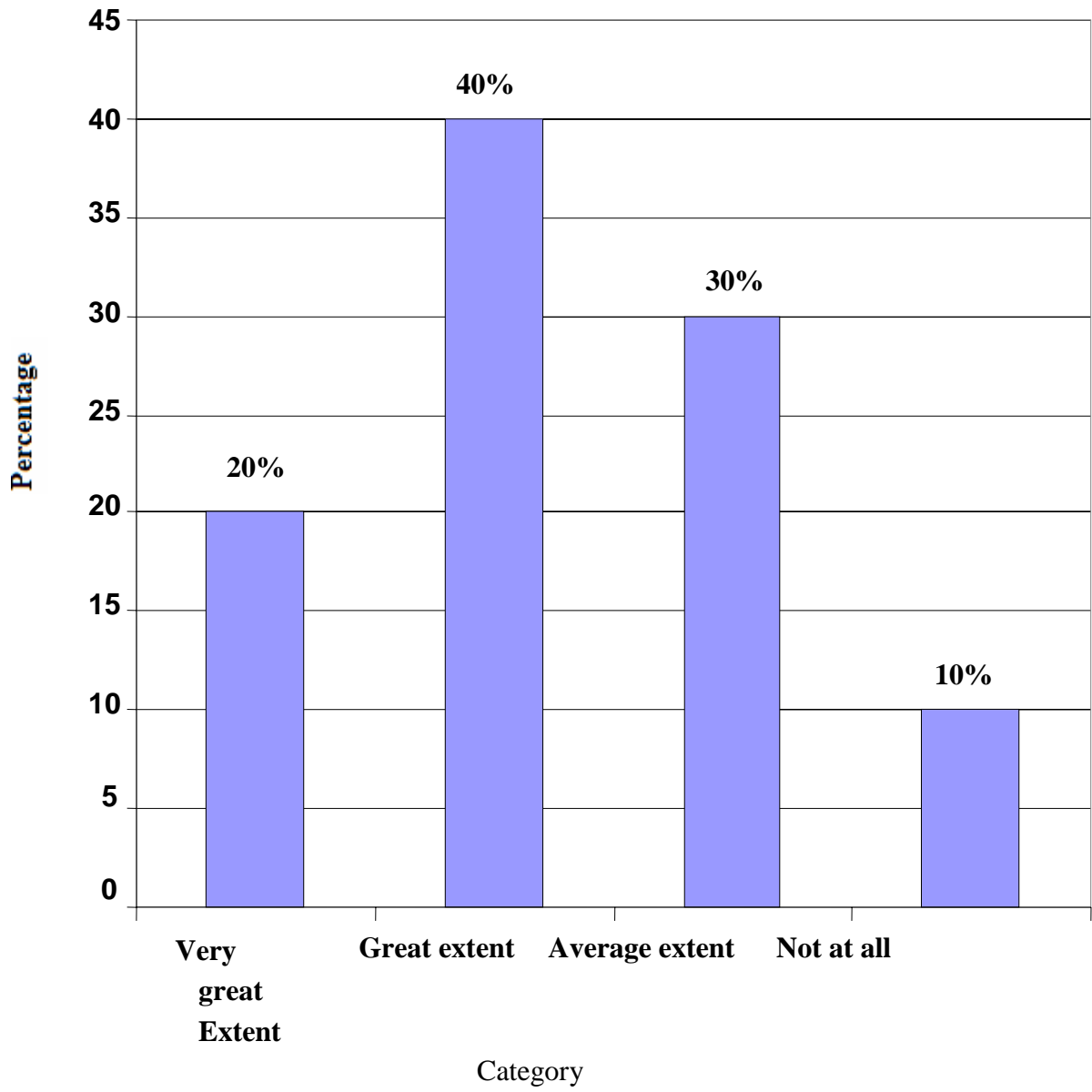


Figure 4.8: Quality and Marketing of Dairy Products

The majority of the respondents 40% felt the firm was fairly trained .10% felt it was not all trained while 20% it was a very great extent 30% of respondents felt it was the average extent.

4.1.10 Government Policy and Marketing of Dairy Products

The above table shows that 36 respondents said yes that government policy affects the marketing of dairy products. 14 respondents admitted that a policy does not affect the marketing of dairy products. The end result was that 72 percent of the actual sample admitted that the government policy affects the marketing of dairy products while 28 percent does not agree that government policy affects the marketing of dairy products. This above information was presented in the table below which indicates the response rate toward the specific study objective

Table 4.9 Government Policy and Marketing of Dairy Products

Attributes	No of respondents	Percentage
Yes	36	72
No	14	28
Total	50	100

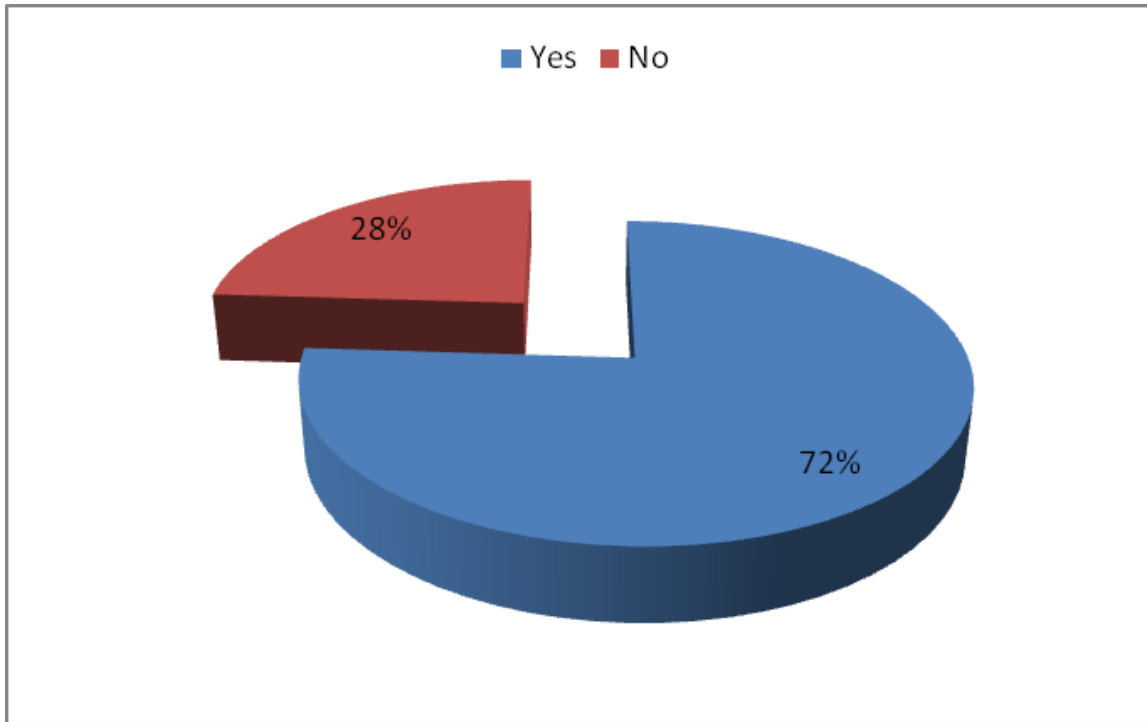


Figure 4.9 Pie chart indicating the response rate on government policy

4.1.11 Extent of Government Policy and Marketing of Dairy Products

The pie chart above shows that 18 members of the respondents admitted that government policy affects the marketing of dairy products to a very great extent which formed a 50 percent positive response from the actual sample. 12 respondents said that the policies affect the marketing of dairy products to a great extent that forms 33 % of the actual sample, while 6 respondents admitted that 17 % said that government policy affects the marketing of dairy products at an average rate that formed 17 % of the positive returned questionnaires.

Table 4.10: Extent of Government Policy and Marketing of Dairy Products

Attributes	No of respondents	Percentage
Very great extent	25	50
Great extent	17	33
An average	8	17
Not at all	0	0
Total	50	100

The above information was presented in a pie chart for analysis and interpretation as below.

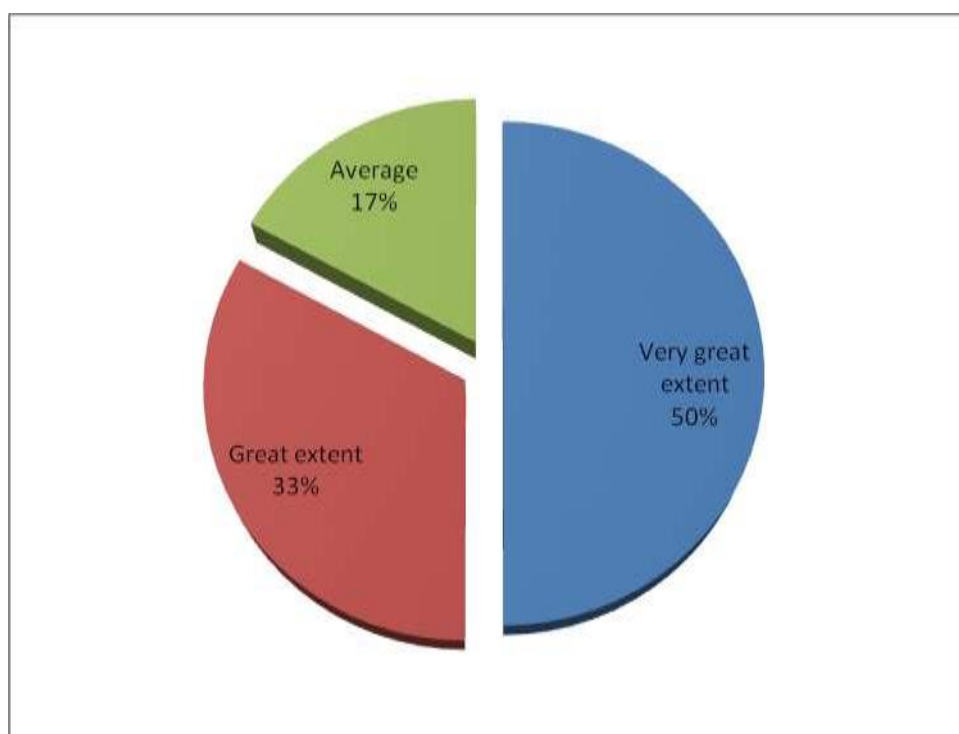


Figure 4.10 Pie-chart indicating the response rate about government policy

4.1.12 Effect of Storage Capacity on the marketing of dairy products

Table 4.11 the table below indicates whether storage capacity affects the marketing of dairy products in a large firm. Where from the table, 38 of the total respondents admitted that storage capacity affects the marketing of products that formed 76 percent of the total while 12 respondents said that storage capacity does not affect

the marketing of dairy products that formed 24 percent of the actual sample.

Table 4.11 indicates the response rate for storage capacity

Attributes	No of respondents	Percentage
Yes	38	76
No	12	24
Total	50	100

4.1.12 Extent of Storage Capacity to Marketing of Dairy Products

The table below details that 21 respondents said that storage capacity affects the marketing of dairy products to a very great extent which formed 42 percent of the actual positive sample. 16 respondents admitted that it affects the marketing of dairy products to a great extent which formed 32 percent of the actual positive sample. 13 respondents said that it only affects at an extent rate which formed 26 percent of the actual positive sample. 2 respondents admitted that storage capacity affects the marketing of dairy products at a low rate that formed 5 percent of the actual positive sample.

Table 4.12 Extent of Storage Capacity to Marketing of Dairy Products

Attribute	No of respondent	Percentage
Very great extent	21	42
Great extent	16	32
Average extent	13	26
Not at all	0	0
Total	50	100

4.1.13 Correlation Analysis

Correlation analysis was conducted to determine whether there existed any relationships between the study variables. The findings show that the strongest correlation was between the Marketing of Dairy Products and Storage Capacity, $r(0.674)$; $p < 0.01$. This was followed by the relationship between the Marketing of Dairy Products and Quality, $r(0.582)$; $p < 0.01$. then the relationship between Marketing of Dairy Products and Government policy, $r(0.572)$; $p < 0.01$ as summarized in table 4.13.

Table 4.13: Correlations

Variable		Marketing of Dairy Products	Storage Capacity	Quality	Government Policy	
Marketing of Dairy Products	Pearson Correlation	1				
	Sig. (2-tailed)					
	N	43				
Storage Capacity	Pearson Correlation	.674**	1			
	Sig. (2-tailed)	.000	43	43		

--	--	--	--	--	--	--

	taile d)N					
Quality	Pearson	.582**	.830**	1		
	Correlation	.002	.000			
	Sig. (2- taile d)N	43	43	43		
Governme ntPolicy	Pearson	.572**	.730**	.430**	1	
	Correlation	.00	.000	.000		
	Sig. (2- tailed) N	43	43	43	43	

**** Correlation significant at (0.01)**

4.2 Chapter Summary

The study surveyed a sample of 50 employees, which was the actual sample for the research. The research mainly involved people related to the acquisition of materials and distribution of finished goods. In a summary form, the questionnaire was distributed and the interview schedule was conducted and 38 out of the total actual sample was successful. The respondents suggested that the quality of the dairy products should be improved since there are new ideas coming up, this will enable the customers to be having self-satisfaction with the dairy product and consume as much. They also suggested that organization firms should recruit professionals to check on the quality of dairy products. That organization firm needs to maintain its competitive advantage over its competitors.

The respondents said marketing dairy products should show the quality of the products, their contents, and what it achieves. Only potential products must attain the

set target qualities to be awarded the contract of business. The products shortlisted should be economically viable in the current technology. The respondents suggested that for effective marketing of dairy products at Spin Knit Dairy Ltd Company the kinds of restrictions imposed by the government legislation, trade unions, or even within the organizational firm structure determine the criteria for supply of products, sourcing, and ways of contracting with them.

Storage capacity is how storage is done frequently to avoid shortage; sufficient stock is ensured and is an often-used mechanism to protect against supply disruption. And greater storage capacity is needed to protect the market against unanticipated supply shortages in the future. This makes the suppliers meet their obligations which are required. The respondents suggested that the stability of suppliers enables the buyer to have confidence in the supplier in affording to attend to any necessary task in making delivery of goods, works, and services. A supplier without necessary products becomes very difficult to honour the contract. A good supplier is one who makes sure that there is no delay in the supply of materials hence facilitating continuous processes.

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSION, AND RECOMMENDATIONS

5.0 Introduction

This chapter narrows its focus on the summary of findings, conclusions, and recommendations of the research study. The chapter gives a detailed explanation of the analyzed data in quantitative analysis where the factors found to affect the marketing of dairy products are discussed; these entailed an in-depth explanation of each variable explored by the study. The answers to the research questions are discussed and the conclusions of the research study are explained, to enhance increased supply, the study recommendation are discussed and suggestions for further studies were encouraged.

5.1 Summary of the Findings

This section provides a summary of the variables that affect the marketing of dairy products conducted at Spin Knit Dairy Ltd Dairy Company. According to this research, the researcher notified that quality developed by farmers gives an upper hand to the marketing of dairy products. Quality which was practiced through the good feeding of livestock and the regular medical checkup of livestock practiced by the farmers plays a critical part in ensuring that the best quality dairy products are produced. The kind of quality developed meets the consumer's needs and satisfaction.

Government policy is the policy that enhances the guideline to be followed in any organizational firm's functions. This policy may be through government legislation, organizational firm culture, and trade union. According to this research study, the researcher found out that the marketing of dairy products is affected by government policy from the point of organizational culture majorly.

Storage capacity determines how the supplier is stable in the market to supply materials. The researcher found out that storage capacity enables the supplier to afford the obligation that is required in facilitating the delivery of dairy products. They also noticed that the storage capacity of their company gives a chance for potential investors to invest in the business. The suppliers are also in a position to enjoy other benefits that are offered by other institutions.

The researcher found out that the market structure of the product determines the supply of products. This enhances the suitability and fitness of the product for the intended purpose. According to this research study, the researcher was able to make a comparison concerning the market structure of the products from different suppliers before coming up with the final results. Market structure can be achieved through commitment by the suppliers. A researcher also found that total quality management minimizes the cost of maintenance and

repair on the products. Through quality enhancement, the company is in a position to be competitive and improve its image among the public at large.

5.2.1 To what extent does quality affect the marketing of dairy products at Spin Knit Dairy Ltd dairy company?

The researcher recorded an impressive response rate of 76% of the actual sample who concurred with the research question. The respondents suggested that quality developed by their supplier is a critical issue that determines how reliable the marketer is in making frequent advertisements of products in the market. A researcher also observed that the kind of quality was important that contributes a lot to the supplier to perform their task accordingly. A good quality policy mitigates quality problems in the firm organization which can be in the form of setting standards for dairy products. Plant analysis is a crucial concept that an organization must examine before supplying its products. This is vital in ensuring that suppliers do not become obsolete in terms of technological advancement.

5.2.2 To what extent does Storage capacity affect the marketing of dairy products?

According to this research study, the researcher recorded 76% of the actual sample agreed that storage capacity affects the marketing of dairy products. The respondents suggested that a supplier who is financially stable is in a position to meet all the obligations as required. The storage capacity enhances the organization in making final judgments on supply better. They also suggested that the storage capacity of the supplier enables potential investors to invest in the business hence expanding the size of the business.

5.2.3 How does government policy affect the marketing of dairy products?

These are policies that determine daily activities, and the way they should be carried out. The researcher recorded that 72% of the respondent admitted that government policies affect the marketing of dairy products. Policies are the values and norms that guide the operation activities. Regulations from the government legislation may hinder trading with certain suppliers since they are not recognized by licensing Authority board. Policies facilitate the smooth running of the business across the involved parties without discrimination from dominant companies towards minor ones.

5.2 Conclusion

Based on this research it was concluded that most of the respondents believed that quality, government policy, storage capacity, and market structure of the products affect the marketing of dairy products. It is very important for a firm organization to market wisely based on the 5Rs which are Right Time, Quality, Quantity, Supply, and Price. These are the core principles that determine the efficiency and effectiveness of any firm organization's functions. The right marketers are sure that the contracted agreement is maintained

and honored. Any company or a buyer incurs fewer expenses than if only the product marketing was not done as supposed to be done. The right supply results in higher productivity of the firm organization. The factors to consider when marketing dairy products play a major role in facilitating the smooth flow of production.

The quality developed by marketers facilitates drawing judgment concerning how reliable the marketer is the capability of the suppliers to fulfill any batch size is determined by how financially stable, a good marketer must have a good public image that motivates potential investors into his business. This offers a chance to make the marketer more stable thus expanding on his operational activities.

The government policy that affects the marketing of dairy products is very crucial in choosing suppliers. Policies form restrictions that may or may not hinder carrying out activities with certain marketers. Certain government policies in the market, determine the kind of competition in the market.

The standards of the market structure of quality of the product must prevail as stipulated by the company or the government. The market structure of the products is very paramount in supply; only competent dairy product suppliers should supply quality products for the purpose of maximizing profit. The firm organization must be a cost leadership as well as making sure that the products meet the structure of the market, standards, and the customers' expectations in terms of market structure.

5.3 Recommendations

The findings and conclusion of the study recommend that there is a need for the company to employ various marketing strategies as this will aid in the creation of a market for their product which will help in the selling of their products. From the finding it was revealed that quality, the storage capacity of dairy products, and government policy affects their marketing, there is a need for the company to consider these aspects as they will aid in the marketing of these products. There is a need for the company to align its progressions with the government policy to thrive in its marketing.

REFERENCES

- Babbie, E. (2002). *Survey research methods* (2nd ed.). Belmont: Wordsworth.
- Baltenweck, I., Staal, S. J., Owango, M., Muriuki, H., Lukuyu, B., Gichungu, G., Kenyanjui, M., ~jubi, D., Tanner, J. and Thorpe, W. (1998) Intensification and Competitiveness of Smallholder Dairy Production Systems in the Greater Nairobi Milk Shed.
- Batterink, M.H., E. Wubben, S.W.F. Omta, 2006. Factors related to innovative output in the Dutch agri-food industry. *Journal of chain and network science* 22 (1): 31- 44.
- Bebe, B.O., Udo, H.M.J., Rowlands, G.J. and Thorpe, W. (2008) Smallholder Dairy Systems in the Kenya Highlands: Cattle population dynamics under increasing intensification.
- Caswell J.A., O.J. Padberg, 1992. Toward a more comprehensive theory of food labels. *American Journal of Agricultural Economics* 74 (2): 460-468.
- David R.J., SH-K, Han, 2004. A systematic assessment of the empirical support for transaction cost economics. *Strategic Management Journal* 25: 39-58. FAO, Land O'Lakes, Impact of Post-Election Violence on Kenyan Dairy Industry, February 2008.
- Hooton, N.H. (2004) The Smallholder Dairy Project: Experiences in dairy policy influencing in Kenya Kenya Dairy Board (KDB) (2009) Facts and figures Retrieved at <http://www.kdb.co.ke/facts.htm> on 3 August 2009.
- Kimunyu, A., and Monyi S.M., (1998) Assurance of Marketed Milk Quality in Kenya
- Kodhek, A.G. (1999). Report on revitalizing the dairy industry in Kenya. Tegemeo institute, Nairobi.

Kotler, P & Fox, K.F.A. (1995). Strategic marketing for educational institutions. 2nd Edition.

London: Prentice Hall. 36

Kotler, P. (1997). Marketing management. 9th Edition. London: Prentice Hall.

Kwayera, J. (2003) Clean vs 'Dirty' Milk or Big Business vs Small Farmers Lecture Notes
Management MG 111 by Caroline O'Reilly, Lectures 3 and 4, based on.

Griffin, R. W. (1999), Management 6th edition, Houghton Mifflin Company, USA

Lamb, C.W., Hair, J.F. & McDaniel, C. (1994). Marketing. 2nd Edition. Ohio: South Western
Publishing Co.

Lamb, C.W., Hair, J.F. & McDaniel, C. (2000). Marketing. 5th Edition. Cincinnati: South Western
Publishing Co.

Loader R., J.E. Hobbs, 1999. Strategic responses to food safety legislation. Food Policy 24: 685-706.
Masten S.E. 1993. Transaction costs, mistakes, and performance: assessing the importance of
governance. Managerial and decision economics 14(2): 119- 129.

Lucas, G.H.G. (1983). The task of marketing management. 2nd Edition. Goodwood, Cape: National
Printers.

Lucas, G.H.G. (1983). The task of marketing management. 2nd Edition. Goodwood, Cape: National
Printers.

Mudavadi, P.O., Otieno, K., Wanambacha, J.W., Odenya, I.O., Odendo, M. and Njaro, O.K.
(2007) Smallholder Dairy Production and Marketing in Western Kenya: A review of the literature.

Muriuki, H., Omore, A., Hooton, N., Waithaka, M., Ouma, R., Staal, S.J., and Odhiambo,

P. (2003) The Policy Environment in the Kenya Dairy Sub-sector: A review 37

Muriuki, H.G., Mwangi, D.M. and Thorpe, W. (2001) How Smallholder Dairy Systems in Kenya
Contribute to Food Security and Poverty Alleviation: Results of recent collaborative studies

Ngigi, M., Delgado, C., Staal, SJ. and Mbogoh, S. (2005) Role of Market Outlet In Determining Terms for
Milk Sales by Smallholders in Kenya

Nyariki O M, Wiggins Sand Imungi J K 2009 Levels, and causes of household food and nutrition,
insecurity in dryland Kenya. Ecology of Food and Nutrition 41(2):155-176

Odembo, E. (2003) SOP Policy .and Institutional Reform Strategy: Recommendations for action

Ogodo, O. (2004) Milk Vendors Win Support in War Against Dairy Board

Ojowi, M.O., Ogidi, R.O., Obanyi, IN., Owango, M.O. and Nyamira, Kisii Central and

Rachuonyo DLPOs (2001) Smallholder Dairy Production and Marketing in Kisii, Nyamira and
Rachuonyo Districts: A review of literature Omiti, 1. (2003) Enact Policies to Guide Milk
Trade

Omondi, V. (2003) Grappling with the Hawker Problem

Omondi, V. (2003) Why Raw Milk Markets May Be Good for Kenya

Omore A. et al (1999). The Kenyan Dairy Sub-sector: A rapid Appraisal. MoARD/KARIILRI smallholder Dairy project, Kenya

Omore, A. et al (2003). Assessing and managing milk-borne health risks for the benefit of consumers in Kenya. Smallholder Dairy (R&D) project, Nairobi.

Porter M.E., R.A. Kramer, 2006. Strategy and society: the link between competitive advantage and corporate social responsibility. Harvard Business Review 84 (12), 78-92.

Rep. of Kenya (2002). National Development Plan 2002-2008: Effective management for sustainable economic growth and poverty reduction. Govt. Printer, Nairobi.

Romijn, D., Albaladego W. (2002) Technology Development and Field Testing: Access to credit to allow smallholder dairy farmers in central Kenya to reallocate concentrates during lactation

Schreiber, C. (2002) Sources of Innovation in Dairy Production in Kenya. SOP (2004a) Kenya's Dairy Sector: The potential for policy change? 38 SDP (2004b) Kenya's Informal Milk Markets and Raw Milk

Smith, L., Jones, S. and Karuga, S. (2004) Agriculture in Kenya: What shapes the policy environment?

Spences , H (1994), Management - A Global Perspective, 10th edition, McGraw-Hill Inc., USA, p. 185

APPENDICES 1
SPECIMEN LETTER TO RESPONDENTS

Dear Sir/Madam

University carrying out a project entitled; to investigate problems encountered during the marketing of dairy products. A case study of Spin Knit Dairy Limited The below questionnaire below has been designed to help gather data on the project. I kindly request your assistance in collecting the information by answering the questions here in precisely and factually as possible.

The information collected shall be used for academic purposes and strict confidentiality is assured

Yours faithfully,

Kenneth Wilfred Kathurima Mbaya

Management University of Africa (MUA)

APPENDICES 11
QUESTIONNAIRE

For each of the questions below, please tick in the space provided for the answer that describes your opinion where appropriate.

BACKGROUND: PERSONAL INFORMATION

1. Gender

Male

Female

2. Highest Education Level

Secondary level

College Diploma

University Degree

Professional training

3. A number of years of service.

1 to 5 years

6 to 10 years

11 to 15 years

Over 15 years

4. Marital status

Single

Married

Widowed

Divorced

PART ONE – Quality

5. Does the quality affect the marketing of dairy products?

Yes

No

6. Explain?

.....
.....
.....

7. To what extent does the quality developed by marketers affect the marketing of dairy products?

Very great extent

Great extent

Average extent

Not at all

8. Explain?

.....
.....
.....

9. What benefits does the firm accrue from elaborate marketing of dairy products?

.....
.....
.....

PART TWO – GOVERNMENT POLICY

10. Does the government policy affect the marketing of dairy products?

Yes

No

11. Explain?

.....
.....
.....

12. To what extent does government policy affects the marketing of dairy products?

Very Great Extent

Great extent

Average extent

Not at all

13. Explain?

.....
.....
.....

14. What role does government policy play in the evaluation of marketing procedures?

.....
.....
.....

15. In your opinion how reliable are marketers based on their government policy?

.....

.....

.....

.....

.....

PART THREE – STORAGE CAPACITY

16. Does storage capacity affect the marketing of dairy products?

Yes

No

17. Explain?

.....
.....
.....

18. To what extent does storage capacity affect the marketing of dairy products?

Very Great Extent

Great extent

An Average

Not at all

19. What impact does storage capacity have on the marketing of dairy products?

.....
.....
.....

20. Explain your response above

.....
.....
.....

Scheme of work/ Research schedule

ACTIVITY	TIME FRAME
Proposal writing	1 st July – 30 th September 2022
Distribution of questionnaires, interviews, and collection of data	7 th October - 30 th October 2022
Compiling and data analysis	1 st November – 10 th November 2022
Report writing (draft)	11 th November – 25 th November 2022
Submission of draft	26 th November – 9 th December 2022
Report writing (final)	10 th December – 14 th December 2022
Submission of the final project	15 th December 2022

Budget

The cost was projected to be minimal because the area under the study was within the locality of the researcher's residence. It was mainly on commuter transport, stationery, printing, photocopying, and binding. This project was funded by the researcher, it was estimated to be as follows:-

ITEM	COST IN KSH.
Transport and accommodation	58,000
Stationery	1,200
Document processing	15,000
Consultancy	25,000
TOTAL	99,200