
EFFECTIVENESS OF TRADE PROMOTION IN BUILDING MILK BRAND IN KENYA

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ABSTRACT

In this paper Factor analysis was used to reduce the variables and determine interrelationships. Analysis of data indicated that consumer promotions have actually increased dairy brand awareness especially by firms that practices it, for example, the recent Tuzo promotions whereby if you bought one packet of Tuzo milk packet, you were given another free packet of milk. The recommendations drawn from the study were that players in the industry should take concern of the identified factors that were deemed crucial in enhancing brand awareness. If these considerations are implemented, then companies can be sure to have a competitive edge over others that do not put them into consideration. The researcher proposed future researchers that take to determine brand awareness focusing on companies themselves, since this study focused on consumers. Marketing managers need factual, market-based information that will help them design innovative ways on consumer promotions in order to build brand awareness. This will increase their market share and profitability, both in the short and long run.

Key Words: Promotional campaigns; Brand Awareness; Factor Analysis

1.0 INTRODUCTION

Kenya Dairy Board (KDB) was established by an act of parliament in 1958, the Dairy Industry Act, Cap 336 of the laws of Kenya, with the responsibilities to develop, promote and regulate the dairy industry. Dairy processing was first officially adopted in Kenya on 22nd August 1925, upon the incorporation of Kenya Co-operative Creameries (KCC) as a public limited company by shares, under the company's ordinance of 1921 and 1923. On 8th February 1932, the company was again registered under the co-operative societies ordinance of 1931, thereby giving it a dual nature. Over the years, the dairy industry has been run through the co-operative movement (KCC Articles of Association, 1984). The mission of the Kenya Dairy Board is to facilitate the stake holder's activities towards a sustainable dairy industry that provides quality and affordable milk and milk products.

Functions of the board

Enforcement of National Standards for the Dairy Industry, Promotion of the code of practice for handling, processing and distribution of milk and milk products, Training for industry by itself or in collaboration with industry stakeholders, Facilitation of dairy industry stakeholders' activities, Promotion of dairy consumption of certified quality, Maintenance of a data bank for the dairy industry information and regulate dairy imports. In its endeavor to develop, promote and regulate the dairy industry, the Kenya Dairy Board wishes to advise dairy producers, milk vendors and dairy consumers of the dangers inherent in milk of uncertified quality, particularly raw milk. Hawking of raw milk raises concern in respect with public health hazards that are believed to be associated with informal milk marketing especially brucellosis, tuberculosis and typhoid. The board appeals to dairy producers to set up farmers associations for organized milk marketing. In this regard hygienic handling. Processing and distribution of milk products is essential (KDB 2002). The dairy industry Act (chapter 336) gives an indication of the products to be covered and includes fresh milk, fermented dairy like mala, yoghurt and dairy products like butter, cream, ghee, cheese, ice-cream and powdered milk.

Promotional campaigns have been very heavily used in recent years. For example, by the late 1980's some 60 percent of supermarket sales were estimated to involve items that were put on promotion. (Resenbloom, 1995). A consumer promotion is any time bound program of a seller that tries to make an offer more attractive to buyers and requires their participation in the form of an immediate purchase or some other attraction (Tellis, 1998). Consumer promotion generally holds for a well-defined time period that is announced to consumers. A permanent price-cut is not a consumer promotion nor is a continuous sweepstakes such as state lottery. Consumer promotion generally require consumers to participate by using a coupon, entering a sweepstakes using a sample or buying the product by a specific date (Tellis, 1998). Consumer promotion consist of a diverse collection of incentive tools mostly short-term, designed to stimulate quicker or greater purchase of particular products or services by consumers or the trade (Kotler, 1999).

There are over twenty different types of sales promotions. These can be conveniently classified on two dimensions; the channel of distribution (either trade, retail or consumer promotion) and the characteristic of the promotion (either communicative or incentive promotion), whereas advertising offers a reason to buy, sales promotion offers an incentive to buy. Evidence suggests that some consumers react to promotion signals without considering relative price information. Experimental results show that low need for cognition, individuals react to the simple presence of a promotion signal whether or not the price of the promoted brand is reduced but that high need for cognition individuals react to a promotion signal only

when it is accompanied by a substantive price reduction. Past research has shown that these promotions may cause dramatic increases in sales for the promoted brand (Blatterberg, Eppen and Lieberman 1981; Dodson, Tybout and Sternthal 1978; Guadagni and Little 1983; Kumer and Leone 1988). This sales increase is generally assumed to result from customers evaluating the promoted brand more favourably because of its reduced price and therefore altering their brand choice behaviour. (Dickson and Swayer 1988) polled consumers in a supermarket. Immediately after each had placed their brand selection in their shopping cart of those consumers who had just selected a brand that was on promotion, less than 15 percent actually knew the amount of the associated price cut.

The findings suggest that, for some consumers, the promotion signal alone may be sufficient to stimulate a change in brand choice behaviour. Over time, some consumers interpret a promotion marker as a proxy for a price cut so that the simple presence of a promotion signal heads the consumer to presume that the price of the promoted brand has been discounted. If the consumer assumes that the price has been discounted but does not proceed to verify this by comparing the promoted price to some standard (such as the price of other brands within the category or the price of the unprompted brand in the consumer's memory), the potential exists for a less than optimal decisions by the consumer and increase in the market share of the promoted brand and without a concomitant price cut. (Hoyer 1989). Promoting a brand with both a promotion signal and a price cut will on average increase the likelihood that an individual will choose that brand. (Blatterberg 1981). The fact that consumers can be segmented based simply on need for cognition into those who do and do not use promotion signals as a proxy for a price cut effectively advances the idea that promotion effects are moderated by individual difference variables. This indicates the importance of the consideration of individual difference variables in future study of promotion. Although the effect of the promoted brand is widely recognized, relatively little is known about the individual difference variables moderating this effect. Sales promotion tools are used by most organizations, including manufacturers, distributors, retailers, trade associations and non-profit organizations. Churches for example, often sponsor bingo games, theatre parties, testimonial dinners and raffles. A decade ago, the advertising-to-sales promotion ratio was about 60:40. Today, in many consumer-packaged goods companies, sales promotion accounts for 65-75 percent of the combined budget. Sales promotion expenditures have been increasing as percentage of budget expenditure annually for the last two decades. (Kotler, 1999). The study seek to assess effectiveness of trade promotion in building brand equity, milk customers in chuka

2.0 LITERATURE REVIEW

Many people including some professionals have serious misconceptions about Consumer promotions. One misconception is that Consumer promotions constitute unnecessary incentives that inevitably erode a brand's value. Actually, consumer promotions span a wide spectrum of activities, many of which have a long-term positive effect on a brand's appeal. For example, sales conferences generate great enthusiasm among manufacturers, retailers, trade conventions help suppliers contact their clients, consumer sampling generates trial for new brands and coupons can contain vital information on brand features.

A second misconception is that Consumer promotions are adhoc attempts to shore up a declining brand, although promotions may constitute a weapon of last resort that firms can use to remedy. Some problems with a marketing plan, promotions require advance planning to be effective. Good planning ensures that atleast one of the firm's brands is always on some type of promotion, competing with promotional offers by rival firms. An even more important role of Consumer promotion is to price discriminate among segments of consumers who differ in information loyalty or price sensitivity to the brand. A third misconception is that Consumer promotions constitute short-term tactics while advertising constitutes long-term strategy. Although some firms may adopt this approach to advertising and promotion, it is a poor strategy. Consumer promotions are most effective when they constitute an intrinsic part of the Marketing strategy and are closely linked with advertising. (Tellis, 1998).

2.1 Studies done on consumer promotion and brand awareness

(Kioi 2001) found out that, the entrance of new players has aggravated the industry characteristics and a new competitive environment is evident as we experience increasing number of branded dairy products on the supermarket shelves. Mulili (2000) found out that majority of enterprises promote their goods and services either passively or within a limited geographic area. 11.7 percent of the enterprises indicated that they only used special discounts once in a while. The usage of the special discounts was tied to the quantities purchased whereby a customer who buys in large quantities is given the discount. Ideally pricing for most small business enterprise product is mainly through bargaining, haggling thus making each price a special discount. The business premise is also used as the showroom where goods are displayed either inside or outside the premises. This could be attributed to the low levels at which they operate, lack of finances, inadequate managerial skills and inadequate knowledge as to the usefulness of the sales promotional tools.

2.2 Brand Awareness

Brand awareness is the ability of a potential buyer to recognize or recall that a brand is a member of a certain product category. A link between product class and brand is involved. (Aaker, 1991).Is the ability of a potential buyer to recognize or recall that a brand is a member of a certain product category. According to the American Marketing Association, a brand is a "name", term, sign, symbol or design or a combination of them intended to identify the goods and services of sellers and to differentiate them from those of competition." (Keller, 1998).

Brand awareness involves a continuum ranging from an uncertain feeling that the brand is recognized, to a belief that it is the only one in the product class. This continuum can be represented by 3 very different levels of brand awareness: brand recognition, brand recall and top of mind. The role of the brand awareness in brand equity will depend upon both the context and upon which level of awareness is achieved.

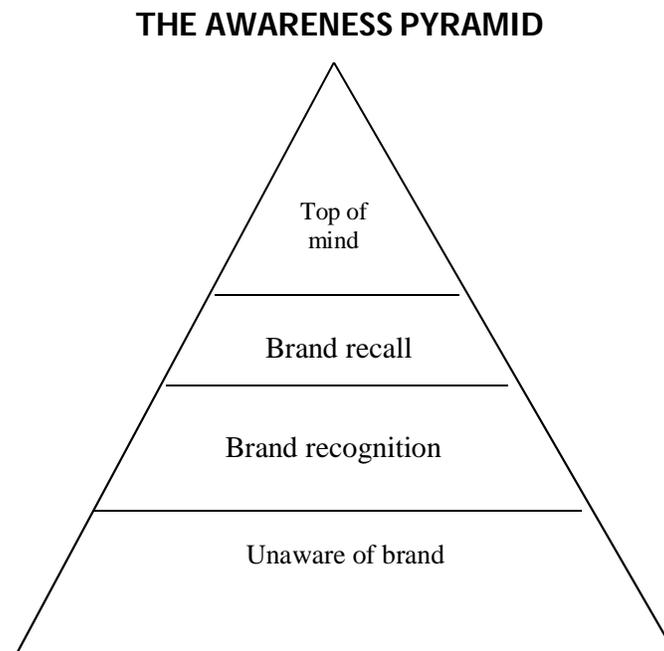


Figure 1: Aaker, 1991 *Managing Brand equity*.

Brand recognition

It's based upon an aided recall test i.e. the respondents are given a list of brand names, from a given product class. Then customers are asked to identify those names they have heard before. Here although there needs to be a link between the brands and the product class. It need not be strong. Brand recognition is a minimal level of brand awareness. It's particularly important when the buyer chooses a brand at the point of purchase.

Brand recall

It's based upon asking a person to name the brand in the product class. It stands "unaided recall" examples, name of a toothpaste they know! the respondent is not assisted by having the names provided. Unaided recall is a substantially more difficult task than recognition and is associated with a stronger brand position. A person can recall minimal items on an aided recall basis than on unaided recall basis. The first named brand in unaided recall task has achieved top-of-mind awareness, a special position. In every sense it's a head of the other brands in the person's mind.

Dominant brand

A still strong position not presented in figure will be that of a dominant brand. A brand that is only brand recalled for a high percentage of the respondents. Having a dominant brand provides a strong competitive advantage in many purchase situations, it means that no other brand will even be considered. (Aaker, 1991). Recognition is simply remembering that there was past exposure to the brand. Exposure is important because consumers prefer an item they have previously seen to one that is new to them so when the brand choice is made, the familiar brand will have an edge. When consumers see a brand several times they realize that company is spending money to support the brand and companies will not spend money to support bad brand.

When a brand is promoted many times familiarity factor comes in, brand becomes more visible than other brands that are not being exposed. This visibility constitutes awareness building. For example number one brand in the world is - Coca-Cola with \$69.9 billion assets, Coke is exposed so many times, brand name must be short for people to remember easily. Slogans, tagline help increase brand awareness.

Creating Brand Awareness

A lot of resources are required to create health awareness level. For that to be possible a broad sales base is required. Companies make sure all the brands are called by the corporate name, so all brands become corporate brand example Toyota, Mitsubishi, Sony.

Be different and memorable.

Do not copy somebody else colour, name. Occupy your own special name Publicity goes on with brand relations. For example the December tusker promotion, which run “help tusker save lives” promotion. Do not give five million shillings and go away, do many times with small amounts. People talk about you without you paying. However, publicity should usually play a role and sometimes carry, the ball (ensure press coverage). Its less expensive than media advertising, if well planned its very effective. People are more interested in learning about a new story than reading, advertising. The problem is to generate events on issues associated with the brand that are news worthy.

Slogan or jingle

Slogan or Jingle can make a big difference. Slogan is the tagline slogans help recall. The slogan should be short and memorable. Have only one slogan at a time. A symbol should be linked to the brand so that it can create and maintain awareness. It involves a simple image, which is much easier to recall than a word or phrase, which are not linked to the brand.

There are often creative ways to win symbol exposure besides using advertising example use of

- ❖ Exhibitions
- ❖ Contests
- ❖ Sponsorships

Involves shape of the brand colours, writing on label, product tagline

Exposing the symbol to all consumers so as they can distinguish your brand from others. Primary role of sports sponsorship is to maintain and create awareness thus the Caltex equater rally, the physical sponsorship rally calendar are meant to generate exposure to spectators to view them live in television and from others to read about them either before or after the occurrence.

Create Brand Extensions

One way to give brand recall and to make the brand name more salien is to put the name on other products or to use name on all your products example Sony on all electronics was selected so that it's widely used hence benefit from multiple promotion efforts. Mitsubishi was used on more than 25,000 products including vehicles, financial products, and food products.

Using cues

Awareness campaign can be created by cues.

One brand cue that is particularly useful is the package because is the active stimulus with which the shopper is confronted/stimulated.

Recall requires repetition

It's very important that the brand is recalled as often as possible. Recall is difficult; it requires an in-depth learning, experiences and many repetitions. Top of mind-recall is of course even more demanding. For a brand like coke to maintain high levels of top-of -mind recall relatively high levels of repetitions may be needed indefinitely; it requires of course high spending.

The recall Bonus

Maintaining a strong top of mind awareness through constant exposure can create not only brand awareness, but also brand salience that can inhibit the recall of other brand.

2.3 How Awareness Works to Help the Brand

❖ Anchor to which other associations can be attached.

Brand recognition is the first basic step in the communication task. It is only after establishing a brand name that we can associate it with other attributes. Learning about features and benefits of a new product is difficult without achieving recognition. With recognition established the tasks is simply to attach a new association such as attribute.

❖ Familiarity/ liking.

Recognition provides the brand with a sense of familiarity-and people like the familiar. Especially low involvement products like soap, chewing gum, paper towels, sugar, disposable pens, familiarity can sometimes drive the buying decision. Studies have shown a positive relationship between the number of exposure and liking. The level of liking was found to increase with the number of exposures.

❖ Substance/commitment.

The first step in the buying process is to select a group of brands to consider (consideration set). Brand recall is crucial to getting into consideration set. The first firms that come to mind will have an advantage. The role of the brand recall (or better yet, top-of mind recall) can also be crucial for frequently purchased products (fast moving consumer goods) like coffee, detergents and headache remedies for which the brand decisions are usually made prior to going to the store. Case studies have shown a relationship between recall and consideration set. Generally, if a brand does not achieve recall, it will not be included in the consideration set. However, people do recall brands that they dislike strongly. Hence it is important for the brand to be remembered for the right reasons.

A study on coffee market clearly showed the impact of awareness. For 19 successful periods, market share and advertising expenditure were obtained and linked to the results of 19 coincident telephone surveys. From the results, it was demonstrated that advertising impacted on market share only indirectly through its impact upon awareness and attitude. Furthermore, there was much influence on a change on awareness as there was via a change in attitude, suggesting awareness can be an important factor independent of changes in attitudes (Aaker, 1991).

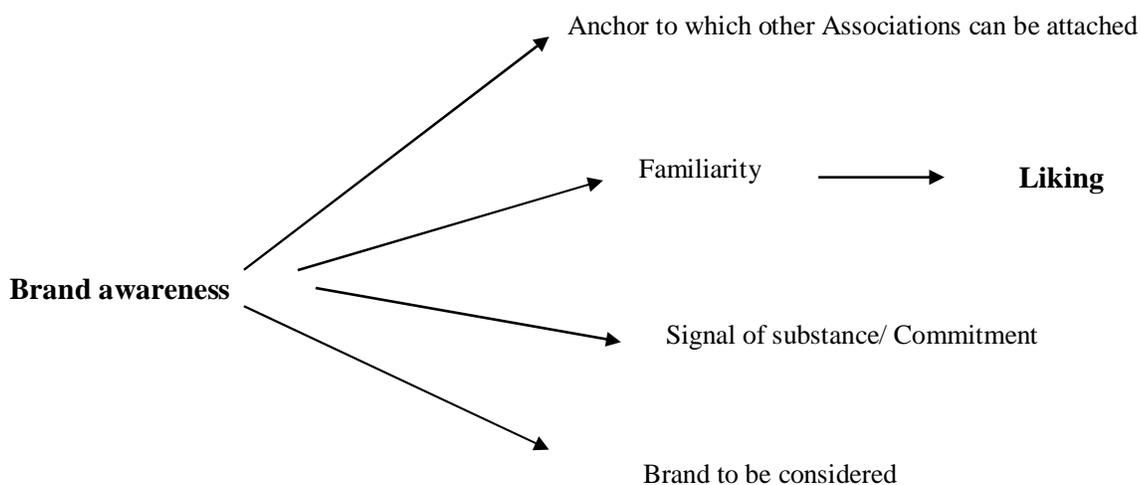


Figure 2: Aaker ,1991 Managing Brand equity

Building brand awareness is a long-term process. What a brand does today predicts what it will do tomorrow. Consumer promotions are short-term and temporary, whether they are reduction, a tie in with another brand, a coupon, or some other incentives,

Tips on making promotion an effective brand building tool,

- Make sure the promotion is justified, a new store opening, and other kinds of celebrations are all good reasons for running a promotion. They put the brand name in the forefront. Celebrating spring or back-to-school time are not good reasons to run a promotion, they are too generic.
- Tie the promotion to brand's image, birth dates and anniversaries.
- Look at every promotion both for the sales job it can do and as a communications tool.

A promotion is one of a brand's many voices, it can help build brand awareness if it says the right things. For example, Tuzo milk could run a coupon promotion, thus offering a price reduction and use the promotion to reinforce the name Tuzo (Chevron, 1998). Sometimes the impact of a contest or incentive promotion can be significantly increased by trying it in the international level (Rosenbloom, 1995).

But usually, when a brand is price promoted too often, the consumers begins to devalue it and buy it mainly when it goes on sale. So there is risk in putting a well-known brand leader on promotion over 30 percent of the time. Dominant brands offer deals less frequently, because most deals only subsidize current users. (Kotler, 1999)

3.0 RESEARCH METHODOLOGY

3.1 Research Setting

The study was a survey conducted within Nairobi, because the chain supermarkets are concentrated within the city of Nairobi. The four supermarkets are the largest in Kenya in terms of turnover (Kyalo, 2001). Furthermore, all the four are chain stores since they have at least to branches each (Kotler, 1990). The Choice of Nairobi as study area considered its convenience in terms of accessibility, time schedule, financial resources, and the fact that it had been revealed by the turn of this century more than half of the population of the world would be settled in cities.

3.2 Sampling Procedure and Sample Size

A sample of 108 respondents was selected from the 36 branches of the chain stores. Mburu (2001) had a sample of 150 customers. For each branch, three customers respondents were picked. To get the three from each store branch, convenience sampling was used and every tenth customer leaving the supermarket was asked to complete the questionnaire. The selected sample was enough for conclusions about the population, and statistical tools used in data analysis. A recruitment guide for respondents was used to ensure that only customers aware of dairy brands were selected in the sample

3.3 Data Collection and analysis

Primary data was used in the study. The questionnaires consisted of both open and close ended questionnaires and it was in two parts. The questionnaires was administered to the consumers as they left the supermarket. The respondents filled in the questionnaire as the researcher waited. This helped reduce the instances of non-response. Omutira (2001) used Likert scale to measure responses relating to the level of extent of quality awareness to TQM. The five point Likert scale was used to measure responses relating to extent of brand awareness in dairy industry, item scores were assigned to each of the response. After collecting the data, the completed questionnaires were edited for completeness and consistence across respondents and to locate omissions. Responses were coded to facilitate basic statistical analysis. Chege (2001) used descriptive statistics consisting of frequencies to determine the extent of utilization of marketing mix variables in shipping industry. Descriptive statistics was used to analyze the data; mean, percentages, tables, and bar graphs were used. The analysis was done using Statistical Package for Social Scientists

(SPSS). Mbau (2000) used SPSS to summarize, cross tabulate and sort out the data to give appropriate rankings and strength of various factors. Factor analysis was also used for analysis due to the large number of variables or objects being considered. No variables had been designed as being predicted by others and the researcher intended to look at the interrelationship among all the possible variables that may impact on brand awareness.

4.0 Empirical Results and Discussion

Summary of the collected data for each factor in consumer promotion is presented by the use of tables to give a clear picture of the scores of responses that were gathered. Later factor analysis was employed to meet the research objective. This analysis served as a data reduction technique by combining related statements into fewer factors that enabled the researcher to screen out the most important factors enhancing brand awareness. This was achieved by the application of the Eigen values in the analysis where factors that had Eigen values of 1 and above were deemed to be significant in building awareness of dairy products in Nairobi.

Factor Analysis

This section sets out to undertake thorough statistical analysis of the collected data to meet the research objective. Factor analysis starts by coming up with the communalities between the variables under each aspect of consumer promotions. This step is normally followed by coming up with correlation matrix that shows the correlation coefficients between any two variables of concern. Later the variables are factored out using the Principal Component Analysis Method. In the use of Principal Component analysis that seeks to combine two or more correlated variables into one factor, it is assumed that all variability in an item should be used in the analysis. The Kaiser Normalization criterion of selecting variables that have an Eigen value greater than 1 is also employed in the analysis.

TABLE 1: Communalities under Dairy Brand Awareness

Var	Descriptions	Initial	Extraction
1	Extent of the contribution of promotional campaigns to awareness of dairy products	1.000	.787
2	Extent of the contribution of information from relatives and friends to the awareness of dairy products	1.000	.640
3	Extent of the contribution of proximity to dairy supplier on the awareness of the dairy product	1.000	.599
4	Extent of the contribution of conspicuous labels on the awareness of dairy products	1.000	.569
5	Extent of the contribution of the promotional media used on the awareness of dairy products	1.000	.796
6	Extent of the contribution of the influence of opinion leaders on the awareness of dairy products	1.000	.531
7	Extent of the contribution of the ease in recalling brand name to awareness of dairy products	1.000	.677
8	Extent of the contribution of the type of outlets used to the awareness of dairy products	1.000	.555

Extraction Method: Principal Component Analysis.

Communalities represent the proportion of variance of a particular item that is due to common factors or that is shared with other items. The above table estimates the communalities for each variable, that is the, the proportion of variance that each items has in common with other items. For example variable 1 (promotional campaigns in building brand awareness) has 78% communality or shared relationship with other factors, information from relatives has 64.0% communality.

TABLE 2: Total Variance Explained

Component	Initial Eigen values			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	1.710	21.379	21.379	1.710	21.379	21.379	1.630	20.375	20.375
2	1.247	15.590	36.968	1.247	15.590	36.968	1.222	15.277	35.652
3	1.162	14.530	51.498	1.162	14.530	51.498	1.160	14.494	50.146
4	1.035	12.941	64.439	1.035	12.941	64.439	1.143	14.293	64.439
5	.861	10.767	75.206						
6	.742	9.274	84.480						
7	.633	7.910	92.390						
8	.609	7.610	100.000						

Extraction Method: Principal Component Analysis

In using the Kaiser Normalization criterion, we extract components that have an Eigen value greater than 1. Using this analysis, the researcher was able to extract four major components. As indicated in the table above, variables 1,2,3,4 accounted for 21.379%, 15.590%, 14.530% and 12.941% of the total variance respectively accounting for a total of 64.44% of the total variance.

Table 3: Communalities under sampling dairy brand

Var		Initial	Extraction
1	Extent to which samples increase dairy brand awareness	1.000	.741
2	Extent to which prizes increased dairy brand awareness	1.000	.645
3	Extent to which premiums(gifts) increased dairy brand awareness	1.000	.672
4	Extent to which free trials increased dairy brand awareness	1.000	.699
5	Extent to which product warranties increased dairy brand awareness	1.000	.451
6	Extent to which bonus packs increased dairy brand awareness	1.000	.694
7	Extent to which bonus plans increased dairy brand awareness	1.000	.635
8	Extent to which price-off deals increased dairy brand awareness	1.000	.770
9	Extent to which cash refund offers increased dairy brand awareness	1.000	.270
10	Extent to which tie ins increased dairy brand awareness	1.000	.747
11	Extent to which patronage awards increased dairy brand awareness	1.000	.667
12	Extent to which coupons increased dairy brand awareness	1.000	.807

Extraction Method: Principal Component Analysis.

These communality scores indicate the proportion of variance of each variable explained by the extracted components. For example variable 12, extent to which coupons increased dairy brand awareness, is shown to have the highest communality score of 80.7% while variable 9, cash refund offers is shown to have the least communality score of 27%.

TABLE 4 Eigen values

Component	Initial Eigen values			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	3.981	33.176	33.176	3.981	33.176	33.176	2.573	21.446	21.446
2	1.389	11.571	44.747	1.389	11.571	44.747	2.449	20.408	41.854
3	1.269	10.579	55.326	1.269	10.579	55.326	1.460	12.166	54.020
4	1.160	9.665	64.990	1.160	9.665	64.990	1.316	10.970	64.990
5	.900	7.501	72.491						
6	.691	5.758	78.249						
7	.660	5.496	83.745						
8	.514	4.286	88.031						
9	.433	3.608	91.639						
10	.398	3.315	94.955						
11	.335	2.791	97.746						
12	.270	2.254	100.000						

Extraction Method: Principal Component Analysis.

From the above table, only four components had an Eigen value of more than 1. These four components are seen to be explaining 64.38% of the total variance in the variables under different types of consumer promotions; which is a good % of more than 50%. The first component explains most variance in the variables explaining 33.176% of the total variance. It follows that this component will absorb most of the variables when we come up with the rotated component matrix that will enable the researcher to discern what variables lie under what factor.

TABLE 5: ROTATED COMPONENT MATRIX

VAR		Component			
		1	2	3	4
1	Extent to which samples increase dairy brand awareness	-.201	-.248	-6.857E-02	.797
2	Extent to which prizes increased dairy brand awareness	-3.760E-02	.748	.261	-.122
3	Extent to which premiums(gifts) increased dairy brand awareness	.219	.751	-.243	3.975E-02
4	Extent to which free trials increased dairy brand awareness	.184	.809	9.198E-02	4.783E-02
5	Extent to which product warranties increased dairy brand awareness	.415	.363	.289	.253
6	Extent to which bonus packs increased dairy brand awareness	.260	.422	.602	.293
7	Extent to which bonus plans increased dairy brand awareness	.544	.389	-2.453E-02	.434
8	Extent to which price-off deals increased dairy brand awareness	.742	.264	-1.055E-02	.388
9	Extent to which cash refund offers increased dairy brand awareness	.194	.238	.206	.365
10	Extent to which tie ins increased dairy brand awareness	.840	.136	.107	-.106
11	Extent to which patronage awards increased dairy brand awareness	.784	-2.402E-02	.167	-.156
	Extent to which coupons increased dairy brand awareness	8.113E-02	-5.913E-02	.890	-7.478E-02

Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization. (Rotation converged in 12 iterations)

Going by the same criterion of extracting factors that have an Eigen value greater than 1, four factors were extracted as earlier evident in table 5. The table serves to help decide which variable(s) fall under what component depending on what percentage of variance it explains in each component. A variable belongs to the component to which it explains most variance.

Table 6: Rotated Component Matrix

Rotated Component Matrix	Component			
	1	2	3	4
Extent of the contribution of promotional campaigns to awareness of dairy products	.126	-.151	.118	-.857
Extent of the contribution of information from relatives and friends to the awareness of dairy products	.216	-.517	.288	.493
Extent of the contribution of proximity to dairy supplier on the awareness of the dairy product	.453	3.388E-02	-.555	.291
Extent of the contribution of conspicuous labels on the awareness of dairy products	.631	.398	-2.454E-02	-.113
Extent of the contribution of the promotional media used on the awareness of dairy products	5.923E-02	.854	.153	.199
Extent of the contribution of the influence of opinion leaders on the awareness of dairy products	.723	-3.476E-02	-2.996E-04	-8.555E-02
Extent of the contribution of the ease in recalling brand name to awareness of dairy products	.200	9.469E-02	.792	2.428E-02
Extent of the contribution of the type of outlets used to the awareness of dairy products	.631	-.181	.321	.144

Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.(Rotation converged in 11 iterations)

On rotating components using the Varimax (Variance Maximization) method, the researcher came up with the above rotated component matrix. From this matrix, the researcher was able to discern what variables fall under what factors among the four major extracted factors. This was done by looking at each of the eleven variables and then deciding to which factor each variable falls depending on the percentage of variability it explains in the total variability of each factor. The variable is said to belong to the factor to which it explains most of the variation than any other factor.

5.0 CONCLUSIONS AND RECOMMENDATIONS

5.1 Conclusion

Most firms in the dairy industry are engaging in heavy promotions of their products in markets. Show room exhibitions especially in Agricultural Society of Kenya trade fairs are full of dairy firms stands promoting their products. Some firms in the dairy industry have segmented their markets mainly on geographical basis. This, however, is still too narrow to allow effective promotional campaigns. The bottom line to continued investment in consumer promotions lies in being able to estimate the value underlying brand awareness. Such values require patent rights and constantly reminding consumers. But once developed, brand awareness increases market share of the brand, persists for long and can counteract unfair competition in the market.

5.2 Recommendations

Precisely building brand awareness is one of the core areas of marketing functions and strategies and will determine the success of firms in the future. Murphy (1990) argues that companies should develop a style and important assets are their brands. This means that the role of brand awareness should turn the marketing manager away from the business premises to the market place where other entities of the firm are to be found. Heavy investments and on brand awareness should be emphasized.

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