PERCEIVED GREEN MARKETING PRACTICES, ORGANIZATIONAL DEMOGRAPHICS, TRADE CUSTOMER PERCEPTION AND SATISFACTION IN THE SOFT DRINK INDUSTRY IN NAIROBI, KENYA

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DECLARATION

This thesis is my original work and has not been submitted to any other College, Institution or University for an academic credit.

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DEDICATION

This thesis is dedicated to my dear husband Eng. Gitonga, our children Victor and Queen and my extended family for all the moral and financial support that they gave. I am forever indebted to them.

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I would like to acknowledge the power of the Almighty God for his grace, strength and courage to soldier on throughout the process of doing this thesis. I am greatly humbled by all the knowledge that I have acquired through others by the help of God.

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ABREVIATIONS AND ACRONYMS

AMA	American Marketing Association
ANOVA	Analysis of Variance
CV	Coefficient of Variance
CP	Customer Perception
CS	Customer Satisfaction
CSR	Corporate Social Responsibility
ELM	Elaboration Likelihood Model
EMS	Environmental Management System
EPA	Environmental Protection Act
GMP	Green Marketing Practices
GVA	Green Value Added
IPOs	Initial Public Offering
ISO	International Organization of Standardization
KEBS	Kenya Bureau of Standards
KMO	Kaiser-Meyer-Olkin
MNE	Multi-National Enterprises
NGO	Non- Governmental Organization
OD	Organizational Demographics
SD	Standard Deviation
SHE	Safety, Health and Environmental
SPSS	Statistical program for social sciences
TCCC	The Coca Cola Company Corporate
USA	United States of America

ABSTRACT

The broad objective of the study was to establish the influence of organizational demographics and customer perception on the relationship between green marketing practices and customer satisfaction in the soft drink industry in Nairobi Kenya. The specific objectives were to establish the relationship between green marketing practices and customer satisfaction; examine the influence of organizational demographics on the relationship between green marketing practices and customer Satisfaction; assess the effect of customer perception on the relationship between Green marketing practices and customer satisfaction; and establish the joint effect of green marketing practices, organizational demographics and customer perception on customer satisfaction. The study was anchored on green marketing theory (corporate environmentalism theory), stakeholder theory, marketing mix theory and consumer behavior theory and was guided by positivistic philosophy. The study adopted a descriptive cross-sectional research design to determine how green marketing practices, organizational demographics and perception impacted on customer satisfaction in soft drink industry in Nairobi County, Kenya. The study targeted a sample of 180 trade customer firms but, the researcher managed to successfully collect data from 130 of the trade customer soft drink firms. The study adopted Cronbach's Alpha which is the most commonly used measure internal consistency. Descriptive statistics and inferential statistics were conducted to determine the hypothesised relationships. The results of the study established that green marketing practices significantly influenced customer satisfaction, organizational demographics significantly moderate the relationship between green marketing practices and customer satisfaction and customer perception significantly mediated the relationship between green marketing practices and customer satisfaction. Lastly, the joint effect of green marketing practices, organizational demographics and customer perception on customer satisfaction was statistically significant. The combined effect of these variables on customer satisfaction was also found to be statistically significant. The study has made contribution to theory, policy and practice. The addition of both customer perception and organizational demographics added value to theory of customer satisfaction. Managers can embrace green marketing practices to gain a competitive edge in a competitive industry. The government can also allocate funds to regulate and implement green marketing practices in both public and private institutions. The study was subjected to limitations. The use of a single sub-sector in the food and beverage sector, selection of study variables, use of a descriptive cross-sectional research design and testing of green marketing practices as a single concept put constraints on the generalization of the results. The use of quantitative methods alone is also limiting. Future research should therefore seek to address these limitations by studying the whole soft drink sector focusing on individual customers, use of a longitudinal and broader research design and incorporation of qualitative research techniques. The inclusion of other study variables in the conceptual framework such as managers and employees characteristics may also bring out other useful insights in the study of green marketing and customer satisfaction.

CHAPTER ONE

INTRODUCTION

1.1 Background of the study

With the increase in environmental concerns during the last few decades, consumers have become more aware and have a lot of knowledge on sustainability issues as well as climate change greatly contributing to the green marketing that refers to selling products or rendering services based on environmental benefit. A consensus is growing that environmental degradation issues accompanying industrial development should be addressed together with marketing, thereby contributing to green marketing. Greening activities should be integrated into corporate philosophy, so that firms can leverage their market position within the industry (Menon & Menon, 1997). Polonsky and Rosenburger (2001) proposed that corporate greening should include activities such as green pricing, green logistics, market segmentation, environmental design, environmental friendly promotions and green brand positioning.

Consumers are able to link green brands with environmental conservation as well as sustainable business practices. Consumers who understand the importance of protecting the environment get attracted to green brands. Research has shown that marketers are incorporating green marketing strategies in various actions, together with: forecasting, designing products and packages, assigning prices, product movement, promotion, customer segmentation and overall marketing strategy (Mendleson & Polonsky, 1995; Milne, Iyer & Gooding-Williams, 1996; Menon & Menon, 1997; Drumwright, 1994; McDaniel & Rylander, 1993); Bhat, 1993; Kapelianis & Strachan, 1996). Pursuing greenness could be trending but the reasons for adopting the proposed modifications by firms are not clear. Some reasons are such as keeping up with the rivalry within the industry (Stafford & Hartman, 1996). This automatically does not translate to increased marketer's concerns about organizations' ecological actions and hence must not really be contribute to the firms' ecological performance improvement (Polonsky, 1995). Some researchers have reported that firm performance highly depend on customer satisfaction hence green marketing practices targeting customer satisfaction (Kinoti, 2012). Others

posit that green marketing practices would contribute to green wash if not well formulated and implemented (Polonsky, 2001).

In various theoretical paradigms used in business research the role of customer perception and organizational demographics on the degree to which satisfaction is affected by green marketing activities is implied. The Stakeholder theory (Carmona-Moreno & de Burgos-Jimenez, 2004), corporate environmentalism theory(Menon & Menon, 1999; Friedman,1970) and Consumer behavior theory and its constituent theories (Bagozi, 1992; Oliver, 1980; Schiffman & Kanuk, 2007) anchor the relationship between green marketing practices, customer perception, organizational demographics and customer satisfaction.

Research has shown that consumers are very much concerned and sensitive regarding some factors which include; green product consumer loyalty, environmental awareness, luxury and quality price. Therefore, investigating green strategies to enhance product's performance and strengthening green product's customer loyalty is imperative (Peattie, 1995; Kinoti, 2012). Most studies have focused on the quality of the product, brand image, Performance, corporate image and consumer loyalty. Only a few of them have investigated about green customer perception and demographics aspects. The corporate environmentalism theory (Menon & Menon, 1999) and consumer behavior theories (Schiffman & Kanuk, 2007; Bagozi, 1992; Oliver, 1993) anchor the connection among green marketing activities, organizational demographics, perception and satisfaction.

Sustainability as well as corporate efforts to be green have developed to reality during the past several decades in a number of industries in Kenya. Due to environmental regulations and consumer demand as a result of consumer awareness and sensitization, marketers' priorities have changed. Environmental marketing has been perceived as a strategic approach that organizations can use to achieve their major objectives. Some organizations have changed their marketing strategies due to the rising environmental activities pressure. Firms have also been forced to change their behavior towards ecological issues. This is because of financial implication as a result of discarding waste in addition to reducing raw materials in use (Wilkinson, 2010). For some industries,

green marketing for sustainability plan extended only as far as product packaging attributes (Kinoti, 2012). Most companies have involved the top management and Chief Executive Officers in the development of environmental policies while the implementation has taken the integrated marketing approach where every employee is championing green products. Kenyan soft drink companies promote and accelerate national growth and development through creation of employment opportunities. They are critical in social economic transformation through delivery of soft drink products to the public. Their practices, therefore, is of great concern to the general public as well as other stakeholders. Sustainability and alternative energy sources issues still remain a fore front concern. The hunt to get solutions is continuing, and it is up to serious businesses, to pursue better options hence green practices for customer satisfaction.

1.1.1 Green Marketing Practices

Green marketing practices refers to the activities concerned with promotion of environmentally safe products. Different scholars use various terminologies to describe green marketing. These terminologies are: environmental marketing green marketing as well as ecological marketing (Polonsky, 1995). The American Marketing Association (AMA) refers to green or ecological marketing as the study of the positive and negative aspects of marketing activities on pollution, energy depletion and non-energy resource depletion (Kinnear, 1973). AMA describes green marketing as the marketing of products that are presumed to be environmentally safe. It incorporates several activities such as product modification, changes to production processes, packaging, advertising strategies and also increases awareness on compliance marketing amongst industries.

Srivastava (2007) argues that the integration of environmental thinking into product branding, acquisition of supplies, design of the products, production techniques, packaging of finished goods and product end of life management attribute to green marketing. All actions that fulfill consumer requirements and desires with negligible negative environmental consequences are regarded as tools of green marketing (Polonsky, 1995). All these ecological actions are planned and established to create and make possible whichever interactions companies intend to use to suit the customer

requirements. Therefore, a unanimously accepted description of green marketing has not been agreed upon. Polonsky's description of green marketing will be used in this study since it incorporates most of the conventional marketing justification components and the protection of natural surroundings.

Several activities are included in green marketing, they encompass development of various products and their manufacturing processes, packaging and promotional activities (Peattie, 2001). There is a close link between modern marketing concept and sustainability marketing in the sense that both concepts believes in analyzing customer needs and wants, hence this leads to creation of social and environmental value. In addition they build up sustainable solutions that offer greater consumer worth, competitive pricing, effective business communication and creation of place utility to the appropriate market segments. This study has analyzed green marketing practices using the conventional 4Ps framework which consists: product, price, distribution and the promotion and the other two practices namely green brand positioning and processes.

Some of the green products practices available in the literature are product design, quality features, labeling, Packaging and positioning. Design dimensions of a greener product strategy cover a wide range of design for resources conservation, design for pollution avoidance, reconditioning, remanufacturing, disposability, reuse and recycling (Pujari & Wright, 1996). Packaging of products includes the general aspects of branding, design and layout of collateral, and broad components of the materials offered to consumers (Lieberman, 2002).

Environmental labeling of products is present through either utilizing ecologically secure signs or communication. The message's main intention is towards informing the buyers about the environmental security distinctiveness of the manufactured goods and help corporation's situate themselves as one of those caring organizations about environment (D' Souza et al, 2006). Customers have a notion that green actions are expensive because of the premium prices firms charge for green products (Prakash, 2002). Purchasing differentiated products and willingness to pay premium prices is one way consumers can

convey their shared environmental concerns. The premium prices arise as a result of extra costs firms incur in making a product or firm green. To a large extent the issue of readiness to give premiums meant to compensate the extra cost of ecological safe goods has been explored. The studies contended that patrons generally believe green goods prices ought to be relatively superior to the ones from conventional corresponding items (Harris & Freeman, 2008), plus would willingly give extra for the green products (Gam et al., 2010). Environmental concerns has broadened the scale of distribution and logistics as well as influenced the way distribution and logistics managers perform their duties. With respect to broadening the scope of the logistics the salvage, disposal of scrap and packaging are now handled by logistics managers. Zhu et al (2005) state that green distribution issues choices start from consumers, to producers, to dealers, to ecological buying & selling, incorporated supply flow, to reverse logistics.

Polonsky et al (1997) describes green promotion as activities that communicate product characteristics and associations that do not damage the natural environment. Benerjee et al (1995) found that ecological endorsement ought to clearly or completely address the bio-physical environment issues and manufactured goods offering activities relationship, encourage an ecological way of life anyhow by stating or not stating the importance of the item in the picture. A big number of those who buy green items is influenced by announcement, billboards, commercials and publications that show or indicate a company's engagement towards ecological issues (Plolonsky & Ottman, 1998). Brand identification and recognition by the target group is created through the influence of advertising, design and media commentary about the product or service and (Johansen, 2003).

The procedure of determining discrete buyer perception is regarded to be brand positioning. It involves all promotion techniques relations, by means of an emphasized responsibility for promotion interactions. Chernatony and McDonald (1998) referred brand's additional standards as those pertinent and respected products by potential clients. They go beyond the essential useful function of the manufactured goods. Aaker and Biel (1993) explain that the strength of a consumer's brand attitude or perception may be one of the most significant components of overall brand strength. Gains that are

associated with the reduced ecological brand impact, a particular group of brand characteristics and its insight as being ecologically safe describes what green brand uniqueness is all about. According to Keller (1993) brand associations that are sufficiently defined and have brand statement pertinent roles are of strategic importance. Green branding comes in handy in assisting most organizations differentiate their products and services, associating them with environmentally safe products attributes and benefits.

Lin et al (2001) contended that green process strategies involve developing and executing manufacturing and operation processes that reduce or eradicate wastes, reducing energy consumption, improvement of efficiency in material utilization and operational safety improvement. Distinctive analysis model used to ascertain whether the process is environmental friendly motivate managers to evaluate inputs and outputs (Kinoti, 2012). Life cycle analysis focuses on the analysis of the design and its associated design outputs; specifically assessing product varieties and quantities of product inputs such as, product raw materials and product output such as distinctive atmospheric emissions, water and end product.

1.1.2 Organizational Demographics

Zou and Stan (1998) describe firm's demographics and managerial variables as organizational characteristics which in turn comprise part of the firm's internal environment. In a firm specific framework or situation, an organization's competence and limitations greatly manipulate the how marketing actions are selected and capacity to implement the selected action. Organizational demographics such as the period the firm has been existing, measured by the period of years the firm has been in operation, the size of the firm quantified by the number of employees and the firms' ownership structure can influence the firm operations (O'Sullivan, et al., 2009). A set of collective assumptions, ethics concerning an organization and its purpose in the industry constitutes what is Organizational culture. It involves the way people think and behave as well as the beliefs that a communal group members share. Organizational researchers have universally

viewed culture as a collective of cognitions mutually accepted by associate of a social group (Barney, 1986).

These demographics can influence the management decisions and the marketing practices adopted by a particular firm. In this study, the organizational demographics consist of the soft drink firms' demographics which are assumed to influence employees' performance and in turn influence customer satisfaction. Menon and Menon (1997) highlighted the influence of firms' characteristics and resources on the resulting level corporate environmentalism. Adoption of an innovation within an organization might be positively related to the firm size (Min & Galle, 2001). This implies that the larger the firm the greater the capability to implementation of an innovation due to the increased chance that the innovation investment will give positive returns. According to Klein et al, (1995) an organization's culture is said to be very significant in taking part in major responsibilities like planning, firm performance as well as competitive advantage decisions. Klein et al, (1995) found that Service quality is significantly related to organizational culture and employee performance is linked to organization culture. Consequently the two variables have been recognized to be essential links to consumer satisfaction and financial performance pointers.

1.1.3 Trade Customer Perception

Perception entails the process through which a person identifies, picks out, classify as well as deduce stimuli into symbols that make sense and are logical in the global outlook (Schiffman & Kanuk, 2009). People interpret sensory thoughts into a rational and integrated view of the environment around them. Simply stated the way we take to mean or understand what we see around us. The picking out, systemizing and assigning meaning of environmental marketing stimuli into a logical representation define consumer perception. Creating an image of a brand that connotes significance and dependability, marketers try to manipulate consumer perception (Assad, 2004). Kibera and Waruingi (2009) summarized perception as the process which attributes meaning to incoming stimuli through the human senses. According to these authors, interaction of stimuli factors (characteristics of the physical object such as size, shape or colour) and

personal factors (characteristics of the individual) determine our view of an object or occurrence.

Collective perceptions in the mentality of specific consumer are what constitute a brand (Wright, 2006). To some individual customers it might not mean anything much but to the market, the organizations targeting green customers may means a lot. The worth of a product, service quality satisfaction and by and large significant feeling of well being is what the target market looks for (Oliver, 2006). Consumer perception directly affects consumption due to the fact that consumers view brands benefits differently, hence the significant relationship between customer perception and customer satisfaction. Perceived quality is also described as brand connections that are closer in terms of the ranks of a brand benefits given that amongst all brands characteristics, those that boost financial performance among them perceived as quality (Aaker, 1996). Perceived excellence is frequently a major strategic drive of a business and green marketing to green customers can be used to create a perception of quality. Therefore, green brands are also likely to develop the 'well being' and quality perception of the environmentally sound products. Perception of quality affects the value of brand positively or negatively and thereby affects the purchase behaviour of consumers (Aaker, 1996; Kabare, 2013).

1.1.4 Trade Customer Satisfaction

Swenson and Wells (1997) describe customer satisfaction both as a process of perceptual evaluative as well as mental process that add to satisfaction and as a result of fulfilling the ending condition emanating from the utilization familiarity. The explanation varies depending on the point of simplicity which comprises; product satisfaction, purchase decision experience approval, pre-purchase occurrence fulfillment, performance point of view contentment and outlet or institution fulfillment (Wagner, 2003).

According to Oliver (1997) satisfaction refers to a consumer's judgment that a product or service feature, or the product or service itself, was providing a gratifying point of consumption-related performance, including over or under-fulfillment. Customer satisfaction known to be achievement of consumer's consumption objectives as

practiced and explained by consumers themselves (Oliver, 2006). Therefore, in the face of increasing intensity of green marketing competition customer satisfaction is important. Companies and other organizations can maintain customer loyalty by enhancing their efforts to improve product and service offerings. Satisfaction also refers to a customer's overall evaluation of how pleasurable their interaction with an organization is including the buying and use experience, relative to his or her expectations. It mirrors a person's relative conclusion of a product on the perceived performance of a product relative to their expectations. It is an overall customer attitude or a sentimental response to the discrepancy flanked by what consumers receive and what they anticipate in regards to fulfilling needs, objective or desire (Ronald, 2010).

For most customers problem resolution based on the first call to a call center or service desk is most satisfying. Employee's attitude points at service delivery quality. Service quality is established as a key cause of customer disloyalty (Adams, 2006). Organization workers satisfaction, first and foremost originates from superior support human resource services as well as regulations that facilitate service delivery to customers by the employees (Capek, 2007; Heskett et al, 2008). Company performance measure is based on service or product delivery, on-time performance and project execution. The first impression a customer gets in any business transaction interaction determines whether the customer will return. Customer complaints can be used as pointer that the customer contentment level is going down (Nigel, 2000). It is very advisable not to rely solely on complaints for this purpose since research has consistently demonstrated that much customer satisfaction is never reported back to the suppliers, although it is usually voiced to colleagues, family and friends. Most dissatisfied consumers don't complain. Literature has shown that most of dissatisfied customers will disappear quietly. The high numbers of those who complain are those satisfied customers. It is evident that only a small portion of the entire customers do companies receive complaints from (Oliver, 2006).

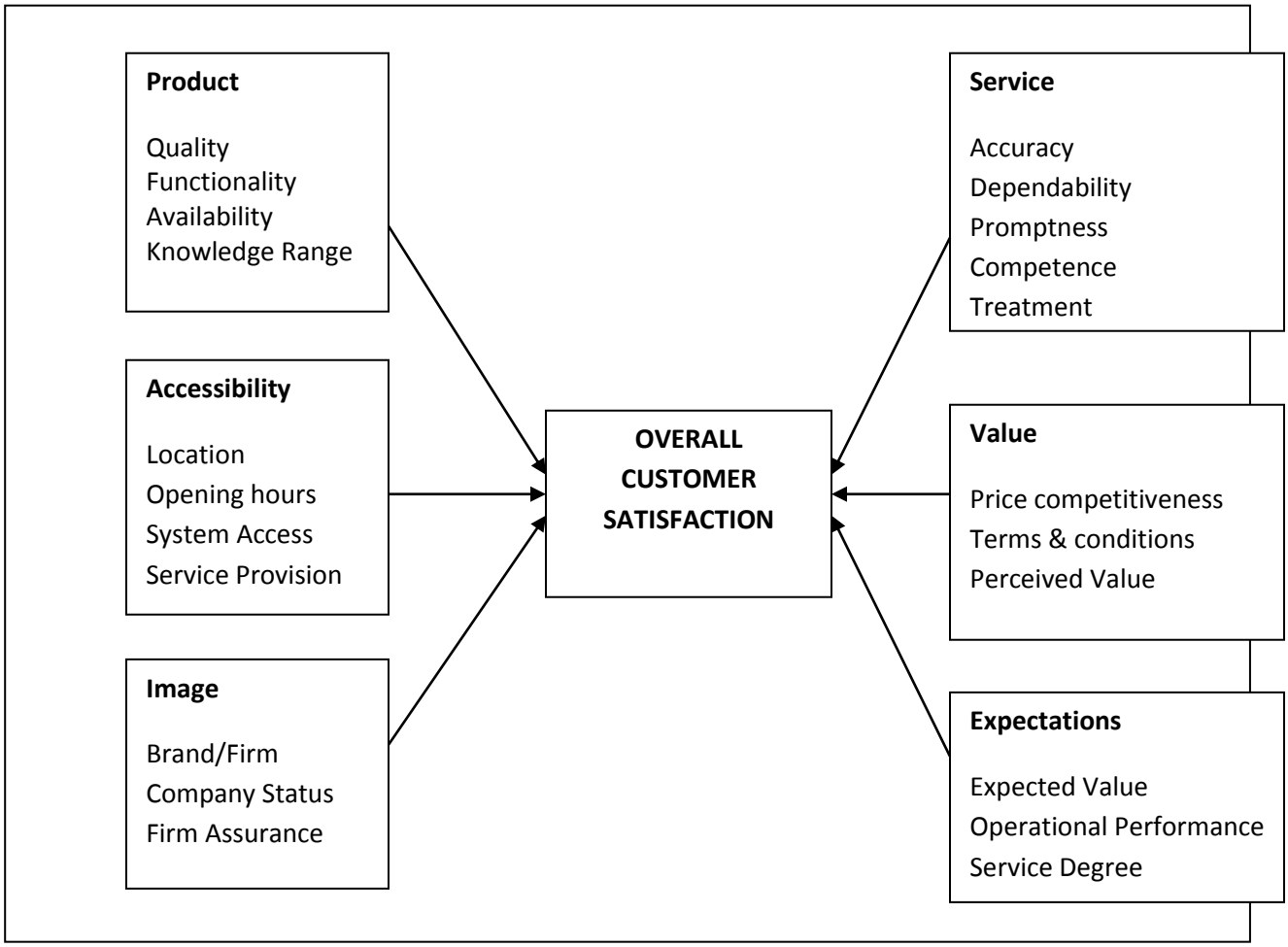
Articulation from consumers about their dissatisfactory experiences is commonly referred to as complaints. Complaints could be very helpful to the company in identifying as well as doing away with product and marketing tribulations. By recognizing a problem it is easy to resolve it. Complaints can act as tools or variables that companies use to identify

problems in the marketplace. That notwithstanding, complaints can also act as very valuable pointers of market performance (Oliver, 1996). As far as customer satisfaction measurement is concerned it is useful to maximize customer communications as they provide valuable pointers to topics which should be covered in the customer survey and should certainly be incorporated into exploratory research (Crawford, 2007). Complaints can be as a result of unreasonable expectations as well as the failure to understand the existence of a problem. Incapability to use products or a service appropriately is another reason for complaints.

The main reason why consumers' complaint can still not be at the limelight on forefront. Even when a problem keeps continuing, the consumer can be answerable of it or else the reason can be an issue beyond both the manufacturer's as well as consumer's power (Oliver, 1987). There are diverse negative effects of service failures including dissatisfaction, deffection and decline in customer confidence (Tronvoll, 2012). Complaints create chances and avenues for service recovery, customer edification and customer loyalty improvement. This leads to promotion through positive word-of-mouth (Blodgett & Anderson, 2000; Shields, 2006). Marketers enhance customer expectation by working on their perception. Complaints handling can lead to customer satisfaction and loyalty if managed effectively (Reichheld, 2003; Gee et al. 2008; Morrisson & Huppertz, 2010).

Customer satisfaction is described by many factors. The American Marketing Association (AMA) Handbook for customer satisfaction categorized key drivers of satisfaction into three attributes (Dutka, 1993). Product features that include product quality, design, benefits, characteristics, dependability as well as regularity, price value and variety of products offered. Service features include service offering, complaint handling, problem resolving as well as assurance or security. Features associated with purchase or transaction includes communication, smooth business transaction, reputation of the company and staff skills and abilities. Ronald (2010) identifies six key determinants of customer satisfaction. These include features that are closely associated with the item for consumption, services, business operations (convenience), image of the firm, image of the brand, net worth as well as customer Expectation (Figure 1).

Figure 1. 1. The American Customer Satisfaction Index (ACSI) model.



The pertinent marketing literature has suggested that there exists a correlation of customer loyalty as well as satisfaction. Satisfaction has been found to lead to attitudinal allegiance. Altitudinal loyalty may possibly be viewed as the intention to continue purchasing (Menon, 1999). Satisfaction is an appraisal answer to perceived outcome of particular utilization occurrence and it can take place without comparing customer expectations. It is by and large overall results on fulfillment basing it on the theory that service quality leads to satisfaction. Therefore, in this research green satisfaction (GS) is described as delightful intensity of consumption-related performance so as to satisfy explicit green desires as well as ecological tasks (Chen, 2009). Customer satisfaction is closely linked to future purchase behaviour and willingness to recommend and is a strong predictor of loyalty and customer retention (Kabare, 2013). A satisfied

customer will not complain but refer others to their service providers. This is determined by customer satisfaction assessment that is used to develop a strong value proposition, one that is persuasive, distinctive, measurable, defendable and sustainable (Krivobokova, 2009).

1.1.5 Soft Drink Companies in Kenya

The soft drink companies in Kenya fall within the sectors of the wider economy that has experienced immense product proliferation. The industry has many players which include manufacturers, wholesalers, retailers, packers and regulators but this study will focus on the manufacturers and their direct trade customers. All the players are expected to practice green marketing as a corporate social responsibility (CSR) and at the same time satisfy the green customer to their competitive edge. This relationship is influenced by both organizational demographics and customer perception in the areas of strategy formulation and implementation. There is fierce competition that forces companies to diversify their product range in an effort to better satisfy the customers. The entry rate into the industry has been increasing resulting to an erosion of profits for the manufacturers. Organizations thus, have been forced to implement changes to align themselves with the changes in the environment as well as to realize their set goals.

Introduction of structural adjustment programmes (SAPS) implementation in Kenya led to serious competition which resulted to new entrants' particularly cheap imports and substitutes which threatened the strategic position of the giant market players. The free trade agreement of early 1990s gave free entry for massive imports that saturated the already disintegrating market in Kenya (Economic Survey 2000). This resulted to the flooding of the market with the Mirinda brands, Pepsi cola brands, Red bull and different brands of wines. With such an irresistible variety, it would be difficult for a consumer makes a rational choose of one specific brand of soft drink over the others available in the market. This contributes to intense competition for the unchanged disposable income from the target consumer.

For over many years, soft drinks giant Coca-Cola has dominated the Kenyan market amid slight competition. From the time when PepsiCo left the Kenyan market in the 1970s,

Coca-Cola has been in control and has triumphs competition by unleashing its massive financial muscle in marketing as well as promotion. One such competition faced Kuguru Foods Company that produces Softa brand of a soft drink. As a result of free sample sales promotion by Coca-cola Company they never really managed to make any impact in the market despite of reverberating well with the low section of the market. (Muchiri, 2012). The only other form of competition came from East Africa Breweries Limited, which entered the soft drinks market with the launch of Alvaro. After many years of dominating the soft drink market, Coke is now encountering a serious threat from PepsiCo its old competitor after re-entering the Kenyan market in late 2011 and other mushrooming companies. The competition is expected to become more vicious after it emerges that other small enterprises are going full throttle into the soft drinks market.

There are several dynamics in the soft drink industry that has contributed to the growing competition. Reducing redundancy where mid-market players are vertically integrated, confining cost savings by improving business processes through combination and validation, change in consumer choices for healthier and more diversifying preferences and continuous demand for newest niche products are driving forces. Other factors include the growth of personalized corporations labeled products and industry consolidation which has extensively raised the bar for the level needed to match competition. (Odera et al., 2012). These factors lead to decrease in soft drink prices.

New marketing ideas like green marketing practices need to be adopted seriously so as to take advantage of shifting consumer preferences as well as competitive pressure. For companies to survive in such a competitive industry they ought to think about the ecological market developments that will probably shape the industry during the subsequently few years. The preparations about the change will assist soft drinks companies in understanding the challenges as well as turning them to opportunity for practice enhancement as well as eventually greater effectiveness. The soft drink firms initiate changes as a result of forces that are both from within and without the organization specifically local competition, customer needs, government legislative policies, growth taking advantage of opportunities, to increase performance and to

maintain or improve industry position are among the major forces that drive organizations to changes. This study focused on soft drink companies operating within Nairobi County, with an exemption of milk, herbal and other healthy drinks. The soft drinks in focus were water, carbonated drinks (sodas) and fruit flavored juices.

1.1.6 Soft Drink Trade Customers in Nairobi City County

Trade customers buy goods from the manufacturers or suppliers and sell to others for re-sale or consumption. They are commercial market intermediaries in the supply chain who purchase goods for resale (Blythe, 2008). In Kenya middlemen such as distributors, retailers as well as wholesalers divide huge production bulks into little amount units as well as creating a range of products to recommend to customers. They make easy the flow of the operation by practically transiting the soft drinks through the distribution channel. The distribution systems provide several benefits to public by moving products from producers to users in the most cost effective way. The key benefit is employment creation and trade and development in the long run.

In the theory of marketing mix, intermediaries determine where the product will be sold and how it will get there (Kotler, 2001). Therefore the soft drinks trade customers in Nairobi City County, Kenya determine where the product is sold in the County and how it gets to the customer. The intermediaries or distribution channels evolved through the deployment of national resources limited within an area of trade (Griffith & Ryan, 1996). The requirement to move the resources to other areas where they were needed brought about the need for distribution channels. The trade customers comprise a set of institutions which carry out all of the activities necessary to move a product and its attributes from production to consumption.

The focus of this study were the distributors, wholesalers and buyer institutions that have a direct link with the manufacturer or the supplier and hence direct customers to the soft drink companies in Nairobi city County. The trade customers use different channels such as direct selling, use of mail order, telephone and internet sales, and Agents, who normally sell direct on behalf of the distributor and wholesaler. Distributors are granted exclusive regions by the manufacturer while wholesalers are free to deal in any region.

Institutional customers buy for direct consumption and not for resale. They include educational institutions, hospitals and social clubs.

1.2 Research Problem

There is linkage in literature on the concepts of green marketing practices and customer satisfaction and a linkage in organizational demographics and customer satisfaction (Sihem & Mohamed, 2013; Chang & Fong, 2010; Klein et al, 1995). Green marketing practices have been found to have influence on customer satisfaction (Sivesan & Umanakenan, 2013). Consumer perception is a mental process of selection, organization and interpretation of promotion as well as ecological motivation into a logical image (Assad, 2004). Customer perception and organizational demographics can influence the correlation involving satisfaction of customers and green marketing practices. There has been an argument whether green marketing practices contributes to competitive advantage. A number of authors assert that ecological administration may possibly be an instrument, which assists institutions to develop their competitiveness (Hart, 1995; Porter & Van der Linde, 1995). However, others have questioned the value laden of ecological advocacy (Derek et al, 2013; Walley & Whitehead, 1994). Through a positive image a consumer perceives a brand or a firm to be suitable for satisfying their needs. Such an image can build up a firm's credibility, lead to more sales and be competitive (Kabare, 2013). Customers' interest regarding protection of the natural environment as well as health has grown tremendously all over the world. Green marketing practices is capable of assisting organizations acquire additional customers and in turn create extra money only if it is customer satisfaction targeted and it is well implemented.

With consumers becoming more health-conscious, non-carbonates remain a key growth driver. The rising health awareness has also bolstered demand for juice and water, with manufacturers in all major soft drinks categories responding by diversifying their portfolios. The year 2013 saw increasing competition in the soft drinks market following the return of PepsiCo to the Kenyan market. This immediately led to a price war with Coca-Cola (TCC, 2007). Also this led to exit of many small and young firms from the industry (Muchiri, 2012). Although soft drink companies might achieve the profit as a

result of energy use effectiveness in production operations which in turn inspires the organization in carrying out ecological safe technologies activities, there is insufficient information concerning the issues touching on the green customer satisfaction in the soft drink industry in Kenya. The current researcher suggests that soft drink companies can benefit more by green value addition to their brand by building their brand image as well as increasing green promotions for awareness creation to customers about the ecological accountability.

Green marketing studies have been undertaken both internationally and locally. Kamal and Jauhari (2007) conducted a study on investigate the extent to which green practices are influenced by consumer behavior as well as attitude in a lodge (hotel) in India. The result showed that most of the consumers using lodge services in India are aware concerning the ecologically safe practices. Shammot (2011) studied green marketing and Jordanian consumer behavior among students of the Arab Academy. The researchers recommended that in order to satisfy social needs, Jordanian organizations should pay more consideration undertaking more the environmental responsibilities. Recent studies conducted in USA indicated that 93 percent of consumers involve themselves in environmental conservation issues while 75 percent recognized that it is important for them to purchase from ecologically accountable organizations (WPP, 2010; Hartman Group, 2007). Development of green products, enhancing green value to existing products and services, reusing materials, civilizing corporate character by means of green brands as well as new activities that are ecologically alert can help companies respond in the direction of proactive change in the way consumers behave.

Borin, Lindsay and Krishna (2013) carried out a study on the effect of green strategies on purchase intentions of most modern green, refurbished products, green corporate processes as well as a non-green product and process in California, USA. They concluded that green product Purchase intentions and process approaches are considerably higher than non-green approaches. Conversely, after step wise multiple analyses comparisons the results showed no outstanding considerable benefit of one green approach above another. Also the brand name and price did not have statistically significant relationship amid green approaches. The current study researched on six green marketing practices

namely Product, Price, Place, Promotion, Process and brand positioning on customer satisfaction.

Robin, Yang and Charles (2013) investigated the relationship between customers' perceptions, green practices and purchase intentions in a green qualified hotel in USA. The results revealed that customers had sufficient knowledgeable about green practices but they still desired to know more about the environmental activities. Customers also expressed preferences towards restaurants that used environmentally safe products and were environmentally friendly. The current study focuses on customer perception influence on the relationship between satisfaction of customers and green marketing practices.

Polo (2015) conducted a study on how Consumers' Behavior is affected by green marketing strategies in Vienna, Austria. The focus was to find out how consumer purchasing behavior is affected by green marketing tools such as eco labels and measure the post purchase behaviour after purchasing such products. He concluded that there are two reasons why individuals who buy products that have eco-friendly labels do it openly and in a conspicuous manner. The reasons are to societal rank indication or to inspire other groups of people to engage in similar actions as well as getting more concerned about the environmental issues. More so, attracting potential customers and selling more products is moderately effective through green marketing tools such as green labels. The study was limited to green labels and the current study focuses on several green marketing tools under green product where labels are just part of green product on packaging and also under brand positioning.

Regionally, a quantitative study on green brands perception in upcoming aggressive market done in Egypt found customer satisfaction to be one of the factors that affect green brand choice making in the telecommunication sector in Egypt (Mourad & Ahmed, 2012). However, all these studies focused only on the factors influencing the consumer attitude and behaviour towards green practices and did not consider the influence of customer perception and organizational demographics in the relationship,

more so the studies focused on final consumer while this study focused on a different side of supply chain the intermediaries as the customers.

Chimucheka and Kanonuhwa (2014) conducted a desktop research on the extent to which generation Y consumers purchase behavior would change as a result of green marketing practices in South Africa. They found out that green marketing can be used to segment markets and companies can come up with sustainable marketing strategies that suit each market segment. By understanding how consumers behave towards green products then organizations can establish green strategies that appeal to different market segments. It was recommended that primary investigations should be done to assess the effect and magnitude of green marketing on the purchase behavior of generation Y consumers. The researcher used qualitative research techniques even though the research can give better results by use of quantitative research design. It can be done by means of the use of appropriate statistical techniques to examine some hypothesized statements. The current study was based on quantitative research design and used statistical methods to test clearly defined hypotheses.

In Kenya several green marketing studies have been conducted but in relation to different variables and in different context (Kiongora, 2003; Kalama, 2007; Mwirigi, 2007; Oburu & Kinoti, 2012). All these studies focused on the green strategies the organizations employed but none of them addressed the issue of customer satisfaction in adopting the green marketing practices. Kinoti (2012) conducted a study on green marketing practices in relation to corporate Image, organization personality and performance of ISO 14000 certified institutions in Kenya. The study discovered the presence of a positive correlation between green marketing practices and firm performance. Additionally, in this regard the study recognized that customer satisfaction contributes greatly to firm performance and recommended that further studies be conducted targeting consumer's satisfaction on green marketing practices.

Maiywa (2013) studied how consumer purchasing behaviour is impacted by green marketing in key supermarkets in Nairobi County. The results indicated that supermarkets Endeavour to attain some competitive advantage in the vibrant market

place more than their competitors, by undertaking different marketing approaches that manipulate consumers acquisition intentions to products and services. Therefore, green marketing strategy falls among critical strategies that organizations in competitive market cannot afford to ignore. Social responsibility has become a driver of any successful organization in the global market. For companies to gain competitive edge in the global market, green marketing practices should be institutionalized in both small and large organizations based on organizational culture.

Afande (2015) assessed how the firm performance is influenced by green marketing strategies in the tea sectors of Kenyan. The researcher used four green marketing mix variables namely product, place, price and Promotion on performance of the Kenya tea factories and traders. The researcher concluded that the performance of tea firms in Kenya is positively associated with the adoption of green marketing. All the above studies did not assess the influence of customer perceptions in their relationships.

Although there are several green marketing practices, consumers respond to them differently. Empirical studies to date provide minimal evidence of organizational demographics and perceptions' influence on satisfaction. Few studies have assessed these green marketing practices alongside enabler variables yet satisfaction can be associated with perception (Prakash, 2002). The current study brought together green marketing practices, enabler variables (organizational demographics) and customer perception in the assessment of customer satisfaction. The study sought after establishing the impact of organizational demographics and Customer perception on the correlation between the satisfaction of customers and green marketing practices in the soft drink industry. It was guided by the study question: 'To what extent do Customer perception and organizational demographics influence the correlation between the satisfaction of customers and green marketing practices among soft drink companies in Kenya?'

1.3 Objectives of the Study

The broad objective of the study was to establish the influence of organizational demographics and Customer perception on the relationship between Green Marketing

Practices and Customer Satisfaction in the soft drink industry in Kenya. The specific objectives were to:

i) Establish the relationship between green marketing practices and Customer satisfaction in the Soft Drink industry in Nairobi City County in Kenya.
ii) Examine the influence of organizational Demographics on the relationship between Green marketing practices and Customer Satisfaction.
iii) Assess the effect of Customer perception on the relationship between Green marketing practices and customer satisfaction.
iv) Establish the joint effect of green marketing practices, organizational demographics and Customer perception on customer Satisfaction in soft drink companies in Kenya.

1.4 Value of the Study

The outcome of this study is anticipated to enhance the existing theory, policy formulation and managerial practice. To the theory of customer satisfaction the study adds two variables: Customer Demographics and customer perception as moderator and mediator variables respectively that influence the green marketing practices on customer satisfaction. Existing customer satisfaction theories focus on conventional marketing practices ignoring the influence of the biophysical environment in marketing and decision-making policies. This way the study contributes to the evolution and adaptation of green marketing practices in enhancing customer satisfaction as marketing knowledge changes in line with customer perception. The study will increase theoretical knowledge on the great role played by green marketing in shaping customer satisfaction. The study drew from best practices in customer satisfaction assessment from several studies and focused the field research to firms in Kenya adding knowledge on the dynamics of green marketing practices and customer satisfaction within a different context. The outcome in addition proved that green marketing practices, organizational demographics, customer perception and satisfaction are reasonably linked amongst themselves as assumed in regard towards the conceptual framework of green marketing practices in the current research. Academicians and future researchers will use it as secondary data and will also provide direction for future research in green marketing.

Further in terms of policy formulation, the study findings provide insights on the extent to which government and corporate laws and policies contribute to greening of the Kenyan economy. To a large extent this research informs future green policies in Kenya. Policy makers get to better understand various factors that influence purchase decisions. Such knowledge highlights on market dynamics are needed to support fiscal policies so that the sector can accommodate policy establishment and administration without prejudice. In view of this, research on green marketing practices of soft drink companies would be useful in policy issues related to the national country's strategy of promoting clean environment and issues related to county government especially in dealing with the waste management for competitiveness of soft drink companies. It is evident that soft drinks are a common product and therefore the results gathered in Nairobi can be generalized and used across the country by the county governments.

The study results contribute to managerial practice as senior managers and executives are expected to better understand the role that their policies, actions and activities play in enhancing customer satisfaction for competitive advantage. Further, get to better understand the role played by customer perception and manage it well so that the intended impacts on customer satisfaction by green marketing practices are realize. The overall green marketing strategy could help organizations gain sustainable competitive advantage and achieve superior performance. The most suitable people to execute green marketing programs and environmental activities with enthusiasm and passion in the corporate world are proactive green marketing managers. They should thrive to gain competitive advantage through environmental friendliness and they should emphasize on a free market system in their values.

1.5 Organization of the Thesis

This thesis is well thought-out and organized into five chapters. This chapter has outlined the background of the study, a brief description of the key variables of the study, the statement of the research problem, the study objectives and concluded with a discussion on the value of the study. The expected contribution of the study to theory and practice of green marketing was also discussed.

Chapter two presents a critical review of the theoretical foundations of the study, review of the relevant literature on green marketing practices, Organizational Demographics, Customer perception and Satisfaction and the relationships between these variables. It also contains a summary of the knowledge gaps. The concept of the study was then presented on a conceptual framework in line with the study objectives and the corresponding research hypotheses were formulated.

Chapter three presents the positivism paradigm philosophy that guided the study. The Research design is described in this chapter. In this chapter the target population studied and sampling procedure are explained. The data collection instrument (questionnaire) used the operationalization of the study variables including the techniques used in data analysis are also explained.

Chapter four presents analysis of data, key findings and interpretation of results. These results include the results of tests for the regression, descriptive and inferential statistics and the hypotheses tests. The statistical output tables are presented with brief explanations. Results of mediation and moderation are also presented in a summary path diagram. Finally the findings of hypotheses testing are summarized in a tabular form. Chapter five summarizes the entire study including discussions, conclusions and recommendations. Discussions on the implications of study findings to green marketing theories and policies designed to enhance green marketing adoption and consumer perception change towards green as well as improve organizational green customer satisfaction hence organizational performance. The limitations experience during the study as well as the further research suggestions arising from the study are presented in this chapter.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter is dedicated to a detailed review of the relevant literature. The chapter presents the theoretical foundations of the study, the relationship between Green marketing practices, organizational demographics, Customer Perception and how they influence customer satisfaction. The chapter concludes by providing a summary of knowledge gaps, a conceptual model and conceptual hypotheses.

2.2 Theoretical foundation of the Study

This study is anchored on marketing mix theory. Marketing practice and approaches, viewpoints and concepts to the study have all been changing over time. Products and services have been increasing in number. The practice of marketing has become more people-oriented. Marketing theory emphasizes decision making of marketing managers, interpreting it in terms of decision models. These explanations range from the decisions made in consideration of four variables: products, place, promotion, and price the four "p's" to comparativism, or the relating of marketing practice to ecological factors in the cultural environment (Bartels, 1968). Developments in marketing thought have generated a number of related theories upon which the study was anchored.

Stakeholder theory affirms that persons or clustered individuals with practical welfare contribute towards a venture to attain some gains (Donaldson & Preston, 1995). It explains the reason of firm existence and its roles, including how firms' actions and strategies affect the welfare of individuals apart from the shareholders. Stakeholder theory is first and foremost used to study the motivating cause of stakeholder ecological demands on the execution of ecological plans (Pujari, Wright & Peattie,2003; McIntosh, 1990). Additional features of stakeholder relations include the consequences of stakeholders' application of command on environmental administration (Chamorro & Banegil 2006) and the responsibility of mutual collaboration amid organizations and their stakeholders in coming up with a proactive ecological plan (Sharma et al, 2007). Based on marketing literature, stakeholders play very important roles in any organization

(Pujari, Wright & Peattie,2003; McIntosh, 1990; Menon, Menon,1997). Stakeholders control the critical parts of environmental strategy which include; green product purchases, product's brand personality, the packaging, direct and indirect communication, advertising as well as green promotion plans. When an organization decides to 'go green', the stakeholders are very much involved in their green marketing strategy. Jaime (2007) contended that stakeholders in the area of ecological marketing comprises the vegetation, different animals including human, variety of plants as well as the generations to come.

Corporate environmentalism theory refers to environmentally beneficial actions undertaken by companies that go beyond the minimum requirements by law. Corporate environmentalism theory explains the emergence of green marketing concept, the investigation on the extent to which the environment is affected by marketing behaviour as well as how the ecological variable can be integrated into the diverse company marketing decisions in management (Menon & Menon, 1999). The argument about corporate environmentalism profitability arises naturally from the ongoing debate over corporate social responsibility (CSR). Milton Friedman started the debate through his article on the social responsibility of business or enterprises. The proponents of this theory have generally accepted that companies can undertake socially responsible activities that leads to increased profits and that the three main drivers of corporate environmentalism are market forces, government and social regulation (Friedman, 1970).

For decades marketing theory ignored the influence of the biophysical environment on marketing. However, with the increase in environmental legislation, environmental awareness has increased among corporate organizations compelling them to incorporate ecological concerns in their deliberate planning course of action. Theoretical attempt to incorporate the biophysical into business operations has resulted in this new paradigm of sustainable development (Kinoti, 2012). The theory of corporate environmentalism identifies outside forces that is legislation as well as public concerns and inside forces which is the top management assurance as key drivers of corporate environmentalism. This theory further argues that consequences of corporate environmentalism could

include but not be limited to green product launches, enhanced competitive advantage, customer satisfaction, positive corporate image and research and development (Peattie, 1995). Therefore this theory connects the two main study variables namely green marketing practices and customer satisfaction.

Consumer behaviour theory contends that a consumer internal influences such as motivation, perception and attitudes interplay with external influences from reference groups, culture, social class and marketing activities that shape consumer needs and desires leading to a consumption decision process (Schiffman & Kanuk, 2007). Consumer behaviour theories that seek to explain how consumer perceptions and attitudes are formed include; planned behaviour theory (Chiou, 1998), reasoned action theory (Fishbein & Ajzein, 1975), trying theory (Bagozi, 1992), the tri-component attitude model (Oliver, 1993) and expectancy disconfirmation model (Oliver, 1980). The general argument of these theories is that satisfaction is an outcome of the ratio of what customers expect as well as perceived performance. Consumers compare performance expectations with the actual buying and the use experience. Therefore, firms aim to maximize customer satisfaction by managing expectations through appropriate marketing mix variables hence green marketing practices.

The tri-component theory states that the evaluation of satisfaction involves the interplay of three psychological components and results in formation of perceptions about the firm and its products or services (Oliver, 1993). The cognitive component relates to the thinking and evaluation process based on the qualitative superiority of the products given by the performance. It draws on the information and achieved perceptions by means of similar knowledge from diverse sources as well as undeviating understanding with the attitude item. While affective component deals with a particular product or brand emotions or feelings consumers have, conative component deals with behavioural measures based on the interaction between the provider and the customer in the buying process (Schiffman & Kanuk ,2007). The interplay of these three elements as a consumer evaluates current stimuli in light of previous related information or expectations leads to formation of perception. Perception relates to corporate and brand image, expectations

and perceived product value. This leads or translates to customer commitment, satisfaction and loyalty. Attribution theory and affective feelings state that if consumers point out the fault of the product to be the reason of failure to meet expectations, they will be more dissatisfied than if they attribute the failure to probability factors. The concept of affective feelings postulates that the positive or negative feelings that customers relate to the product after its consumption or use may influence the level of consumer satisfaction (Oliver, 1993). Therefore the theory of consumer behaviour and its constituent theories embraced the key variables of the current study.

2.3 Green Marketing Practices and Customer Satisfaction

Authors have argued that desires, intentions as well as efforts to make companies green can translate to comprehensive business way out that adds net worth of corporates as well as their stakeholders and still it is supposed to be an essential element of the business operations (Porter & Van Linde, 1995; Polonsky, 1995). Tackling environmental problems will result to business continuity as well as sustainability (Baker & Sinkula, 2005). A big number of organizations perceive ecological practices the same as special, inaccessible, disjointed group of actions. They may include; reuse of materials, pollution reduction as well as energy preservation and that green enterprises might not do well on their own (Nair & Menon, 2008; Banerjee et al., 2003). Apparently we find the presence of financial as well as aggressive openings and chances underlying the ecological improvements in each business such that those improvements add significance as well as value to both the corporate as well as the customer (Porter & Van der Linde, 1995). In this regard customer satisfaction can result from environmental practices and to attain this, together the organization as well as the stakeholders should be linked through a combination of nearly all elements involved in creating green value chain and the process be done in a sustainable manner.

Several initiatives have been launched by both business scholars and the management to tackle environmental issues. Some of these programs initiated are overall quality ecological administration (Banerjee, 1998), company environmentalism (Ottman, 1993) and ecological marketing (Banerjee, 2002; Prakash, 2000). It is been made clear that a

lasting net worth or gains to the shareholders is shaped by incorporating the societal as well as ecological concerns to the business operations (Banerjee, 2002). This thesis has discussed the impact of greenness information on consumer decision making process. The customers concentrate on the characteristics of a product to make a purchase decision. It is desirable for firms to focus on firm-level processes/ systems when corporate images are more important and focus on the greening of the products more when brand attributes are more outstanding. From the management point of view developing promotional strategies helps in the greenness of process and system and this is the firm intensity features (Prakash, 2000).

According to a survey done in Taiwan of 200 respondents on customer satisfaction, green product quality was positively linked to satisfaction but a negative relationship was found between green pricing and customer satisfaction (Chang & Fong, 2010). Rakhsha and Majidar (2011) studied on how the satisfaction of customers as well as loyalty is effected by green marketing mix in a dairy company in Iran. The conclusion was that green marketing mix had positive and statistically significant impact on consumer satisfaction. Taking into consideration the impact of green marketing mix on consumers' contentment as well as the impact of fulfillment of customers on their devotion, it was concluded by and large there is an opportunity for companies to gain a competitive edge in their operations by means of incorporating green marketing practice in their overall marketing strategy (Chang & Fong, 2010; Rashad & Mercy, 2014). Therefore, the effect of green marketing practices on customer satisfaction needed to be assessed.

2.4 Green Marketing Practices, Organizational Demographics and Customer Satisfaction

The extant literature has provided evidence on how demographical, geographical, psychographical as well as behavioural variables have been utilized in targeting consumer target markets. Several authors have investigated variables that give details about unique features of adopter categories, particularly the individual features of early adopters. Those studies that have focused on adoption and diffusion of innovations and demographic variables are of interest to employees' satisfaction, even though their

descriptive outcome on adoption is commonly established to be slight small (Rogers, 2003; Cottrell, 2003; Midgley, 1987). There are conclusions that early adopters universally are large and old firms than later adopters particularly in the very involving product class like the durable consumer goods (Martinez et al., 1998; Gatignon & Robertson, 1985). Other studies have established that early adopters are younger firms universally than later adopters due to competition along conventional strategies (Kinnear, 1981). Corporate social responsibility (CSR) and marketing ethics frameworks strongly support manager's commitment to environmental issues. Therefore, social responsibility in marketing provides a marketing framework under which green marketing is established (Weiner & Doescher, 1991). According to the shareholder approach (ownership) the reason behind business existence is to maximize its profits (Friedman, 1962); hence a big role of ownership for green marketing practices.

It has been proved that the implementation of environmental practices is influenced by the size of a firm as a structural variable (Gonzalez-Benito & Gonzalez-Beito, 2006). In some studies environmental performance was influenced by firm size positively (King & Lenox, 2001; Melnyk et al. 2003; Brammer & Pavelin, 2008). A study by Child and Tsai (2005) on firms' ecological strategies in the manufacturing sector in China and Taiwan pointed out that firms' environmental performance is influenced by firm size. The study found that small and medium firms frequently do not have enough finances set aside to assign to ecological actions and regard Environmental protection efforts, Safety as well as Health not very essential at the same time the Multi-National Enterprises (MNE) are inclined to using their huge resources on environmental issues to achieve additional competitive advantages.

Several studies have associated green marketing practices to firm performance by means of increased sales volume, competitive advantage, market share, profitability as well as attraction of environmentally conscious consumers (Chen, 2010). Organizational characteristics particularly age, size and ownership structure have been reported to moderate the relationship between green marketing and firm performance (Kinoti, 2012; Song-Turner, 2011; Michael et al, 2007; Paulssen, 2007). There are minimal empirical findings on restraining impact of Firm's uniqueness on the correlation among green

marketing activities and customer satisfaction. Hence, the moderating effect of age, size, ownership and culture on the relationship between customer satisfaction and green practices was subject of the current study.

2.5 Green Marketing Practices, Customer Perception and Satisfaction

Green marketing practices reflect positively on company's intangible brand equity. Building a strong brand has always been a main objective, since it provides a lot of benefits such as larger margins, greater opportunities for extension and maintaining strong position against competitors (Delgado & Munuera, 2005). Chen (2009) has developed a theoretical framework which shows that the green brand equity can be enhanced by green brand image, green satisfaction and green trust. Green brand image, green satisfaction and green trust are drivers that increase the green brand equity, in an attempt to find a stand point to evaluate concepts of green marketing under the new environmental trends. He relied on the definitions of brand image suggested by Keller (1993) and Cretu and Brodie (2007) as a group of observations that are connected to the target market as well as relations in the mentality of the individuals.

Several authors have suggested that the generalized positive attitudes that consumers have towards brands that are perceived to be environmentally friendly is because of increasing communication in the area of ecological awareness among consumers. It is the perpetual green branding attitudinal effects of both practical and expressive ecological brand placing (Eagly & Kulesa, 1997; Swenson & Wells, 1997; Bech-Larsen, 1996). It is importance of embrace and champion the marketing Concept that focuses on the needs of the customers. Therefore, green branding enhanced by green quality products can result to green customer loyalty. Customer satisfaction is influenced by attitude. It is therefore predicted that diverse procedures during the discernment of ecological brand characteristics result to development of brand feelings. Confirmation and disconfirmation is as result of insight, evaluation of consumer aspirations and expectancy-disconfirmation shift (Oliver, 1993) Customers expectations are confirmed when customers expectations are matched with their desires. Customers experience delight when their ultimate needs and desires are met through satisfaction resulting from superior product and brand performance (Jiang & Rosenbloom, 2005 ; Olsen, 2002).

Over the years researchers have linked pricing as a key indicator of perceived worth of a product and that price perception affects customer satisfaction (Prakash, 2002; Cretu & Brodie, 2007). A controversy exists in the other variables of promotion and green distribution where some studies concluded that attitudes towards advertising disclosures impact on perceptions. There is also a negative relationship between green distributions on satisfaction (Poist & Murphy, 2003). The current author believes that there is significant influence of environmental awareness and realization on consumer environmental perception and therefore purports that consumers are highly involved and concerned with environmental matters as a result of increased environmental consciousness.

2.6 Green Marketing Practices, Demographics, Customer Perception and Satisfaction

Progressive companies are focused towards protecting the environment as a part of their corporate social responsibility and they are therefore considering seizing the green opportunities. Consumers are becoming increasingly aware of the environmental situation due to intense industrial manufacturing activities that leads to pollution all over the world (Chen, 2011; Molina-Azori'n *et al*., 2009). Adopting pleasant marketing strategies by organizations contribute to increased profitability. This leads to eliminating possible drawbacks that result from unfriendly environmental strategies (Luo & Bhattacharya, 2006). Kalafatis and Pollard (1999) contends that companies need to increase their involvement in greening products, Processes, distribution and communication; this is in relation to the environmental issues. On the other hand, most companies do not have sufficient resources to put into practice the proposed green marketing activities. Buil-Carrasco et al (2006) identified company size as one of the most important determinants of the firm's environmental strategy or corporate involvement. Large firms are inclined to presenting a more positive point of view toward the environment because their rates of environmental pollution are higher than small firms. The market worth and ecological responsibility relationship is also influenced by an organization's ownership structure. Zheka (2005) established that the shareholders' perception towards environmental responsibility, corporate governance, and corporate power are influenced by firm ownership structure. Organization's culture and ownership structure influences

employees' behaviour as well as their attitude. The organization's customers consume products and services produced by the organization's employees. These products reflect employees' attitudes and behaviours towards their employer or the organization that they work for (Klein et al, 1995). Integrating green marketing concepts into every part of conventional marketing activities is one way companies would successfully achieve their green marketing endeavours.

Consumer risk reduction and perceived quality improvement in regards to the concerns of consumers on environmental issues and sensitivity would enable organizations gain a competitive advantage. Therefore companies should make use of green marketing activities and plans in their marketing communication plans. When customers are not sure about the purchase experiences, is an indicator of perceived risk (Rao et al., 2007). Potential results of incorrect purchase judgments are clear indication of supposedly risk that is personalized judgment of the experience by the consumers (chang & chen, 2008). Purchase behaviours would generate consequences which the customers are not able to predict by way of some fairly accurate sureness to an extent that the customer would recognize risk in the process of purchasing (Johnson, Sivadas & Garbarino 2008).

According to Jacoby and Kaplan (1972) a combination of uncertainty and negative results which are material, emotional, monetary, performance and societal risks would influence the decision making process of buying by customers. Consumers have got to chance as well as speculate purchase decision development where perceived risk is high (Cunningham, Gerlach, & Harper, 2004); Jiang & Rosenbloom, 2005).

Mitchell (1999) revealed that perceived risk negatively impacts on consumer purchase intentions. Since purchase probability is negatively linked to perceived risk efforts to reduce risks would lead to increased purchase possibility (Olsen, 2002; Kim, Zhao & Yang, 2008). Negative utilization sentiments and risk perceptions interactions have been established significantly. These variables directly affect customer satisfaction (Chen, 2010). Therefore, customer satisfaction is negatively influenced by customer's anxiety and worries as well as risk related emotions. Generally, people have many ecological concerns; these concerns can raise their apparent risk in the prevailing environmental

development issues. These environmental concerns translate to brand perceived risk that directly affects customer satisfaction.

Continuous communication about the green brands will build on ecological perceived superiority and reduce ecological perceived threat. This in turn will enhance customer satisfaction. Efforts to satisfying customer environmental needs would create a differentiation strategy and change competition practice rules (Ottman, 1992; Youngran & Thai, 2014). The extent to which an organization gains competitive advantages is determined by how well companies formulate, plan and implement their green marketing strategies (Peattie, 1995; Perera & Pushpanathan, 2015). Jain & Kaur (2004) argue that green marketing plans could be used to create green positioning strategies like perceived quality, market targeting of different niche, green market segmentation and green product promotion. The same green marketing strategies should be used to identify the green needs of customers and enforce green marketing mix program implementation. Other studies assert that green advertising ought to continuously give substantial ecological knowledge to potential buyers. This information should have significant associations with business actions to avoid green wash. The danger of green wash promotion is that consumers may disregard the promotion and reprimand the organization by refusing to purchase their products and also report them to government authorities (Polonsky, 2001). Given that the purchase intention is negatively influenced by perceived risk, this study argued that green perceived risk would negatively affect green satisfaction.

2.7 The Knowledge Gaps

From the reviewed literature several knowledge gaps were identified as summarized in Table 2.1.

Table 2.1: Summary of Knowledge Gaps

Author	Focus of the study	Methodology	Findings	Knowledge gaps	Focus on the current study
Afande, O.(2015)	Influence of green marketing strategies on performance of the Kenya tea sectors.	Descriptive survey, sampling design	The study found that green marketing strategies influence and performance of tea factories in Kenya.	The study was limited to two variables the green marketing strategies and firm performance. The study focused on manufacturing firms or the processors.	• The current study brought three important variables namely organizational demographics, customer perception and satisfaction. Focused on both manufacturers and trade customers.
Mayombo, M.(2014)	Iinfluence of customer complaint behaviour, firm responses and service quality on customer loyalty of mobile telephone subscribers in uganda	Descriptive cross sectional survey Stratified random sampling	Results showed that the influence of customer grievances on customer reliability within communication companies direct.	The study used the variable customer complaint behaviour as a predictor of customer loyalty. The study was conducted in Uganda	• The study used the customer complaint behavior as a measure of customer satisfaction. • The study conducted in Kenya under different context
Kabare, N. (2013)	Quality drivers, managerial focus, customer perception and customer satisfaction in maize flour mills in Nairobi Kenya	Descriptive sampling design, Census	This study found that Quality drivers strongly impact on customer satisfaction showing service level as a key indicator.	The study lacks a framework showing how customer demographics affect Customer satisfaction.	This study assessed the effect of customer demographics on the relationship between green marketing and customer satisfaction.
Sihem and Mohamed(2013)	Price Fairness in the Case of Green Products: Enterprises' Policies and Consumers' Perceptions studied in Switzerland.	Qualitative research design	The study found out that most customers perceived green prices high.	Study is a qualitative research and did not assess the intervening role of customer perception on green products.	The study is a quantitative and assessed the function of purchaser perception on the correlation among green marketing practices customer Relationship.

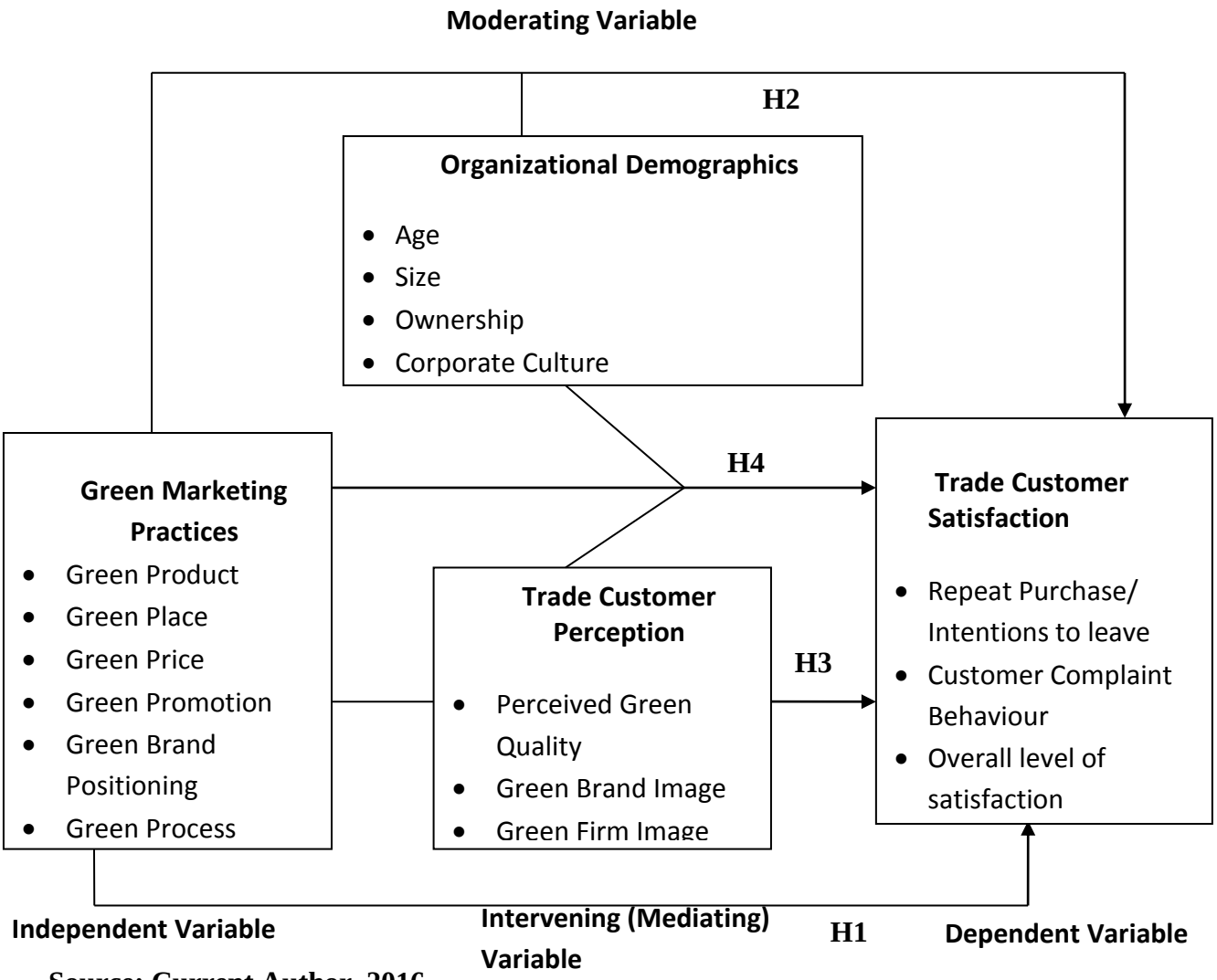
Odera, et.al (2012)	Impact of channel strategy on customer value of Kenyan soft drink companies.	Cross-section survey	Managing stocks was a critical channel objective for firms seeking to optimize customer value in the distribution chain.	• The study was limited to two variables the channel strategy and customer value. • The study used individual customers as its unit of analysis.	• The study assessed the role of two more variables the customer demographics and perceptions. • The study used firms as its unit of analysis.
Kinoti, M. (2012)	Green Marketing Practices, Corporate Image, Organizational Characteristics and performance of ISO 9000 &14000 certified companies in Kenya	Cross sectional Descriptive Survey	Existence of positive correlation among ecological marketing activities as well as firm's performance. Ecological marketing is not a strong predictor of corporate image as well as market share, turnover and profitability.	• The study focused on several companies in different industries, dealing with both services & products for the selected companies. • The role of customer perception was not considered in adopting green marketing.	• This study focused on tangible products industry (soft drinks). • The study assessed the effect of customer perception in the relationship between green marketing practices and customer satisfaction
Deshpande (2011)	A conceptual framework of Green marketing; a tool for sustainable development in USA.	Secondary data from reference books, journal & newspapers	Green marketing as a business strategy was identified with the four P's of marketing as the key strategies.	The research failed to consider the impact of green marketing actions on the contentment of consumers.	This study investigated the impact of green marketing practices on contentment of consumers.
Chang and Fong (2010)	Green product quality, green corporate image, green customer satisfaction, and green customer loyalty in Taiwan.	Questionnaire Survey	The results outcome was ecological product superiority would lead to satisfaction of ecological consumers and dependability.	The research was limited to the impact of green product on the satisfaction of consumers.	The study introduced and assesses the role of Green Price, Promotion, Placing, Positioning and Green Process on customer satisfaction.

Decarlo and Barone (2006)	Environmental positioning strategies as a means of creating competitive advantage for Agricultural producers in UK	Sampling, descriptive design	In general agricultural producers can positively differentiate their products through company positioning	The study was limited to green positioning strategies in an agricultural sector	The study introduced six green marketing strategies for competitive advantage in a different context.
Hartmann, et.al (2005)	Green branding effects on attitude: Functional versus emotional positioning strategies in Spain.	Theoretical model, Experimental online setting, Exploratory factor Analysis.	Group of calculated alternatives for ecological brands positioning were proposed.	The study measured the practical and expressive proportions of ecological brand dimension but failed to measure perceptual and attitudinal dimensions.	The study measured perceptual and attitudinal dimension.
Oyewole, P. (2001)	Social Costs of Environmental Justice Associated with the Practice of Green Marketing in Malaysia.	Descriptive Theoretical Study	The research obtainable theoretical connection amid ecological promotion, ecological fairness, as well as manufacturing ecology.	The role of customer perception and demographics was not considered.	The study addressed this gap by introducing customer perception and demographics.
Keller, (1993)	Customer perception on Value in insurance companies in Iran.	Descriptive survey Research design	Firms where customer Perception views were considered & acted upon had fewer complaints and higher profits.	The study did not identify the customer perception influence on customer satisfaction which leads to customer loyalty hence translating to higher profits.	The study established the influence of customer perception on customer satisfaction.

2.8 Conceptual framework

The conceptual model presented in Figure 2.1 has been derived from the discussions presented in the literature review. The model is represented in terms of the relationships between green marketing practices, organizational demographics, Customer perception and customer satisfaction.

Figure 2.1: Conceptual Model



Source: Current Author, 2016

As shown in Figure 2.1 Green marketing practices element is treated as the independent variable and customer satisfaction as the dependent variable. The green

marketing practices relationship with customer satisfaction construct was hypothesized as influenced by consumer perception towards green brands as an intervening variable and organizational demographics as moderating variable.

2.9 Hypotheses Conceptual

Subsequent hypothesis were later formulated with the help of literature and in addition variables relationships depicted in Figure 2.1.

H_1: There is a statistically significant relationship between Green Marketing Practices and Customer Satisfaction.

H_2: Organizational demographics have statistically important moderating impact on correlation among green marketing practices and consumer satisfaction.

H_3: Trade Customer perception has statistically important mediating impact on correlation among green marketing practices and consumer satisfaction.

H_4: Joint effect of Green marketing practices, Trade customer perception, and organizational Demographics on customer satisfaction is statistically significant.

2.10 Summary of the Chapter

This chapter has presented a review of the relevant literature on theories on green marketing practices, Organizational demographics, customer perception, and customer satisfaction. In addition the chapter has presented empirical evidence on the relationships between green marketing practices and customer satisfaction as well as combined implication of green marketing practices, Organizational demographics and customer perception on satisfaction. The chapter has also provided a summary of the knowledge gaps, the conceptual framework and hypotheses that guided the study. The next chapter presents the research methodology used to carry out the study.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter describes the research philosophy, research design and methodology that were used to undertake this research. It also discusses the procedure that was followed in conducting the research as well as highlights details of the targeted population, sample design, data collection and analysis, reliability and validity tests.

3.2 Research Philosophy

The fundamental question in any field of study entails the constitution of satisfactory facts in that area of study. This gives the focus of epistemology whose main concern is how knowledge develops. This study view point relates to the expansion of comprehensive natural history of that information. It holds vital hypothesis about the way in which investigators observe humankind beliefs (Saunders et al, 2007). Phenomenology is a knowledge of phenomena that is concerned with theory building. It involves theory testing of the relationships of the observer and that which is being observed (Hussay & Hussay, 1997). It focuses on the immediate experience and starts from the known to the unknown (Nachmias & Nachmias, 2004; Saunders et al, 2007; Mugenda, 2008). A phenomenological research paradigm or way of thinking is concerned with appreciating human behaviour from the researcher's own frame of reference.

The two main epistemological study the idea that underpin research in social sciences. These are positivism and phenomenology. Phenomenology is a science of phenomena that is concerned with theory building. It involves theory testing of the relationships between the researcher and that which is being researched (Hussay & Hussay, 1997). The philosophy is sensational as it searches for individuality character and occurrences that would be biased. It concentrates on the instant understanding and begins at the point of definite to the indefinite (Nachmias & Nachmias, 2004; Mugenda, 2008).

Positivism is founded on the principle that study of person behavior ought to be done in similar manner as researches done in ordinary sciences by seeking the details or causes of social phenomena (Hussay & Hussay, 1997). By use of this model, hypothetical

representation that is universal to give explanation on the basis of origin as well as the impact on associations could be developed (Saunders et al, 2007). On the other hand it is a subdivision of philosophy that deals with environment as well as degree of information. It is as well described as presumption of information. The theory provokes an answer to the question "what is knowledge?"; ways of attaining it and the degree to which significant understanding about a topic is obtained (Harvey, 2006).

Positivism is founded on the statement that the investigator is autonomous and has no relationship by any means with what is under experiment. The measurement ought to be done by purposeful criterion and not being inferred subjectively (Mugenda & Mugenda, 2003). This philosophy uses already accessible assumption to come up with assumptions that should go through testing to confirm entire or part or else reject. Thus informing and guiding advanced expansion of presumption that possibly could be assessed by means of advance investigations.

The current study was anchored on the positivism approach because it sought to objectively establish details by empirically establishing relationships among variables and it was concerned with theory hypothesis testing. This heavily informed the formulation and testing of hypotheses and generalizations from the research findings. The researcher conducted an enquiry which gathered knowledge from a preferred section by drop and pick survey method for undertaking to study human understanding, attitude, favorites as well as evaluate the understanding of the common residents.

3.3 Research Design

The study adopted a explanatory cross-sectional investigate technique to determine how green marketing practices, organizational demographics and perception impacted on customer satisfaction in soft drink companies in Nairobi City County. A descriptive cross-sectional survey collects data to make deductions and conclusions about a population of interest (universe) and has been regarded as a snapshot of the population from which researchers collect data. The researcher used this design to ascertain if there is any considerable relations between variables existed during a certain period (Cooper & Schindler, 2006). Raman (2008) found that cross-sectional studies have robust effects on relationship studies. Descriptive survey design allows for the collection of large data

from sizable population. This facilitates the investigator to give organized consistent interrelated summary of items of concern and measures as explained by correspondents (Sandelowski, 2000). The choice of the tool was suitable to the current research because it makes use of a survey feedback tool to collect data. This design is encouraged by Gall et al (2003) through asserting that the technique helps the researcher acquire data with enough accuracy to enable hypotheses testing appropriate.

3.4 Population of the Study

The study focused on trade customer firms comprising of both locally and foreign owned registered firms operating within the boundaries of Nairobi County and have a direct link with the supplier/ manufacturers. The list of these companies is presented in Appendix 4. The trade customers included distributors and wholesalers whose population was 180. The researcher considered this population appropriate because soft drink firms were likely to have adopted green marketing practices owing to customer concerns on health and environmental issues.

3.5 Sample Design

The researcher used the formulae suggested by Fisher, Laing and Stoeckel (1985) to determine sample size of the trade customers. Sampling helps identify the elements to be observed in the study. It enables the observer identify who and where the data for the study will come from. This formula helps maintain some level of representation. In the selection of samples, necessary care must be taken to make certain that it fairly represents the collective distinctiveness of the population under study. It is also based on certain theoretical considerations referred to as 'theoretical sampling'. Such deliberation focus the choice of elements on the basis of a developing theoretical understanding of what events or trends constitute key elements of the research hence the choice of this formula

The formula is stated as follows:

$$N = \frac{Z^2(P)(1-P)}{E^2} = \frac{(1.96^2 x 0.5^2)}{0.05^2} = 384$$

$$nf = \frac{n}{1 + n/N} = \frac{384}{1 + (384/341)} = 180\ Trade\ customers$$

Where n= the desired sample size (if the target population is greater than 10,000).

nf = is the desired sample size (when the population is less than 10,000).

N= the Population (in this case 341)

Z = level of confidence expressed in standard deviations (Z=1.96 at α =0.05).

P = Proportion of the sample assumed to possess a characteristic or attribute.

E = maximum sampling error the researcher (user) is ready to adopt after results. At 95% confidence level and allowable error (α) is=0.05.

Based on this formula a sample size of 180 trade customers was used in the current study. A compiled complete list of all the elements in a population from the lists received from the suppliers, assigning each a number and then drawing a set of random numbers which identifies *n* members of the population to be sampled was used to select sample elements for trade customers.

3.6 Data Collection

The relevant data were collected from both secondary and primary sources. Primary data were collected on the study variables through the use of a semi- structured questionnaire. The questionnaire was divided into five parts (Appendix II). Section A collected data on the general information of the organization; Section B gathered information on green marketing practices adoption and awareness; Section C elicited information on green marketing implementation, importance and organizational demographics; Section D collected information on Customer Perception while section E obtained feedback on customer satisfaction.

The questionnaire included both open and closed ended questions. A five point likert type scale was used where 1= not at all; 2= to a small extent; 3= to a moderate extent; 4= to a large extent; and 5= to a very large extent). The items were developed from the literature with suitable modifications to suit conditions of the current study (Appendix 1 & 2). The instruments were administered through drop and pick method by the researcher and research assistants. A total of three hundred and forty two questionnaires were distributed to the respondents**.**

Key informant method was used to administer questionnaires as recommended by Kumar, Stern and Anderson (1993). The method is described as obtaining data from persons whose career or organizational responsibilities show that they have knowledge and understanding about specific characteristics of the population under study (Warheit, Bulh & Bell, 1978; O'cass et al., 2004). Multiple informants method have been proposed by some previous researchers, while single informants methods have been supported by others giving the reason that they provide data that are reliable and valid similar to the ones provided by multiple informants (O'cass et al., 2004; Narver & Slater, 1998). This is consistent with previous studies that have used key informants method to study green marketing practices and customer satisfaction relationships (Polonsiek et.al, 2011; Sihem & Mohammed, 2012; Kinoti, 2012). One respondent was interviewed in each firm.

All the marketing managers of every soft drink firm and all the trade customers' operations managers or their informed representatives were selected to take part in the study as key informants as they are perceived to be knowledgeable on the issues under study and for which they are either responsible for the execution or they personally execute them.

3.7 Tests of reliability and validity

3.7.1 Test of reliability

Validity is described as the degree to which a size programmed into a number of questions exactly calculates the study item it is meant to investigate (Zikmund, 2000). Rousson, Gasser and Seifer (2002) defined validity as the extent to which the illustration of the study variables symbolizes the substance the experiment is intended to compute.

Legitimacy is important in determining the nature of the tests to use. It helps to ensure investigators are exposed to techniques that are right, morally good and financially effective. Furthermore, a technique that truthfully evaluates the thoughts or framework of the subject matter. To check on whether the questions in the questionnaire measured the expected theorized variables in the conceptual framework, the questionnaire was pretested. The respondents were asked to mention if the questions were clear or not and comment on the time used to complete filling one questionnaire.

The study adopted Cronbach's Alpha to measure reliability. It gives the the co-efficient of internal consistency. Cronbach alpha was used to test the measurement scales to ascertain the reliability of the five point rating scale which was used in the study (Kothari, 2005; Nunnally, 1978). A co-efficient of 0.70 and above indicates that there is a high reliability of data (Saunders, Lewis & Thornhill, 2009). According to Nunnally and Bernstein (1994); Grayson (2004), a cut off alpha coefficient of 0.70 is sufficient. The closer the cronbach's coefficient Alpha is to 1, the greater the internal consistency of the items in the scale. The study therefore used 0.70 as a cutoff point. A pilot study was undertaken to establish the reliability of the questionnaires using internal consistency approach by use of SPSS version 21. Reliability tests were carried out on a pilot study of 41 conveniently selected firms from within the sample.

3.7.2 Validity Tests

Validity is described as the degree to which a scale encoded into a set of questions exactly measures the variable it is supposed to measure (Zikmund, 2000). Rousson, Gasser and Seifer (2002) defined validity as the degree by which the sample of the test items represents the content the test is designed to measure. Validity is important in determining the nature of the tests to use. It helps to ensure researchers are using techniques that are right, ethical and cost effective but, also a method that truly measures the idea or construct of the subject matter. To check on whether the questions in the questionnaire measured the expected theorized variables in the conceptual framework, the questionnaire was pretested. The respondents were asked to mention if the questions were clear or not and comment on the time used to complete filling one questionnaire.

Factor analysis method was applied to assess validity of measurements. This method of analysis was based on the criteria of the Keiser, Meyer and Ohlin (KMO) above 0.7; while Bartlett's test is significant at eigen values greater than 1. To ascertain validity the questionnaires were tested on 41 respondents. The constructs of the variables (Green marketing practices, organizational demographics, customer perception and customer satisfaction) were subjected to Kaiser-Meyer Olkin (KMO) and Bartlett's test extraction using Principal Component analysis by varimax rotation and Kaiser normalisation. KMO measure of sampling adequacy should be greater than 0.05 for satisfactory factor analysis to continue. Further, Bartlett's test of sphericity recommends that the population correlation matrix is not an identity if the chi-square statistic for a variable is significant at 0.05. Previous studies have also used factor analysis to determine validity of questionnaire (Njeru, 2013, Kabare, 2013, Mayombo, 2014).

3.8 Operationalization of Study Variables

The operationalization of study the variables was based on the review of literature. The variables were operationalized and measured using indicators based on a five-point Likert type scale ranging from 1=Not at all to 5=To a very large extent. Likert type scale is a standardized psychometric response scale mainly used in questionnaires to get participant's preferences or the extent of agreement with a statement or set of statements. Respondents are asked to point out their level of agreement with a specified statement by way of an ordinal scale. A Likert-type scale involves a series of statements that respondents may choose from in order to rate their responses to examine or evaluate questions (Vogt, 1999).

The Likert type scale is easy to use, simple to construct, likely to produce a highly reliable scale, simply entailing subjects to point out their extent of conformity or divergence by means of each of a number of statements, is easy to read and complete for participants. These answers are then assigned values, normally from 1 to 5. By the use of statistical value summation of the responses and profiling of each item likert scale is analyzed. This results to aggregate analysis which is one score per variable for the entire attitude scale.

The variables under the study included independent variable as Green Marketing Practices (GMP) whose indicators are green product, price, place, promotion, brand positioning and processes. The Mediating variable as Customer perception (CP) whose indicators are Green perceived quality, Green Brand Image, and Green firm image. The moderating variable as Organizational Demographics (OD) whose indicators were Age, Size, Ownership and Organization Culture. The dependent variable as Customer satisfaction (CS) whose indicators are Repeat Purchases, Complaint Behaviour and Overall Satisfaction.

Table 3.1: Operationalization of study variables

Variable	Nature of variable	Indicators	Measurement	Scale	Questionnaire Item
Green Marketing Practices	Independent	• Green product • Green placing • Green Pricing • Green promotion • Green packaging • Green process • Green Branding & Positioning	Five Point Rating scale for the suppliers and for the trade customers. 1=Not at all 2=To a small extent 3=To a moderate extent 4= To a large extent 5=To a very large extent	Interval	Questions 8 &9 of the firms questionnaire and 4,5,6,& 7 of trade customers questionnaire
Customer Perception	Intervening (Mediating)	• Green perceived Quality • Green brand Image • Green perceived Risk	Five Point Rating for both the suppliers and customers. 1=Not important 2=Least important 3=Important 4= Very important 5=Extremely important	Interval	Questions 10 &12 of firms questionnaire and 8 of the customer questionnaire

Organizational Demographics	Moderating	• Age • Size • Ownership • Culture	Five Point Rating both for the suppliers and customers. 1=Not at all 2=To a small extent 3=To a moderate extent 4= To a large extent 5=To a very large extent	Direct measure and Interval	Question 11 of the firms questionnaire and 9 & 10 of the customer questionnaire
Customer Satisfaction	Dependent	• Customer loyalty (Repeat purchases) • Customer Complaint Behaviour • Overall level of satisfaction.	Five Point Rating both for the suppliers and customers. 1=Extremely Dissatisfied 2=Somewhat dissatisfied 3=Neither satisfied nor dissatisfied 4= Somewhat dissatisfied 5=Extremely satisfied	Interval	Questions 13, 14 & 15 of the firms questionnaire and 10 ,11,12 &13 of customer questionnaire.

Source: Current Researcher, 2016

3.9 Data Analysis

The pertinent data were first cleaned, coded and organized in a manner that facilitated analysis using the Statistical Package for Social Sciences (SPSS). Descriptive statistics (mean scores and measures of dispersion) and inferential statistics (correlation, analysis of variance and regression analysis) were conducted to determine the relationships between green marketing practices, Organizational demographics, trade customer perception and Satisfaction. Saunders *et. al* (2009) emphasized on the importance of descriptive analysis since it forms the basis of correlation and experimental studies. Regression analysis was carried out to measure the relationship between variables and to establish the strength of linear associations between the variables. A 95% confidence level was used in the current study. The general formula for predicting trade customer satisfaction was presented by the model:

$Y = \alpha + \beta 1X_1 + \beta\ 2X_2 + \beta\ 3X_3 + \ldots + \beta\ nXn + \varepsilon$

Where Y is the dependent variable and is a linear function of X_1, X_2, X_3, …X_n + ε,

α is the regression constant or intercept,

b1-n are the regression coefficient or change induced in Y by each X, X1-n are independent variables, ε is the error term that accounts for the variability in Y that cannot be explained by the linear effect of the predictor variables.

The estimate model for the firm, customer satisfaction was expressed as:

$CS=\beta o+\beta_i X_i+ \varepsilon_i$

CS= f(green marketing practices),

$=\beta o+\beta_1 X_1+\beta_2 X_2 +\beta_3 X_3+\beta_4 X_4 +\beta_5 X_5+\beta_6 X_6 +\varepsilon$

Where: βo = intercept , CS = Customer satisfaction

$\beta_1, \beta_2, \beta_3, \beta_4, \beta_5,$ and β_6 are beta coefficients for H_1

$X_1, X_2, X_3, X_4, X_5,$ and X_6 represent dimensions of green marketing practices,

ε is the error term

Mediation and moderation effects testing followed the procedures described by Baron and Kenny (1986) and Fairchild and MacKinnon (2009). To test the moderating effect of organizational demographics on the relationships between green marketing practices and customer satisfaction, a hierarchical multiple regression analysis was used. Hierarchical

multiple regression analysis allows for assessment of what one or a combination of independent variables added to the prediction of the dependent variable while controlling for the preceding ones. All the independent variables were entered, and then the overall model was evaluated depending on its ability to predict trade customer satisfaction. The test was done in two steps.

In the first step, the independent variable (green marketing practices) and organizational demographics were entered into the model as a predictor of the outcome variable (customer satisfaction). According to Baron and Kenny (1986) the independent variables do not have to be statistically significant predictors of dependent variable (customer satisfaction) in order to test for an interaction term. In the second step, an interaction term (the product of the two independent variables) was calculated. An interaction term presents a joint relationship between green marketing practices and organizational demographics and thus accounts for additional variance in the dependent variable (customer satisfaction) beyond that which was explained by either green marketing practices or organizational demographics. The moderator effect is present if the interaction term explains a statistically significant amount of variance in the dependent variable. The single regression equation was presented as follows:

$M = \beta o + \beta_i X_i + \beta_j Z_j + \beta_k XZ + \varepsilon \quad (i=1..6, j=1..4, k=1)$

$= \beta o + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \beta_6 X_6 + \beta_1 Z1 + \beta_2 Z2 + \beta_3 Z3 + \beta_4 Z4 + \beta_4 XZ + e,$

where βis = regression coefficients,

X_1 to X_6 = Green Marketing Practices,

Z_1 to Z_4= Organizational demographics

e = error term

The regression coefficient for the interaction term B_3 provides an effect of the moderation effect. If B_3 is statistically different from zero, there is a significant moderation on the X (GMP) andY (customer satisfaction) relationship.

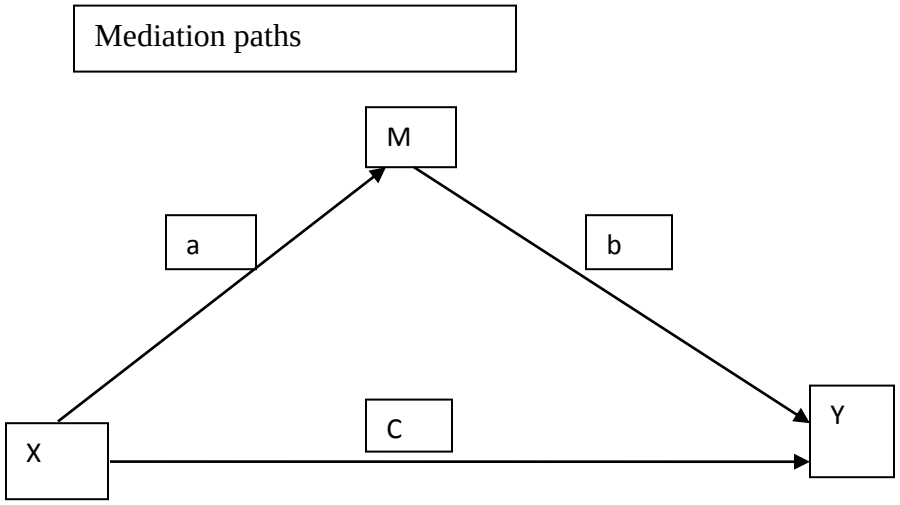
To examine the mediating effect, Baron and Kenny's (1986) four steps method was used. Several regression analyses conducted and the significance of coefficients examined in

each step. In the first step, a single regression analysis with the independent variable (GMP) predicting the dependent variable (CS) was carried out. In the 2nd equation, a single regression analyses with the independent variable (GMP) predicting the intervening variable (CP) was carried out. In the 3rd equation, a simple regression analysis was carried out with the intervening variable (CP) predicting the dependent variable (CS). Lastly a multiple regression analysis with the independent variable (GMP) and (CP) predicting the dependent variable Customer satisfaction (CS) was carried out.

The reason for steps one to three was to establish if zero-order relationship among the variables existed and if they were statistically significant and then proceed to step four. If green marketing practices were no longer significant when Customer Perception (CP) is controlled, then the findings would support partial mediation. If green marketing practices (GMP) and customer Perception (CP) were still significant, that is, predicting Customer satisfaction; the findings would support partial mediation. Figure 3.1 presents the graphical representation of the moderating and mediating effect.

Figure 3.1: General Model for Testing Mediation Effects

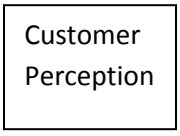
Part a)

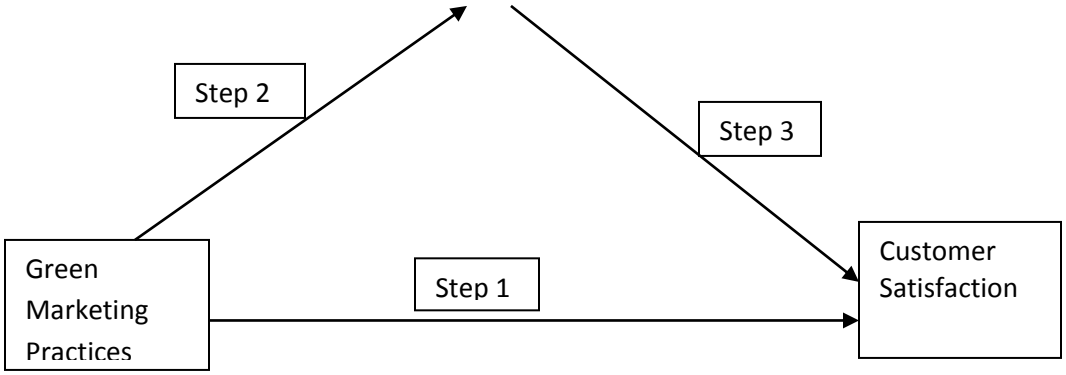


X= Independent variable; M= Mediator; Y= Dependent variable; B1= beta coefficients

Source: Adopted from Fairchild and MacKinnon (2009)

Part b) Mediation steps

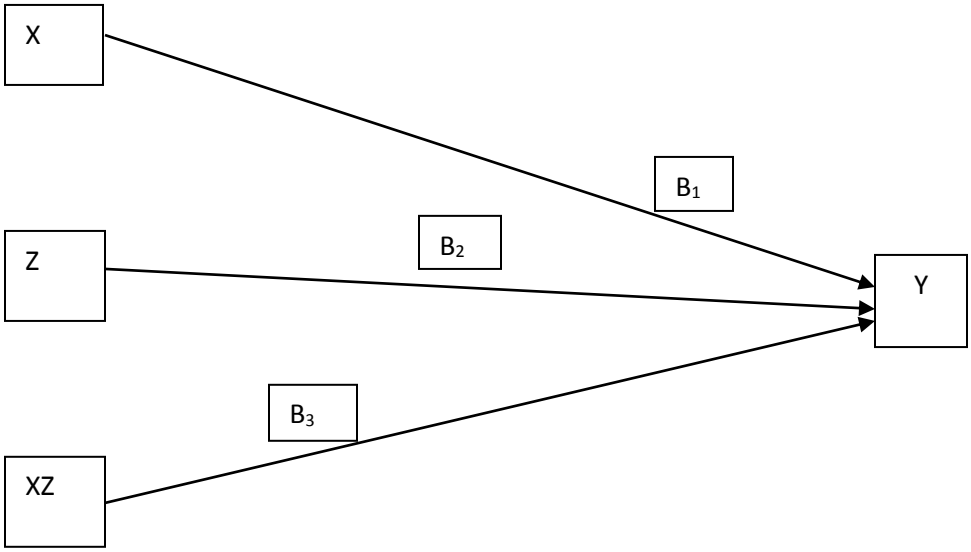




X= Independent variable; M= Mediator; Y= Dependent variable; B1= beta coefficients

Source: Adopted from Fairchild and MacKinnon (2009)

Figure 3.2: Moderation Path Diagram



X= Independent variable; Z= Moderator ; XZ= Interaction term; Y= Dependent variable; $B_{1, 2, 3}$ = beta coefficients

Source: Adopted from Fairchild and MacKinnon (2009)

Figure 3.1 and 3.2 show the mediation and moderation path diagrams where X is the independent variable (Green marketing Practices), Z is the moderating variable

(Customer Demographics), M the mediating variable (customer perception) and Y the dependent variable (Customer Satisfaction). Testing for mediation involved setting up four situations by determining path c. GMP (dependent variable) is significantly related to the dependent variable (CS); path a shows that green marketing practices (GMP) is significantly related to Customer perception (mediator), and the customer perception is associated with green marketing practices and thus mediate green marketing practices and Customer satisfaction relationship. Path b, Customer perception is significantly related to customer satisfaction when controlling for the effect of green marketing practices on Customer satisfaction which is no longer significant (path C). Only path ''a'' (the independent variable is correlated with the mediator) and path ''b'' (the mediator affects the dependent variable) are necessary conditions for establishing a mediation effect (Baron & Kenny, 1986).

To test hypotheses H_1 and H_4 simple and multivariate regression analysis was used respectively while hypotheses H_2 and H_3, Pearson's first order partial coefficient ($r_{xy.z}$) and Pearson's zero order partial coefficient (r_{xy}) was used and the statistical test(s) carried out and corresponding interpretations are presented in Table 3.2

Table 3.2: Research Objectives, Hypotheses and Data Analytical Models

Objective(s)	**Hypotheses**	**Data Analytical Methods**	**Hypothesis Test and Interpretation of Results**
1) To establish the relationship between green marketing practices and customer satisfaction.	H_1: There is a statistical relationship between green marketing practices and customer satisfaction.	Simple Regression Analysis $CS=\beta o+\beta_i X_i+ \varepsilon_i$ CS= f(green marketing practices), $=\beta o+\beta_1 X_1+\beta_2 X_2 +\beta_3 X_3+\beta_4 X_4 +\beta_5 X_5+\beta_6 X_6 +\varepsilon$ Where: βo = intercept , CS = Customer satisfaction $\beta_1, \beta_2, \beta_3, \beta_4, \beta_5,$ and β_6 are beta coefficients for H_1 $X_1, X_2, X_3, X_4, X_5,$ and X_6 represent dimensions of green marketing practices, ε is the error term	• To conduct *F* test to assess overall robustness and significance of the regression model. • Conduct *t* test to determine individual significance of the relationship. • R^2 to assess how much of the dependent variable's variation is due to its relationship with the independent variable.
2) To establish the influence of Organizational demographics on the	H_2: Organizational demographics have a statistically significant moderating effect on the	Hierarchical Multivariate Regression Analysis $M = \beta o + \beta_i X_i + \beta_j Z_j +\beta_k XZ + \varepsilon$ (i=1..6, j=1..4, k=1) $= \beta o + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 +\beta_6$	• The difference between first order and zero order partial correlation coefficient shows

relationship between green marketing practices and customer satisfaction.	relationship between green marketing practices and customer satisfaction.	$X_6 + \beta_1 Z1 + \beta_2 Z2 + \beta_3 Z3 + \beta_4 Z4 + \beta_4 XZ + e$, where βis = regression coefficients, X1 to X6 = Green Marketing Practices, Z1 to Z4= Organizational demographics	the moderating effect of Z (Organizational demographics) on the relationship between Green Marketing Practices (X) and customer satisfaction (Y).
3) To establish the influence of customer perception on the relationship between Green marketing Practices and customer satisfaction.	H_3: Customer perception has a statistically significant mediating effect on the relationship between green marketing practices and customer satisfaction.	Hierarchical Multivariate Regression Analysis $Y = \beta o + cX + e$ (to test the direct relationship between X & Y) $M = \beta_1 + aX + e$ (to test if independent variable predicts mediator) $Y = \beta_2 + bM + e$ (to test if mediator variable predicts Y) $Y = \beta_3 + clX + bM + e$ (multiple regression with X&M predicting Y) Where X and M represent independent and mediating variables, βis are intercepts, a is the effect of X on mediator, c1 the effect of X on Y controlling M, b is the effect of M on Y while ε is an error term.	• The difference between first order and zero order partial correlation coefficient shows the mediating effect of Z (Customer perception) on the relationship between Green Marketing Practices (X) and customer satisfaction (Y).

4) To establish the joint influence of green marketing practices, Organizational demographics and perception on Customer Satisfaction.	H_4: Green marketing practices, customer perception, Demographic factors jointly influence customer satisfaction.	Multivariate Regression Analysis $Y= \beta0+ \beta1X +\beta2Z + bM + \beta3XZ +\varepsilon$ Customer satisfaction= f (Green marketing practices + customer perception + Organizational demographics).Y= Customer satisfaction ε = Stochastic or disturbance term or error term.	• To conduct a *t* test to determine individual significance of the relationship. • To conduct an *F* test to assess overall robustness and significance of the regression model • R^2 change to assess how much of the dependent variable's variation is due to its relationship with the independent variables.

Source: Primary data

3.10 Summary of the Chapter

This chapter has described the research methodology used to conduct the study in terms of the research philosophy, research design, population of the study, operationalization of the study variables, data collection and the data analysis and sampling frame. In this chapter the tests used to screen the data quality such as tests for reliability and validity as well as factor analysis were discussed and explained. The study was anchored on a positivistic research philosophy and hence the findings sought to explain causal relationships among the variables related to customer satisfaction in the soft drink companies in Nairobi County. The findings include the results of the data screening tests, descriptive statistics, correlations, and the tests of the study hypotheses. Chapter four presents the results of the study findings.

CHAPTER FOUR

DATA ANALYSIS, INTERPRETATION AND PRESENTATION

4.1 Introduction

The chapter presents the research response level, data coding and cleaning as well as the assessment of data normality, linearity and independence of all the study variables. It presents the analysis of data results and discussions based on data collected from the trade customer firms. The analysis of data is based on both descriptive and inferential statistics. Data collected were used in descriptive analysis to assess the green marketing adoption level, determinants of green marketing practices, tools used to capture customer satisfaction feedback in relation to green marketing practices, customer perception and organizational demographics. Inferential statistics correlation analysis was done. Also presented in this chapter are the hypotheses tests and the regression models of the study variables.

4.2 Response Rate and Data Screening

The study targeted a sample of 180 trade customers and the researcher managed to successfully collect data from 130 trade customers This represented a response rate of 63 percent of the sample size. The researcher considered the response rates good enough because compared with other studies of similar nature conducted in Kenya the percentage was within the same range. For instance Kabare's (2013) response rate was 62 percent; Kinoti's (2012) was 67.5 percent and Gachunga's (2010) was 62 percent. The response rate was achieved through several visits to the respondents by the researcher and two assistants. The data were thereafter coded and cleaned through extensive checks for consistency. The data then was analyzed using a set of descriptive and inferential statistics using statistical package for social sciences (SPSS) version 21.0 software.

4.3 Assessment of Reliability of Study Measures

The researcher found it necessary to assess the psychometric properties of the constructs despite the fact that many of the measures used in this study were adopted from well established scales in the extract literature. Cronbach's alpha coefficient was used to measure the reliability of the scale. The coefficient was used to determine the

consistency or average correlation of items in a survey instrument to gauge its reliability (Sekaran, 2003). The measures of independent variable had Cronbach's alpha coefficient of 0.8264 while those of the dependent variable had Cronbach's alpha coefficient of 0.7131(Table 4.1). The study measures were found to be highly reliable in that they all had alpha coefficient greater than the accepted Cronbach's alpha coefficient of 0.70 which was the predetermined cut off point.

Table 4.1: Summary of Cronbach Alpha Reliability coefficients

Variables	**Measures**	**No of items**	**Cronbach Alpha coefficients**
Green marketing practices	Product Price Place Promotion Process Brand Positioning	38	0.826
Organizatonal Demographics	Age Size Ownership Culture	15	0.883
Customer perception	Product Quality Firm Image Brand Image	39	0.724
Customer satisfaction	Repeat purchases Complaint behavior Overall satisfaction	40	0.742

Source: Primary Data

4.4 Validity Tests

Validity in research involves determining whether the research instruments truly measure that which it was intended to measure (Patton, 2002). The content validity was determined by discussing the questionnaires with the supervisors, department lecturers

and research experts. Also content validity index was determined at 0.791. According to Oso and Onen (2009) validity coefficient of minimum 0.70 is deemed acceptable. This implies the data collection instrument passed validity test.

4.5 Factor Analysis

Factor analysis (FA) was used test for convergent validity, discriminate validity and construct validity. KMO & Bartlett's Test was used. For sampling adequacy, varimax methods to extract the factors or constructs that measured the study variables was done as shown in proceeding sections. Principle component analysis and varimax rotation method was done using Eigen values greater than or equal to 0.5. Factors with Eigen values greater than (1) were extracted and items with factors loadings with greater or equal 0.5 were retained. The results are presented in the following sections.

4.5.1 Factor analysis for Customer Satisfaction

KMO & Bartlett's Test of Sphericity is a measure of sampling adequacy and is used to check the case to variable ratio for the analysis being conducted. KMO ranges from 0 to 1, however, a minimum index of 0.5 is acceptable (Field, 2003). From the results, KMO had an index of 0.782 implying that factor analysis is appropriate for these data. According to Field (2003) Bartlett's Test of Sphericity relates to the significance of the study and thereby shows the validity and suitability of the responses collected to the problem being addressed by the study. For Factor Analysis to be recommended suitable, the Bartlett's Test of sphericity must be less than 0.05. The indicators of customer satisfaction were subjected into factor analysis and the results presented in Table 4.2.

Table 4.2: Results of Factor Analysis for Customer Satisfaction

4.2 a Kaiser-Meyer-Olkin and Bertlet's tests

Kaiser-Meyer-Olkin and Bertlet's tests of sampling adequacy		.782
Bertlet's tests of Sphericity	Approx. Chi-square	98.212
	Degrees of freedom	28
	Significance(p-value)	.000

4.2b Total Variance explained in customer satisfaction

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	4.655	66.494	66.494	4.655	66.494	66.494
2	.921	13.158	79.651			
3	.642	9.170	88.821			

Extraction Method: Principal Component Analysis.

4.2c Component Matrix(a)

	Component
	Customer Satisfaction
Repeat Purchases/ Intention to leave	.493
Customer complaint behaviour	.928
Overall satisfaction	.930

Extraction Method: Principal Component Analysis.

a. 1 components extracted.

Source: Primary Data

The Bartlett's Test of Sphericity p-value is 0.000 which is less than $\alpha = 0.05$, implying that the test is highly significant; hence the factor analysis is appropriate. The initial Eigen values associated with each factor had only one factor extracted and explains the variance specific to a particular linear component and it was labeled customer satisfaction. From the study results, customer satisfaction accounts for 59.206% of the total variance before extraction and the same after extraction. Rotation has the effect of optimizing the factor structure and states the relative importance of the factor. This implies that from the study results, the system has identified one important factor to be loaded in the analysis. The rest are dropped from the analysis. From the rotated matrix, factor one (customer satisfaction) is positively correlated with Green value proposition that is clearly communicated and understood (.930) while the overall green quality of your supplier's product/service (.928).

4.5.2 Factor Analyses for Green Market Practices

All the constructs of the green marketing practices were subjected to factor analysis and the results presented in Table 4.3.

Table 4.3: Results of factor analysis for Green Market Practices

4.3a Kaiser-Meyer-Olkin and Bertlet's tests

Kaiser-Meyer-Olkin and Bertlet's tests of sampling adequacy		.792
Bertlet's tests of Sphericity	Approx. Chi-square	108.202
	Degrees of freedom	18
	Significance(p-value)	.000

4.3b Total Variance explained in green marketing practices

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings(a)
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total
1	7.071	54.395	54.395	7.071	54.395	54.395	6.065
2	3.716	28.585	82.980	3.716	28.585	82.980	6.189
3	1.052	8.089	91.068	1.052	8.089	91.068	3.636
4	.450	3.459	94.527				
5	.298	2.294	96.821				
6	.206	1.586	98.406				

Extraction Method: Principal component analysis. 3 factors extracted

4.3c Rotated Component Matrix

Measures	Factor		
	1	2	3
Green Product	.934	.136	.063
Green Place	.617	.331	.105
Green Promotion	.078	.936	.078
Green Brand Positioning	.252	.027	.921
Green Process	.776	.263	.055

Rotation Method: Varimax within Kaiser Normalization

Source: Primary Data

Kaiser-Meyer-Olkin and Bertlet's tests of sampling adequacy results show that the indicators of green marketing practices had KMO of 0.792 and there were three critical factors driving the green marketing practices which accumulated to 91.068 percent of the total variance in these construct. Factor one had four most dominant loadings which accounted for 54.395 percent of the variance in this construct. Factor 2 contributing 28.585 percent of the variance while factor 3 also had 8.089 % of the variance. Rotation has the effect of optimizing the factor structure and states the relative importance of the factor. This implies that from the study results, the system has identified three important factors to be loaded in the analysis. From the rotated matrix, factor one is highly and positively correlated with compliance with green product (.934) and green process (.776). Green promotion was highly and positively correlated with factor two (.936) while green brand position was highly and positively correlated with factor three (.921).

4.5.3 Factor Analyses for Customer Perception

All the indicators of the customer perception were subjected in factor analysis in an effort to determine their suitability for regression analysis. The results are shown in Table 4.4

Table 4.4: Factor Analyses for Customer Perception

4.4a Kaiser-Meyer-Olkin and Bertlet's tests

Kaiser-Meyer-Olkin and Bertlet's tests of sampling adequacy		.641
Bertlet's tests of Sphericity	Approx. Chi-square	108.426
	Degrees of freedom	26
	Significance(p-value)	.000

Total Variance explained in customer perception

4.4b Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings (a)
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total
1	3.602	51.460	51.460	3.602	51.460	51.460	3.535
2	1.747	24.950	76.410	1.747	24.950	76.410	2.026
3	.852	12.178	88.588				

Extraction Method: Principal Component Analysis.

4.4c Component Matrix(a)

	Component	
	1	2
Green Perceived quality	.318	.887
Green Brand image	.314	.772
Green firm image	.936	.521

Extraction Method: Principal Component Analysis.

a 2 components extracted.

Source: Primary DATA

The initial Eigen values associated with each factor have been extracted and explain the variance specific to a particular linear component. From the study results, factor one accounts for 51.460% while 24.950% for factors two respectively of the total variance. Cumulatively, 76.410% of the variance is accounted for by the two factors. Rotation has the effect of optimizing the factor structure and states the relative importance of the factor. This implies that from the study results, the system has identified the two as

important factors to be loaded in the analysis. From the rotated matrix, factor one has is highly and positively correlated with Green firm image (.936). However, Green Perceived quality was highly correlated with factor two (.887).

4.5.4 Factor Analysis for Organizational Demographics

KMO & Bartlett's Test of Sphericity is a measure of sampling adequacy and is used to check the case to variable ratio for the analysis being conducted. KMO ranges from 0 to 1, however, a minimum index of 0.5 is acceptable (Field, 2003). From the results, KMO has an index of 0.720 implying that factor analysis is appropriate for these data.

According to Field (2003) Bartlett's Test of Sphericity relates to the significance of the study and thereby shows the validity and suitability of the responses collected to the problem being addressed through the study. For Factor Analysis to be recommended suitable, the Bartlett's Test of sphericity must be less than 0.05. From the study results, the Bartlett's Test of Sphericity has p-value of 0.000 which is less than the stated $\alpha = 0.05$, implying that the test is highly significant; hence the factor analysis is appropriate. The factor analysis for organizational demographics was carried out and results recorded in Table 4.5.

Table 4.5: Results of Factor Analysis for Organizational Demographics

4.5a Kaiser-Meyer-Olkin and Bertlet's tests

Kaiser-Meyer-Olkin and Bertlet's tests of sampling adequacy		.720
Bertlet's tests of Sphericity	Approx. Chi-square	98.212
	Degrees of freedom	18
	Significance(p-value)	.000

4.5a Total Variance explained in organizational demographics

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.368	59.206	59.206	2.368	59.206	59.206
2	.967	24.176	83.382			
3	.649	16.234	99.615			
4	.015	.385	100.000			

Extraction Method: Principal Component Analysis.

4.5c Component Matrix(a)

	Component
	Organizational demographics
Age	.493
Size	.929
Ownership	.932
Culture	.627

Extraction Method: Principal Component Analysis.

a 1 components extracted.

Source: Primary Data

The initial Eigen values associated with each factor had only one factor extracted and explains the variance specific to a particular linear component. From the study results, portfolio diversification accounts for 59.206% of the total variance before extraction and the same after extraction. Rotation has the effect of optimizing the factor structure and states the relative importance of the factor. This implies that from the study results, the system has identified one important factor to be loaded in the analysis which was labeled organizational demographics.

Organizational demographics (factor one) from the rotated matrix, is highly and positively associated with firm ownership (.932). Firm size was highly associated with organizational demographics (.929). The principal component investigation was appropriate since it was conceptually less composite and linear components were easily established in a data set (Field, 2006). The factor analysis uncovered moderate to high commonalities of 0.50 to 0.90 with traverse loadings. The commonalities for a variable which were less than 50% were removed from the analysis. when items with low loadings were eliminated, the factor result containing less than half of the variance in the original variable and the explanatory power of the variable was enhanced. In case of cross loading, the lower loading was eliminated in order to improve on discriminant validity index.

Principal Component Analysis was used to extract a set of factors. These factors were related to come up with a final solution using varimax which produces uncorrelated factors. The constructs explaining the particular variables were extracted. The minimum factor loading was +/-0.05 and eigen values greater than 1. The factors were interpreted and named by studying the list of questionnaire items and understanding what the loaded question items had in common, while bearing in mind the questions with the highest correlation coefficients under each factor. The decision to retain, eliminate or modify some of the items was based on theoretical fit and factor loading ground. On the basis of factor analysis (on the five item scale) six dimensions were identified for Green marketing practices as product, place, Price, promotion, brand positioning and process. For organizational demographics, four dimensions were identified which included age, size, ownership and culture. Customer perception had three dimensions namely: perceived green quality, green brand image and green firm image. Finally, customer satisfaction had three dimensions identified which were repeat purchases, customer complaint behaviour and the overall customer satisfaction.

With regard to factor analysis, the researcher determined the factors to retain based on Kaiser (1974). The sampling adequacies were got using Kaiser-Meyer-Olkin criteria where Barttelt's test encompassed more than one(1) eigen values. Therefore factors with eigen values of more than one(1) were retained. The approach to which the researcher

determined the factors to retain was founded on the concept that the eigen values correspond to the amount of variation indicated by a factor. An eigen value of one(1) represented a considerable amount of variation. Using Kaiser's criterion, the first 3 components for customer perception had eigen values greater than 1, and accounted for 88.588% of the variations; Organizational demographics with four components accounted for 99.615, Green marketing practices with six components accounted for 91.068%, customer satisfaction with three components accounted for 88.821% of the variations. The extract of the combined data of total variance explained is in Table. 3.4.

Table 4.6: Total Variance Explained by the Combined Data

	Initial Eigen values			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
CP	.852	12.178	88.588	1.747	24.950	76.410
OD	.649	16.234	99.615	2.368	59.206	59.206
GM	1.052	8.089	91.068	1.052	8.089	91.068
CS	1.642	9.170	88.821	4.655	66.494	66.494

Source: Primary Data

CP = Customer perception; OD = Organizational Demographics; GM = Green marketing Practices; CS = Customer Satisfaction

Basing on the study sample size of 180, the factor loading of 0.60 and above was considered appropriate for the study. The Kaiser-Meyer-Olkin (KMO) measure of sampling adequacy of 0.66 and the determinant of the R-matrix of greater than 0.0001 were taken as cut-off points in the study, and it was used to check for multicollinearity or singularity challenge (Field, 2006). KMO of greater than 0.65 ensured that the factor

analysis yielded fairly diverse and reliable factors (Kaiser, 1974). Since the generated determinants of R-matrix figures in this study were all above 0.0001, it is an indicator that the multicollinearity challenge is non-existent among the predictor variables. After the factor analyses were conducted (Appendix i), the extracted factors were used in the tests of correlation, mediation, moderation and regression models.

4.6 Assessment of Normality, Linearity and Homogeneity

The relevant data were tested for the key assumptions of parametric data analysis. Normality was tested using a non- parametric goodness of fit test the one sample test Kolmogrov-Smirnov (K-S). This is a goodness-of-fit measure for continuous scaled data. This test evaluates and compares the cumulative distribution function for variables within a specified distribution (Malhotra & Dash, 2011**)**. The goodness-of-fit test assessed whether the observations could logically have come from the specified distribution. The results of the K-S tests for the study variables, namely, Green marketing practices, Organizational demographics, Trade customer perception and Satisfaction revealed that the data were normally distributed.

Linearity test was done using Analysis of Variance (ANOVA). Green marketing Practices, Organizational demographics, Trade customer perception and satisfaction were tested for linearity along their indicators. All the computed readings for Linearity were above 0.05, indicating that there was a linear relationship between green marketing practices and customer satisfaction as well as organization demographics and customer satisfaction. The pertinent results are summerized in Table 4.6.

Table 4.7: Results of Tests of Statistical Assumptions

Variable	Sample Size	Normality Shapiro-wilk test	Linearity (ANOVA test)	Independence (Durbin-Watson) test	Homogeneity (Levine test)	Collinearity (Tolerance test)
Threshold Assumption		P>0.05	P>0.05	1.5-2.5	P>0.05	VIF 10
Green Marketing Practices	130	.342	.136	2.20	.436	128 (083)
Organizational Demographics	130	.243	.213	1.76	.352	154 (062)
Customer Perception	130	.236	.237	1.43	.126	142 (062)
Customer Satisfaction	130	.130	-	-	-	-

Source: Primary Data

Homogeneity of variance was also tested. Across the range of values for an independent variable there is an assumption that the dependent variable exhibits similar amounts of variance (Hair *et al*, 1998). The test was done using Levine experiment (1960) and equality of variance was computed using one-way ANOVA procedure. For customer satisfaction among soft drink trade customers (dependent variable) indicators, Levine‟s probability statistics were more than the significance level of 0.01(Table 4.7)). This suggested that the variances were equal. Multicollinerity was tested using Variance Inflation Factor (VIF) calculated using SPSS regression procedure as well as examination of correlation coefficient among the study variables.

The VIF for all independent and dependent variables were found to be less than 3 (VIF≤3) indicating that there was no problem of multicollinearity. This was an indication that Independent variables were not highly correlated while independent and dependent variables were highly correlated.

4.7 Respondent firms Profile

The respondent firms' characteristics were assessed through the age, size and the ownership structure. The following sub-section presents the relevant study results of the profile of the firms.

4.7.1 Age of the Respondent firms

The study assessed the number of years the soft drink trade firms existed in order to determine the age of the firm. The number of years the firm has been in the industry in Kenya was used to measure the age of the firm which was presumed to represent the firms' industry experience. The respondents were required to state the number of years which their firms had existed. Their responses were summarized in Table 4.7.

Table 4.8: Age distribution of Respondent Firms

Number of years	**Frequency**	**Percentage %**
Up to 5 years	53	41.0
6-10 years	50	38.5
11-15	17	12.8
Over 15years	10	7.7
Total	130	100

Source: Primary Data

As shown in Table 4.8, the study results revealed that 41% of trade customers had existed for up to 5 years while 38.5 percent were aged between 6-10 years and another 12 % were aged between 11-15 years. This implies that most of the respondent firms surveyed are relatively young with many new entrants into the industry. Therefore there is need to strive in dealing with competitors for them to survive many years in the business. The results were similar to the findings of Odera, et.al (2012) that showed mass entry and mass exit into the industry by the Kenyan soft drink companies. This raises the question of ability to deal with competitive forces in soft drink industry.

4.7.2 Size of the Firms

The respondents were asked to indicate number of employees in their organization on the basis of permanent, contract and casual employment. The size of the firm in the current study is a reflection of the ability of the firm to cope with changes in the environment and also reflects how it deals with its dynamic changes with consumer taste and preferences. The findings of both soft drink and the marketing intermediaries are summarized in Table 4.9.

Table 4.9: Number of employees of respondent Firms

Category	Frequency	Percentage %
Permanent	25	19.2
Contract	43	33.1
Casual	62	47.7
Total	130.0	100

Source: Primary data

Table 4.9 above shows that 19.2 percent of total employees were on permanent employment, 33.1 percent were on contract while 47.7 percent were casual employees. This suggests that soft drink trade customer firms employed more staff on casual basis and that the number of the permanent employee which is 25 implies that these firms fall under the SME category as per the Government of Kenya (GoK, 2005).

4.7.3 Ownership Structure of the respondent firms

The ownership structures of the respondent firms are contained in Table 4.9. Trade firms' respondents had been asked to mention the ownership structure of the organizations they worked for in terms of multinational, privately owned and publicly owned and the results are contained in Table 4.10.

Table 4.10: Ownership Structure of the respondents firms

Structure Category	Frequency	Percent
Multinational	5	3.8
Private locally owned	118	90.7
Publicly Owned	7	5.38
Total	130	100.0

Source: Primary data

The results in Table 4.10 show that a majority (90.76%) of the firms are privately locally owned. This implies that the soft drink industry attracts local investors more than both the international and public investors.

4.8 The Study Variables Descriptive Statistics

The following section discusses the study findings descriptive statistics. Descriptive statistics on green marketing practices, organizational demographics, customer perception and customer satisfaction are discussed in the following section.

4.8.1 Green Marketing Practices

Green marketing practices was measured by green product, green price, green place, green promotion, green brand positioning and green process using a 5 type likert scale (where 1=Not at all 2= To a small extent 3=To a moderate extent 4= To a large extent and 5=To a very large extent). Table 4.11 presents the pertinent results.

Table 4.11: Level of Green Marketing Practices by the firms

Green Marketing Practices	N	Mean Score	Std Deviation(SD)	CV %
Green product	102	3.340	.900	26.9
Green price	102	3.550	.804	22.6
Green place	102	3.400	.710	20.8
Green promotion	102	3.650	.613	16.8
Green brand positioning	102	3.350	.963	28.7
Green process	102	3.600	.916	26.7
Overall mean score=3.482				

Source: Primary Data

As shown in the Table 4.11, the study results revealed that green promotion had relatively the highest mean score (3.65, SD=0.613, CV=16.8%) followed by the Green process with (mean score=3.60,SD=0.916, CV=26.7%). However, Green product (mean score= 3.35, SD=0.963, CV=26.7%)) and Green brand positioning (mean score= 3.34, SD=0.900, CV=26.9%) had moderate level of intensity. Overall, the intensity of green marketing practices was moderate (mean score= 3.482). The moderate level of adoption of these practices in Kenya could be attributed to the government regulations and customer concerns as a result of environmental awareness among other factors.

4.8.2 Determinants of Green Marketing Practices

The determinants of green marketing practices were assessed by fourteen measures as depicted in Table 4.12. The results are based on the scale of 1 to 5 (where 5= to the greatest extent and 1 is to the lowest extent). According to the respondents competitive forces with a mean score of 3.81 determine green marketing practices adoption to a great extent. This was followed by increasing number of green consumers and their willingness to buy green products (mean score 3.75). However, Competitive advantage (mean score 3.15) and moral and ethical reasons (mean score 3.25) all had relatively lower influence on green marketing practices adoption to a moderate extent.

Table 4.12: Determinants of green marketing practices

Determinants of green marketing practices	N	Mean Score	SD	CV %
Compliance with government regulation	130	3.550	1.079	30.4
Society concerns for the environmental	130	3.400	1.010	29.7
Increasing number of green consumers & their willingness to buy green products	130	3.750	1.089	29.0
Environmental problems that threaten the environment and human life	130	3.700	1.144	30.9
Competitive forces	130	3.810	1.029	27
Profitability goals	130	3.730	1.434	37.8
Competitive advantage	130	3.150	1.013	32.1
Moral and ethical reasons	130	3.250	.993	30.6
Top management initiative and environmental knowledge	130	3.254	.993	30.5
Stakeholders pressure	130	3.253	.993	30.5
Size of the firm of the nature and industry	130	3.500	.806	23.0
Community& environmental groups pressure	130	3.550	.804	22.6
Individual employees and management initiative	130	3.550	.739	20.8
Leadership values and managerial altitude	130	3.500	.806	23.0
Overall mean score=3.751				

Source: Primary Data

The results revealed that the determinants of green marketing practices varied from one measure to another. Profitability goal had the highest coefficient of variance (37.8%) followed by competitive advantage with (CV= 32.1%). The lowest variance was reported in individual employees and management initiatives (CV=20.8%).

The findings particularly on the compliance with government regulations with the highest means score are consistent with the existing literature which classified green marketing activities into the defensive approach and the assertive approach where Companies that adopt defensive green marketing do only the minimum to fulfill local government environmental regulations in order to avoid penalties (McDaniel & Rylander, 1993). While companies that employ assertive approach are more aggressive in their marketing campaigns, they respond not only to the regulations and the trends of market, but also the requirements of their stakeholders.

4.8.3 Organizational Demographics of the firms

Organizational demographics were assessed by seven indicators where culture had four measures. Table 4.13 presents the relevant result on the scale of 1 to 5 (1=Not at all, 2= to a small extent, 3=to a moderate extent, 4= to a large extent and 5=to a very large extent). Most of the respondents were to great extent focused on other factors apart from organizational demographics (Mean score 4.350) followed by ownership (mean score 3.900). However, age of the firm (mean score 2.450) and the size of the firm (mean score 2.350) were moderately low. Culture was assessed separately using four indicators and their mean score ranged between 3.100- 3.300 which was moderate too. Overall, the intensity of organizational demographics on the customer satisfaction was moderately high (mean score 3.606).

Table 4.13: Organizational Demographics

Organizational Demographics	N	Mean	Std. Deviation	CV %
Age	130	2.450	.909	37.1
Size	130	2.350	1.194	50.8
Ownership	130	3.900	.943	24.1
Others	130	4.350	.476	10.9
Culture				
Involvement (commitment, decision making, orientation, ownership)	130	3.300	1.100	33.3
Consistency (systems and processes promoting CSR)	130	3.350	1.013	30.2
Adaptability (internal ability to respond to external changes)	130	3.350	1.013	30.2
Mission (Clear on existence and headed to what direction)	130	3.100	.788	25.4
Overall mean score=3.606				

Source: Primary Data

The results revealed that the extent to which the organizational demographics indicators affect green marketing adoption towards customer satisfaction varied from one firm to another. Size of the firm had the highest coefficient of variance (50.8%), and it was followed by the age of the firm (CV=37.1%). The lowest coefficient of variance was accounted on the others (CV=10.9%).

This finding contradicts James (2005) results where culture had the highest mean score and concluded that organizational culture is a significant driver of employee engagement, where employees must be expected to cooperate and work together, but also to take charge and provide a voice for the customer within the organization. He contended that a fully cooperative culture feels the need to reach an agreement on a single option, where a culture promoting healthy competition provides several choices which are then balanced alongside one another in an attempt to develop the best possible solution.

4.8.4 Trade Customer Perception

Consumer perception emphasizes on the process attribute experiences through psychological development into summary forms such as attitudes that influence customer satisfaction (Schiffman & Kanuk, 2007). The understanding of customer perception by the firms leads to enhanced customer satisfaction. The trade customers were asked to tick appropriately against three measures as shown in Table 4.14. Relevant results are presented on the scale of 1 to 5 (where 5= to the greatest extent and 1 is to the lowest extent) using meanscores.

Table 4.14: Trade Customer Perception

Measures	**N**	**Mean score**	**SD**	**CV %**
Your desire for soft drink features that are critical to green product quality	130	3.70	0.255	6.9
Your imagery of a soft drink green brand's features	130	4.20	0.211	5.0
Your imagery of the soft drink green firms characteristics	130	2.50	0.325	13.0
Others Specify	130	3.30	0.231	7.0

Source: Primary Data

The results in Table 4.14 revealed that customer's green brand features (Green brand image) was ranked highest (mean scores=4.20, SD= 0.211, CV=5%). This observation shows the need for marketing managers in the soft drink industry to enhance green brand feature in gaining a competitive edge. This was followed by green perceived quality (mean score=3.70, SD=0.255, CV=6.9%) then others (mean score=3.30, SD=0.231, CV=7%) and finally green firm characteristics (mean score=2.5, SD=0.325, CV=13%). In view of this, green firm imagery was ranked the lowest and with the largest standard deviation signifying varying views about the concept. The findings agree with Kabare (2013) observation that firm imagery had low ratings in terms of how customers recognize the manufacturing firms' characteristics.

4.8.5 Trade Customer Satisfaction

Trade customer satisfaction was the dependent variable in the current study and was measured using repeat purchases, complaint handling behavior and the overall customer satisfaction. Rating was on a scale of 1 to 5 (where for overall satisfaction 5= Very satisfied and 1= very dissatisfied, repeat purchases 5= extremely likely and 1= extremely unlikely, complaint handling behavior 5= Very satisfied and 1= very dissatisfied and for intention to recommend 5= extremely likely and 1= extremely unlikely). A score of 2.5 meant that the trade customer was neither satisfied nor dissatisfied or was undecided to whether or not to repeat buying or recommend the soft drink supplier to friends.

The results of the dependent variable are shown in Table 4.15.

Table 4.15: Trade Customer Satisfaction

Measures	N	Mean Score	SD	CV %
Repeat Purchases	130	4.10	0.266	6.5
Customer complaint Behaviour	130	2.20	0.191	8.7
Recommendations	130	3.50	0.365	10.4
Overall Satisfaction	130	3.90	0.282	7.2
Overall mean score 3.425				

Source: Primary Data

The results showed that repeat purchases had the utmost mean score of 4.10 followed by recommendations with a mean of 5.50. This implies that majority of trade customers would continue purchasing from their current manufacturers to a large extent and they would also recommend others to their supplier or manufacturers to a moderate extent. The findings are consistent to the studies of Sirdeshmukh et al (2002) that trust of customers to service-providers and trust of customers to managerial policies and their performance lead to repeat purchases and new recommendations. Overall satisfaction was ranked second with mean score of 3.90 and customer complaint behavior had the lowest mean score of 2.20. It is therefore necessary for the manufacturers/ supplies to work on the complaint handling aspect. The mean of 2.20 being the lowest implies that the trade customer is not satisfied with the way the suppliers handle their complaints.

4.8.6 Summary of the mean scores of the study variables

The overall mean scores of the study variables namely green marketing practices, Organizational demographics, Customer perception and satisfaction were summarized as shown in Table 4.16.

Table 4.16: Summary of the Mean Scores of the Study Variables

Green Marketing Practices	Overall Mean Score
Green marketing practices	3.482
Organizational demographics	3.606
Customer perception	3.819
Customer satisfaction	3.815
Overall mean score	**3.695**

Source: Primary Data

Table 4.16 presents descriptive statistics summary on the basis of mean score for each of the research variables measured by a likert-type scale. The results indicate that green customer perception had the highest mean score of 3.819 followed by customer satisfaction with a mean score of 3.815. In addition, Table 4.16 also indicates that green marketing practices and organizational demographics had a mean score of 3.482 and 3.606 respectively. This suggests that green marketing practices ranked lowest and below average and that marketing managers have not yet given it the weight it deserves despite the fact that consumers, shareholders and society stand to benefit if the organizations integrate environmental issues and concerns into its marketing strategy (Rio *et al*, 2006; Ginberg & Bloom,2004).

4.9 Results of Correlation Analyses

The general objective of the current study was to establish the effect of green marketing practices, organizational demographics, customer perception on customer satisfaction of soft drink companies in Nairobi County. Pearson product moment coefficient technique was used to conduct correlation analysis so as to ascertain the relationship among study variables.

4.9.1 Correlation Analyses for Green Marketing Practices and Customer Satisfaction

The relationship between green marketing practices and customer satisfaction was measured using green product, green price, green promotion and green place. The

correlation results of the relationship between green market practices and customer satisfaction is presented in Table 4.17.

Table 4.17: Correlation Analyses for Green Marketing Practices and Customer Satisfaction

		1	2	3	4	5		
1	Satisfaction	1						
2	Product	.430*	1					
3	Price	.736**	.396*	1				
4	Place	.624**	.284*	.289*	1			
5	Promotion	.289*	.356**	.523*	.230*	1		
6	Process	.634*	.430*	.356*	.523*	.289*	1	
7	Brand positioning	.530*	.274*	.624**	.430*	.366*	.220*	1

** p< 0.01 level (2-tailed), * p< 0.05 level (2-tailed),

Source: Primary Data

Table 4.17 shows that there is a statistically significant positive correlation among green product and customer satisfaction (r =.430, p<0.05). The correlation between green price and customer satisfaction was also positive and statistically significant (r=.736, p < 0.05). There was statistically significant positive correlation between green promotion and customer satisfaction (r = .289, p<0.05) and green place and customer satisfaction (r = .624, p>0.05) respectively. The implication is that customer satisfaction has a statistically significant positive relationship with all the green marketing practices. According to Cooper and Schindler (2003) multicollinearity problem occurs if the correlation coefficient between any two independent variables is greater than r= 0.8. As is evident from the results in Table 4.17, although the correlation coefficients are statistically significant at one percent level, the problem of multicollinearity does not exist since none of these coefficients is greater than r= 0.8.

4.9.2 Correlations between Organizational Demographics and Customer Satisfaction

The strength of the relationship between organizational demographics (age, size, ownership and culture) and customer satisfaction was determined using Pearson product moment correlation. As shown in Table 4.18, there is a positive correlation between size of the firm and customer satisfaction which was statistically significant ($r = .318$, $p<0.01$) and a positive correlation between organization culture and customer satisfaction which was statically significant ($r=0.012$, $p<0.05$.The research findings also indicate that there is a negative relationship between age of the firm and customer satisfaction which is statistically significant ($r = -.024$, $p<0.05$). On the other hand, there is a negative correlation between firm ownership and customer satisfaction which is statistically significant ($r =-.124$, $p<0.05$).

Table 4.18: Correlations between Organizational Demographics and Customer Satisfaction

		1	2	3	4	5
1	Age	1				
2	Size	.316**	1			
3	Ownership	.223*	.243**	1		
4	Culture	.134*	.312*	.246*	1	
5	Satisfaction	-.024*	.318**	-.124	.012*	1

** p< 0.01 level (2-tailed), * p< 0.05 level (2-tailed),

Source: Primary Data

To test for multicollinearity, the correlation between the independent variables was considered. There was no multicollinearity problem because the correlation coefficient between the two independent variables was greater than r= 0.8 (Cooper & Schindler, 2003). As is evident from the results in Table 4.18 above, although the correlation coefficients are significant at one percent level, the problem of multicollinearity does not exist since none of these coefficients is greater than r= 0.8.

4.9.3 Correlations for Customer Perception and Customer Satisfaction

The correlation analysis between customer perception and customer satisfaction was carried out and results presented in Table 4.19.

Table 4.19: Correlations for Customer Perception and Customer Satisfaction

		1	2	3	4
1	Satisfaction	1			
2	Green Perceived quality	.344*	1		
3	Green firm Image	.389**	.316*	1	
4	Green brand image	.342*	.326**	.386*	1

** p< 0.01 level (2-tailed), * p< 0.05 level (2-tailed), Source: Primary Data

Table 4.19 shows a statistically significant positive relationship between green firm image and customer satisfaction exists (r =.389, p<0.01). The correlation between customer satisfaction and green perceived quality was positive and statistically significant (r=.344, p<0.05). The correlation between customer satisfaction and green brand image was positive and statistically significant (r=.342, p<0.01). All the customer perception indicators (Green Perceived quality, Green firm Image, Green brand image) had statistically significant and positive relationship with customer satisfaction (p<0.05). The study results also show that although the correlation coefficients are statistically significant at one percent level, the problem of multicollinearity does not exist since none of these coefficients is greater than r= 0.8. This implies that the customer perception dimensions: green perceived quality, green firm image and green brand image play a significant role of influencing customer satisfaction.

4.10 Regression Analyses and Hypotheses Testing

The study was based on the premise that Green Marketing Practices (independent variable) had a significant relationship with customer satisfaction (dependent variable). The hypotheses were tested at 95 percent confidence level ($\alpha = 0.05$). The following sections discuss the results for the hypotheses test. The aggregate mean scores were computed for the independent, moderator and dependent variables and used in regression

runs including tests for moderation effects. The results of the regression analyses were used to test the respective hypotheses. According to Kwan and Chan (2011), Standardized beta coefficients are used in discussing results and in model estimates as these allow for comparison of the relative impacts of various model variables in multiple regressions since they are independent of the original units of measurement. The following section presents the hypotheses testing guided by the four study objectives.

4.10.1 Relationship between Green Marketing Practices and Customer Satisfaction

The first objective of the study was to establish the relationship between green marketing practices and customer satisfaction. The study had postulated a relationship between green marketing practices and customer satisfaction existed. The indicators of Green marketing practices were green product, price, place, promotion, brand positioning and process which were used to test the first hypothesis. Respondents were to indicate the degree to which green marketing practices affect their individual firms' satisfaction. To assess the green marketing practices and customer satisfaction, the following hypothesis was tested.

H_1: *There is a statistically significant relationship between green marketing practices and customer satisfaction.*

The aggregate mean score of customer satisfaction (dependent variable) were regressed on the aggregate mean score of green marketing practices (Independent variable) and the relevant results are presented in Table 4.20. The stepwise regression analyses results of the green marketing practices predicting customer satisfaction are shown in Table 4.20. The regression analyses revealed that all the green marketing practices had positive influences on customer satisfaction with all of them having statistically significant effects at $p< 0.05$. The study results revealed a statistically significant positive linear relationship between green marketing practices and customer satisfaction ($\beta= .389$, p-value = 0.002). The relationship was statistically significant because the p-value is less than the set value of 0.05 (p – value = 0.002). The regression results also showed that green marketing practices had explanatory power on customer satisfaction in the soft drink industry in Nairobi Kenya in that it accounted for 22.3 percent of its variability (R square = 0.223) hence the results of the study failed to reject hypothesis one (H1).

Table 4.20: Regression results of Green Marketing practices and Customer Satisfaction.

4.20a)Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.389(*)	.223	.149	1.0520

a predictors: (constant), Green Marketing Practices

b Dependent variable: Customer satisfaction

4.20b) ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
	Regression	12.074	1	12.074	12.921	.002*
	Residual	91.255	129	1.314		
	Total	103.329	130			

a predictors: (constant), Green marketing practices

b dependent variable: Customer satisfaction

4.20c) Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	T	Sig.
1	(Constant)	4.906	5.993		5.155	.004
	Green marketing practices	.209	1.637	.389	2.571	.002

a Dependent Variable: Customer satisfaction; Level of significance, $\alpha = 0.05$

Source: Primary Data

Table 4.21: Stepwise Regression: Green Marketing Practices Predicting Customer Satisfaction

4.21a Model Summary

	R	R Square	Adjusted R Square	Std. Error of the Estimate
Product	.389(a)	.276	.219	1.0520
Place	.364(b)	.248	.186	1.0929
Price	.241(c)	.224	.156	1.1026
Promotion	.316(d)	.208	.122	1.0932
Positioning	.349(e)	.138	.102	1.0327
Process	.298(f)	.163	.112	1.0543

Source: Primary Data

a. Predictors: (Constant), Green Product
b. Predictors: (Constant), Green Product, Green Place
c. Predictors: (Constant), Green Product, Green Place, Green Price
d. Predictors: (Constant), Green Product, Green Place, Green Price, Green Promotion
e. Predictors: (Constant), Green Product, Green Place, Green Price, Green Promotion, Green Positioning.

f. Predictors: (Constant), Green Product, Green Place, Green Price, Green Promotion, Green Positioning, Green Process

g. Dependent Variable = Customer Satisfaction

4.21b ANOVA (F)

Mode		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	12.074	1	12.074	12.921	.000(a)
	Residual	91.255	129	1.314		
	Total	103.329	130			
2	Regression	9.838	2	4.919	9.021	.051(b)
	Residual	93.491	128	1.632		
	Total	103.329	130			
3	Regression	14.174	3	4.725	7.245	.056(c)
	Residual	89.155	127	1.093		
	Total	103.329	130			
4	Regression	13.246	4	3.312	6.421	.000(d)
	Residual	90.083	126	1.021		
	Total	103.329	130			
5	Regression	11.982	5	2.396	5.240	.052(e)
	Residual	91.347	125	1.213		
	Total	103.329	130			
6	Regression	12.384	6	2.064	4.203	.000(f)
	Residual	90.945	124	1.228		
	Total	103.329	130			

Source: Primary Data

a. Predictors: (Constant), Green Product
b. Predictors: (Constant), Green Product, Green Place
c. Predictors: (Constant), Green Product, Green Place, Green Price
d. Predictors: (Constant), Green Product, Green Place, Green Price, Green Promotion
e. Predictors: (Constant), Green Product, Green Place, Green Price, Green Promotion, Green Positioning

f. Predictors: (Constant), Green Product, Green Place, Green Price, Green Promotion, Green Positioning, Green Process

G. Dependent Variable = Customer Satisfaction

4.21c Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	T	Sig.
1	(Constant)	5.906	.993		5.155	.000
2	Green Product	.209	.637	.389	4.571	.000
	(Constant)	4.874	.819		4.980	.000
	Green Product	.298	.438	.364	3.368	.000
	Green Place	.348	.439	.241	2.426	.001
3	(Constant)	3.671	.993		4.362	.004
	Green Product	.238	.637	.294	3.487	.002
	Green Place	.324	.396	.236	2.243	.000
	Green Price	239	.435	.218	.1.482	.000
4	(Constant)	3.422	.954		4.324	.004
	Green Product	.236	.453	.248	3.494	.002
	Green Place	.324	.328	.218	3.231	.001
	Green Price	.278	.236	.189	2.234	.000
	Green Promotion	.312	.321	.162	1.345	.002
5	(Constant)	2.624	.493		3.456	.004
	Green Product	.298	.325	.226	2.342	.002
	Green Place	.234	.263	.198	1.234	.000
	Green Price	316	.327	.164	1.256	000
	Green Promotion	349	.348	.128	1.286	000
	Green Positioning	.237	.234	.108	1.142	.002
6	(Constant)	2.462	.486		3.327	.001
	Green Product	.289	.335	.263	2.420	.002
	Green Place	.214	.236	.182	1.231	.061
	Green Price	.312	.308	.148	1.523	.051
	Green Promotion	328	.317	.132	1.268	000
	Green Positioning	.224	.231	.122	1.242	.054
	Green Process	.228	.242	.126	1.152	.002

Source: Primary Data

As shown in the results in Table 4.21, simple linear regression equation for objective one (Hypothesis 1) is expressed as:

CS = 4.906+ 0.389GMP

Where: CS = customer satisfaction

GMP is the green marketing practices

ε is the error term- random variation due to other unmeasured factors.

The standardized beta coefficient of 0.389 represents the expected improvement in customer satisfaction for a unit standard deviation improvement in green marketing practices. This means that, holding other factors constant, a one standard deviation improvement in green marketing would raise the level of customer satisfaction by a factor of approximately 0.389 of a standard deviation. The overall results therefore support the hypothesis that there is a statistically significant relationship between green marketing practices and customer satisfaction. These findings support previous studies that established a positive relationship between green marketing and customer satisfaction under different context (Youngran & Thai, 2014; Rashad &Mercy, 2014; Perera & Pushpanathan, 2015). Consequently green marketing practices have become crucial in designing successful marketing strategies (pujari & Wright, 1996; Prakash, 2002; Sivesan & Umanakenan, 2013.

4.10.2 Moderation Effect of Organizational Demographics on the Relationship between Green Marketing Practices and Customer Satisfaction

The second objective was to establish whether organizational demographics had a moderating effect statistically significant on the relationship among green marketing practices and customer satisfaction. In order to do that, the study had formulated the following hypothesis;

H_2: *Organizational demographics have a statistically significant moderating effect on the relationship between green marketing practices and customer satisfaction*

According to Fairchild and Mc Kinnon (2009) moderation tests whether responses by a dependent variable to changes in a predictor variable vary across levels of a third variable that affects the strength and/or direction of the relationship. Predictor variables and their interaction term are used in a single regression equation. Moderation is present if the

coefficient for the interaction term is statistically significant. This procedure of testing the moderating effect was followed in the current study. The predictor variable which is organizational demographics was centered by subtracting the mean scores, standardized and their interaction term calculated as a product of the independent and moderator variable. The change in coefficient of determinant (R^2) and significance level due to the interaction term were used to check for moderation effect.

The significance of the predictor variable and the moderator variable is not mostly relevant in determining moderation. Moderation is understood to take place if the interaction between the green marketing practices and organizational demographics is significant. To create an interaction term, the green marketing practices and organizational demographics measures were first centered and a single item indicator representing the product of the two measures calculated. The creation of a new variable by multiplying the scores of green marketing practices and organizational demographics creates a multicollinearity problem. To address the multicollinearity problem, which can affect the estimation of the regression coefficients for the main effects, the two factors were converted to standardized (Z) scores that have mean zero and standard deviation one. The two standardized variables (green marketing practices and organizational demographics) were then multiplied to create the interaction variable. This is consistent with previous studies that have used Z scores when investigating the moderation effect of managerial focus on quality drivers and customer satisfaction relationship (Kabare, 2013). The relevant results are presented in Table 4.22.

Table 4.22 Regression Results of the Moderating effect

Model Summary

R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
				R Square Change	F Change	df1	df2	Sig. F Change
.385	.148	.0687	.218	.148	10.075	1	130	.006
.392	.154	.0656	.334	0.006	7.321	1	129	.0142

a Predictors: (Constant), Green Marketing,

b Predictors: (Constant), Organizational Demographics

4.23b ANOVA

Model		Sum of Squares	DF	Mean Square	F	Sign.
1	Regression	112.018	2	3.218	9.018	0.006
	Residual	11.640	128	0.124		
	Total	123.658	130			
2	Regression	113.018	3	3.218	7.028	0.002
	Residual	10.640	127	0.124		
	Total	123.658	130			

a Predictors: (Constant), Green Marketing,

b Predictors: (Constant), Organizational Demographics

4.23c Coefficients

Mode		Unstandardized Coefficients		Standardized Coefficients		
1		B	Std. Error	Beta (β)	T	Sign.
	(Constant)	4.446	.482		1.402	1.038
	Green marketing	.451	.402	.385	1.068	.004
	Organizational demographics	.152	0.039	.277	1.349	.002
2	(Constant)					
3	Green marketing	5.642	.382		1.231	.038
	Organizational demographics	.432	.302	.342	1.868	.004
	Product of Green marketing and organizational demographics	.084	.112	.132	.765	0.00
		.036	.034	.045	.1.429	.000

Model 1. Predictors: (Constant), Organizational demographics, green marketing Practices
Model 2. Predictors: (Constant), Organizational demographics* green marketing practices
Dependent Variable: Satisfaction

Source: Primary Data

As shown in Table 4.22, the effect of green marketing practices and organizational demographics on customer satisfaction in the soft drink industry in Nairobi Kenya were both positive and statistically significant ($p<0.05$). The change in R^2 due to the interaction term was 0.014 (0.396 - 0.382) and the interaction term was statistically significant ($p < 0.05$). Therefore the studies accepted hypothesis H_2 that organizational demographics have a statistically significant moderation effect on the relationship among green marketing practices and satisfaction. The resultant single moderation regression equation is:

CS = 4.446 + 0.342GMP + 0.132OD

Where; CS = the customer satisfaction

GMP = green marketing practices

OD = the organizational demographics

Figure 4.1: Summary Results of Moderation Testing

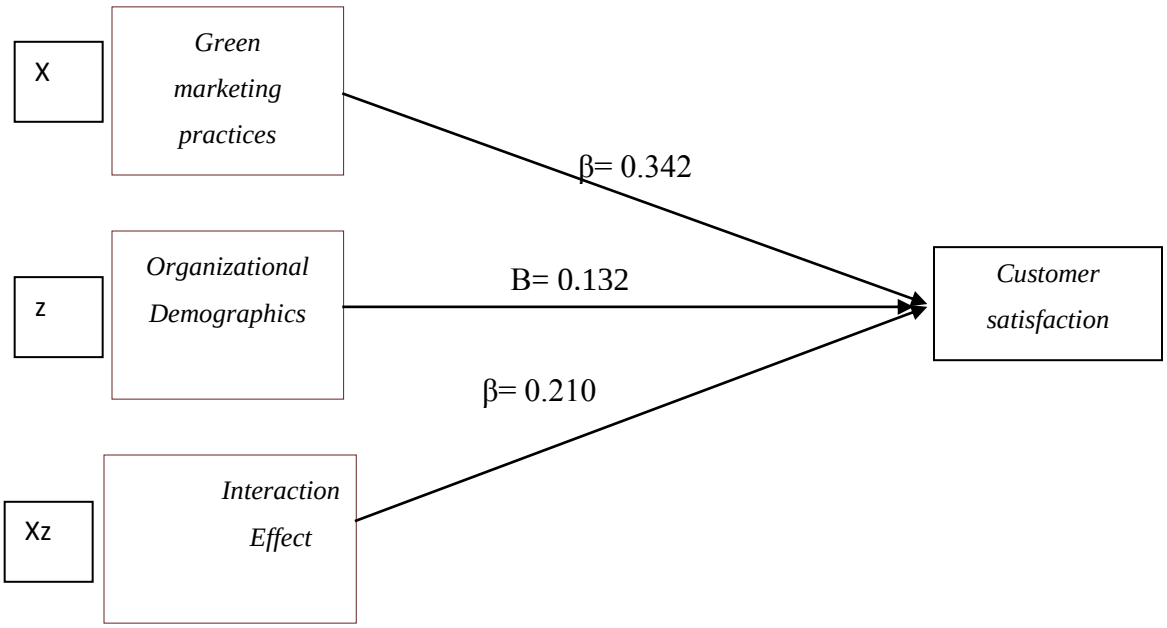


Figure 4.1 represents a summary of the results for moderation testing. It shows the regression coefficients along the tested variable relationships and the change in coefficient of determination (R^2) due to the interaction term and indicates the significance levels obtained. The current study findings resonate with assertion of previous studies that selected organizational demographics such as Age, Size, Ownership and culture moderate the relationship between green marketing practices and customer satisfaction (Michael et al, 2007; Paulssen, 2007). The hypothesis that the organizational demographics moderate green marketing practices and customer satisfaction relationship is supported.

4.10.3 The Mediating Effect of Customer Perception on the Relationship between Green Marketing Practices and Customer Satisfaction

The third objective of the study was to determine whether customer perception has a statistically significant mediating effect on the relationship between green marketing practices and customer satisfaction. There was a prediction that customer perception significantly mediated the relationship among green marketing practices and customer satisfaction. The following hypothesis was formulated:

H_3: *Customer perception has a statistically significant mediating effect on the relationship between green marketing practices and customer satisfaction.*

To assess the mediating effect of customer perception on the relationship between green marketing practices and customer satisfaction, the latter was regressed on green marketing practices while controlling for the effect of customer perception to determine the value of R^2 change and coefficients for green marketing practices. According to Shaver (2005), if R^2 is statistically insignificant, it would imply full mediation otherwise it would be partial. The procedure for testing the mediation effect was as presented below Table 4.23.

Table 4.23 Green marketing practices on Customer Satisfaction Regression Results

4.23a)Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	R Square Change
1	.389(d)	.223	.149	1.0520	.223

a predictors: (constant), Green Marketing Practices

b Dependent variable: Customer satisfaction

4.23b) ANOVA

Model		Sum of Squares	Df	Mean Square	F	Sig.
	Regression	12.074	1	12.074	12.921	.002*
	Residual	91.255	129	1.314		
	Total	103.329	130			

a predictors: (constant), Green marketing practices

b dependent variable: Customer satisfaction

4.23c) Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	T	Sig.
1	(Constant)	4.906	5.993		5.155	.004
	Green marketing practices	.209	1.637	.389	2.571	.002

a Dependent Variable: Customer satisfaction; Level of significance, $\alpha = 0.05$

Source: Primary Data

The results in Table 4.23 show that green marketing practices explains 22.3 % of the variation in customer satisfaction (R^2=.223). The results indicate that the overall model is statistically significant at α=.05. The first step implies that the relationship between green marketing practices and customer satisfaction is positive and statistically significant.

In the second step, a regression analysis to assess the relationship between green marketing practices and customer perception was conducted. In this step, green marketing practices was treated as the independent variable and customer perception as the dependent variable. The results are summarized in Table 4.24.

Table 4.24: Regression Results of Green Marketing Practices on Customer Perception

The Goodness-of-Fit

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	R Square Change
1	.349(d)	.121	.102	1.0327	.121

a Predictors: (Constant), Green marketing practices

ANOVA

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	11.982	5	2.396	5.240	.052(e)
	Residual	91.347	125	1.213		
	Total	103.329	130			

a Predictors: (Constant), Green marketing practices

b. Dependent Variable: Customer perception

Coefficients(a)

	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	T	Sig.
(Constant)	2.624	.493		3.456	.004
Green marketing practices	.298	.325	.226	2.342	.002

a Dependent Variable: Customer perception

The results in Table 4.24 portray that green marketing practices explains 12.1 percent of the variation in customer perception (R^2=.121). The overall model results reveals that the relationship among green marketing practices and customer perception is affirmative though not statistically significant at α=.05 (F=5.240, p-value=.052). This indicates green marketing practices may not predict customer perception outcome of the firms. The beta coefficients also indicate that statistically significant linear relationship between customer perception and green marketing practices was detected (β=.349, p=.002).

Lastly, the strength, direction and significance of the relationship and the betas were examined by regression analysis. First, customer satisfaction was regressed on the green marketing while in the second step customer perceptions was regressed on green

marketing practices to find out if there existed a change that was significant. While holding all other factors constant for the effects of the customer perception on satisfaction, the green marketing practices effects on the customer satisfaction ought not to be statistically significant at α=.05. Relevant results are summarized in Table 4.25.

Table 4.25 Regression Results of customer perception on customer satisfaction and green marketing

4.25a Model Summary

R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
				R Square Change	F Change	df1	df2	Sig. F Change
.385	.148	.0787	1.248	.148	10.018	2	.130	.006
.394	.153	.0566	1.036	.005	7.118	1	.129	.0142

a Predictors: (Constant), Customer Perception, b Predictors: (Constant), Customer Perception, Green Marketing

4.25b ANOVA

Model		Sum of Squares	DF	Mean Square	F	Sig.
1	Regression	98.318	1	13.218	10.018	0.006
	Residual	90.640	129	1.124		
	Total	188.958	130			
2	Regression	97.018	2	10.218	7.118	0.002
	Residual	91.640	128	1.124		
	Total	188.658	130			

a Predictors: (Constant), Customer Perception,

b Predictors: (Constant), Customer Perception, Green Marketing,

c Dependent Variable: Satisfaction

4.25c Coefficients

Mode		Unstandardized Coefficients		Standardized Coefficients		Sign.
1		B	Std. Error	Beta (β)	T	Level
	(Constant)	1.446	.482		1.402	1.038
	Customer Perception	.451	.402	486	1.068	.004
2	(Constant)	1.446	.382		1.231	.038
	Customer Perception	.451	.302	.492	1.868	.004
	Green Marketing	.084	.112	.332	.765	0.00

Predictors: Customer perception, green marketing practices
Dependent Variable: Satisfaction

Source: Primary Data

Table 4.25 results reveal change in R^2 change ($R^2 = 0.005$) and that of beta coefficient ($\beta = 0.732$). At step 2, green marketing practices, adds significantly to the customer satisfaction as the variation increased from .385 to .394 (R2 change=.019 p-value =.002). The results reveal that the variance explained by customer perception is significant (F=10.018, p-value=.006). The results revealed that the regression coefficients for green marketing practices decrease from .389 to .332 after adding green marketing practices to the regression implying that green marketing practices may be wielding a mediating effect partially. Both statistics were statistically significant ($p < 0.05$) indicating partial mediation. This implies that changes in the customer perception may positively affect green marketing practices and customer satisfaction relationship because there was a positive direction in their relationship.

A summary of the mediated regression analysis is presented in Table 4.26.

Table 4.26: Mediating Effect of Customer Perception on the Relationship between green marketing practices and customer satisfaction Summary.

Analysis	**R**	**R^2**	**R^2 Square Change**	**B**	**Significance (p-value)**
Analysis one: Green marketing on customer satisfaction	.389	.223	.149	4.906	.002
Analysis two: Marketing practices on customer perception	.349	121	102	2.624	.052
Analysis three: Step 1: customer perception on marketing practices and customer satisfaction	.385	.148	.0566	1.446	.004

The results in Table 4.26 reveal that the correlation between green marketing practices and satisfaction was moderate and statistically significant at α=.05 (r=.389, p-value=. 002) while that of customer perception on green marketing practices was weak and not statistically significant (r=.349, p-value=.052).

The current research findings, presents the regression model that estimated the moderation effect of customer perception on the green marketing practices and customer satisfaction relationship is stated as follows:

$$CS = 1.446 + 0.732CP + 0.092GMP$$

Where; CS is the customer satisfaction

GMP is green marketing practices

CP is the Customer Perception

Figure 4.1: Modified Mediating Effect of Customer perception on the Relationship between Green marketing practices and customer satisfaction

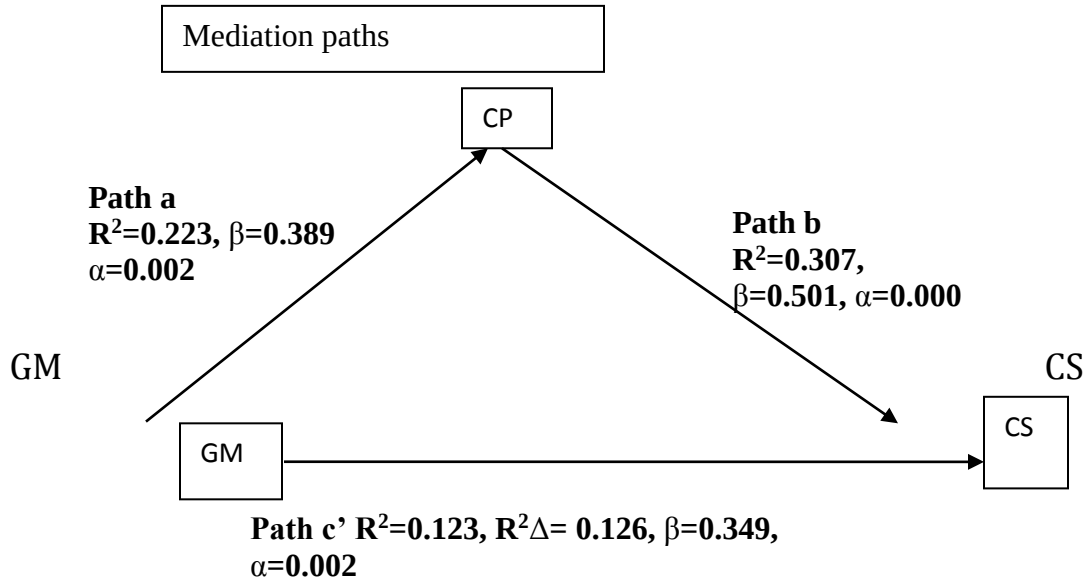
Part A: Overall Direct Effect

Path c

R^2=.081, β=.285, α-0.004

Source: Primary Data.

Part B: Path Diagram for Mediation Effect of Customer perception



GM= Green marketing practices; CP= Customer perception; CS= Customer satisfaction

The results in Figure 4.1 support the hypothesis that green marketing practices influences customer satisfaction through routes of intermediate factors. The pertinent results indicated that R^2 moved from .121 to .223 when customer perceptions were added (.223+.121=.102). This implied that customer perception explained the additional 10.2% of the difference in customer satisfaction. The outcome indicates that the effect of green marketing practices on customer satisfaction in the last major step of the analysis (path c) is statistically significant at 0.05. The Beta coefficient decreased from β=.389 in path "a" to β=.349 in path c' meaning it was statistically significant at 0.05. The implication is that there was some partial mediation. This explains the effect of the green marketing

practices partly as mediated by the customer perception. Other parts were either direct or mediated by additional variables not in the study.

4.10.4 Marketing Practices, Customer Perception and Organizational Demographics Effects on Customer Satisfaction

The fourth objective of the study was to assess the joint effect of green marketing practices, customer perception and organizational demographics on customer satisfaction. The study had predicted that the join effect the three variables on customer satisfaction were statistically significant. The following hypothesis was formulated:

H_4: *The Joint effect of green marketing practices, customer perception, and Organizational demographics on customer satisfaction is statistically significant.*

To test this hypothesis a Stepwise regression analysis was used where customer satisfaction was regressed on all the three variables. Table 4.27 summarized relevant results as shown.

Table 4.27: The Regression Results of the independent, mediating and moderating variables on Customer satisfaction.

4.27a Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.265	.246	.787	1.248
2	.274	.248	.566	1.036
3	.285	264	.408	1.034

Predictors: (Constant), Green Marketing Practices, Customer Perception and

Organizational Demographics

4.27b ANOVA

Model		Sum of Squares	DF	Mean Square	F	Sign.
1	Regression	92.334	1	13.218	10.018	0.006
	Residual	91.624	129	1.124		
	Total	183.958	130			
2	Regression	94.217	2	10.218	6.023	0.001
	Residual	91.641	128	1.124		
	Total	185.858	130			
3	Regression	86.012	3	10.282	7.028	0.000
	Residual	92.624	127	1.432		
	Total	178.636	130			

a Predictors: (Constant) Green Marketing Practices, Customer Perception and Organizational Demographics
Dependent Variable: Customer Satisfaction

4.27c Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sign.
1		B	Std. Error	Beta (β)		
	(Constant)	4.564	.386		1.240	1.038
	Green Marketing	.442	.432	.486	1.861	.004

2	(Constant)	4.436	.328		1.214	.038
	Green Marketing	.423	.331	.322	1.326	.004
	Customer Perception	.281	.214	.102	.685	0.00
3	(Constant)	4.254	.670		1.612	1.213
	Green Marketing	.382	.343	.418	.976	.000
	Customer Perception	.243	.498	.185	.869	.000
	Organizational Demographics	.124	.968	.084	.904	.000

Dependent Variable: Customer Satisfaction.

- Level of significance, $\alpha = 0.05$

Source: Primary Data

The relevant outcome shown in Table 4.27 implies that there is a statistically significant positive relationship between green marketing practices, customer perception and organizational demographics on customer satisfaction. The resultant regression equation for the joint effect is:

CS = 4.254 + 0.418GMP + 0.185CS + 0.084OD

Where;

a= Constant (intercept)

GMP = the green marketing,

CS = customer satisfaction,

OD is the organizational demographics

As indicated by the significance level (P=0.000) in the ANOVA Table, the joint effect of green marketing practices, customer perception and organizational demographics on customer satisfaction was statistically significant ($p< 0.05$). Therefore the hypothesis four (H4) is supported. With green marketing practices, customer perception and organizational demographics all predicting customer satisfaction, the effects of all predictors were positive and statistically significant ($p< 0.05$ and $p< 0.05$ respectively). Hence, the study accepted hypothesis four.

4.11 Discussion

This section discusses the results organized according to the objectives and hypotheses of the study. The researcher conceptualized a framework derived from the existing green marketing literature and empirically tested the relationships among the variables.

4.11.1 Green Marketing Practices and Customer satisfaction

Green marketing practices was evaluated using six indicators, namely Green product, Price, place, promotion, processes and Green brand positioning. Customer satisfaction was evaluated using three indicators namely repeat purchases, customer complaint behaviour and overall satisfaction level. Simple and step-wise regression analyses were carried out on green marketing practices indicators against customer satisfaction indicators.

The overall results indicate statistically significant positive linear relationships between green marketing practices and customer satisfaction (beta= 0.389, p-value=0.001). The results are consistent with previous studies that suggested that green marketing practices leads to customer satisfaction (Paulssen & Birk, 2007). This relationship is based on the assumption that green marketing practices can enhance green customer satisfaction and subsequently enhance firm performance (Leonidou et al, 2011; Kinoti, 2012).

Simple and step-wise regression analyses were also carried out on each green marketing practices indicator against overall customer satisfaction indicator. The results indicate statistically significant positive linear relationships between green product and overall satisfaction indicator (beta 0.389, p-value=0.000); green promotion and overall

satisfaction (beta 0.294, p-value=0.002); Green Processes and overall satisfaction (beta 0.619, p-value=0.001). Green Price, green Place and green brand positioning on overall satisfaction had statistically significant negative linear relationship (p-value>0.05). These results imply that by focusing on green product, green promotion and green processes, soft drink companies can become more effective in achieving higher customer satisfaction levels (Parker, Segev & Pinto, 2009; Rios, Martinez, Moreno, & Soriano, 2006).

These results are consistent with those of the study by Pujari and Wright (1996) on developing environmentally conscious strategies conducted in Britain and Germany that the four conventional P's of marketing directly affect customer satisfaction. Regression of Product, Price, Place, Promotion, Processes and Brand positioning against aggregate mean scores of satisfaction revealed that individually Product, Promotion and Processes had a statistically significant positive linear relationship with customer satisfaction. Step-wise regression evaluated the contribution of each of these indicators to repeat purchases, customer complaint behaviour and Overall satisfaction level. These results imply that individually, each measure of green marketing practices contributes to repeat purchases, customer complaint behaviour and overall satisfaction level in soft drink companies in Nairobi Kenya.

4.11.2 Moderating Effect of Organizational Demographics

To evaluate the moderating effect of organizational demographics on the relationship between green marketing practices and customer satisfaction, a regression analysis was carried out. The results indicate that there was change in R^2 when interaction of green marketing practices and organizational demographics is introduced. Further the F change 10.018-7.028= 2.990 and significance of F change is 0.000 indicating that the interaction is significant. These results imply that as a moderator, organizational demographics affect the relationship between green marketing practices and customer satisfaction of soft drink companies in Nairobi Kenya.

These results contradict the findings of a research by Michael, et al (2007) who found organizational culture to have no moderating effect on the relationship between home

building markets and customer satisfaction in auto dealerships. Their study results showed that team orientation culture was negatively related to satisfaction with service. However, these results support the result by Oakley (2005) that there is a direct link between employee satisfaction and customer satisfaction, and between customer satisfaction and improved financial performance, organizational characteristic explains the employee satisfaction that leads to customer satisfaction.

4.11.3 Mediating Effect of Customer Perception

The current study results showed that the selected customer perception indicators namely green perceived quality, green brand image and green firm imagery partially mediate the relationship between green marketing practices and customer satisfaction. Green brand image construct had the highest positive and statistically significant effect on customer satisfaction with B= 0.499. The pertinent results show that customer perception explains 28.5% variation in customer satisfaction but when combined with the green marketing practices the variation increased from 28.5% to 29.4%. This implies that customer perception exerts some mediation effect on the already significant relationship between green marketing practices and customer satisfaction. The results revealed that the mediating effect of customer perception on customer satisfaction was positive and statistically significant ($\beta = 0.732$; $p < 0.05$). Previous studies suggested that market customer perception is likely to affect customer satisfaction through intermediate factors (Kabare, 2013; Shafeiha & Saeednia, 2010).

The results implied that the perceptions of trade customers who buy goods for resale about the soft drink suppliers may influence their purchase decisions and satisfaction levels. This agrees with the themes of consumer behaviour theories that seek to explain the role of perception in purchase behaviour and consumption decisions. Consumer behaviour theories such as the theory of reasoned/ planned behavior hypothesize that perception and subjective norms together with cognitive and emotional considerations influence intentions which in turn forces action (Bagozzi, 1992).

4.11.4 The Joint effect of Green Marketing practices, Organizational demographics, Customer perception and satisfaction

The joint effect of green marketing practices, organizational demographics and customer perception on satisfaction was assessed using simple regression analysis and step wise regression analysis. The results indicated that the goodness of fit of the model improves as coefficient of determination R^2changes from 0.246 and 0.248 to 0.264. The p-value for the regression model F- test was revealed to be statistically significant at F= .000. This implies that the model is statistically significant, and a conclusion that together, these three variables explain different levels of customer satisfaction. These results are consistent with the highlights of the theories of corporate environmentalism, Stakeholder theory, and consumer behaviour theory as well its constituent's theories (de Burgos-Jimenez, 2004; Friedman, 1970; Oliver, 1980; Schiffman & Kanuk, 2007).

The results shows that Beta coefficients (Beta= 0.418, 0.185 and 0.084 respectively) for combined predictor variables of green marketing practices, customer perception and organizational demographics the values are smaller than the Beta values when tested individually (which were 0.486, 0.322 and 0.102 for green marketing practices, customer perception and organizational demographic respectively). This indicates that the three variables combined contribute more to the customer satisfaction than individually. Therefore, these three variables should be applied jointly in organizations, so that synergy can be achieved in enhancing customer satisfaction. This supports a recommendation made by Dekhili & Achabou, 2013 that green marketing practices should be applied in line with organizations' polices like pricing policies to enhance customer perception and satisfaction.

4.12 Chapter summary

This chapter presented the study results and interpretations. It has focused on how the hypotheses tests were computed and results revealed statistically significant at 0.05 significant level between green marketing practices and customer satisfaction; moderating effect of organizational demographics on the relationship between green marketing practices and customer satisfaction; mediating effects of customer perception on the relationship between green marketing and customer satisfaction and the overall

joint effect of green marketing practices, organizational demographics, customer perception on customer satisfaction. The study established that Variables were positively correlate but at different levels. At the same time, predictor variables had an effect on the dependent variable (customer satisfaction).

Table 4.28 summarizes the four hypotheses tests carried out, their test criteria, the results obtained and conclusions. Figure 4.2 presents a new conceptual framework based on the results of the research findings indicating the regression equation.

Table 4.28 Summary of Results for Hypotheses Testing

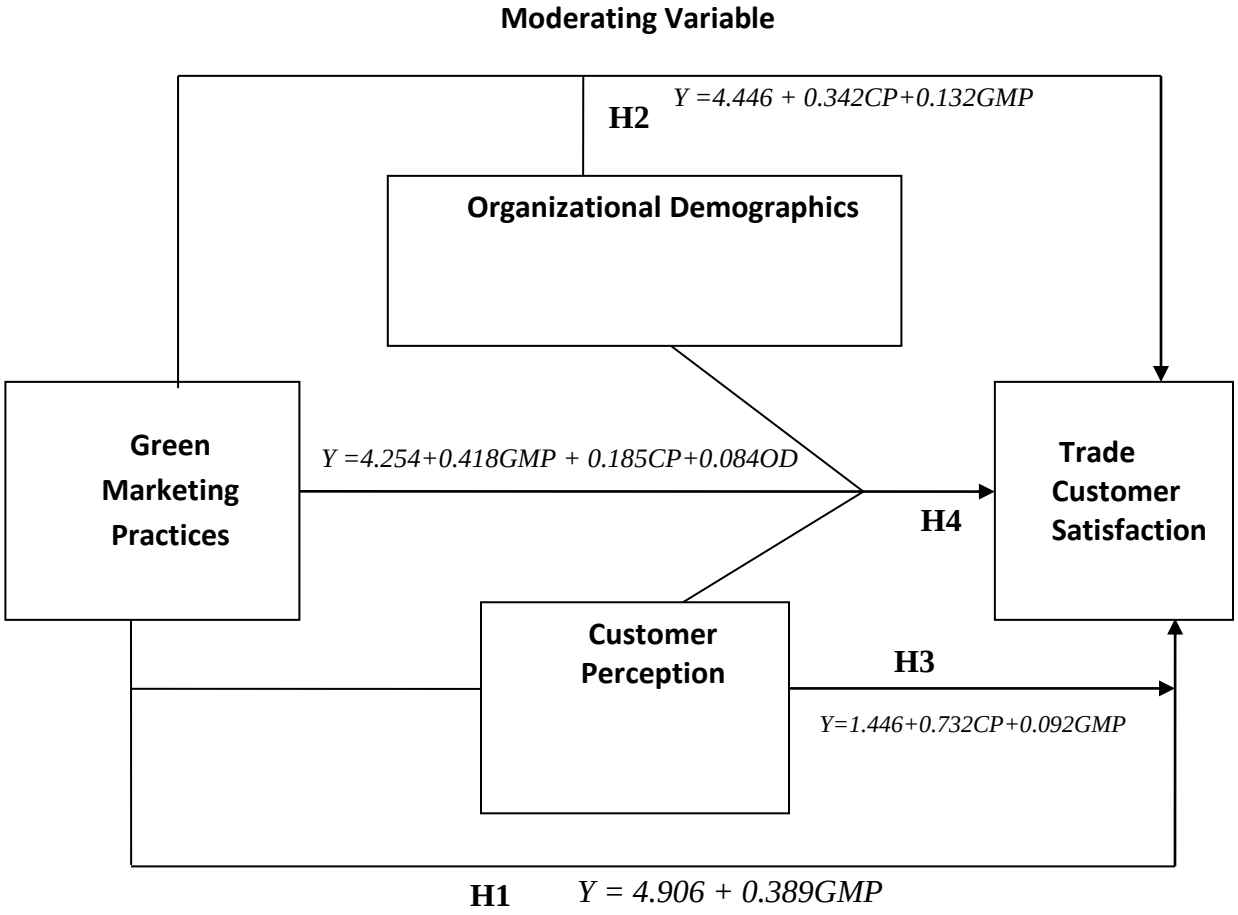
Hypothesis	**Test criteria**	**Level of significance**	**Conclusion**
H_1: There is a statistical relationship between green marketing practices and customer satisfaction.	$p \leq 0.05$ Reject H0 if $p \leq 0.05$	$p = 0.000$	H_1 Supported
H_2: Organizational demographics have a statistically significant moderating effect on the relationship between green marketing practices and customer satisfaction.	$p \leq 0.05$ Reject H0 if $p \leq 0.05$	$p = 0.000$	H_2 Supported
H_3: Customer perception has a statistically significant mediating effect on the relationship between green marketing practices and customer satisfaction.	$p \leq 0.05$ Reject H0 if $p \leq 0.05$	$p = 0.000$	H_3 Supported
H_4: Green marketing practices, customer	$p \leq 0.05$ Reject H0	$p = 0.000$	H_4 Supported

perception, Demographic factors jointly influence customer satisfaction.	if $p \leq 0.05$		

H_0 is the implied null hypothesis

Source: Primary Data

Figure 4.2: Modified Conceptual Model



Source: Author 2016

Figure 4.2 depicts the four hypotheses of this study based on the premises that there is a relationship between green marketing practices and customer satisfaction. The relationship is moderated by organizational demographics and mediated by customer perception in the soft drink industry. The results also show that the joint effect of the study variables is statistically significant at 0.05 significant level.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter provides summary discussions of the study results, conclusions and the recommendations made from the findings of the study. The chapter also discusses the theoretical and practical ways on how observed results can be applied as well as highlights, study limitations including proposed areas that can be researched in future. The study had four objectives. The first objective was meant to assess how customer satisfaction relates to green marketing practices among soft drink companies in Nairobi county Kenya. The second objective sought to examine to what extent organizational demographics affect the correlation involving green marketing practices with customer satisfaction among soft drink companies in Nairobi. The third objective was to determine how ecological marketing practices and consumer satisfaction relationship is affected by customer perception of soft drink companies in Nairobi county Kenya. The focus of the fourth and final objective was to assess the joint impact of green marketing practices, organizational demographics and customer perception on customer satisfaction.

5.2 Summary

The study established that the soft drink companies surveyed by size expressed by the employees portifolio, fall under the category of medium and small enterprises. After the study, the soft drink companies' size was measured in terms of the number of permanent, contracts and casual employees. Majority (61.5%) of the participating soft drink manufacturers were relatively young, ranging between 0 and five years. These results indicate that many soft drink manufacturers enter into the industry but few last long enough to continue their activities over a long period of time. This raises questions of dealing with competitive forces by these organizations (Mourad & Ahmed 2012).

The information reveals that 53% of trade customers are aged 5 years and below indicating that the more the manufacturing firms in the industry the more the intermediaries in the distribution chain. The size of the firm was assessed based on number of employees. About 51.6% of the trade respondent firms had fifty employees

and below while only 32.5% of the soft drink manufacturers' respondents had fifty or fewer employees meaning that the intermediaries are small in size in terms of capacity as compared to the manufacturing firm. The results demonstrated that the soft drink companies, though young and have great Potential to growth. SMEs have been rated and appreciated as economic drivers not only in Kenya but globally. Specifically, SMEs in Kenya have been acknowledged as a mechanism for the country's economic growth as they make major contributions to employment creation and poverty eradication ((International Institute for Labour Studies, 2013).

The descriptive statistics revealed that customer perception had the highest mean scores. Due to the unique characteristics of green products, soft drink companies should implement marketing strategies and tactics that will enhance customer perception on green goods as well as services to attract their potential consumers as the customers tend to move towards the point of distribution. Through green marketing research, soft drink companies can embrace the changing customer needs and develop new or enhance existing brands so as to meet desires and interests of the current and potential customers. Also adapt to modification and alterations within social dynamics as well as environmental health. The study suggested that soft drink companies need to be innovative in green product development, green promotion, green place (reverse logistics in distribution) and in green pricing strategies.

The study established that the six indicators of green marketing practices, green product, green place, green price, green promotion, green process and green brand positioning were significantly correlated with customer satisfaction of soft drink companies in Nairobi Kenya. However, all dimensions of green marketing practices were found to have a positive and significant correlation with customer satisfaction. Overall, green marketing practices was found to correlate positively with customer satisfaction indicators as well aggregate customer satisfaction scores. Both organization demographics and customer perception were positively correlated with overall customer satisfaction but high correlations existed between customer perception and customer satisfaction as well as repeat purchases.

The study results revealed that green marketing practices and customer satisfaction relationship among soft drink industry in Nairobi Kenya was statistically positive. It was also highly significant ($p< 0.05$). Organizational demographics statistically significantly moderated the correlation involving green marketing practices and customer satisfaction in soft drink industry in Nairobi Kenya. The study results revealed that customer perception statistically significantly mediated the relationship involving green marketing practices with consumer satisfaction in the soft drink industry in Nairobi Kenya. This is because the p-value was of lesser amount to the set value 0.05 (p – value = 0.000). The customer perception constructs green brand image had the greatest effect on customer satisfaction positively as well as statistically significant ($\beta= 0.499$, $p< 0.05$). This agrees with the findings of Kabare (2013) who found that customer perception construct green brand, had the greatest positive and statistically significant effect on the satisfaction of customers in flour mills (maize) in Nairobi county. Also the results echoed the findings of Sihem and Mohammed (2013) that customer perception on green prices and product quality affects the satisfaction of customers. The current study outcome revealed the presence of a noteworthy positive correlation among green marketing practices, perception of customers as well as organizational demographics and the satisfaction of customers among soft drink companies in Nairobi County.

5.3 Conclusions

Based on the overall study results obtained from the tests of the study hypotheses, the conclusion is that green marketing practices and customer satisfaction correlation exists in the soft drink industry in Nairobi Kenya and the relationship is positive and statistically significant ($p< 0.05$). In addition, customer satisfaction is positively significantly influenced by constructs in green marketing practices the product, Place, price, promotion, process and brand positioning. Generally, Product, Promotion and Process have positive significant effect on the satisfaction of customers. On the other hand, extents in as far as green constructs are concerned the place; price as well as brand positioning cannot be able to substantially manipulate the satisfaction of customers in soft drink companies in Nairobi Kenya. From the results of regression analysis, only green product, green promotion and green process had statistically significant relationship with the satisfaction of customers having p values of > 0.05 while all other constructs had p

values greater than 0.05 (Appendix 3). Due to these findings, deductions can be made particularly to organizations that are in a highly competitive environment like soft drink companies can stimulate customer perception towards green subject by utilizing the green product, green promotional and green process approaches. In this context, usually perception on green issue has high promotion and high product quality, which is supported by the study analysis which shows that the promotion and product quality are important factors in the consumer's decision to buy the product. This study shows that the customers are willing to choose another product supplier who is offering quality products, good promotion and good processes. Further, organizations can make use eco labeling during product packaging and promotion. In doing so organizations can differentiate their products from the products of other organizations within the same industry through brand image creation and trust creation in customers that they promote environmentally safe products.

Organizational demographics and customer perception respectively, moderated and mediated the relationship of customer satisfaction and green marketing practices in the soft drink industry in Nairobi Kenya. The study results revealed that organizational demographics had statistically significant positive moderation effect on the customer satisfaction and green marketing practices relationship in the soft drink industry in Nairobi Kenya. Based on these results, the study concludes that soft drink industry in Nairobi, organizational demographics for example culture has a big role in shaping their customer attitudes. This is because the findings showed that the correlation within customer satisfaction and green marketing practices was statistically positively affected by organizational demographics.

5.4 Implications of the Study

The current research examined the correlation among green marketing practices, organizational demographics, perception of customers and the satisfaction of customers. Customer perception mediating roles and the organizational demographics moderating roles were as well explored. The study results present theoretical, Practical and policy implications. The study has added value to customer satisfaction theory by adding two

enabler variables namely; organizational demographics and customer perception as moderator and mediator variables respectively. Customer perception had a positive and significant mediation effect on the correlation within Customer Satisfaction and green marketing practices while organizational demographics had positive and significant direct effect on satisfaction.

The implication of the results to the practice is that green marketing is a worthwhile strategy which the management should be committed to in order to gain competitive advantage in a competitive industry with changing dynamic marketing environment. The findings will therefore assist the marketing managers to convince the senior management and business owners on green marketing issues to be implemented due to widespread perception that green promotion may have a negative impact on sales due to "green wash"(Polonsky, 2001). Further, managers will realize that green marketing practices serve the purpose of dealing with the organization's direct or indirect actual or potential negative impact to the environment in satisfying consumer needs.

The findings will also help managers understand that businesses in all industries get affected by environmental concerns and therefore firms' should be sensitive to these influences so as to remain competitive. Finally, marketers should inform, persuade and remind consumers on the benefits of green products through green promotion because the general population in developing countries such as Kenya has low knowledge about environmental concerns and their implication to individual and the economy as whole. This is likely to increase the understanding of consumers as well as improve customer perceptions about green products.

The results of this study also have major policy implications on the government. First, the study recommends that government of Kenya set aside funds to enhance green marketing practices regulations and implementations in both private and public sectors. Green marketing approach could be used to help the country address environmental problems. Mainstreaming green marketing in private and public firms operations has potential to add value in the pursuit of sustainable development in the area of clean and sustainable environment, a goal that is also captured within the social pillar of Kenyas Vision 2030

(Government of Kenya 2007). The government should encourage the companies to implement green marketing practices effectively and efficiently.

5.5 Limitations of the study

The study was subjected to several limitations despite producing meaningful results. Some of these limitations were used to discover opportunities research furtherance in future. To begin with, the study focused only on soft drink companies in Nairobi County. A study based on a single sub-sector in the food & Beverage sector limits the generalizability of the results across all sectors. Although industry specific research enhances internal validity, special attention should be taken when generalizing to other sectors. It should be kept in mind that findings in soft drink companies sub sector context may not necessarily translate into another sector context like telecommunication sector.

Other limitations related to limited resources available at the time the research was conducted. The constraints influenced the scope of the study but this did not affect the conduct of the research due to appropriate design arrived at. Owing to time, cost and operational constriction the study used a cross-sectional research design and paid attention to soft drink companies in Nairobi County. Data were collected from trade customers to get their observation, views, experience and perceptions concerning the variables and constructs under study only once. Nevertheless, perceptions vary over time and across marketplace as predisposed by changes in consumer preferences or economic changes that influence purchase behaviour and consumption patterns (Dekhili & Achabou 2013). Therefore, in the same area of research one can conduct longitudinal studies and also cover a wider area.

5.6 Suggestions for Further Research

This study found out that green marketing practices influence customer satisfaction of soft drink trade customer organizations. It is therefore recommended that an investigation into how customer satisfaction is influenced by green marketing practices on individual customers bases within the same industry. The researcher further recommends a similar

research be done under different context rather than food and see if the same results would be obtained.

The study used a cross sectional research design to measure customer satisfaction and the effect of customer perception at a particular point in time. Future studies should consider the use of longitudinal research design to track changes is perception and satisfaction over time. Longitudinal designs have the ability to show the outline of an unpredictable outcome over a period of time. Authoritative learning about causal relationships can be done by use of this technique. Longitudinal examination can also facilitate the discovery of "sleeper effects" or relations among many actions over an extensive period of time; Linked measures given the magnitude of the study (Creswell & Plano, 2011).

The inclusion of other variables in the conceptual framework such as managers and employees' characteristics may also bring some useful insights in the study of customer satisfaction. This study therefore recommends an empirical inquiry on the same be conducted. In addition, a research on the implication of green marketing practices on should also be carried out.

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Appendix 1: Introductory Letter

Appendix 1: Introductory Letter

UNIVERSITY OF NAIROBI
COLLEGE OF HUMANITIES AND SOCIAL SCIENCES
SCHOOL OF BUSINESS
DOCTORAL STUDIES PROGRAMME

Telephone: 4184160/1-5 Ext. 225
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P.O. Box 30197
Nairobi, Kenya

21st December, 2015

TO WHOM IT MAY CONCERN

RE: RACHEAL WAIRIMU MACHARIA: D80/74105/2012

This is to certify that, **RACHEAL WAIRIMU MACHARIA: D80/74105/2012** is a Ph.D candidate in the School of Business, University of Nairobi. The title of her study is: **"Green Marketing Practices, Organizational Demographics, Customer Perception and Satisfaction among Soft Drink Companies in Nairobi Kenya".**

The purpose of this letter therefore, is to kindly request you to assist and facilitate in carrying out the research/study in your organization. A questionnaire is herewith attached for your kind consideration and necessary action.

Data and information obtained through this exercise will be used for academic purposes only. Hence, the respondents are requested not to indicate their names anywhere on the questionnaire.

We look forward to your cooperation.

Studies Co-ordinator
P.O. Box 30197
NAIROBI

PROF. MARTIN OGUTU
FOR: ASSOCIATE DEAN
GRADUATE BUSINESS STUDIES
SCHOOL OF BUSINESS

MO/nwk

Appendix 2: Questionnaire for the soft drink intermediary firms in Nairobi Kenya.

Dear respondent,

The purpose of this questionnaire is to collect data / feedback that can help soft drink companies serve their customers better with respect to green marketing practices in gaining a competitive advantage by influencing purchase decisions. The data will be used for academic purposes only and will be treated with strict confidence. I would be grateful if you spared a few minutes of your busy time to respond to the questions/ statements presented in the questionnaire.

Section 1: Background information of your organization

1) Name of the firm
   (optional)……
2) Job title of Respondent……
3) Number of years worked at firm…….
4) Age of firms in years: Up to 5 ☐ 6-10 ☐ 11-15 ☐ >15 ☐
5) Please indicate the total number of employees in this organization :

   Permanent _____Contract _____ Casual _____

6) Is your organization:

   Private locally owned ☐ Parastatal ☐
   Multinational ☐ Publicly Owned ☐

   Other (please specify)
   ……

7) Please state whether your firm is registered with the following International Standards Organizations.

Standards	Tick the standards registered with
9000: Quality management system	☐
22000: food safety management system	☐
Other; (Specify)	☐

Section 2: Adoption of Green marketing practices

8) Please indicate with a tick (√) the extent to which your organization has adopted the following green marketing practices using a rating scale of 1- 5 where 5= to a very large extent 4= to a large extent, 3= to a moderate extent, 2= to a small extent and 1= not at all.

Green marketing practices	**5**	**4**	**3**	**2**	**1**
Green Product					
1. The organization make use of recycled raw materials					
2. The organization uses sustainable sources of raw materials (eg source of your water)					
3. The organization uses packaging materials that are safe for disposal (which decompose naturally)					
4. The organization reduces the materials required to offer the services to the customers (dematerialize)					
5. The organization uses products that can be re-consumed or used for an extended period of time in service provision					
6. The organization buys repairable products (Office/ factory)					
7. The organization uses products with eco-benefits with an					

aim of preservation of the environment					
8.. The organization make use of recycled raw materials eg Water					
9. The organization prefers environmentally friendly products (i..e energy saving gadgets , heaters, air conditions, computers					
Green Price					
1. The organization has installed green (translucent) roofs to light the offices with natural light during the day					
2. The organization uses local bicycles & Carts to reduce transportation costs					
3. The organization charges high prices for green/environmental friendly products due to the cost of environmental preservation					
4. The organization uses sensors or timers to safe electricity in intermittent use areas (water filling rooms)					
5. The organization champions industry environmental initiatives / efforts					
Green Place					
1. The organization uses minimum transportation packaging materials for purposes to preserving the natural resources					
2. The organization uses local means of transport eg bicycles to reduce air pollution					
3. The organization applies reverse channel systems to allow the consumers to return the used products or packaging materials back to the company					
4. The organization emphasizes on supplier/distributors who take environmental concerns seriously					
5. The organization has branches or distribution/bottling /packaging points to reduce transport distance.					

Green Promotion					
1. The organization advices customers on how to dispose the empty containers in an environmentally friendly manner through various promotion methods such as posters, Labels, newsletter, Tv & radio					
2. The organization uses green label as an indicator of environmental friendliness					
3. The organization promotes itself as environmental friendly without substantiating					
4. The organization promotes corporate image of environmental responsibility					
5. The organization promotes the products eco-environmental benefits & features					
6. The organization promotes green lifestyle among consumers (such as go green)					
7. The organization uses internet as a major channel of communication					
8.The organization organizes regular environmental trainings courses for all employees					
9.The organization commits/sets budgets for green research					
10.The organization green activities are limited to one functional area or department					
11. The organization has clearly stated its environmental objectives & action plans					
12. The organization complies with the government regulations on environmental issues					

Green Brand Positioning					
1. The organization use advertising on green features					
2. The organization communicates the use of bio-degradable materials					
3. The organization positions its products to preserve the natural resources					
4. The packaging designs are environmental conservation sensitive.					
5.The packaging portray the environmental messages on the labels.					
Green Process					
1. The organization uses water sensors taps to save water (in Cleaning/filling/bottling/ storage etc)					
2. The organization uses products that are durable (machinery)					
3. The organization has an active recycling program for materials in all sections					
4. The organization uses sustainable sources of energy such as solar & wind					
5. The organization utilizes environmentally friendly cleaning materials throughout the premises (use of chemical free cleaning materials					
6. The organization uses energy saving bulbs					

Section 3: Reasons for implementing Green Marketing Practices and Organizational Demographics.

9) Using the five point rating scale where 5= to a very large extent, 4= large extent, 3= moderate extent, 2= small extent, 1= not at all, indicate by ticking (√) the appropriate box the extent to which the determinants listed below have influenced your organization to adopt green marketing practices.

Determinants of green marketing practices	**5**	**4**	**3**	**2**	**1**
1. Compliance with government regulation					
2. Society concerns for the environmental					
3. Increasing number of green consumers & their willingness to buy green products					
4. Environmental problems that threaten the environment & human life					
5. Competitive forces					
6. Profitability goals					
7. Competitive advantage					
8. Moral and ethical reasons					
9. Top management initiative & environmental knowledge					
10. Stakeholders pressure					
11. Size of the firm of the nature & industry					
12. Community& environmental groups pressure					
13. Individual employees & management initiative					
14. Leadership values & managerial altitude					
15. Any other(please specify)					

10) Importance attached to green practices that influence purchase decisions:

On a scale of 1 to 5 how important are the following practices in influencing your choice of soft drink supplier? *Tick the appropriate box*

Practices	1 = Not Important at All 5 = Extremely Important				
	1	2	3	4	5
Green product (environmental product design, symbols, labels)					
Green price (premium price charged due to environmental cost)					
Green place (Reverse logistics especially on used containers)					
Green promotion (communication about green products eg adverts)					
Green brand positioning (making a product occupy a position in the mind of customers as green relative to competing brands.					
Green process (Production process that eliminates waste, reduce energy consumption, improve material utilization efficiency etc).					

11) Level of performance of the supplier's green practices:

Based on your experience with soft drink suppliers, on a scale of 1 to 5 what level of performance relative to your expectation would you give your major soft drink supplier on the following attributes?

Tick the appropriate box

Practices	1 = Extremely Poor 5 = Extremely Good				
Rating	1	2	3	4	5
Green Product *How good has the supplier been at making the product green?eg Recycling*					
Green pricing *How good has the supplier been in* *Fixing premiums ie price higher than normal for environmental conservation?*					
Green place *How good has the suppliers been at collecting back the plastic bottles ie reverse logistics*.					
Green Promotion *How good has the supplier been at communicating about green?*					
Green Brand Positioning *How good has the supplier at creating an impression in customers mind about green features?*					
Green Process *How good is the supplier at reducing energy consumption and eliminating waste in their production?*					

Section C: Importance of Green Marketing practices and organizational demographics

12) Please **rate the relative importance** of the following practices in choosing your soft drink supplier.

(1= least important, 5= most important)

Green Product	Green Place	Green Price	Green Promotion	Green Positioning	Green Process

13) Please indicate to what extent each of the organizational demographics of your supplier influence your satisfaction. Use the key below and tick appropriately.

(1=Not at all, 2= Small Extent, 3= Moderate Extent, 4=High Extent, 5= Very high extent)

Organizational Demographics					
Rating	1	2	3	4	5
Age					
Size					
Ownership					
Others Specify					
Culture					
Rating	1	2	3	4	5
Involvement (commitment, decision making, orientation,ownership)					
Consistency (systems & processes promoting CSR)					
Adaptability (internal ability to respond to external changes)					

Mission (Clear on existence and headed to what direction)					

Section D: customer perception

14) The influence of customer perception on the choice of a supplier:

Customer perception refers to the attitude a customer has concerning a product or firm. In your view, to what extent do the following influence your choice of soft drink supplier? *Tick the appropriate box*

1=Contributes Little, 5= Contributes Highly

Statement **Rating**					
	1	2	3	4	5
Your desire for soft drink features that are critical to green product quality					
Your imagery of a soft drink brand's features					
Your imagery of the soft drink firms characteristics					
Others Specify					

15) What would you like your current major supplier to improve on relating to the variables listed below?

Tick the appropriate box

Variables	Improvement needed				
Variables	1	2	3	4	5
Green product					
Green pricing					
Green Placing					
Green promotion					
Green brand positioning					
Green Processes					
Other specify					

Section E: Customer Satisfaction

16). Tools to capture customer satisfaction feedback.

Please tick the response that best represents your view. 1=Least Acceptable, 5= Exceeds Expectation					
Statement	**Rating**				
	1	2	3	4	5
Quality & clearness of green marketing collateral					
The overall green quality of your supplier's product/service					
Green value proposition is clearly communicated & understood					
Sales staff professionalism					

Ability to understand your challenges					
Turnaround time for delivery					
Value for money					
How would you rank your suppliers' business in terms of green innovation & market leadership?					
What level of courtesy do you receive from your suppliers' Customer Service team?					
Compared to other suppliers, how would you rank your supplier's ability to serve you?					

Overall Satisfaction

17) Brand switching/ Repeat Purchases

Tick the appropriate box

1= Extremely Unlikely, 5= Extremely Likely					
Based on your experience with green products how likely are you to buy the product again?	1	2	3	4	5
Based on the customer service experience how likely are you to continue with your current supplier?					

18) Recommendations

Tick the appropriate box

1= Extremely Unlikely, 5= Extremely Likely					
How likely are you to recommend your current soft drink supplier to a friend or colleague?	1	2	3	4	5

19) Complaint handling behavior

1= Very Dissatisfied, 5= Very Satisfied					
How satisfied are you with the supplier's way of handling and solving your complaints?	1	2	3	4	5

20) Overall satisfaction with your current Soft drink supplier.

Tick the appropriate box

1= Very Dissatisfied, 2= Somewhat Dissatisfied, 3= Neither satisfied nor dissatisfied, 4= Somewhat Satisfied 5= Very Satisfied					
Overall how satisfied are you with your current supplier in regard to green marketing practices?	1	2	3	4	5

Thank you for taking time to complete this survey

Appendix 3: Stepwise Regression: Stepwise Regression for Organizational Demographics Predicting Customer Satisfaction

Model Summary

	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.264(a)	.224	.234	1.0520
2	.272(b)	.238	.226	1.0929
3	.276(c)	.246	.216	1.1026
4	.284(d)	.273	.202	1.0932

a. Predictors: (Constant), Age
b. Predictors: (Constant), Age, Size
c. Predictors: (Constant), Age, Size, Ownership
d. Predictors: (Constant), Age, Size, Ownership, Culture
g. Dependent Variable = Customer Satisfaction

ANOVA (F)

Mode		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	11.075	1	11.074	12.823	.000(a)
	Residual	92.254	129	1.214		
	Total	103.329	130			
2	Regression	10.837	2	4.864	10.021	.000(b)
	Residual	92.492	128	1.432		
	Total	103.329	130			
3	Regression	13.375	3	4.725	7.225	.000(c)
	Residual	89.954	127	1.093		
	Total	103.329	130			
4	Regression	13.277	4	3.310	5.421	.000(d)
	Residual	90.052	126	1.121		
	Total	103.329	130			

a. Predictors: (Constant), Age

b. Predictors: (Constant), Age, Size
c. Predictors: (Constant), Age, Size, Ownership
d. Predictors: (Constant), Age, Size, Ownership, Culture
g. Dependent Variable = Customer Satisfaction

Coefficients (a)

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	T	Sig.
1	(Constant)	4.866	.894		5.625	.001
	Age	.249	.581	.268	4.571	.000
2	(Constant)	4.723	.674		1.578	.000
	Age	.324	.438	.284	3.320	.000
	Size	.334	.329	.243	2.425	.002
3	(Constant)	3.364	.963		4.429	.004
	Age	.438	.621	.292	3.467	.002
	Size	.224	.386	.246	2.142	.000
	Ownership	.262	.428	.228	1.382	.000
4	(Constant)	3.422	.954		4.324	.004
	Age	.136	.253	.294	3.427	.000
	Size	.234	.324	.252	3.243	.000
	Ownership	.378	.223	.218	2.434	.000
	Culture	.324	.318	.102	1.231	.002

Stepwise Regression for Customer Perception Predicting Customer Satisfaction

Model Summary

	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.420(a)	.358	.278	1.072
2	.448(b)	.362	.286	1.098
3	.462(c)	.374	.287	1.132

a. Predictors: (Constant), Green Brand Image
b. Predictors: (Constant), Green Brand Image, Green Perceived Quality
c. Predictors: (Constant), Green Brand Image, Green Perceived Quality, Green Firm Image
g. Dependent Variable = Customer Satisfaction

ANOVA (F)

Mode		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	12.479	1	12.479	14.862	.000(a)
	Residual	90.850	129	1.314		
	Total	103.329	130			
2	Regression	9.887	2	6.117	9.274	.000(b)
	Residual	93.442	128	1.632		
	Total	103.329	130			
3	Regression	15.176	3	3.247	7.407	.000(c)
	Residual	88.153	127	1.181		
	Total	103.329	130			

a. Predictors: (Constant), Green Brand Image
b. Predictors: (Constant), Green Brand Image, Green Perceived Quality
c. Predictors: (Constant), Green Brand Image, Green Perceived Quality, Green Firm Image
g. Dependent Variable = Customer Satisfaction

Coefficients (a)

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	T	Sig.
1	(Constant)	5.722	.434		12.320	.000
	Green Brand Image	.326	.078	.420	5.573	.000
2	(Constant)	5.774	.428		11.542	.000
	Green Brand Image	.349	.074	.464	4.428	.000
	Green Perceived Quality	.068	.034	.234	4.447	.000
3	(Constant)	4.964	.424		10.472	.000
	Green Brand Image	.348	.074	.499	4.227	.000
	Green Perceived Quality	.064	.034	.238	2.203	.000
	Green Firm Image	.039	.046	.220	1.234	.000

Dependent Variable = Customer Satisfaction

Regression Results of Green Marketing Practices against Repeat Purchase

Goodness Fit Analysis: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.389	.328	.529	.5201

a Predictors: (constant), Product, price, place, promotion, positioning and processes

b Dependent variable: Repeat purchase

Overall significance, ANOVA (F-test)

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	92.074	2	2.074	6.612	.002(a)
	Residual	11.255	128	.314		
	Total	103.329	130			

a Predictors: (constant), Product, price, place, promotion, positioning and processes

b Dependent variable: Repeat purchase

Individual significance (T-test): Coefficients(a)

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	T	Sig.
1	(Constant)	2.906	5.993		3.155	.004
	Product	.209	1.637	.287	2.571	.002
	Price	.075	.451	.386	.116	.003
	Place	.136	.253	.376	3.427	.000
	Promotion	.234	.324	.286	3.243	.001
	Positioning	.378	.223	.157	2.434	.000
	Processes	.324	.318	.086	1.231	.002

a Dependent Variable: Repeat purchase

- Lever of significance, $\alpha = 0.05$

Source: Primary data, 2016

Regression Results of Green Marketing Practices against Customer Complaint

Goodness of fit analysis

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.191(a)	.088	.143	.572

a Predictors: (constant), Product, price, place, promotion, positioning and processes

b dependent variable: Customer complaint

Overall significance ANOVA (F-test)

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	35.362	3	5.362	6.621	.008(a)
	Residual	65.351	127	2.334		
	Total	100.713	130			

a Predictors: (constant), Product, price, place, promotion, positioning and processes

b dependent variable: Customer complaint

Individual significance (T-test)

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	T	Sig.
1	(Constant)	1.830	.549		11.334	.082
	Product	.492	.212	.191	2.379	.000
	Price	.250	.633	.135	.333	.040
	Place	.136	.253	.194	4.324	.004
	Promotion	.234	.324	.152	3.427	.000
	Positioning	.378	.223	.118	3.243	.000
	Processes	.324	.318	.102	2.434	.000

Dependent Variable: Customer complaint

- Lever of significance, $\alpha = 0.05$

Source: Primary data, 2016

Regression Results of Green Marketing Practices against Overall Satisfaction

Model Summary(b)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.498(a)	.438	.0460	.83466

a Predictors: (constant), Product, price, place, promotion, positioning and processes

b Dependent Variable: Overall satisfaction

Overall significance, ANOVA(b)

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	.543	1	.543	.779	.012(a)
	Residual	2.787	129	.697		
	Total	3.329	130			

a Predictors: (constant), Product, price, place, promotion, positioning and processes

b Dependent Variable: Overall satisfaction

Individual significance (T-test): Coefficients(a)

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	T	Sig.
1	(Constant)	4.016	5.120		1.565	.193
	Product	1.184	1.342	.324	.883	.042
	Price	0.365	0.779	0.366	2.289	0.028
	Place	.232	.453	.254	3.494	.002
	Promotion	.344	.328	.248	3.261	.001
	Positioning	.278	.236	.226	2.224	.000
	Processes	.312	.321	.162	1.445	.002

a Dependent Variable: Overall satisfaction

Lever of significance, $\alpha = 0.05$

Source: Primary data, 2016

Table 4.21: Regression results of Green marketing practices and customer satisfaction.

a) Green product on Customer satisfaction indicators (Repeat purchases, complaint behavior, overall satisfaction)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.389(a)	.151	.219	1.0520

a Predictors: (Constant), Green product

ANOVA

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	12.074	1	12.074	12.921	.000(a)
	Residual	91.255	129	1.314		
	Total	103.329	130			

a Predictors: (Constant), Green product

b. Dependent Variable: Customer satisfaction indicators (Repeat purchases, complaint behavior, overall satisfaction)

Coefficients(a)

	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	T	Sig.
(Constant)	5.906	.993		5.155	.000
Green Product	.209	.637	.389	4.571	.000

a Dependent Variable: Customer satisfaction indicators (Repeat purchases, complaint behavior, overall satisfaction)

b) Green place on Customer satisfaction indicators (Repeat purchases, complaint behavior, overall satisfaction)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.364(b)	.132	.186	1.0929

a Predictors: (Constant), Green place

ANOVA

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	9.838	2	4.919	9.021	.051(b)

	Residual	93.491	128	1.632		
	Total	103.329	130			

a Predictors: (Constant), Green place

b. Dependent Variable: Customer satisfaction indicators (Repeat purchases, complaint behavior, overall satisfaction)

Coefficients(a)

	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	T	Sig.
(Constant)	4.874	.819		4.980	.000
Green Product	.298	.438	.364	3.368	.000
Green Place	.348	.439	.241	2.426	.001

a Dependent Variable: Customer satisfaction indicators (Repeat purchases, complaint behavior, overall satisfaction)

c) Green price Customer satisfaction indicators (Repeat purchases, complaint behavior, overall satisfaction)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.341(c)	.116	.156	1.1026

a Predictors: (Constant), Green price

ANOVA

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	14.174	3	4.725	7.245	.056(c)

	Residual	89.155	127	1.093		
	Total	103.329	130			

a Predictors: (Constant), Green price

b. Dependent Variable: Customer satisfaction indicators (Repeat purchases, complaint behavior, overall satisfaction)

Coefficients(a)

	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	T	Sig.
(Constant)	3.671	.993		4.362	.004
Green Product	.238	.637	.294	3.487	.002
Green Place	.324	.396	.236	2.243	.000
Green Price	239	.435	.218	.1.482	.000

a Dependent Variable: Customer satisfaction indicators (Repeat purchases, complaint behavior, overall satisfaction)

d) Green promotion on Customer satisfaction indicators (Repeat purchases, complaint behavior, overall satisfaction)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.321(d)	.103	.122	1.0932

a Predictors: (Constant), Green promotion

ANOVA

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	13.246	4	3.312	6.421	.000(d)

	Residual	90.083	126	1.021		
	Total	103.329	130			

a Predictors: (Constant), Green promotion

b. Dependent Variable: Customer satisfaction indicators (Repeat purchases, complaint behavior, overall satisfaction)

Coefficients(a)

	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	T	Sig.
(Constant)	3.422	.954		4.324	.004
Green Product	.236	.453	.248	3.494	.002
Green Place	.324	.328	.218	3.231	.001
Green Price	.278	.236	.189	2.234	.000
Green Promotion	.312	.321	.162	1.345	.002

a Dependent Variable: Customer satisfaction indicators (Repeat purchases, complaint behavior, overall satisfaction)

e) Green brand positioning on Customer satisfaction indicators (Repeat purchases, complaint behavior, overall satisfaction)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.349(e)	.121	.102	1.0327

a Predictors: (Constant), Green brand positioning

ANOVA

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	11.982	5	2.396	5.240	.052(e)

	Residual	91.347	125	1.213		
	Total	103.329	130			

a Predictors: (Constant), Green brand positioning

b. Dependent Variable: Customer satisfaction indicators (Repeat purchases, complaint behavior, overall satisfaction)

Coefficients(a)

	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	T	Sig.
(Constant)	2.624	.493		3.456	.004
Green Product	.298	.325	.226	2.342	.002
Green Place	.234	.263	.198	1.234	.000
Green Price	316	.327	.164	1.256	000
Green Promotion	349	.348	.128	1.286	000
Green Positioning	.237	.234	.108	1.142	.002

a Dependent Variable: Customer satisfaction indicators (Repeat purchases, complaint behavior, overall satisfaction)

f) Green processing on Customer satisfaction indicators (Repeat purchases, complaint behavior, overall satisfaction)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.298(f)	.089	.112	1.0543

a Predictors: (Constant), Green process

ANOVA

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	12.384	6	2.064	4.203	.000(f)

	Residual	90.945	124	1.228		
	Total	103.329	130			

a Predictors: (Constant), Green process

b. Dependent Variable: Customer satisfaction indicators (Repeat purchases, complaint behavior, overall satisfaction)

Coefficients(a)

	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	T	Sig.
(Constant)	2.462	.486		3.327	.001
Green Product	.289	.335	.263	2.420	.002
Green Place	.214	.236	.182	1.231	.061
Green Price	.312	.308	.148	1.523	.051
Green Promotion	328	.317	.132	1.268	000
Green Positioning	.224	.231	.122	1.242	.054
Green Process	.228	.242	.126	1.152	.002

a Dependent Variable: Customer satisfaction indicators (Repeat purchases, complaint behavior, overall satisfaction)

Appendix 4: Soft Drink Trade Companies Operating In Nairobi County

	Company_name	Phone	Physical_address	Product_name	Product_brand
1	LABCHEM LIMITED	020-559650/ 537476	BUTERE ROAD, INDUSTRIAL AREA	DISTILLED WATER	FIVE STAR (DEIONISED WATER, BATTERY WATER, DISTIL
2	LIZTAN ENTERPRISES LTD	884773	OFF NGONG RD	CONTAINERIZED MINERAL WATER	MAWINGU
3	HYDROLAB LTD	6765584	13TH STREET, EASTLEIGH	SPRING MINERAL WATER	FRESH N KOOL
4	LUCAS MWANIKI ENTERPRISES LIMITED	020-2070013/ 0722-848864	KAHAWA	BOTTLED DRINKING WATER	GLACIER
5	ORIGINAL SIGONA ENTERPRISES CO. LTD	020-2014582	KIKUYU	MINERAL WATER	ABERDARES

6	MODULAR PRODUCTS	0722-411051/0722-582354/0721-803733	KARIOBANGI	CONTAINERIZED DRINKING WATER	SIGONA
7	SAMEER AGRICULTURE & LIVESTOCK(K) LTD	020-555863/6	CLESOI ROAD, INDUSTRIAL AREA	DRINKING WATER	DAIMA
8	AVIANO EAST AFRICA LTD	020 - 3566602/3	FALCON ROAD, INDUSTRIAL AREA	CONTAINERIZED DRINKING WATER	AVIANO
9	KILIMANJARO BEVERAGE KENYA LTD	066-31019/31022	KIKUYU	CONTAINERIZED MINERAL WATER	KILIMANJARO
10	SARK KENYA	0722-788701	BUSIA ROAD-INDUSTRIAL AREA	DRINKING WATER	COOL N COOL
11	ELIPA (2002) ENTERPRISES	0721-651206	EASTLEIGH	CONTAINERIZED DRINKING WATER	ABERDARE RANGES
12	E & A INDUSTRIES LTD	020-550901/550285	NANYUKI RD, INDUSTRIAL AREA	DRINKING WATER	RANGERS GOLD
13	THREE RINGS CO. LTD	020-554503/0721-785646	OFF DUNGA RD, INDUSTRIAL AREA	DRINKING WATER	KIU BASTA
14	KENMAL ENTERPRISES LTD	020-530831/0722336265	BUTERE ROAD, INDUSTRIAL AREA	CONTAINERIZED DRINKING WATER	COOLEX

15	RAINMAN COMPANY LTD	0724848467/0719616102	GARAGE ROAD, INDUSTRIAL AREA	DRINKING WATER	PACIFIC
16	MIRITINI KENYA LIMITED	020-557084/93	FUNZI ROAD, INDUSTRIAL AREA	DRINKING WATER	EDEN
17	TRICLOVER INDUSTRIES (K) LTD	020-350062/821045/6/0722762569	MOMBASA ROAD	DRINKING WATER	AQUA 3
18	VILCOS FOOD PRODUCTS	020-783608/ 0722-703070	OUTERING ROAD OFF KAMUNDE ROAD	CONTAINERIZED DRINKING WATER	AVIAN
19	THARAKA HONEY BEE PRODUCTS	0722-253487/020-2535594	KAHAWA SUKARI	DRINKING WATER	THARAKA COOL
20	WOODLANDS HONEY PRODUCTS	020-551729/0721-408924	LUNGA LUNGA RD, INDUSTRIAL AREA	DRINKING WATER	WOODLAND MOIST
21	STENRAC ENTERPRISES LTD	202129020	HIGHRIDGE, UCHUMI HS SHOP	DRINKING WATER	STERLING
22	SINGLE LADIES INTERNATIONAL MINISTRIES	0722-844732	ZIMMERMAN-KAMITI ROAD	DRINKING WATER	ROYAL
23	HEMI	0721-646210	WESTLANDS, SPORTS RD	DRINKING WATER	TWIN

	ENTERPRISES LTD.				MOUNTAIN
24	ENERGY FOODS LTD	020-820749	NORTH AIRPORT ROAD	DRINKING WATER	SUNRISE
25	DIARIM ENTERPRISES LTD	020-2402390/2121901	KOMAROCK RD, KARIOBANGI	DRINKING WATER	AQUA COOL
26	NAIVAS LIMITED-EAST-GATE	020-536305	HOMABAY ROAD-INDUSTRIAL AREA	CONTAINERISED DRINKING WATER	NAIVAS
27	VINE BASE SERVICES	020-2350422/0726-870970	GOLFCOURSE COMMERCIAL CENTRE	DRINKING WATER	VINEYARD WATER
28	KIPAWA COMPANY LTD	0721-434443/0722-247593	LAVINGTON	DRINKING WATER	SAMARIAN
29	MUNGI FOOD PRODUCTS	0729-830075	DONHOLM	DRINKING WATER	AQUA FLOW
30	RAILI ENTERPRISES(WESTGATE)	2220487	NAKUMATT WESTGATE	DRINKING WATER	FRESH N KOOL
31	PENROSE ENTERPRISES	722308157	HURUMA	DRINKING WATER	ABERDAREWELLS
32	CAPE FOODS	0722-73622/0716-555031	KAREN-LANGATA	DRINKING WATER	CHANNIA

	INDUSTRIES				
46	MEGA FOODS & BEVERAGES	0721-883171	KARIOBANGI LIGHT INDUSTRIES	DRINKING WATER	AQUA SAFI
47	FAZ HOLDINGS	0726133848/07373848	SOUTH C BELLE VUE	DRINKING WATER	NAHLA
48	PRISTINE INTERNATIONAL LTD	0721-734995/0735481591	EMBAKASI	DRINKING WATER	PRISTINE
49	WAHELAY LIMITED	704444213	EASTLEIGH 11TH STREET	DRINKING WATER	SAFI
50	HAWI GROUP LIMITED	0731-306278	NGONG VIEW ESTATE	FLAVOURED WATER DRINK	THIRSTY JACK
51	CRYSTAL ENTERPRISES LTD	725358063	EMBAKASI NYAYO	DRINKING WATER	CRYSTAL
52	SOLAR WORLD (E.A.) LTD	721940080	DONHOLM	DRINKING WATER	MANGA SPRINGS
53	RIDHWAN PURE WATER ENTERPRISES	710114444	OFF OUTERING ROAD	DRINKING WATER	AQUASOFT
54	CRAFT BEVERAGES LTD	020-2068553	BURUBURU COMPLEX	DRINKING WATER	LIFE+
55	INDHO ADDE	0722-479115	SEEN III EASTLEIGH	DRINKING WATER	ZAADA

56	ELDAD @ MEDAD ENTERPRISES	0722-812809	SAFARI PARK	DRINKING WATER	RAMSA
58	FAHARI GARDENS COMPANY LIMITED	020-3573459	UTAWALA	DRINKING WATER	FAHARI WATER
59	GREATLAND FOODS	0703770777/6652392	BURU BURU PHASE 3	DRINKING WATER	GREATLAND
60	THE BIG GARAGE CO. LTD	0722-868921	INDUSTRIAL AREA-LIKONI ROAD	DRINKING WATER	TAIFA
61	S.M. KAHIGA ENTERPRISE CO. LTD	720205539	UTAWALA	DRINKING WATER	COUNTY WATER
62	SHACHAH LIMITED	734478923	UTAWALA-BYPASS	DRINKING WATER	PURE BLISS
63	CRYSTAL ROCK LIMITED	0722-590050	MOMBASA ROAD	DRINKING WATER	DEER PARK
64	THE MASSIVE GROUP LTD	721804624	KASARANI	DRINKING WATER	TANANA
65	MT. KENYA AQUAS	728736211	UMOJA INNER CORE	DRINKING WATER	MT. KENYA AQUAS

66	JOSHU INVESTMENTS LIMITED	0722-222055	EMBAKASI-IMARA DAIMA	DRINKING WATER	IMARA
67	RAGOS FOOD INDUSTRIES LTD	65137374	MOMBASA ROAD	CONTAINERIZED DRINKING WATER	ZAM ZAM
68	SIMPLE LIFE TRADING CO. LTD	0720-357207/0722-171772	MOMBASA ROAD	DRINKING WATER	ACTIVE SPRINGS
69	SMART CHOICE VENTURES	0722-653115	ROYSAMBU KASARANI	DRINKING WATER	SMART CHOICE
70	HOME CHOICE VENTURES	0722-729566/0722-851841	KAYOLE CHIEFS CAMP	DRINKING WATER	AQUA TIME
72	VINEYARD FOODS	0722-629089	KAMITI ROAD	DRINKING WATER	VINE YARD WATER
73	ANTOYA INVESTMENT AGENCY	0721-782933/0723-096600	ROYSAMBU	CONTAINERIZED DRINKING WATER	ANTOYA SPRINGS
74	PAKI PRODUCTS LTD	726829062	KARIOBANGI SOUTH	DRINKING WATER	ICE COLD
76	JOYTECH LM LTD	0721-875414	KIRDI SOUTH B CAMPUS	DRINKING WATER	RIDGES

79	NYAWALO GENERAL SUPPLIERS	0720-725050	KASARANI	DRINKING WATER	TRAVELLERS
80	DANBETT ENTERPRSIES	727837977	NJATHAINI ESTATE - KASARANI	DRINKING WATER	TOPLAND
81	NATURE - PACK INVESTMENT	0721514680/0702007770	NATURES-PACKS INVESTMENTS	DRINKING WATER	AQUASUE
82	DELTA SET LTD	0722-687679	MOMBASA ROAD	DRINKING WATER	DELTA ICE
83	TEI LINE ENTERPRISES	0721630701/0720543789	GITHURAI 44	DRINKING WATER	UHAI BROOKS
84	ONTULILI FOODS TRADING CO. LTD	0723978941/0723939940	BURUBURU PHASE II NEAR KNL	DRINKING WATER	ONTULILI DELIGHT
87	SEVEN FALLS LTD	722286989	KAHAWA WEST	DRINKING WATER	SKY DROPS
88	FANTACY PRODUCTS LIMITED	0733201999/0722124862	EASTLEIGH FIRST AVENUE	DRINKING WATER	ICELAND
89	ECOTACT LIMITED - EMBAKASI	0202459130/0722509242	EMBAKASI	DRINKING WATER	SMARTLIFE
92	GARAI TRADERS	0722343848/0722148421	ENTERPRISE ROAD	DRINKING WATER	BLUE FALLS

	COMPANY				
93	BRIBEN INVESTMENTS COMPANY	07203985A30/0727240610	MAJI MAZURI-KASARANI	DRINKING WATER	SNOW
94	CHRIGOFES INTERNATIONAL	710117385	BURUBURU FARM	DRINKING WATER	NDEMI SPRINGS
94	POWERSTAR LIMITED	707881200	ZIMMERMAN	DRINKING WATER	POWERSTAR
97	CYKA INTERNATIONAL LTD	722956150	GITHURAI	DRINKING WATER	NEEMA
98	ABBA PREMIER INVESTMENTS	726132737	KAHAWA WEST	DRINKING WATER	ABBA SPRINGS
99	NEKA GENERAL SUPPLIES	721791110	THOME MARURUI	DRINKING WATER	AQUAFLASH
100	UNLINK LTD	724422626	KARIOBANGI	DRINKING WATER	SPLASH
101	NAIKEN LIMITED	720267695	SAMEER INDUSTRIAL PARK MSA RD	DRINKING WATER	NAIVAS
102	GOLDEN CONSUMER PRODUCTS	726160432	THIKA ROAD - RUARAKA	DRINKING WATER	GOLDEN SPRINGS
103	MWANAINCHI	0720-068717/0721499034	RUAI	DRINKING WATER	FOUNTAIN

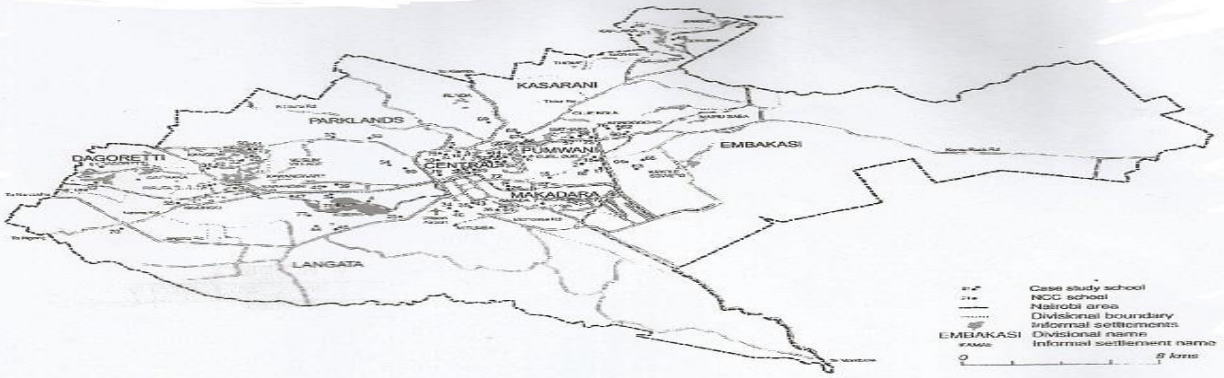
	FOODS				WATERS
105	HYDROLIFE TECH LTD	721667680	EMBAKASI	DRINKING WATER	SPLASH
106	PARAMOUNT BEVERAGES	722657585	KARIOBANGI KAMUNDE ROAD	DRINKING WATER	AQUAMINERALE
107	STANDARD INVESTMENTS LTD	727251465	ENTERPRISE ROAD	DRINKING WATER	STANDARD
109	TSUBIS GLOBAL INVESTMENTS	728560397	KAREN	DRINKING WATER	TAMANI SPRINGS
111	RUSAM LIMITED	721372479	BURUBURU PHASE 5	DRINKING WATER	LIFE SPRINGS
112	AFRO GREAT ENTERPRISES	722785695	KAMITI RD-ZIMMERMAN	DRINKING WATER	AQUABEST
112	HAKI ENGINEERING CONSULTANTS	717832314	EMBAKASI - PIPELINE	DRINKING WATER	SMARTLIFE
113	PREMIER WATER SOLUTIONS (EMBAKASI)	0738970243/0724238958	EMBAKASI	DRINKING WATER (EMBAKASI)	PREMIER WATER
114	BAALLESONS E.A. CO. LTD	722382360	COMMERCIAL STREET	DRINKING WATER	NATURAL SPA
115	DENCO	728756692	BURUBURU - EPRENE	DRINKING WATER	MAU SPRINGS

	SERVICES LTD		CENTRE		
116	TRU-FIELD VENTURES	721403025	SYOKIMAU	DRINKING WATER	REFRESH
117	MODULAR PRODUCTS	0722-411051/0722-582354	KARIOBANGI	FRUIT FLAVOURED DRINKS READY TO DRINK	HORIZON
118	QPLAST IDUSTRIES LTD	020-2077416/7/8	SIGONA, NDERI ROAD	RTD PINEAPPLE FRUIT FLAVOURED DRINK	THUNDER
119	ABLUN EAST AFRICA LTD	558413/555499	LOKITAUNG ROAD, INDUSTRIAL AREA	FRUIT FLAVOURED DRINKS	ALLSPICE
120	KARUNDO ENTERPRISES	020-784252/0721-929648	KARIOBANGI LIGHT INDUSTRIES	FRUIT FLAVOURED JUICE	EVERTOP KADOGO
121	AGRI PRO-PAK LTD	2215085/0733-933700/077258472	MUGUGA	ORANGE JUICE PRESERVED EXCLUSIVELY BY PHYSICAL MEANS	FRUIT-DALE
122	MEGA FOODS & BEVERAGES	0721-883171	KARIOBANGI LIGHT INDUSTRIES	FRUIT FLAVOURED DRINKS/FRUIT BASED SOFT DRINKS	MEGA
123	DAVNA ENTERPRISES	0722394559	KARIOBANGI CIVIL SERVANT	FRUIT FLAVOURED DRINK (RTD)	DAVNA
124	PASINAH FOODS	0722654164/0724993120	KARIOBANGI	FRUIT FLAVOURED DRINKS	FRESHER
125	PATANA VENTURES LTD	0721731562/0722657792	OUTERING ROAD	FRUIT FLAVOURED DRINKS	STARLI

126	BULCO ENTERPRISES	0722-611343	KIRDI SOUTH B	FRUIT BASED SOFT DRINKS-MANGO	MOTHERLAND
127	NORTHERN HOLDINGS LTD	020-2673422/0727574043	RANGWE ROAD, INDUSTRIAL AREA	FRUIT BASED SOFT DRINK - ORANGE	FAHARI
128	ELLYS & JAYS	0723-760716	JERICHO	FRUIT FLAVOURED DRINK	FRUITALIA
129	PAKI PRODUCTS LTD	0726829062	KARIOBANGI SOUTH	FRUIT FLAVOURED DRINK	ICE GOLD
130	SOUTH SEAS FOOD LTD	708077066	MOMBASA ROAD	TROPICAL JUICE	FOREVER FRESH

Source: Kenya Bureau of Standards 2015.

Appendix 5: Map of Nairobi County



Source: Nairobi County Government

Appendix 6: Respondents of the Study

Category of Managers	Respondents
Marketing manager/Operations Manager/ Team leader of one trade customer per firm	130
Total Respondents	**130**