A SURVEY OF THE INFLUENCE OF CONSUMER PROMOTIONS ON THE PURCHASE OF CEMENT IN NAIROBI

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ABSTRACT

The cement industry has experienced dramatic changes since the advent of economic liberalization. New players came in, new cement products were launched, branding started and consumer promotions began. These have costed the industry millions of shillings.

This study therefore aimed at establishing the influence of consumer promotions on the purchase of cement. This will assist the industry decide whether to continue with these programs or not.

The survey was a descriptive study. The population of study was construction firms. Samples of 100 contractors were selected from a sample frame of 903 registered contractors operating in Nairobi as per the Ministry of Roads and Public Works register for 2006. Random sampling method was used to select the samples that were studied.

Primary data was collected using semi structured questionnaires, targeting senior managers who are involved in purchase of cement. Two research assistants were recruited and trained so that they could assist in data collection. Out of the targeted 100 samples, responses were received from 90 firms. The data was analyzed using frequencies, percentages, means and standard deviations and presented using tables.

The study found out that periodic discounts has a very large influence, while consumer promotion tools such as coupons, free cement offers, contests and sweepstakes, cash refunds has large influence in cement purchase decisions promotional materials such as free helmets, dustcoats, T. shirts had some influence on purchase of cement.

The study therefore recommended that cement manufacturers and distributors continue with there consumer promotions as it influences cement purchase decisions.

The survey focused its study on contractors who are operating in Nairobi region. It therefore recommends that similar studies be undertaken in other regions so as to ascertain these findings.