THE ROLE OF DISTRIBUTORS ON MARKET PENETRATION
OF CONSUMER GOODS.

THE CASE STUDY OF DORIC INDUSTRIES LTD.

BY

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STUDENT’S DECLARATION

I, the undersigned, declare that this is my original work and has not been submitted to any other college, institution or university other than the United States International University in Nairobi for academic credit.

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This project has been presented for examination with my approval as the appointed supervisor.

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ABSTRACT

The main objective of this study was to evaluate the role of distributors on market penetration of consumer goods using the case study of Doric industries Limited. The study was guided by the following specific objectives: To evaluate the effects of Distributors on Market Penetration of consumer goods, to evaluate the factors affecting distributors and market penetration of consumer goods, to determine the challenges faced by the distributors and market penetration of consumer goods.

Descriptive research design was used in the study. The total population of the study was 84 channels of distribution and the sample size was 69 target respondents. This study adopted a stratified random and purposive random sampling techniques. The data was collected using questionnaires. Data analysis involved descriptive statistics to determine frequency distribution for a demographic profile of participants. The demographic data was tabulated using frequency and percentages. In order to describe the data, it included means and standard deviation of each variable. The data was presented in the form of tables and figures and Statistical Package for Social Sciences (SPPS) software was used.

On data analysis the effects/ impact of distributors in market penetration of consumer goods, the findings established that most of the respondents claimed that market penetration is very crucial as it where volume sales is achieved from. Pricing was also picked as an intervening factor in market penetration through distributors. Doric industries limited was said not to provide special prices to enable distributors reach interior customers. Respondents said the packaging and quality of Doric industries product is very good.

On the factors affecting distributors and market penetration of consumer goods the findings established that distributors have the infrastructure to market penetration of the consumer goods. The study established that all distributors are well equipped with the facilities and the technical knowhow to adopt in market penetration of Doric industries goods.

In determining the challenges faced by the distributors on market penetration of consumer goods the findings were that manufacturers must undertake promotions and to satisfy needs and wants of the consumers at the market and to deliver the desired satisfaction more effectively and efficiently than competitors. However respondents disagreed with the notion that, distributors
dictate market orientation of consumer goods and their ultimate market penetration and asserts that market orientation largely is the responsibility of the manufacturer/producer.

As regards the first objective of determining the effects of distributors on market penetration of consumers’ goods, the study established that distributors do not dictate the market penetration of consumer goods.

As regards the second objective of factors affecting distributors and market penetration of consumer goods, the study established that other factors such as infrastructure, pricing, promotion and quality help to drive distributors on market penetration of consumer goods.

As regards the third objective of the challenges faced by distributors on market penetration of consumer goods, the study established that distributors face a proportionate competitive situation from producers of the same products in the market in addition to inability to establish the quantity volumes to stock in their warehouses.

The study recommends that distributors should allow manufacturers to inscribe advertisements of consumer goods at the various selling points where the products are sold to allow the consumers access information on the efficiency of the products sold.
ACKNOWLEDGEMENT

The path to this accomplishment has not been easy but has been quite interesting and this interest has given me spirit to endure to the completion of this degree. I would like to thank my supervisor Dr. Kiriri for guiding me to the completion of this project without whose guidance it would have been very difficult. My supervisor spared no efforts in supporting me through the program and I wish to thank him tremendously for his understanding. Any accomplishment requires the effort of many people and this work is no different and hence many thanks to everyone else who helped me in one way or another towards achieving this goal. To my family it is a big thank you for their sacrifice, understanding and support throughout this program.
DEDICATION

This research project is lovingly dedicated to my mother who has been my constant source of inspiration and given me the drive and discipline to tackle any task with enthusiasm and determination and to believe in myself.
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CHAPTER ONE

1.0 INTRODUCTION

1.1 Background of the Study

Marketing entails a philosophy of exchange between persons and/or organizations and marketing generally as a business function. The evolution of exchange from its earlier days began in form of barter to the sophisticated operation of a modern market economy that thrives in the scope of and nature of exchange relationships,( Kotler & Keller, 2011).

It is therefore very pertinent to articulate the indices of market situations and develop a linkage within and without them with a view to satisfy the relationships between produces and users suppliers and customers. Thus being able to create or form own interpretation of the nature of goods and services for users and consumers and the mode of producing, manufacturing and supplying the same. There are very essential dictates that identify market situations. This essentials are established by the managerial orientations which have characterized the development of modern business organization in terms of production, sales and marketing. Market orientation is always geared towards consumer sovereignty ( Baker, 1995).

It is universally accepted that the lowest (and simplest) form of economic organization is the subsistence economy in which each individual family unit is usually dependent upon its own productive resources to satisfy its consumption needs. However, in this subsistence economy it is an exchange of goods and services devoid of marketing concept (Kotler, 2011)

Marketing is a business function that has involved in its most extreme form in the sale of mass consumption, packaged convenience products increased productivity of the goods and services. It is directly proportional to the commitment to growth in Economic development, which is generally associated with the establishment of Market place, (King 1967).

It is very important to note that in business function it is imperative to distinguish different management approaches to the conduct of business and to be able to yield suggestions that have a far reaching insight as to the importance of production, Sales and a marketing orientation, (Wiley 1965).
Market orientation is driven by the population needs in terms of demand function. This demand is the basis unto which the concept of homeostasis evolves thus demand clearly its own supply which intern increases productivity. (Malthus, 1974) warned that if population continued to expand geometrically while production expanded in arithmetic progression there would develop disequilibrium between supply and demand.

Today Malthusian theory has immensely been applauded due its relevance with regards to the increasing consumption trends in the world today, which pause a threat to the finite scarce resources as a result of Multiplier effect of rapidly expanding population. Thus the argument of neo Malthus can stabilize demand by population control is deemed viable, sound and a realistic solution to the human predicament than the attempt to increase supply. This reflects the facts that production orientations are very relevant and important to entrepreneurs. This has a direct bearing to their marketing of the products in terms of making sure that the products reach their desired customers.

Thus production orientation is an important concept of marketing since it brings on board the managerial concern with the need of capacity creation, work methods and volume production (King, 1967).” The marketing concept” producers/manufacturers infer the consumer’s behavior even if they lack the techniques or procedures, which would enable them to define latent wants and design, produce and market products and services to satisfy them. (Fullerton, 1900) reiterates that the producers/manufacturers must make sure that their products were brought to the attention of their intended customers in the most effective and efficient way.

This paved way for emergence and development of important Marketing Institutions in terms of retailing, advertisement, marketing, education and physical distribution which is still important today. One may argue that the approaches are meant and designed to sell more of what is being produced this is not to deter the rich marketing heritage by Fullerton but to reinforce the point that transition to a marketing era is dictated by a marketing philosophy from producer led interpretation of consumer needs to consumer driven approach to production. This create a tangible and versatile business environment in which the supply and demand and interchangeable constants upon which Marketing orientation revolves.
It is in view of the above that the researcher seeks to establish the relationship between distributors and market penetration of consumer goods as in the case of Doric Industry Ltd.

1.2 Statement of the Problem

“What people really desire are not products but satisfying experiences” – (Abbott, 1792)

Consumer sovereignty. Any organization that wishes to successfully compete in the market place must wholly focus on customer needs. This requirement can be enormous even for a narrow customer segment. The organization must be able to translate customers requirements into objectives referred to as Market penetration priorities. Marketing begins and ends with the customers (Keith, 1960)

The Market penetration priorities are propagated by the concept that the customer is always right and so can only judge from their own experiences at the hands of the marketers. However whereas consumers are intelligent articulate and other highly vocal it is not automatically correct to assume neither that they have a monopoly of neither the truth nor that one must accept their point of view. It is at this point of departure that the research seeks to evaluate the business function, interns of production orientation. Sales management orientation, Marketing orientation and physical distribution of goods services as is the case in Doric Industries Ltd.

Also marketing functions faced with price inelasticity of demand for its output, state of excess suppliers, discretionally consumer Purchasing power that is satisfied by the affluent society’s, poor transport and competition, especially through product differentiation, promotion and selling efforts, as experienced at Doric industries ltd.

Thus, King, 1967 identifies a transitional period between sales management orientation and product management, which in his view directs consumer needs thus emphasizing the importance of marketing and market penetration. Further it may be may be characterized as selling what we can make in contradistinction to making what we can sell which is considered a central feature at the marketing concept.

1.3 General Objective

The general objective of the study was to evaluate the relationship between distributors and Market penetration of consumer goods.
1.4 Specific Objectives
The study was guided by the following specific objectives,

1.4.1 To evaluate the effects of distributors on market penetration of consumer goods.

1.4.2 To evaluate the factors affecting distributors and market penetration of consumer goods.

1.4.3 To determine the challenges faced by the distributors and market penetration of consumer goods.

1.5 Importance of Study
The purpose of this study is to provide reliable, relevant information with regards to the importance of distributors of consumer goods in establishment of business functions in more particularly. Marketing concept in form of penetration in the markets as in the case of Doric Industries Ltd.

1.5.1 Doric Industries Ltd and Distribution of Consumer Goods
The study is geared towards creating an impetus for reference in terms of marketing strategies and satisfaction of customer needs/ requirements by manufacturing companies/organizations. The study seeks to explore methods as well as strategies that Doric industries Ltd shall adopt in order to maximize output in terms of sales, production orientation and marketing orientation of its goods/ products.

1.5.2 Market Penetration
The study shall also be able to assist other manufacturing industries of fast moving consumer goods in terms of marketing strategies and distributorship of these products.

1.5.3 Distributorship
The research shall be able to give guidance to all other fast consumer goods manufacturers, managers, distributors and even consumers a direction on which to base their valuable channels of distribution and market penetration.
1.5.4 Importance of the Study

The research shall be a point of reference by other researchers in similar field of the role of distributors on market penetration of consumer goods.

1.6 Scope of the Study

The study focused on the role of distributors on market penetration of consumer goods in Doric Industries Limited. The distributors were selected from various points in Nairobi County. Nairobi County was selected due to its mammoth clientele of distributorship and its proximate location to Doric industries limited. The sampled population of distributors was sixty nine. This included a variety of agencies operating in the name and style of wholesalers and supermarkets spread across different areas /constituencies in Nairobi County. The study establishes the marketing theories in which the marketing functions establish the basis of distribution and market penetration of consumer goods.

In this respect, Doric Industries Limited is a first growing manufacturing industry specialized in shoe care products under the brand name of RIC. These products include: shoe polish, suede cleaner, shoe cream and leather dye. It is in this regard that the study sought to establish the effects of Distributors on market penetration of consumer goods.

1.7 Definition of Terms

1.7.1 Distributors

This refers to the manufacturers, producers, wholesalers and or retailers and any other agents involved in the marketing of goods and services. (Linn, 2010)

1.7.2 Market Penetration

This refers to the process in which goods are taken to the buyers by the manufacturers either individually or collectively hence the supply chain. (kottler & Keller 2012)

1.7.3 Market Function

This refers to the elements in marketing which include transportation, pricing, quality and quantity of goods. (Sheth et al 1988)

1.7.4 Consumer Goods

This are those items that readily available by their nature of manufacture and production for use by the market. (Cohen 1972)
1.7.5 Production Concept

This refers to the process of manufacturing goods by skills and knowledge in order to sustain the quality and quantity and achieve high efficiency leading to low pricing. (Kottler & Keller 2012)

1.7.6 Selling Concept

This includes pricing choice of goods and perspectives of marketing as the concept holds that consumers and business left alone won’t buy enough of the organizations products. (Kottler & Keller 2012), (Bartels 1988)

1.7.7 Product Concept

This refers to the commodities classification in relation to its effectiveness and demand in the market. (Kottler & Keller 2012)

1.7.8 Societal Marketing Concept

This refers to the importance of the demand and supply in matching the segments of society in realization of their use and utility. (Linn 1990)

1.8 Chapter Summary

The research deals with the role of distributors on market penetration of consumer goods. The background of the study establishes the need for the research to be undertaken in the area as its provides information that clearly relate to issues that capture channels of distribution of consumer goods in market as presented by various scholars.

The research sought to interrogate the above information with a view to generate objectives that will address the gaps as in the study. The general objective was investigating the role of distributors in market penetration as is in the case of Doric Industries Ltd. Other specific objectives are derived therewith and give rise to pertinent research questions. The purpose of this study was to provide information and give suggestions regarding the best way to utilize the process of market penetration by distributors.

The chapter two covered the literature review based on the following specific objectives. The first research objective was to evaluate the effects of distributors on market penetration of consumer goods. The second specific objective was to evaluate the factors affecting distributors.
and market penetration of consumer goods. The third objective was to determine the challenges
taced by the distributors on market penetration of consumer goods.

The chapter three highlights the research methodology and procedures the researcher adopted in
cconducting the study in order to answer the research questions raised in the first chapter. The
chapter was organized in the following structure; research design, population and sampling, data
collection procedures, data analysis methods and the chapter summary. Chapter four presents the
results and findings generated while chapter five deals with the discussions, conclusions and
recommendations on the findings of the study.
CHAPTER TWO

2.0 LITERATURE REVIEW

2.1 Introduction
The chapter presents a conceptual framework and theoretical framework upon which the study shall address the research objectives. Many studies related to the role of distributors on market penetration of consumer goods have been put into considerations to provide information regarding the research questions of the study. This will review literature sources that give the content to the topic of study, namely the role of distributors on the market penetration of consumer goods.

2.2 Effects and challenges of Distributors on Market Penetration

2.2.1 Distribution as a channel of Market Penetration
This hypothetical approach links the independent and dependent variables in order to convulse the main issue in the study to realized level of expression. The framework attempts to qualify and relate all elements under review and inquiry. Conceptual framework are the interlinking points, the quick fix goals, the maps that in the instance give value and coherence to the empirical approach of the study. (Fowler, 1977)

(Weld et al 1916) established a criteria which clearly illustrated who performs marketing functions on commodities it was found out that Retailers, wholesalers and middlemen were all major contributors to the channels of distribution of commodities and services hence marketing institutions refer to those who do the work of marketing usually middlemen, including wholesalers agents, brokers and retailers.

The channels of distribution are based on variant indicators which include the Market gaps and flows, parallel systems depots, transactions and transvections, sorts and transformations post performers and speculation, conflict and cooperation power and dependency.

The above gives a direction on how the manager should market goods to customers, clients and others. This could be done in line with the micro establishment of firms or businesses as sellers and suppliers any individual or organization as a seller, (Kelly and Lazer 1958), (Kotler1967). The above led to the maximization of the theoretical indices in terms of market Mix,
Consumer orientation, segmentation, targeting and positioning of business firms and market situations.

The process and approach of institutions to marketing and ultimately distribution of their product to their customers/clients is directed by the marketing system, why it exists, how the marketing system works and who performs the marketing work. The firms, households, business entities must be able to entrench themselves in the whole process of marketing and distribution by means of interrelationships between part and whole, Unity of thoughts micro and macro marketing and be sensitive to societal impact. (Alderson 1956-1965), (Boddewyn 1969), (Fisk 1967). In this regard the study seeks to examine the factors affecting Distribution and market penetration of consumer goods.

Why do customers, clients buy, How do they think, feel or act and how can customers be persuaded. These are the hard questions that emerge in any business firm that is either manufacturing/product entity (Dichter 1947), (Engel et al 1968). The business firm must be able to deal in business buying, consumer buying and individual or households consumption.

The above questions can be addressed once the marketing concepts and a strategy develops a direct/indirect connection with the customers/clients in terms of supporting them through subconscious motivation, rational and emotional motives, needs and wants, learning, building personality, attitude formation and change. Hierarchy affects information process, social class, creating opinion leadership, learning their cultures using symbols and signs acceptable and appreciated within the social cultural levels which are set to improve the quality of life and above all setting marketing systems so as to aggregate the marketing performance. (Kassarjian and Robertson 1968), (Holloway et al 1971).

The above has a direct impact on marketing in terms of aggregation of buyers and sellers in a channel of distribution. In regard to the above the study seeks to find out the role of distributors while Marketing Management refers to the question of how organization should market their products and services. This reflects the perspective of an individual unit of analysis and gives an impetus for a managerial perspective to marketing hence the notion marketing mix (Alexander et al 1940). The marketing mix includes distribution channels, price, product planning selling and advertising. This yield to product differentiation and market segmentation as an alternative to market strategies thus is having a bearing to consumer orientation or known as the marketing concept.
Marketing concept is premised on the management functions, which include planning, organizing and controlling. (Lazo and Corbin 1961). Based on the above, marketing management emphasizes on decision areas such as the product, marketing channel, price, promotion, advertising, personal selling and location decisions (John Haward 1957).

The issue as to whether marketing has a set of marketing management techniques applicable to all institutions and individuals rather than economic institution designed to achieve social goals dominates the academic journals and proceedings. (Arndt 1978), (Bartels 1988), (Kotler 1972) and (Sweeney1972). It is in view of the above that study interrogates the marketing management with the view to suggest possible solutions/recommendations to the challenges facing distributors on market penetration of consumer goods as is in the case on Doric Industries Limited

2.3 Factors Affecting Distributors and Market Penetration

Marketing function refers to heterogeneous and non-consistent group activities that when combined objectively give order and ability to the knowledge of market distribution accumulated as of that time. Functions are universal, always shifting backwards and forward in the channel of distribution. (They are not always performed by middlemen but often to a greater extent by producers themselves, and should be noted that the final consumer performs part of marketing functions” (Weld 1917) pg 306.

According to Shaw, marketing function includes risk bearing, transportation, financing, selling, assembling, rearrangements(sorting, grading and breaking bulk) and storage. McGarry 1950 reconsidered the concept of functional approach and regarded it as creating exchanges. He arrived at six marketing functions which include: contracting i.e. Searching out for buyers and sellers, merchandising i.e. fixing goods to market requirements, pricing i.e. selection of price, propaganda i.e. conditioning of buyers or sellers to favorable attitude, physical distribution which includes transporting and storage of goods and finally termination which in essence is the consummation of the marketing process.

The process of marketing is precipitated by the nature of goods and services (products). The classification of the product is distinctively based on how different classes/categories of goods are marketed. “classification of schemes have always been in the heart of commodity approach
because they are of critical importance in establishing the differences among various types of commodities (products) (Zinn and Johnson 1990:346).

In (Breyer’s 1931) book, commodity marketing, emerged the description of marketing of an individual product or service from the original producers / manufacturers through intermediaries to final users including such commodities as petroleum, coal, cement and cotton. This classification yielded to the categories of goods including raw materials and components parts used in manufacturing and those goods that disappear from commerce and go into individual consumption or household use. The most influential classifier of products was (Copeland 1924) who made a distinction between industrial and consumer goods based on who bought the commodity and the use for which it was intended.

Copeland realized that the demand for industrial goods was derived from the demand for consumer goods hence he categorized consumer goods into convenience, shopping and specialty. Convenience goods are those articles of daily purchase required for immediate use. Shopping goods are those more important purchases that require comparison as to quality and price. Specialty/emergency goods are those necessary to meet an unexpected occurrence.

Copeland defined convenience goods as those customarily purchased at easily accessible stores. Shopping goods are those for which the customer wishes compare prices, quality and style at the time of purchase. Specialty goods are those, which have attraction for customers, other than the price, which induces him to put forth special effort to visit the store and make purchase without shopping (Copeland 1924) pg 14. It is in this regard that the study seeks to find out the scope and nature of marketing functions at Doric Industries Limited in order to establish the factors affecting distribution and market penetration of consumer goods.

Manufacturer’s do not retail but rely on intermediary’s i.e. Wholesalers to reach retailers who in turn pass on the product to the consumer thus triggering supply chain by distributors and others. Market plays a very important role in technology adoption process, choice capacity management, innovation, planning and control systems, employees skills development and quality assurance (Hayes and Wright 2001).

Every organization is concerned with building and sustaining a market penetration in its market. A strong market penetration is driven by customer needs and wants and aligns the organizations resources with its business activities. Marketing penetration is achieved through the channels of
distribution, which performs the work of moving goods from producers to consumers. Thus the goal of Marketing is achieved by the matching segment of supplier and demand. (Alderson 1996)

According to (El-ansary 2011) the basic role of marketing by intermediaries is to give a wide range of products to the consumer making it easier for one stop shop by the consumer as no one save for the manufacturer would have what is desired by the consumer. At this level of analysis the monopolistic competition model with product differentiation (Stiglitz 1977) demand and (Pareto 2011) distribution of productivities is relevant in marketing penetration and distribution as a very useful tool in quantitative and qualitative approach. The assumption of a market specific fixed entry cost allows this model to explain the issues as captured by, (Kortum and Kramaz 2004) That the number of exporters (distributors) increases with market size.

Nevertheless the model predictions are at odds with the data in some key dimensions such as size, growth and growth of individual destinations. Business firms reach individual consumers rather than market in its entirety. Paying high cost allows the manufacturers/firms to reach an increasing number of consumers in a given region, yet once a consumer is reached the cost remain fixed with the respect to the amount sold per consumer and hence market penetration costs are simply marketing costs that involve the cost to reach a certain number of consumers in a market, and decrease with the population size of the market.

This model provides a generalization of the constant elasticity of subtraction (CES) demand model of (Melitz 2003) and (Chaney 2009). This model articulates the positive relationship between firm entry and market size with existence of many distributors in each distribution channel,(Kortum and Kramaz 2010) henceforth. Based on the information as stated above the study seeks to find out the probable suggestions and recommendations as to the role of distributors on market penetration in the case of Doric Industries Limited

2.4 Challenges Faced by Distributors and Market Penetration

Malaria health care policy change in Kenya implications on sales and marketing of anti-malarials’, (Nguo, Nyaoke, Minja 2012) the health care policy change in Kenya aimed at improving the control of Malaria but placed a number of challenges in implementation related to marketing of the drugs. The study investigated the effect of change of the National Malaria policy on drug sales and strategic marketing responses of anti-malarial pharmaceutical companies in Kenya. (Borne 2012 pg 27-32.)
Executive report on strategies in Kenya’s latent demand and market accessibility. Accessibility is defined as a firm’s ease of ensuring or supplying from or to a market (the supply side) and the demand is an indicator of the potential in serving from or to the market (the demand side). Kenyan market is increasingly competitive and demanding. Product presentation is crucial for effective market coverage and this is achieved by one or a combination of the following methods, establishing a local representative/distributor, selling through an agent or distributor who can cover the entire region including neighboring countries of East Africa selling through established dealers and establishing dealership (especially common for big/ticket items).

Manufacturers require that the local dealer or distributor be positioned to stock higher than normal levels to cater for longer freight time, price and compatible technical specifications usually are considered when deciding to purchase goods. Common methods of selling are through retail outlets, agents or distributors, established wholesalers or dealers or to aid users who include government agencies and other private local organizations. In light of the above, the researcher seeks to explore the challenges distributors face on market penetration of consumer goods in Doric Industries Limited.

The study conducted by (Owuor2011) with regards to Egyptian Engineering goods to Kenyan market, it was found out that the return of Pepsi coke company in the soft drinks market continued to account for lion’s share of volume of sales in outlets such as supermarkets and independent small grocers as preferred channels of soft drinks distribution in 2011. This generated strong sales because of their lower prices thereby attracting more customers. They also offer a wider varieties as well as chilled products, which are more convenient for on-the-go customers.

Similarly, another study conducted by “Beyond the Nakumatt generation” East African policy note, No.26 (Dihel 2011). Distribution is a strategic section in Kenya’s Vision 2030 new development blueprint. This is identified as a priority in the context of East African Community Market Protocol and the negotiations with the U.S on services in European partnership agreements, Kenya, Rwanda and Tanzania. Distribution services represents accrued link between suppliers and producers with improved efficiency and higher productivity due to emergence of large market chains and increased internationalization of distribution sector across East Africa.
The sector has potential to benefit both producers and consumers and contribute to increased food security and alleviation in rural poverty. Modern distribution channels reduce procurement systems, transaction costs and facilitate market exchanges that increase the access to higher value markets and enhance the market participation at affordable prices.

The sector has potential to benefit both producers and consumers and contribute to increased food security and alleviation in rural poverty. Modern distribution channels that reduce procurement systems that reduce transactions costs and facilitate market exchanges can increase the access to higher value markets and accelerate the market participation at affordable prices.

2.5 Chapter Summary

This chapter consists of introduction, conceptual framework and theoretical framework. It also deals with review of related literature. Conceptual framework seeks to inter-relate the two variables namely: distribution and penetration the market as independent and dependent variables respectively. These variables are interconnected by intervening variables, which yield to their interpretation in the study. A conceptual and theoretical framework establishes a basis onto which the researcher seeks to meet the objectives of the study and fill the gaps in the same. A variant of reviews on related literature has also been studied in order to establish the theme of the research questions.

The first section looked at the effects of distributors on market penetration of consumer goods. The second section looked at the factors affecting distribution and market penetration of consumer goods. The third section looked at the challenges affecting distributors on market penetration. The next chapter is on the research methodology.
CHAPTER THREE
3.0 RESEARCH METHODOLOGY

3.1 Introduction:
This chapter consists of the procedures and methods used in conducting research in this area. It discussed how the respondents were selected, how data was collected and analyzed. The chapter also presents the research design, population of study, sample size, sampling techniques, research instruments, data sources, reliability and validity, data gathering procedures data analysis and limitations of the study

3.2 Research Design
The study was conducted using descriptive co relational research design. This research design establishes the degree of relationship between two variables. (Mugenda and Mugenda 1999)
A descriptive research design attempts to describe a subject by creating a profile of a group of people, problem of events through the collection of data and the tabulation of frequencies on the research variables and the research reveals who, what, when, and how much (Shuttleworth, 2006).

A survey in form of questionnaire, interviews and observation were used to collect data from the respondents about who they are, what they do, how they think and what they have achieved or not achieved. The researchers administered standardized. Questionnaire and applied descriptive statistics to evaluate the data and come up with conclusions. The study adopted quantitative and qualitative approaches to measure the role of distributors in market penetration of consumer goods at Doric Industries Limited

3.3 Population and Sampling Design
3.3.1 Population
Cooper and (Schindler 2006) describe a population as a total collection of elements whereby references have to be made. The population of the study comprises of wholesalers, manufacturers /producers on one hand and distributors on the other hand.
Table 3.1 Population Distribution

<table>
<thead>
<tr>
<th>Categories</th>
<th>Population</th>
<th>percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacturers/ Producers</td>
<td>3</td>
<td>4%</td>
</tr>
<tr>
<td>Distributors</td>
<td>9</td>
<td>11%</td>
</tr>
<tr>
<td>Consumers</td>
<td>12</td>
<td>14%</td>
</tr>
<tr>
<td>Wholesalers/ Retailers</td>
<td>60</td>
<td>71%</td>
</tr>
<tr>
<td>Total</td>
<td>84</td>
<td>100%</td>
</tr>
</tbody>
</table>

Source: Doric (2012)

3.3.2 Sampling Design

3.3.2.1 Sampling Frame
Sampling frame is a list of elements from which the sample is actually drawn and closely related to the population. (Cooper and Schindler 2006).

In this study, the sampling frame was drawn from Distributors and markets of consumer goods of Doric Industries Limited Which includes: Manufacturers/ Producers, Distributors, Individual consumers, Wholesalers and Retailers.

3.3.2.2 Sampling Techniques
The study employed stratified random and purposive sampling techniques. A stratified random sampling technique was used to categorize the respondents to be included in sample. A stratified random sampling technique was used to identify sub-groups in the population and their proportions and select from the sub-groups the respondents to form sample size. Stratified random sampling was used to ensure that the target population is divided into different strata and each stratum is represented in the sample. Each sub-group was selected via a stratified random sampling technic.

3.3.2.3 Sample Size
The sample size is the smaller set of the larger population, (Cooper and Schindler 2006). Sampling is a process or technique of selecting a suitable sample or a representative part of the population for the purposes of determining parameters or characteristics of the whole population. (Kothari 1990)
Determining the sample size is a very important issue for collecting an accurate result within a quantitative survey design. To obtain minimum population of study, the researcher adopted Yamane formulae in Israel (1992).

Thus  \[ n = \frac{N}{1+N(e)^2} \]

N is the target population
n is the sample size
e is the marginal error always less than 5%

According (Hussey and Hussey, 1997) no survey can ever be deemed free from error or provide 100% surety and error limits of less than 5% and confidence levels of higher than 95%. The margin of error is always 5%.

Thus  \[ n = \frac{N}{1+N(e)^2} \]

N is the target population
n is the sample size
e is the marginal error always less than 5%

\[ n = \frac{84}{1+84(0.05)^2} \]

n=67.

Therefore, the sample size of 57 was selected from the population of 84.

Table 3.2 Sample size Population Distribution

<table>
<thead>
<tr>
<th>Category</th>
<th>Population</th>
<th>Sample Size</th>
<th>Percentage of sample size</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manufacturers/ Producers</td>
<td>3</td>
<td>1</td>
<td>33.33%</td>
</tr>
<tr>
<td>Distributors</td>
<td>9</td>
<td>5</td>
<td>55.55%</td>
</tr>
<tr>
<td>Consumers</td>
<td>12</td>
<td>6</td>
<td>50%</td>
</tr>
<tr>
<td>Wholesalers/ Retailers</td>
<td>60</td>
<td>45</td>
<td>75%</td>
</tr>
<tr>
<td>Total</td>
<td>84</td>
<td>57</td>
<td>67.86%</td>
</tr>
</tbody>
</table>
3.4 Data Collection Method
The researcher used primary data collection methods. Primary data was collected by use of questionnaires, which are important as a data collection tool, (Malhotra 2007)
In addition, the use of questionnaires was justified because they provide an effective and efficient way of gathering information within a short time. Open ended and closed questionnaires were prepared. The 5-point Likert scale was used in terms of questionnaire analysis. Therefore strongly agree, (SA), (1) Agree (2) disagree (3) strongly disagree (4) None: 1,2,3,4,5.

Further questionnaires facilitate easier coding and analysis of data collection. The questionnaires administered were divided into four sections: The first section looked at the respondents demographics in terms of age gender and level of education and experience, the second section of the questionnaire looked at the effect/impact of distributors in market penetration of consumer goods. The third section addresses the relationship between distributors and market penetration of consumer goods. The fourth questionnaire was on the successes in distributor’s market penetration of consumer goods.

3.5 Research Procedures
The researcher first got permission from Doric Industries Limited Director and the university administration to carry out the research at Doric Industries Limited. A pilot test involving four respondents was carried out to evaluate the completeness of accuracy precision and clarity of the questionnaires. This ensured reliability of data collection instruments used. The researcher explained the purpose of the research to the management and sought permission from them to carry out the research on the topic under study.

The questionnaires were administered to manufacturers, distributors, producers, wholesalers and retailers with the help of research assistant who have expert knowledge in marketing strategies and distribution, and who followed the respondents (participants) to be able to provide appropriate knowledge expected from the research responses objections. Follows up on the filling of the questionnaire and ensure high response rate. The researcher distributed the questionnaires to the respondents to answer whichever way was relevant to them. ‘Interviews were conducted by the researcher whenever the respondents were interviewed about the research study,( Mugenda and Mugenda)
3.5.1 Validity and Reliability of Instruments

To ensure that data is reliable and valid, a statistical test was done. A reliability test involves, “a test and retest” exercise. This means that the instruments were subjected to representative sample. Validity of questionnaires were checked by discussing with expert judgment using Likert scale namely Not Relevant (NR) Somehow Relevant(SR) Quite Relevant(QR) and very Relevant(VR)

The content validity index was $CVI=\frac{\text{Number of all relevant questions}}{\text{Total number of items}}$

According to Amin (2005) the questionnaire to be accepted as valid, the average index should be 0.70 or above.

3.5.2 Ethical Consideration

The researcher sought written permission from the manufacturers before going access to the information from the respondents. The distributors and customers were informed prior to the being issued with the questionnaires that this was not a mandatory exercise and that their identities were not revealed. In addition, this was an academic exercise and the data was strictly to be used for the purpose for which it was intended.

3.6 Data Analysis Methods

Analysis of data is a process of inspection, cleaning, transforming and modeling of data with a goal of highly useful information, suggesting conclusion and supporting decision-making.

According (Alder 2008) – data analysis have multiple facets and approaches encompassing diverse techniques under a variety of names, in different business science and social sciences.

At the end of the data collection, the researcher examined all data obtained from questionnaire, interview guides and observation schedules. It was coded appropriately and organized for analysis. Various correlation tests were run using the SPSS (statistical packages for social
sciences. The data was converted into mean frequencies and percentages. This was used to generate tables and data results for analysis. Analysis also included references deductive and evaluative methods.

3.6.1 Data Presentation

Is the process of putting results of experiment into graphs, charts, tables and flow charts. First it is a visual way to look at the data and see what happens and make interpretation. Secondly, it is the best way to show data to others, reading notes of data puts people to sleep and does little to convey information.

From the educational stand point, students at most levels are required to learn various data presentation methods as given by the teacher.( Alder 2008). This sections presents the findings from questionnaires administered amongst the distributors. The findings were presented as per variables that were of interest to the study. The data was collected from the field using primary techniques and was analyzed using SPPS in order to generate descriptive statistics in percentages, frequency distributions and mean tables.

3.7 Chapter Summary

This chapter highlighted the various methods and procedures the researcher adopted in conducting the study in order to answer the research objectives as is raised in chapter one. The research design is a descriptive co-relational research design, Data collection methods involved primary data collection by use of questionnaires, interviews and observation and an explanation to the respondents the purpose of the study.

Data was analyzed using methods of quantitative techniques in which data was subjected to statistical packages for social sciences (SPSS). The validity and the reliability of the research instruments were justified by the measurable scale of justifying the content validity Index as postulated by( Amin 2005). The instrument to be accepted as valid, the Average Index should be 0.70 or above. The ethical consideration included seeking permission from the relevant authorities to carry out the study, clear explanations of the intent of the study and non-victimization of the participants in the study. The next chapter presents the findings of the research.
CHAPTER FOUR

4.0 RESULTS AND FINDINGS

4.1 Introduction

This chapter presents the findings of the primary data collected from the field using the questionnaire as a tool. The main objective of this study was to evaluate the impact of distributorship in market penetration of consumer goods using the case study of Doric Industries Limited. The study was guided by the following research objectives: To determine the impact of distributors in market penetration of consumer goods, to determine the relationship between distributors and market penetration of consumer goods and to evaluate the factors affecting distributors on market penetration of consumer goods.

The chapter presents an analysis of the information designed to respond to the research objectives as outlined in the study. There are four subsections presented on the questionnaire. The first is a general section which addresses the respondent’s demographic characteristics. The other three address specific research questions which are, to evaluate the relationship between distributors and market penetration of consumer goods, to evaluate effects of distributors on market penetration of consumer goods and three factors affecting distributors and market penetration of consumer goods.

4.2 General Information

Eighty-four questionnaires were distributed to the respondents and fifty-seven responded thereby creating a response rate of 68%. This response rate makes the data collected from the field more representative enough to answer the research questions. The general information of the study comprised wholesalers, consumers, distributors and manufacturers who are in one way or another, are involved in Doric Industries Products.

From the above wholesalers have the highest proportion in terms of percentage at 54%, Distributors have the percentage of 6% while Manufacturers have the least percentage of 1%. This implies that Wholesalers have the most optimum distribution of consumer goods followed by Distributors and Manufacturers the least in distributors. This is due to the reason that the manufacturer is not an active distributor as he only serves export market. The results are indicated in the following Table 4.1.
Table 4.1. Response Rate

<table>
<thead>
<tr>
<th>Category</th>
<th>Target respondents</th>
<th>Respondents</th>
<th>Response Rate %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wholesalers</td>
<td>60</td>
<td>45</td>
<td>54%</td>
</tr>
<tr>
<td>Consumers</td>
<td>12</td>
<td>6</td>
<td>7%</td>
</tr>
<tr>
<td>Distributors</td>
<td>9</td>
<td>5</td>
<td>6%</td>
</tr>
<tr>
<td>Manufacturers</td>
<td>3</td>
<td>1</td>
<td>1%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>84</strong></td>
<td><strong>57</strong></td>
<td><strong>68%</strong></td>
</tr>
</tbody>
</table>

4.3: Effects /Impact of Distributors in Market Penetration of Consumer Goods

4.3.1 Market Penetration and Pricing

The researcher sought to find the effects of pricing in market penetration and the views were that price is key in market penetration of consumer goods. The lower the price the higher the volume of goods sold and the deeper the penetration while a few felt quality is more important than the price and they can pay a premium for quality goods. The findings in Table 4.2 illustrates that 78.9% of the respondents strongly agree, 12.3% Agree, 3.5% Strongly disagree while 5.3% Disagree. In the overall those of the view that price has a major effect in market penetration of consumer goods are 91.2%.

Table 4.2 Respondents on pricing

<table>
<thead>
<tr>
<th>Respondents Views</th>
<th>Frequencies</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Agree</td>
<td>45</td>
<td>78.9%</td>
</tr>
<tr>
<td>Agree</td>
<td>7</td>
<td>12.3%</td>
</tr>
<tr>
<td>Strongly Disagree</td>
<td>2</td>
<td>3.5%</td>
</tr>
<tr>
<td>Disagree</td>
<td>3</td>
<td>5.3%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>57</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>
4.3.2 Role of Infrastructure
The researcher sought to find the effects of infrastructure on market penetration of consumer goods and the views were that the better the infrastructure the easier and the less cost it is to move consumer goods to every corner of the distributors jurisdiction. The findings in Table 4.3 illustrates that 87.7% of the respondents strongly agree with the view that infrastructure is very crucial in market penetration of consumer goods and 12.3% also agreed with no one either strongly disagreeing or disagreeing.

Table 4.3 Respondents in favor of infrastructure

<table>
<thead>
<tr>
<th>Respondents Views</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Agree</td>
<td>50</td>
<td>87.3%</td>
</tr>
<tr>
<td>Agree</td>
<td>7</td>
<td>12.3%</td>
</tr>
<tr>
<td>Total</td>
<td>57</td>
<td>100%</td>
</tr>
</tbody>
</table>

4.3.3: Large selling of Consumer goods
The researcher sought to find out the effect of large selling / bulk selling on market penetration of consumer goods and the views were that large selling helps in making sure there are no stock outs and reduces the cost of frequent deliveries. However a few felt bulk buying ties their capital when stocks take time to sell. The findings in Table 4.4 illustrates that 57.9% of the respondents strongly agree, 21% agree, 8.8% strongly disagree while 12.3% disagree with the view.

Table 4.4 Respondents in favor of large / Bulk selling

<table>
<thead>
<tr>
<th>Respondents Views</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Agree</td>
<td>33</td>
<td>57.9%</td>
</tr>
<tr>
<td>Agree</td>
<td>12</td>
<td>21%</td>
</tr>
<tr>
<td>Strongly Disagree</td>
<td>5</td>
<td>8.8%</td>
</tr>
<tr>
<td>Disagree</td>
<td>7</td>
<td>12.3%</td>
</tr>
<tr>
<td>Total</td>
<td>57</td>
<td>100%</td>
</tr>
</tbody>
</table>
4.3.4: Promotion of Consumer Goods
The researcher sought to find out the effects of promotion in aiding market penetration of consumer goods and the views were that product promotion helps the distributors in market penetration. The findings in Table 4.5 illustrates that 86% of the respondents strongly agree and 14% agree with this view in support of product promotion. There was no negating view.

Table 4.5: Respondents in favor of Promotion

<table>
<thead>
<tr>
<th>Respondents Views</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Agree</td>
<td>49</td>
<td>86%</td>
</tr>
<tr>
<td>Agree</td>
<td>8</td>
<td>14%</td>
</tr>
<tr>
<td>Total</td>
<td>57</td>
<td>100%</td>
</tr>
</tbody>
</table>

4.3.5: Decentralization of Goods
The researcher sought to find out the effects of decentralization of goods in market penetration and the views were that it makes goods available in many places and achieving the concept of goods being available closer to the people. The findings in Table 4.6 illustrates that 72% strongly agree while 28% agrees with this view and there was no contrary opinion.

Table 4.6: Respondents in favor of Decentralization of Goods

<table>
<thead>
<tr>
<th>Respondents View</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Agree</td>
<td>41</td>
<td>72%</td>
</tr>
<tr>
<td>Agree</td>
<td>16</td>
<td>28%</td>
</tr>
<tr>
<td>Total</td>
<td>57</td>
<td>100%</td>
</tr>
</tbody>
</table>

4.3.6: Packaging of Consumer Goods
The researcher sought to find out the effects of packaging in aiding market penetration of consumer goods and the views were positive in that a nice packaging tends to attract the customer and they appreciate nice packing. The findings in Table 4.7 illustrates that 80.7% strongly agree while 19.3% agree with this view and there was no contrary opinion.
Table 4.7: Respondents in favor of Packaging

<table>
<thead>
<tr>
<th>Respondents View</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Agree</td>
<td>46</td>
<td>80.7%</td>
</tr>
<tr>
<td>Agree</td>
<td>11</td>
<td>19.3%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>57</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

4.3.7: Quality of Goods

The researcher sought to find out the effects of quality of goods in aiding market penetration of consumer goods and the views were that quality of goods is crucial in market penetration of consumer goods but there was the view that less quality and less price may be favored by some. The findings in Table 4.8 illustrates that 47.4% strongly agree, 29.8% agree, 5.3% strongly disagree and 17.5% disagree with the view.

Table 4.8: Respondents in favor of Quality of goods

<table>
<thead>
<tr>
<th>Respondents View</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Agree</td>
<td>27</td>
<td>47.4%</td>
</tr>
<tr>
<td>Agree</td>
<td>17</td>
<td>29.8%</td>
</tr>
<tr>
<td>Strongly Disagree</td>
<td>3</td>
<td>5.3%</td>
</tr>
<tr>
<td>Disagree</td>
<td>10</td>
<td>17.5%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>57</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

4.3.8: Summary of Impacts of Distributors in Market Penetration of Consumer Goods

In determining the impact of distributors in market penetration of consumer goods it was established that it is a combinations of many factors that aids the distributors to penetrate the market. The manufacturer must play his role of giving prices which will encourage the distributor to take initiative to push goods into the market.

Manufacturers must take responsibility of quality and he must make sure the quality is such that
the distributor will be able to sell without goods being returned. Packaging is another important ingredient, which can aid penetration of consumer goods through the distributor channels. The manufacturer must carry out promotion in order to create the product awareness and hence aiding market penetration though distributor’s channels. These promotion activities can be carried out through install and or print and electronic media.

4.3.9: Effects / Impact of distributors in market penetration of consumer Goods

<table>
<thead>
<tr>
<th>No</th>
<th>Item</th>
<th>Mean</th>
<th>Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Quality and sufficiency of consumer goods promotes their market penetration</td>
<td>3.30</td>
<td>Very high</td>
</tr>
</tbody>
</table>

4.4: Relationship between Distributors and Market Penetration of Consumer Goods

4.4.1: Distributors promote Market Penetration

The researcher sought to find out whether distributors play effective role in products promotion of manufacturers goods and the views were that distributors play a big role n promoting manufacturers goods through their own initiative of goods display and product education to their customers. The findings in Table 4.9 illustrates that 24.6% strongly agree, 59.6% agree while 15.8% disagree with the view.
Table 4.9: Distributors Promote Market Penetration

<table>
<thead>
<tr>
<th>Respondents View</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly agree</td>
<td>14</td>
<td>24.6%</td>
</tr>
<tr>
<td>Agree</td>
<td>34</td>
<td>59.6%</td>
</tr>
<tr>
<td>Disagree</td>
<td>9</td>
<td>15.8%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>57</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

4.4.2: Distributors have the Infrastructure to Market Penetration

The researcher sought to find out whether distributors have infrastructure to enable market penetration of consumer goods. The findings in Table 4.10 illustrates that 63% strongly agree, 37% agree, and there was no differing opinions on the distributor’s infrastructure and market penetration.

Table 4.10: Distributors Infrastructure

<table>
<thead>
<tr>
<th>Respondents View</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly agree</td>
<td>36</td>
<td>63%</td>
</tr>
<tr>
<td>Agree</td>
<td>21</td>
<td>37%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>57</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

4.4.3: Distributors Penetration Strategies

The researcher sought to find out whether distributors have strategies to cause effective market penetration of consumer goods and the findings were that distributors have their own salesmen, vans and incentives to their customers as strategies to increase their business. The findings in Table 4.11 illustrates that 70% strongly agree and 30% agree with the view and there was no differing opinion.
Table 4.11: Distributors Penetration Strategy

<table>
<thead>
<tr>
<th>Respondents View</th>
<th>Frequency</th>
<th>percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly agree</td>
<td>40</td>
<td>70%</td>
</tr>
<tr>
<td>Agree</td>
<td>17</td>
<td>30%</td>
</tr>
<tr>
<td>Total</td>
<td>57</td>
<td>100%</td>
</tr>
</tbody>
</table>

4.4.4: Distributors decentralization and market penetration
The researcher sought to find out whether distributors decentralization contributes to the consumer goods market penetration and the findings were that decentralization helps in market penetration in that the spread in various regions in necessary for market penetration. The findings in Table 4.12 illustrates that 79% strongly agree and 21% agree with this view and there was no differing opinion on the view.

Table 4.12: Decentralization and Market penetration

<table>
<thead>
<tr>
<th>Respondents view</th>
<th>Frequency</th>
<th>percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly agree</td>
<td>45</td>
<td>79%</td>
</tr>
<tr>
<td>Agree</td>
<td>12</td>
<td>21%</td>
</tr>
<tr>
<td>Total</td>
<td>57</td>
<td>100%</td>
</tr>
</tbody>
</table>

4.4.5: Distributors Product concept
The researcher sought to find out whether distributors product concept is essential in aiding market penetration of consumer goods. The findings were that it is not very important for distributor to have product concept in order to aid market penetration. The findings in Table 4.13 illustrates that 18% strongly agree, 21% agree, 28% strongly disagree and 33% disagree. The views were unanimous that it is not necessary for distributors to have product concept for purposes of market penetration.
Table 4.13: product Concept

<table>
<thead>
<tr>
<th>Respondent view</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly agree</td>
<td>10</td>
<td>18%</td>
</tr>
<tr>
<td>Agree</td>
<td>12</td>
<td>21%</td>
</tr>
<tr>
<td>Strongly disagree</td>
<td>16</td>
<td>28%</td>
</tr>
<tr>
<td>Disagree</td>
<td>19</td>
<td>33%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>57</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

4.4.6: Distributors Stability

The researcher sought to find out whether distributors stability was essential in aiding market penetration of consumer goods. The findings were that it is very crucial for the distributor to be stable. The findings in Table 4.14 illustrates that 72% strongly agree and 28% agree and there was no contrary opinion.

Table 4.14: Distributors Stability

<table>
<thead>
<tr>
<th>Respondents View</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly agree</td>
<td>41</td>
<td>72%</td>
</tr>
<tr>
<td>Agree</td>
<td>16</td>
<td>28%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>57</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

4.4.7: Summary of Relationship between distributors and Market penetration

In determining the relationship between distributors and market penetration of consumer goods it was established that it’s a combination of many factors that aids market penetration of consumer goods through the distributors effort. Distributor employs various strategies, marketing options, promotional activities and must have good infrastructure to enable effective market penetration.
Table 4.4.8: Challenges faced by Distributors on Market Penetration

<table>
<thead>
<tr>
<th>No</th>
<th>Item</th>
<th>Mean</th>
<th>Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>3.60</td>
<td>very high</td>
</tr>
</tbody>
</table>

4.5: Challenges of Distribution and Market Penetration

4.5.1: Product promotion by Distributor

The researcher sought to find out whether distributors play any role in advertising in order to aid market penetration of consumer goods. The findings were that some thought by distributors having their trucks branded manufacturers products that amounted to product promotion. The findings in Table 4.15 illustrates that 18% strongly agree, 21% agree, 28% strongly disagree and 33% disagree. The view therefore is that distributors do not carry out any promotion that would be considered as aiding market penetration in significant manner or degree,
Table 4.15: Product Promotion by Distributor

<table>
<thead>
<tr>
<th>Respondents View</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly agree</td>
<td>10</td>
<td>18%</td>
</tr>
<tr>
<td>Agree</td>
<td>12</td>
<td>21%</td>
</tr>
<tr>
<td>Strongly disagree</td>
<td>16</td>
<td>28%</td>
</tr>
<tr>
<td>Agree</td>
<td>19</td>
<td>33%</td>
</tr>
<tr>
<td>Total</td>
<td>57</td>
<td>100%</td>
</tr>
</tbody>
</table>

4.5.2: Positive Relationship between distributor and market Penetration

The researcher sought to find out whether there exists a positive relationship between distributor and market penetration of consumer goods. The findings were that there exists that positive relationship, as distributors are the ones who make sure products reach the retailers and aiding market penetration. The findings in Table 4.16 illustrates that 72% strongly agree and 28% agree and as such, there was no differing opinions on this view.

Table 4.16: Distributor and Market Penetration

<table>
<thead>
<tr>
<th>Respondents view</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly agree</td>
<td>41</td>
<td>72%</td>
</tr>
<tr>
<td>Agree</td>
<td>16</td>
<td>28%</td>
</tr>
<tr>
<td>Total</td>
<td>57</td>
<td>100%</td>
</tr>
</tbody>
</table>

4.5.3: Social Marketing Concept

The researcher sought to find out whether social marketing concept has a role to play in market penetration of consumer goods. The findings were that it is important to understand the society’s likes and dislikes in order to avoid offending them and causing product boy cot. The findings in Table 4.17 illustrates that 77% strongly agree and 23% agree and there was no differing opinion on the view.
Table 4.17: Societal Marketing Concept

<table>
<thead>
<tr>
<th>Respondents view</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly agree</td>
<td>44</td>
<td>77%</td>
</tr>
<tr>
<td>Agree</td>
<td>13</td>
<td>23%</td>
</tr>
<tr>
<td>Total</td>
<td>57</td>
<td>100%</td>
</tr>
</tbody>
</table>

4.5.4: Market Orientations of Consumer Goods
The researcher sought to know whether distributor dictates the market orientation of consumer goods. The findings were that the distributor does not dictate consumers and they choose the products, which meets their needs and not dictated to. The findings in Table 4.18 illustrates that 30% strongly disagreed and 70% disagreed with the view that distributor dictates the market orientation.

Table 4.18: Market Orientation

<table>
<thead>
<tr>
<th>Respondents view</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly agree</td>
<td>17</td>
<td>30%</td>
</tr>
<tr>
<td>Agree</td>
<td>40</td>
<td>70%</td>
</tr>
<tr>
<td>Total</td>
<td>57</td>
<td>100%</td>
</tr>
</tbody>
</table>

4.5.5: Distributor fix consumer to market Requirements
The researcher sought to find out whether distributors fix consumers through determining what they make available to the consumers and hence consumers accepting it as their choice product. This was found to hold true because consumers are prone to changes and also conservativeness and hence distributors can sway their buying decisions. The findings in Table 4.19 illustrates that 30% strongly agree and 60% agree with the view that distributors have a sway in the product need of consumers.
Table 4.19: Distributor and consumer

<table>
<thead>
<tr>
<th>Respondents View</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly agree</td>
<td>23</td>
<td>40%</td>
</tr>
<tr>
<td>Agree</td>
<td>34</td>
<td>60%</td>
</tr>
<tr>
<td>Total</td>
<td>57</td>
<td>100%</td>
</tr>
</tbody>
</table>

4.5.6: Product Planning, selling and Advertising

The researcher sought to find out whether product planning, selling and advertising is the preserve of the distributors in pursuit of market penetration. The findings were that distributors are better placed to carry out planning, selling and advertising as they were felt to be closer to the consumers and they were aware of the consumer’s requirements. The findings in Table 4.20 illustrates that 37% strongly agree and 63% agree with the view.

Table 4.20: Product Planning, selling and Advertising

<table>
<thead>
<tr>
<th>Respondents View</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly agree</td>
<td>21</td>
<td>37%</td>
</tr>
<tr>
<td>Agree</td>
<td>36</td>
<td>63%</td>
</tr>
<tr>
<td>Total</td>
<td>57</td>
<td>100%</td>
</tr>
</tbody>
</table>

4.5.7: Distributors Ensure quality and Efficiency

The researcher sought to find out whether distributor ensures quality of goods in order to promote market penetration. The findings were very clear that quality is the preserve of the Manufacturers and distributor can only voice just like any other customer if there is quality issue and as such the view was negated. The findings in Table 4.21 illustrates that 5% strongly agree, 16% agreed with the view while 51% strongly disagreed and 28% disagreed with the view.
Table 4.21: Distributor Ensure quality and Efficiency

<table>
<thead>
<tr>
<th>Respondents view</th>
<th>Frequency</th>
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</thead>
<tbody>
<tr>
<td>Strongly agree</td>
<td>3</td>
<td>5%</td>
</tr>
<tr>
<td>Agree</td>
<td>9</td>
<td>16%</td>
</tr>
<tr>
<td>Strongly disagree</td>
<td>29</td>
<td>51%</td>
</tr>
<tr>
<td>Disagree</td>
<td>16</td>
<td>28%</td>
</tr>
<tr>
<td>Total</td>
<td>57</td>
<td>100%</td>
</tr>
</tbody>
</table>

4.5.8: Distributors are driven by Customer Needs and Wants
The researcher sought to find out whether distributors are driven by customers needs and wants in order to enhance market penetration. The findings were that distributors listen to the customers and more often they stock what customers needs and they try to impress on the manufacturers to produce goods that are in demand to the extent of suggesting small packing by the manufacturer. Therefore, the view was supported and the findings in Table 4.22 illustrates that 51% strongly agreed and 49% agreed with the view.

Table 4.22: Distributors and customer needs

<table>
<thead>
<tr>
<th>Respondents view</th>
<th>Frequency</th>
<th>percentages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly agree</td>
<td>29</td>
<td>51%</td>
</tr>
<tr>
<td>Disagree</td>
<td>28</td>
<td>49%</td>
</tr>
<tr>
<td>Total</td>
<td>57</td>
<td>100%</td>
</tr>
</tbody>
</table>

4.5.9: Summary of Distribution and Market Penetration
In determining the connection between distributors and market penetration of consumer goods a combinations of factors were examined and their relationships found to the most effective ways of achieving this objective. Distributors were found to be very effective in aiding market penetration of consumer goods and responding into the customer’s needs and wants and in executing the selling plans and social marketing concept. Manufacturers’ were supposed to take care of quality of the products and promotional activities.
### Table: 4.5.10: Distribution and Market Penetration

<table>
<thead>
<tr>
<th></th>
<th>Statement</th>
<th>Rating</th>
<th>Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Distributors undertake promotion of consumer goods into market promotion</td>
<td>2.20</td>
<td>low</td>
</tr>
<tr>
<td>2</td>
<td>There is positive relationship between distributor and market penetration</td>
<td>3.32</td>
<td>Very high</td>
</tr>
<tr>
<td>3</td>
<td>Social marketing concept is important to distributors in market penetration</td>
<td>3.60</td>
<td>Very high</td>
</tr>
<tr>
<td>4</td>
<td>Distributors dictate the market orientations of consumer goods and their ultimate market concentration</td>
<td>2.34</td>
<td>low</td>
</tr>
<tr>
<td>5</td>
<td>Distributors fix consumer to market requirements to promote market penetration</td>
<td>3.22</td>
<td>Very high</td>
</tr>
<tr>
<td>6</td>
<td>Product planning and selling and advertising is the is the preserve of distributors to enhance market penetration</td>
<td>2.63</td>
<td>High</td>
</tr>
<tr>
<td>7</td>
<td>Distributors ensure quality and efficiency of consumer goods to promote market penetration</td>
<td>2.36</td>
<td>low</td>
</tr>
<tr>
<td>8</td>
<td>Distributors are driven by customers needs and wants to enhance market penetration</td>
<td>3.82</td>
<td>Very high</td>
</tr>
</tbody>
</table>

### 4.6: Chapter Summary

In determining effects / impacts of distributors on market penetration of consumer goods respondents agreed with the view that pricing is a big determinant, infrastructure by the distributor is important, promotion, packaging by the manufacturer and quality and sufficiency of consumer goods to be undertaken by Doric Industries ltd.

On the relationship between distributors and market penetration of consumer goods, the respondents agreed distributors have infrastructure and they do undertake to promote the products, employ strategies in order to achieve market penetration of Doric goods. On distribution and market penetration it was determined there is direct correlation between market penetration of Doric’s consumer goods and positive relationship with the distributors.
CHAPTER FIVE

5.0 DISCUSSION, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

In this section, the researcher provides a discussion on the findings of the research as compared to the findings in the literature review, the summary of the study and recommendations for further improvement on evaluating the role of distributors on market penetration of consumer goods. The research is concluded on the basis of the conclusions drawn from the research questions.

5.2 Summary

The main objective of this study was to evaluate the role of distributors on market penetration of consumer goods using the case study of Doric Industries Limited. The study was guided by the following objectives: to evaluate the effects of distributors on market penetration of consumer goods, to evaluate the factors affecting distributors and market penetration of consumer goods and to determine the challenges faced by distributors on market penetration of consumer goods.

The study was conducted using descriptive co relational research design. This research design establishes the degree of relationship between two variables. (Mugenda and Mugenda 1999)
A descriptive research design attempts to describe a subject by creating a profile of a group of people, problem of events through the collection of data and the tabulation of frequencies on the research variables and the research reveals who, what, when, and how much (Shuttleworth, 2006).

A survey in form of questionnaire, interviews and observation were used to collect data from the respondents about who they are, what they do, how they think and what they have achieved or not achieved. The researchers administered standardized questionnaire and applied descriptive statistics to evaluate the data and come up with conclusions. The study adopted quantitative and qualitative approaches to measure the role of distributors in market penetration of consumer goods at Doric Industries Limited. The total population of study was 84 comprised of 3 manufacturers, 9 distributors, 12 consumers and 60 wholesalers and the sample size was 57 target respondents. The data was presented in the form of tables and figures according to the research questions by the help of Statistical Package for Social Sciences (SPSS) software.
In determining the effects of distributors on market penetration of consumer goods at Doric Industries, the findings were that distributors play a key role in connecting the products with the customers through retailers. The pricing was captured as factor in aiding market penetration of consumer goods; distributor’s infrastructure, packaging and promotion were all considered as being crucial in making product penetration an easier process. All respondents were of the view that the foregoing aids market penetration.

In determining the factors that affect distributors and market penetration of consumer goods at Doric Industries, it was established that promotion is key in aiding market penetration; distributors own infrastructure is key; distributor must have strategies to carry out market penetration and must be stable in order to be effective. In this, respondents agreed with the issues and a few were not in agreement on the issue of product concept being essential in aiding market penetration.

In determining the challenges faced by distributors on market penetration of consumer goods, the findings were that distributors undertake market promotions of the products, take some keenness to understand the society in order to serve them with goods that meet their needs and wants. It was also established that distributors carry out product planning on how customers will be served. However there was some dissent on who carries product promotion and ensuring quality of the products and this responsibility was felt to fall in the domain of the manufacturer and as such Doric industries ltd.

5.3. Discussion

5.3.1. Impact/Effects of Distributors on Market Penetration of consumer Goods
Consumer responses to impact of distributors on market penetration were viewed as the sure way of product penetration. Respondents ware all together in agreeing and acknowledging the role distributors play in aiding market penetration of consumer goods.( Arch Shaw 1912) identifies
five functions of middle men (Distributors) as sharing risks, transporting the goods, financing the operations, selling the goods, sorting and re-shopping of the consumer products.

Pricing was considered as a tool that can be used very effectively to make market penetration easier and smooth. Respondent’s views were that reduction of prices or discounts will attract more buyers as it will leave customers with some money to buy other things. Pricing is an intervening factor between distributors and marketing penetration (mean= 2.85).

Pricing must be done in consideration of the quality effectiveness and efficiency of the consumer goods. This in essence is a conclusive approach that without pricing then it is very difficult for the distributors to penetrate the markets. The price must consider the public’s income per capita, the situate of the stores and also the infrastructure laid down (Shaw, 1950).

Further it was deduced that infrastructure is very vital component of market penetration as postulated by (Shaw, 1950). Market penetration includes risk bearing, transportation, financing, selling and assembling. All these postulates are inter-connected by the infrastructural systems. It is very important to understand that without infrastructure in terms of marketing strategies, technological skills and know how, passable roads/ transport system and net working, then consumer goods cannot reach their markets (mean=3.42). Also infrastructure may include the marketing mix which encompasses the distribution channels, price, and product planning, selling and advertising.

It must be pointed out that the goal of marketing is achieved by the matching segment of supplier and demand (Alderson 1996). In view of this, it is imperative to note that large selling of consumer goods affect market penetration. Thus demand creates its own supply. This is why the (mean ratio is = 3.60).

Accordingly from the above one can deduce that the number of distributors increases with the market size. The business dimensional growth is determined by the number of individual distributors who in turn increase with the market size. The demand model of (Melitz 2003) articulates the positive relationship between firm entry and market existence of many distributors in each distribution channel. Thus large selling of consumer goods has a direct impact on the market penetration in terms of expansion. Also promotion of consumer goods is important in
Promotion of consumer goods is a major factor in market penetration of goods. The consumer is able to understand the nature of goods and services offered and in doing so the consumer is able to plan, organize and control with regards to purchase of the products. The consumer’s needs and wants are inclined to the promotional levels of the products in question. The respondents viewed promotion as a very strong indicator that aids market penetration of consumer goods and the (mean =3.22).

The respondents agree that decentralization and exchange is important as it seeks to identify the set of actual buyers of product in market orientations. The products are sold or dispersed to customers within the proximate region by the nearest distributor (mean=3.30).

The respondents strongly agree that packaging of consumer goods, their quality and sufficiency are very important aspects in marketing strategy and ultimately dictate the market penetration. Indeed the respondents pointed out that other factors such as target market, satisfaction of goods in terms of usage, and branding among others are important to consider in market penetration of consumer goods( mean=3.20).

5.3.2 Relationship between Distributors and Market Penetration of consumer Goods

It must be noted that distributors have the infrastructure to aid market penetration of the consumer goods; the study has established that all the distributors are efficiently equipped with the facilities and the technical knowhow to promote market penetration of consumer goods (mean=3.55).

However whereas the distributors have the ability to deal in consumer goods and their ultimate market penetration, it is imperative to note that the distributors share the risk, sorting and re-shopping of transporting and financing the operations of the consumer goods ( Shaw 1912).

Since distributors have a wide net work respondents agreed that their infrastrrural ability is very crucial in market penetration. Distributors are the major channels of distribution of consumer
goods. There emerges the question of market flows, parallel systems, depot transactions and transformations. Also speculation of market forces and conflicts in terms of co-operation, power and dependency (mean=3.50).

The respondents were in agreement on the view that distributors employ marketing strategies to aid market penetration of consumer goods. It is in this back drop that the respondents agreed unanimously on the marketing strategies as part of the way forward to market penetration. The respondents allowed micro-establishment of firms or businesses as Sellers and Suppliers or any individual Seller or supplier (Kotler 1967). Hence widening the scope of market penetration of consumer goods (mean3.55).

As regards decentralized exchange in market penetration of consumer goods, the respondents asserted that there is high level of marketing mix, consumer orientation and segmentation which aims at targeting and positioning of business firms and market situations. This is reflective of the high mean of 3.30. This indicates that the respondents strongly agree that decentralization of exchange is a major step forward to market penetration and this is utmost encouraged (mean=3.6).

As to whether distributors, product orientation is essential for market penetration. The respondents establish that the consumers are interested in the products that perform most efficient features and it was also established that the consumers are zealed with products that are consistently being improved to meet their sufficiency and effectiveness. The consumers are exited and enthused by the product performance in terms of quality, sustenance and quantity features (mean=2.45).

The respondents also infer that the market stability is propelled by management/manufacturers who must be able to improve the production in order to aid distribution efficiency. Distributors were passed in creating and establishing market stability in market penetration of consumer goods (mean=3.60).
5.3.3 Distribution and Market Penetration

The respondents were clear on the distinct role of distributors and manufacturers and they were unanimous that promotion is the responsibility of the manufacturers and not distributors. Promotion was very much related to the large selling and product orientation which should be done by the manufacturer whose responsibility is to maintain quality and quantity of the goods and deliver them to the distributors (mean=2.20).

The view of positive relationship between distributor and market penetration was unanimous in that each party must play its role in order to smoothen the process. It was felt that the onus of promotion of goods according to the respondents lies with the manufacturers /producer but not distributors. Indeed the respondents assert that there is a positive relationship between distributors and market penetration. The respondent infers that the distributions channels are widened in direct proportions with the market penetration (mean=3.32).

The respondents felt that society is very important and it is imperative to understand the society’s needs and wants so that only what meets the society’s needs and wants find their way into the markets. This role was felt it can be well pushed by the distributors who can reject from the manufacturers what offends the society and presents for purchase only those that are really desirable by the respective societies (mean=3.60).

Market orientations include, quality, quantity, pricing packaging and self sufficiency. The respondents disagree that distributors dictate market orientations of consumer goods and their ultimate market penetration. To a greater extent the market orientation of consumer goods is undertaken by the producers /manufacturers. Distributors are but marketing institutions but not charged with the responsibility of pricing, quality to quantity control or otherwise (mean=2.34). However it is alluded that distributors fix the consumer goods to market requirements to promote market penetration (mean=3.22).

Product planning, selling is the preserve of distributors to enhance market penetration. The distributors are charged with the responsibility of filling the market gaps and flows and
establishing the parallel systems depots transactions and others (Lazer, 1958). The respondents felt that this action can be handled by the distributors (mean=2.63).

The respondents disagree that distributors ensure quality and efficiency of the consumer goods to promote market penetration. They instead infer that the process of ensuring quality and efficiency of consumer goods is a concerned effort made by the manufacturer /producers that they only perform the marketing systems works and distribution of the consumer goods by the means of interrelationships between part and whole, unity of thoughts. Micro and macro marketing (mean=2.36) (Boddewyn, 1969).

The respondents assert that it is totally true that distributors are driven by customer’s needs and wants which in turn enhance market penetration. The distributors stock those goods that are market oriented and able to sell to the market fast. Thus the business firm (distributors) must be able to deal in business buying.

The Doric industries limited produce/manufacture consumer goods of such magnitude that meet the market consumption. The Respondents are strongly in agreement that market penetration is achieved in its entirety by the distributor’s sensitivity on the needs and wants of the consumers. This sensitivity is established by channels of distribution which performs the works of moving goods from producers to consumers (mean=3.82). Thus the goal of market penetration is achieved by the matching segments of supplier and demand (Wroe, 1996).

5.4 Conclusion

5.4.1 To Evaluate the Effects of Distributors on Market Penetration of Consumer Goods
With regards to the effects of distributors on market penetration of consumer goods, the study established that manufacturers do not retail but rely on middlemen who are distributors to reach retailers who in turn pass on the product to the consumer thus triggering supply chain by distributors and others. This in essence interprets that the effectiveness of distributors in market penetration.
It was also established that the distributors have very efficient and effective infrastructure to market penetration of consumer goods. This is courtesy to the fact that they have well maintained transport system and communication facilities to carry out their duties. The distributors also encourage decentralized exchange of goods in aid of market penetration.

5.4.2 To Evaluate the Factors affecting distributors and Market Penetration of Consumer goods

It was also established that the distributors have very efficient and effective infrastructure to market penetration of consumer goods. This is courtesy to the fact that they have well maintained transport system and communication facilities to carry out their duties. The distributors also encourage decentralized exchange of goods in aid of market penetration.

However, it is noted that distributors product orientation is essential for market penetration though not a preserve of distributors. This is an issue particularly being dealt with or handled by the manufacturers. As witnessed in promotion of market penetration of consumer goods, it is imperative to note that market stability is established through the selling concept and production concept of the manufacturers.

The distributors merely take stock of their allotment and deliver the same to their respective distribution points or stations. Hence whereas the distributors enjoys market orientation in terms of advertising and marketing, sourcing and distribution of consumer goods to the market, there are other market forces that dictates the market stability of consumer goods. This includes pricing, large selling, promotion, packaging, quality control and sufficiency of consumer goods. In all accounts distribution of consumer goods is dictated by market penetration.
5.4.3 Challenges affecting Distributors on Market Penetration

The study established that the distributors faced a proportionate competitive situation from producers of the same product in the market. Also is the problem of utility which could not be measured instantly by the consumers. The consumers are easily convinced by low prices regardless of the quality of the consumer goods, thus unfair competition from other manufacturers.

Another challenge the distributors face is the problem of uneven and unpredictable demand of the consumer goods by consumers, this is a problem because the distributors are not able to fathom the quantity of volumes of goods to supply thus keep checking always whether the sales have increased or not, this is time consuming and cumbersome.

5.5 Recommendations

5.5.1 Recommendations for Improvement

5.5.1.1 Leaders Arguments for Change Goals

Based on the findings, discussions and conclusions of research, the following conclusions were made. The distributors should allow the manufacturers to inscribe advertisement of consumer goods at the various selling points where the products are sold to allow the consumers access information on the efficiency of the products sold.

5.5.1.2 Leaders Influence on the Followers Commitment to Change

The study recommends that distributors must be able to improve promotion styles of the consumer goods, the manufacturers should be able to carry out a price index analysis corresponding to the users (consumers) of the products. For instance if the shoe polish is mostly used by school children, but less working class then the prices must be subsidized for the school children to encourage promotions and incentives and this will help distributors play with the prices.

5.5.1.3 Leaders influence on the Outcome of Change

Transport is a challenge when it comes to delivery of goods to some areas due to bad roads. Thus the distributors and manufacturers must invest heavily in infrastructure in terms of heavy motor vehicle machineries. Labeling, rebranding, and packaging of the products is essential to appeal to the consumer. Consumer needs analysis is imminent and should continuously be focused on and addressed during product development.
5.5.2 Recommendations for Further Studies

The main objective of this study was to evaluate the role of distributors on market penetration of consumer goods using the case study of Doric Industries Limited. The study recommends that future researchers can investigate the role of manufacturers on market penetration of consumer goods.
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APPENDICES

SECTION A

Effects / Impacts of distributors in market penetration of consumer goods

Indicate to what extent you strongly agree, agree, strongly disagree and none by ticking the number of the options for each of the items or statement indicted on the table below.

Tick the appropriate option

<table>
<thead>
<tr>
<th>Strongly Agree</th>
<th>Agree</th>
<th>Strongly Disagree</th>
<th>Disagree</th>
<th>None</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
</tr>
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<th>NO</th>
<th>ITEM</th>
<th>OPTIONS</th>
</tr>
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<tbody>
<tr>
<td>1.</td>
<td>Market penetration of consumer goods is based on pricing</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>2.</td>
<td>Infrastructure plays an important role in the market concentration</td>
<td></td>
</tr>
<tr>
<td></td>
<td>of consumer goods</td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>Large selling of Consumer Goods affect their market penetration</td>
<td></td>
</tr>
<tr>
<td>4.</td>
<td>Promotion of Consumer Goods Is A Major Factor In Market Penetration</td>
<td></td>
</tr>
<tr>
<td>5.</td>
<td>Market penetration of consumer Goods is driven by</td>
<td></td>
</tr>
<tr>
<td></td>
<td>decentralization and exchange</td>
<td></td>
</tr>
<tr>
<td>6.</td>
<td>Packaging of consumer goods is essential for their market</td>
<td></td>
</tr>
<tr>
<td></td>
<td>penetration</td>
<td></td>
</tr>
<tr>
<td>7.</td>
<td>Quality and sufficiency of consumer goods promotes their market</td>
<td></td>
</tr>
<tr>
<td></td>
<td>penetration</td>
<td></td>
</tr>
<tr>
<td>8.</td>
<td>Please indicate any other factors you think affect distribution in</td>
<td></td>
</tr>
<tr>
<td></td>
<td>market penetration of consumer goods.</td>
<td></td>
</tr>
</tbody>
</table>

48
### Relationship between Distributors and Market Penetration of consumer goods

<table>
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<th>ITEM</th>
<th>OPTIONS</th>
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<tr>
<td>1.</td>
<td>Distribution promote market penetration of consumers</td>
<td>1 2 3 4 5</td>
</tr>
<tr>
<td>2.</td>
<td>Distributors have the infrastructure to market penetration of consumer goods</td>
<td></td>
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<tr>
<td>3.</td>
<td>Distributors employ marketing strategies in market penetration of consumer goods</td>
<td></td>
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<tr>
<td>4.</td>
<td>Distributors encourage decentralized exchange in market penetration of consumer goods</td>
<td></td>
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<tr>
<td>5.</td>
<td>Distributors’ products orientation is essential for market penetration of consumer goods</td>
<td></td>
</tr>
</tbody>
</table>

7. Please indicate any other factors you think affect distribution in market penetration of consumer goods.
## Distribution and market penetration of consumer goods

<table>
<thead>
<tr>
<th>NO</th>
<th>ITEM</th>
<th>OPTIONS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Distributors undertake promotion of consumer goods into market penetration</td>
<td></td>
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<tr>
<td>2.</td>
<td>There is a positive relationship between Distributors and Market penetration</td>
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<tr>
<td>3.</td>
<td>Social marketing concept is important to Distributors in market penetration</td>
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<td>4.</td>
<td>Distributors dictate the market orientations of consumer goods and their ultimate market penetration</td>
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<td>5.</td>
<td>Distributors fix consumer goods to market requirement to promote market penetration.</td>
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<td>6.</td>
<td>Product planning and selling and advertising is the preserve of Distributors to enhance market penetration.</td>
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<td>7.</td>
<td>Distributors ensure quality and efficiency of consumer goods to promote market penetration.</td>
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<tr>
<td>8.</td>
<td>Distributors are driven by customers needs and want to enhance market penetration.</td>
<td></td>
</tr>
</tbody>
</table>

9. Please indicate any other factors you think affect distribution in market penetration of consumer goods.

___________________________________________________________________________
___________________________________________________________________________
___________________________________________________________________________
GENERAL INFORMATION

Section B

Report on the role of distributors on market penetration of consumer goods.

1. Are you a Doric Industries Ltd registered distributor?
   YES [ ]   NO [ ]
   If yes what are your duties?

2. Do you encounter any problems in carrying out your duties?
   YES [ ]   NO [ ]
   Explain
   Suggest possible ways of addressing the problem

3. Does the company offer you incentives?
   YES [ ]   No [ ]
   Explain

4. Are you motivated to perform your duties?
   YES [ ]   No [ ]
   Explain

5. Do you benefit from your task as a distributor?
   YES [ ]   NO [ ]
   Explain
   Give suggestions.

6. Do Distributors have an impact on market penetration
   YES [ ]   NO [ ]
   Explain