

Factors Affecting Consumer Perception Of Kenyan Manufactured Fast Moving Consumer Goods In The East African Community. A Case of Laundry Detergents Products

Pius Angasa¹ and Mary W. Kinoti²

Lecturer, Department of Business Administration, School of Business, University of Nairobi

The purpose of this study was to determine the factors affecting consumer perception of Kenyan manufactured fast moving goods in East African Community (EAC), a case of laundry detergents products. The study was guided two objectives namely; To determine consumer perception of laundry detergents and to determine factors that influence consumer perception of laundry detergents manufactured or originating from Kenya by EAC consumers. A descriptive survey design was used for the study. The population of the study comprised all consumers of laundry detergents originating or manufactured in Kenya from Uganda, Kenya, Tanzania, Rwanda and Burundi. A convenience sampling was used and sample size for each country was fifty (50) respondents resulting to a sample size of 250. Out of the targeted 250 respondents, 190 responded. Primary data was collected using semi-structured questionnaires. Descriptive statistics such as measures of central tendency, dispersion, percentages and frequencies distributions were used to analyze and summarize data. On the perception of Kenyan manufactured fast moving consumer goods, the case of laundry detergent products, the study found that different detergents such as Omo, Sunlight, Ariel, Persil and Toss were used in the five Nations, with Omo as the most used followed by sunlight brand. Regarding the factors influencing perception of laundry detergents; majority of the respondents indicated that the products were of reasonable price, and of good quality, in regards to the country of origin, most of the respondents agreed that they would rather buy laundry detergents made in Kenya because they could always trust them in terms of quality, availability and other attributes. On the risks associated with the products, the respondents disagreed with the statements that on perceived risks of using the laundry detergents from Kenya which included; that the products may not work well, that the products may harm them and that they did not like the products from Kenya. The respondents strongly disagreed with the statement that buying Kenyan laundry detergents from Kenya will make them lose money and results to being laughed at by their friends. The study concluded that the East African Community market perceived laundry detergents products manufactured in Kenya to be of good quality and value. On the factors influencing their perception it was concluded that consumers perceived them as reasonably priced, and of good quality. Kenya as the country of origin was perceived favorably. The respondents did not also see any perceived risk associated with the use of these laundry detergents. The study recommended that that Kenyan manufacturers dealing in these laundry detergents products in particular and fast moving consumer goods in general, increase their marketing expenditure so as to create more awareness of their products in the East African Community market in order to increase their sales and subsequently market share.

Key Words: Consumer Perception, Consumer Goods, East African Community

¹ School of Business, University of Nairobi, Nairobi, Kenya

² Lecturer, Department of Business Administration, School of Business, University of Nairobi, Nairobi-Kenya - mkinoti@yahoo.co.uk

Introduction

Kenya belongs to various regional blocks and one such block is the East African Community (EAC), which is a regional inter-governmental organization comprising of the Republics of Kenya, Uganda, the United Republic of Tanzania, Republic of Rwanda and Republic of Burundi with its headquarters in Arusha, Tanzania. East African Community has a total population of 133.5 million (2010) with a Gross Domestic Product of \$74.5 billion (2009). This can be seen as huge customer base which potentially provides Kenya with a great opportunity to increase her export to the community and as such generate enough foreign exchange to fund her developmental goals; most of which are captured in Vision 2030.

While Kenya remains a major exporter to the EAC with positive trade balance with all the four trading partners as shown in table 1, the trade potential of the Community is still large and Kenya needs to rethink its strategies so as to fully exploit the trade opportunities thereof. One of the areas where Kenyan policy makers need to focus on is the understanding of how the current and potential customers perceive Kenyan manufactured fast moving consumer goods. With this knowledge, the marketers can therefore come up with suitable strategies to position Kenyan manufactured fast moving consumer goods in the community, with a view of increasing the sales as well as the market share of these products.

Table 1.1:Kenya Exports to the rest of EAC (Millions of Ksh)

Country	2005	2006	2007	2008	2009
Uganda	42679	27812	33571	42285	46240
Tanzania	19953	18288	22326	29224	30087
Rwanda	7283	4765	5801	8953	9536
Burundi	3715	2184	2424	3480	4597
Total	73630	53049	64122	83942	90460

Source: economic survey 2010

Problem statement and objectives of the study

The deepening and expansion of regional integration and bilateral trade agreements have widened the scope of trade opportunities for the Kenyan businesses. Kenya therefore, has the potential to become a more competitive player in the region and global economy if factors affecting competitiveness are addressed (“Kenya National Trade Policy,” 2009 – 1). The study of perception of Kenyan manufactured fast moving consumer goods

by the East African Community consumers is therefore critical in understanding the competitiveness of Kenya, though; several studies have been done internationally, regionally and locally in Kenya on the perception of foreign and domestic manufactured products. For instance, the much lauded work of Gary Baumgartner (1978) who researched on the perception of foreign products in France, Okechuku & Onyemah, (1999) study on the Nigerian consumer attitudes towards foreign and domestic products and Locally, Angatia (2003), Sikasa (2004), Kiilu (2005),

Mumenya (2005), Agesa (2006) and Khasiani (2006). However, none of these studies focused on the perception of Kenyan manufactured Fast Moving Consumer Goods in the East African Community market particularly laundry detergents. This study therefore, attempted to fill this knowledge gap by answering the following research questions; how are Kenyan Manufactured Fast Moving Consumer Goods perceived by the East African Community consumers? What factors influence the consumer perception of Kenyan manufactured fast moving consumer goods (FMCG) in the East African Community particularly laundry detergents? The study was guided by two research objectives namely; To determine consumer perception of Kenyan manufactured fast moving consumer goods by the East African community and To determine factors that influence consumer perception of Kenyan manufactured products in the EAC specifically laundry detergents.

Review of Literature

According to Kotler et al. (1999), a person's buying choices are influenced by four major psychological factors namely; motivation, perception, learning, beliefs and attitudes among other factors. He further adds that perception depends not only on the physical stimuli but also on the stimuli's relation to the surrounding field and on conditions with the individual. Perception can be defined as the process of receiving organizing and assigning meaning to information or stimuli detected through human beings five senses. In other words it is an approximation of reality. The brain attempts to make sense out of the stimuli to which it is exposed the

outcome of this process is assigning meaning to the stimuli sensed (Kotler, 2000). It has further been said that the perception is the critical activity that links the individual consumers to groups, situations, and marketer influences (Hawkins et al, 1992). Kotler (2000) further alludes that people can emerge with different perceptions of the same object because of the pre-perceptual processes; selective attention, selective distortion and selective retention. According to Loudon et al. (1979), in selective attention, consumers tend to screen out some stimuli and notice some because people are exposed to tremendous amount of daily stimuli. What an individual chooses to notice depends on his/her situation in terms of the needs among others factors. On the other hand, Loudon et al. (1979) describe selective distortions as the tendency to twist information into personal meaning and interprets information in a way that will fit our preconceptions. He further describes selective retention as a process in which people forget much of what they learn but retain information that supports their attitudes and beliefs.

In today's market place, perception becomes important because when consumers makes buying decisions, they evaluates the benefits perceived from particular products or services and compares them with the costs. The value a customer perceives when buying and using a product or a service go beyond usability. There is a set of emotional values as well, such as social status, exclusivity, friendliness and responsiveness or the degree to which personal expectations and preferences are satisfied. Similarly, the costs perceived by the consumer, normally

comprise more than the actual price. They also include costs of usage, the lost opportunity to use another offering, and potential switching costs. Hence the customer establishes an equation between perceived benefits and perceived costs of one product and compares this to similar equations of other products or services.

Moreover, if the customers' circumstances change, their needs and preferences often change too. In the external environment, the offerings of the competitors, with which a customer compares a product or a service, will change, thus altering perception. Research on the impact of market share as relates to the perceived quality of a product (Hellofs et al, 1999) shows that, depending on the nature of the product or service and the customers' preferences; increasing market share can have positive or negative effects on how a customer perceives the product or service. Zeithaml et al. (1996) suggest that to find out customers' feelings, on product or service in research, one needs to incorporate several behavioural intention questions to identify signals that are potentially of higher validity and richer diagnostic value than the overall service quality or customer satisfaction variable. Since these questions are to find out potential future actions, they indicate changes in the demand and market trends.

Consumer Perception and Purchasing Behaviour

Consumer perceptions of price, quality and value are considered pivotal determinants of shopping behaviours and product choice (Bishop et al., 1984). They are the key factors affecting consumer perception. Majority of consumer factors correlated with attitude can be classified in one of

three categories; personality, perceptual and socioeconomic (Batra and Sinha, 2000). Consumer perceptual variables that have been identified include price-quality perception, perceived quality, value consciousness, price consciousness, perceived price fairness, smart shopper self perception, familiarity with products, brand loyalty, perceived risk associated with purchase, risk averseness and general deal proneness (Garretson et al., 2002). Significant attention has been given to consumer perception toward price and quality of products since these factors have been identified as two of the most important reasons for purchasing product (Hoch, 1996). Price and quality should be examined jointly since the concepts are interrelated. Lichtenstein et al. (1993) viewed price in relation with quality when they posited multidimensional aspects of price. For example, purchasing at the lowest price may be the best choice for some consumers, however, for others, price with respect to quality may be more important. Richardson et al., (1996) noted that it is uncertain whether the individual perceptual factors (personality, perceptual and socioeconomic factors) increase product preferences, product attitude, or product proneness since previous studies used the terms interchangeably, as a result, it is unclear whether the factors increase product purchase intention directly or indirectly.

Measurement of perception

In consumer behaviour, perception research has been used to study a wide range of marketing strategy issues. Schiffman et al. (1992), confirms that perception research is undertaken to ascertain the likelihood that consumers

will accept a proposed new product idea, to gauge why a firm's target audience has not reacted more favourably to its revised promotional theme or to learn how target customers are likely to react to a proposed change in the firm's packaging and label. A variety of techniques have been devised to measure perception. One of the commonly used scaling techniques is Likert Scale which was developed by Likert in 1932. Usually the individual is asked not only if they agree or disagree to the statement, but also to indicate the extent to which they agree by choosing one of the following five categories: strongly agree, agree, neutral/don't agree, Disagree and strongly disagree. This produces a numerical score and a value is given to each category. The Likert scale is one of the techniques used in this study to measure perception. Semantic differential scale is another technique that was developed by Osgood et al. (1957). It comprises of a number of semantic scales based on bipolar adjectives (e.g., good/bad and hot/cold among others). The respondents are asked to rate a concept in terms of a positioning between +3 and -3. Proponents of the technique identified three main clusters of similar scales, which they labelled: Evaluation, Potency and Activity. This accounted for nearly 50% of the total meaning of the concept – irrespective of the concept, the adjectives used or the respondents interviewed (Williams, 1997). It is further alluded that semantic differential can be used to develop graphic consumer profiles of the concept under study (Schiffmann et al., 1992).

Factors Affecting Consumer Perception

Consumer perception is affected by several factors which are; perceived price, perceived quality, country of origin or

country of manufacture and perceived risk. Below is a critical look at each of the above factors. Perceived Price is how a consumer perceives a price as high, as low, as fair has a strong influence on both purchase intentions and purchase satisfaction. According to Assael (2004), consumers' price perceptions may appear to be a simple matter of determining a product price based on an advertisement or on observation in a retail store. However, it is not that simple because consumers have certain expectations about what prices are or should be based on reference prices. Consumer's reference points include past prices, competitors' prices and the cost of goods sold.

According to Zeithaml (1988) perceived quality is "the consumer's judgment about a product's overall excellence or superiority." It is worth noting that Perceived quality is different from objective or actual quality, is a higher level of abstraction rather than a specific attribute of a product, a global assessment that in some cases resembles attitude, and a judgment usually made within a consumer's evoked set. In the same vein Aaker (1991) state that perceived quality is the customer's perception of the overall quality or superiority of the product or service with respect to its intended purpose, relative to the alternatives. In fact, the perceived quality is different from actual or objective quality, product-based quality, and manufacturing quality. It can be viewed as the difference between overall quality and undetected quality.

Country of origin or Country of Manufacture refers to information pertaining to where a product is made.

Marketers are particularly interested in the perceived image associated with the country of origin (Parasuraman and Pisharodi, 1994). This image has been defined as “the overall perception consumers form of products from a particular country, based on their prior perceptions of the country’s production and marketing strengths and weaknesses” (Roth and Romeo, 1992). Since Scholar’s (1965) seminal study, many studies have acknowledged that consumers have significantly different perceptions about products made in different countries, and that these general perceptions have important effects on consumers’ evaluation of the products manufactured in a particular country.

Studies in the country of origin literature have identified different processes that explain how country of origin influences product evaluations. One process falls within the framework of the Fishbein model (Fishbein and Ajzen, 1975). That is, beliefs about a product’s attributes precede and influence the formation of attitude towards the product. According to this view, when consumers engage in product evaluation, they base their evaluation on various descriptive, inferential or informational cues. Such cues can be intrinsic (such as colour, design, specifications, etc.) or extrinsic (such as price). Research has shown that intangible, extrinsic cues are often used by consumers as surrogate indicators when there are missing and/or difficult intrinsic cues. For example, price may be used to evaluate the quality of a product when other information is lacking (Gerstner, 1985; Olson and Jacoby, 1972). Other extrinsic cues include those that are controlled by the firm, such as guarantees, warranties,

brand reputation (Jacoby et al., 1977), seller reputation (Shapiro, 1982), promotional messages (Klein and Leffler, 1981), and those that are controlled by third parties, such as product rating services and government standard-setting agencies (Corell, 1988).

Country of origin can serve as a controllable extrinsic cue in the sense that sourcing and location decisions are made by the firm. In contrast to the multi-attribute model conceptualization of the effect of country of origin on consumer evaluation, a second school of thought has focused on a “halo” effect model which suggests a reciprocal linkage from affect (evaluations) to beliefs (Beckwith and Lehmann, 1975; Han, 1989; Zajonc, 1980). According to this model, beliefs about a product can be influenced by overall evaluations. Such a conceptualization has been applied in the study of country of origin as an image variable, which is defined as some aspect of the product which is distinct from its physical characteristics, but which is nevertheless identified with the product (Erickson et al., 1984; Johansson et al., 1985; Narayana, 1981). Country of origin is found to influence belief formation rather than attitude (evaluation) in some studies, although the effects of country of origin are not identical across all product attributes (Erickson et al., 1984). Johansson et al. (1985), in particular, noted the existence of a persistent “halo” effect in ratings on specific product attributes. Regardless of the direction of the influence of country of origin, empirical evidence suggests that country of origin perceptions may result from stereotyping (i.e. a positive relationship between country image and levels of economic

development) and home country biases (Bannister and Saunders, 1978; Nagashima, 1970; Schooler, 1965; Yaprak, 1978). International marketers are concerned with the effect of country of origin because consumers may evaluate a product based on their perception of the country of origin. As new foreign markets emerge, knowledge about country of origin images in those markets will enable marketers to make wiser decisions. However, to date, it is unclear whether such findings hold for the EAC consumers.

One theory in consumer behaviour which seems particularly appropriate to the study of foreign product perception is the theory of perceived risk (Baumgartner, 1978). Consumer perceptions of risk have been widely dealt with in the past literature and have been shown to shape all purchase decisions to varying degrees, and thereby influence consumer behaviour (e.g., Bauer, 1960; Bettman, 1973; Chaudhuri, 1997; Cox, 1967; Cunningham, 1967; Mitchell, 1992; 1999). A purchase decision involves risk when the consequences connected with the decision are uncertain and some results are more desirable than others (Kogan & Wallach, 1964). A situation where the only possible result is a sure loss of some magnitude is not risk, since there is no variance among the possible results. Kogan and Wallach (1964) describe the concept of risk as having two dimensions: (a) the chance aspect, where the focus is on probability, and (b) the danger aspect where the emphasis is on severity of negative consequence. Although many refinements to the definition of risk have been proposed, including expected value theory and expected utility theory, risk remains a subjectively determined expectation of loss by the consumer; thus

the term, perceived risk (Cunningham, 1967). It is theorized that when perceived risk falls below an individual's acceptance value, it has little effect on intended behaviour and is essentially ignored (Greathorex and Mitchell 1993). On the other hand, an extremely high level of perceived risk can cause a consumer to postpone or avoid a purchase entirely. The extent of the exposure depends on the importance or magnitude of the goal, the seriousness of the penalty for not attaining the goal, and the amount of means committed to achieving the goal (Cox, 1967). Perceived risk is usually measured as a multidimensional construct: physical loss, financial loss, psychological loss, time loss, performance risk, and social risk (Jacoby and Kaplan, 1972).

Generally, perceived risk is conceptualized as a typical influence that is addressed during the early stages of the consumer buying process (Zeithaml & Bitner, 2003). The consumer buying process is often described as a five-stage linear process (Blackwell, Miniard & Engel, 2003): stage one -- need recognition, stage two -- information search, stage three -- alternatives evaluation, stage four -- purchase decision, and stage five -- post-purchase behaviour. In the need recognition stage, consumers first perceive risk when they recognize the need for a product or service. In the presence of uncomfortable levels of perceived risk, consumers apply risk reduction strategies during the second and third stages, such as reliance on personal recommendations (Cunningham, 1967), seeking additional information about a product or service (Cox, 1967), a preference for national brands (Bauer, 1960), and the security of warranties (Dowling & Staelin, 1994). It is

generally assumed that these practices are sufficient for mitigating risk, and risk is seldom studied beyond the information search stage.

Methodology

A descriptive survey design was used. Descriptive research was most appropriate method since consumer perception could not be directly observed. Population of study were consumers of Kenyan manufactured fast moving consumer goods from Kenya, Uganda, Tanzania, Rwanda and Burundi. According to Central Intelligence Agency (CIA) World Factbook 2011, Kenyan population estimate 40 046 566, Uganda's population is estimated at 33 398 682, Tanzania at 41 892 895, Rwanda 11 055 976, and Burundi at 9 863 117 (www.theodora.com 2011). A convenience sampling was used and sample size for each country was fifty (50) respondents per country giving a total of 250 respondents. A larger sample size was constrained by time and financial limitations given this study were funded by the researcher. The respondents were drawn from the capital cities of the East African Community-member countries. These cities are; Nairobi in Kenya, Kampala in Uganda, Dar es Salaam in Tanzania, Kigali in Rwanda and Bujumbura in Burundi. Primary data was collected using semi-structured questionnaires. The questionnaires were both in English; for the predominantly English speaking countries in the community and French for Burundi which is a French speaking country. The questionnaires were divided into three parts; part one dealt with background information of the respondents. The second part dealt with consumer

perception of Kenyan manufactured laundry detergents and finally part three dealt with factors influencing consumer perception.

The validity and reliability of the data was ensured through pre-testing of the questionnaire with ten(10) respondents in Nairobi before data collection. These ten (10) respondents were not included in the actual data collection. Seven pre-test questionnaires were returned. The ambiguity was detected in one of the questions and corrected accordingly. The questionnaires were administered by paid, trained research assistants who approached respondents at their place of work, shopping malls or in the streets. The respondents filled the questionnaires as the research assistants waited. Although the data was collected from the major cities, the assumption made was that these respondents are a representation of all states in each country given city dwellers come from various parts of the country. This assumption was based on results of similar research by Okechukwu& Onyemah, (1999).Data analysis was done to determine the factors affecting consumer perception of Kenyan manufactured fast moving goods in East African Community. The responses were coded to facilitate statistical analysis by use of descriptive statistics. A five point likert scale was used to measure the respondents' degree of agreements with regard to the particular variables of the study.Descriptive statistics such as percentages, frequencies, means and standard deviations were used to analyze the data. This analysis was aided by Statistical Package for Social Sciences (SPSS). Bar graphs, and frequency tables were used to present the findings. This was due to their ability to bring relative form to

the otherwise abstract nature of the influences under investigation in research

Findings

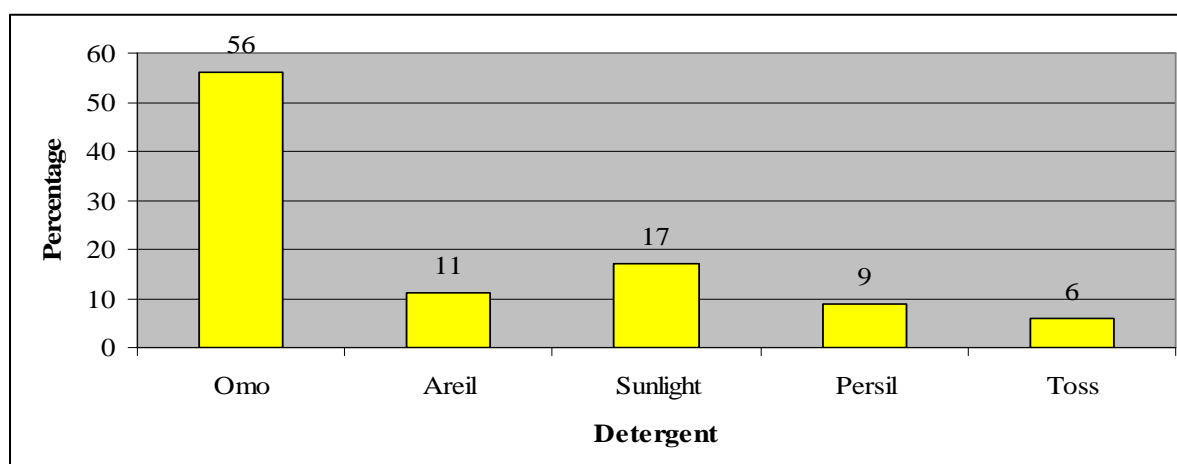
The study targeted 250 respondents from five countries out of which 190 responded giving a response rate of 76%. The findings therefore, are based on 76% response rate. In relation to the background information of the respondents the study found that 37% of the respondents were between 31-40 years. 28% were between 21-30 years, followed by 24% who were between 41-50 years, while 11% were above 50 years. From the findings of the study, it can be said that most of the respondents interviewed were middle aged, and therefore, were considered to be aware of different laundry products manufactured in Kenya. Further 65% of the respondents were female while 35% were male. In terms of the level of education 77% of the respondents had attained college certificates or University degrees, followed by 17% who were secondary school graduates, while 6% were primary school graduates. This implies that since most of the respondents interviewed were women, who mostly use the detergents the information gathered was reliable. In regards to country representation of the respondents 26% of the respondents interviewed came from

Nairobi Kenya, 25% Kigali Rwanda, 18% Kampala Uganda, 17% Dar es Salaam Tanzania and 14% Bujumbura Burundi. This is indicative that the findings reflective of the five countries who participated in the study

Consumers Usage and Reasons for the Choice of Detergents Made in Kenya

The study sought to establish the extent of usage of different detergents manufactured in Kenya. As shown in figure 1, the study found that 56% of the respondents indicated that they used Omo. The study also found that 17% indicated that they use sunlight, 11% indicated that they use Ariel, 9% indicated that they use Persil and 6% indicated that they use Toss. From the findings of the study, it can be said that different detergents manufactured in Kenya are consumed in the East African Community market. According to Kotler et al (1999), a person's buying choices are influenced by four major psychological factors – motivation, perception, learning, beliefs and attitudes. He further adds that perception depends not only on the physical stimuli but also on the stimuli's relation to the surrounding field and on conditions with the individual. Thus the consumption of the products is perceived to result from the positive perception of the products

Figure 1: Extent of usage of various laundry detergents made from Kenya



Reasons for the Choice of the Detergents

To establish the reasons for using different detergents, the respondents were asked to indicate the level of their agreement with different reasons using a five point likert scale of 1-5; where 1 represented 'Strongly Disagree', 2 represented 'Disagree', 3 represented 'Neither agree nor disagree', 4 represented 'Agree' and 5 represented 'Strongly Agree'. The scores 'Strongly Disagree' was taken to be equivalent to mean score ranging from 0.0 to 1.0, 'Disagree' with mean score ranging from 1.1 to 2.0, 'Neither agree nor disagree' with a mean score ranging from 2.1 to 3.0, 'Agree' with a means score ranging from 3.1 to 4.0 and 'Strongly Agree' with a means score ranging from 4.1 to 5.0. A standard deviation of >1 shows that there was a significant difference in the responses given by the respondents.

The findings on Table 2 shows that the respondents strongly agreed with the reasons that: the detergent are well packed, cleans off all dirt and removes stains, gentle on fabric, economical, and has fresh

smell (with mean score ranging from 4.1 to 5.0 on the above attributes and/or benefits). The study also found that the respondents agreed with the reasons that the quality and price of detergents are just and right, gentle on hands, retains colour and that it makes washing easy (mean score ranging from 3.1 to 4.0). From the findings of the study, it can be said that the major reasons for the choice of the detergents is based on their quality, effectiveness and the cost of using them. According to Bishop et al, (1984), consumer perceptions of price, quality and value are considered pivotal determinants of shipping behaviours and product choice. The findings by Garretson et al. (2002) further supports the findings of the study by asserting that consumer perceptual variables that have been identified include price-quality perception, perceived quality, value consciousness, price consciousness, perceived price fairness, smart shipper self perception, familiarity with products, brand loyalty, perceived risk associated with purchase, risk averseness and general deal proneness.

Table 2: Reasons for the choice of the detergents

	Number	Mean	Std. Error	Standard Deviation
It is well packed	190	4.07	.051	.706
Its quality and the price is just right	190	3.19	.067	.923
It cleans off all dirt and stains	190	4.02	.060	.823
It is gentle on fabric	190	4.01	.049	.674
It is economical to use	190	4.02	.050	.690
It has fresh smell	190	4.05	.077	1.058
It is gentle on hands	190	3.65	.079	1.092
It retains color	190	3.72	.079	1.085
It removes stains	190	4.07	.059	.813
It makes washing easy	190	3.65	.079	1.086

Consumer Perception based on price, quality, country of origin and perceived risk of Kenyan Manufactured Laundry Products.

The respondents were first asked to give their perception on the price of the laundry products manufactured in Kenya. 49% of the respondents indicated that the products were fairly expensive, followed by 34% who indicated that there was a good bargain on the prices of the products. 13% indicated that the products were expensive while 4% indicated that the prices were too expensive. From the findings of the study, it can be said that the consumers perceived the prices charged on the Kenyan fast moving manufactured products with respect to laundry detergent products, to be reasonable. According to Assael (2004), consumers' price perceptions may appear to be a simple matter of determining a product price based on an advertisement or on observation in store. Thus the price of the products affects purchasing behaviour with regard to a product depending on his/her perception.

According to the findings, 54% of the respondents indicated that the products were of good quality, followed by 26% of the respondents who indicated that the products were of excellent quality while 19% indicated that the products were of

fair quality. To establish whether the county of origin of the products affected the perception of the products, the respondents were asked to indicate their level of agreement with different statements with regard to the country of origin of the products. This was tested on a five point Likert scale of 1-5; where 1 represented 'Strongly Disagree', 2 represented 'Disagree', 3 represented 'Neither agree nor disagree', 4 represented 'Agree' and 5 represented 'Strongly Agree'. The scores 'Strongly Disagree' was taken to be equivalent to mean score ranging from 0.0 to 1.0, 'Disagree' with mean score ranging from 1.1 to 2.0, 'Neither agree nor disagree' with a mean score ranging from 2.1 to 3.0, 'Agree' with a means score ranging from 3.1 to 4.0 and 'Strongly Agree' with a means score ranging from 4.1 to 5.0. A standard deviation of >1 shows that there was a significant difference in the responses given by the respondents.

Table 3 shows that the respondents agreed with the statement that they would rather buy laundry products made in Kenya because they could always trust the

quality, availability and other attributes with a mean score of 3.92. A study by Roth and Romeo, (1992) found that consumers have significantly different perceptions about products made in different countries, and that these general perceptions have important effects on consumers' evaluation of the products manufactured in a particular country. It was also found that the respondents disagreed with the statements that they would rather buy laundry products made in their own country whether they are of good or bad quality, expensive or fair price (mean score 1.65) and that they would

rather buy laundry products made in Europe because they can always trust in quality and their availability (mean score 1.79). From the findings of the study, it can be said that the country of origin of the products did not have much effect on the perception of the laundry products manufactured in Kenyan. In support to these findings, a study done by Erickson et al. (1984) found that country of origin is found to influence belief formation rather than attitude (evaluation) in some studies, although the effects of country of origin are not identical across all product attributes.

Table 3: Country of Origin

	N	Mean	Std. Error	Standard Deviation
I'd rather buy laundry detergents made in Kenya because I can always trust their quality, availability and other attributes	190	3.92	.054	.744
I'd rather buy laundry detergents made in my own country whether they are of good or bad quality, expensive or fair price	190	1.65	.079	1.086
I'd rather buy laundry detergents made in because I can always trust in quality, availability etc	190	1.79	.079	1.086

Perceived Risks

On the perceived risks, the respondents were asked to indicate their level of agreement with different statements on the risks with regard to the use of the products. This was tested on a five point Likert scale of 1-5; where 1 represented 'Strongly Disagree', 2 represented 'Disagree', 3 represented 'Neither agree nor disagree', 4 represented 'Agree' and 5 represented 'Strongly Agree'.

The scores 'Strongly Disagree' was taken to be equivalent to mean score ranging from 0.0 to 1.0, 'Disagree' with mean score ranging from 1.1 to 2.0, 'Neither agree nor disagree' with a mean score ranging from 2.1 to 3.0, 'Agree' with a means score ranging from 3.1 to 4.0 and

'Strongly Agree' with a means score ranging from 4.1 to 5.0. A standard deviation of >1 shows that there was a significant difference in the responses given by the respondents.

The findings on Table 4 shows that the respondents disagreed with the statements that: that their friends will laugh at them (mean score 1.52), that they did not like the products from Kenya (mean score 1.65), that the products from Kenya may harm them (mean score 1.83) and that the products from Kenya may not work well (mean score 1.93). It was also found that the respondents were indifferent with the statement that they will lose money by buying products from Kenya (mean score

2.67. According to Greator and Mitchell (1993), it is theorized that when perceived risk falls below an individual's acceptance value, it has little effect on intended behaviour and is essentially ignored. On the other hand, an extremely high level of perceived risk can cause a consumer to postpone or avoid a purchase entirely. Dowling and Staelin (1994) found that the

extent of the exposure depends on the importance or magnitude of the goal, the seriousness of the penalty for not attaining the goal, and the amount of means committed to achieving the goal. Thus the perceived risk is usually measured as a multidimensional construct: physical loss, financial loss, psychological loss, time loss, performance risk and social risk.

Table 4: perceived risks

Perceived Risks	Number	Mean	Std. Error	Standard Deviation
I will lose my money	190	2.67	.068	.942
My friends will laugh at me	190	1.52	.053	.725
It may not work well	190	1.93	.083	1.143
It may harm me	190	1.83	.078	1.072
I may not like them	190	1.65	.081	1.110

Conclusion and limitation of the study

From the findings of the study the following conclusions can be drawn; i) Omo brand is the market leader followed by sunlight among detergents originating from Kenya, ii) there is no perceived risk associated with the use of the detergent products from Kenya, iii) East African Community consumers perceive Kenyan Manufactured Fast Moving Goods, the case of laundry detergent products, to be of good quality and value, iv) on the factors influencing the perception of these products, it can be concluded that the consumers perceived the prices charged on the products to be reasonable, and of good quality, v) It can further be concluded that the country of origin of the products did not affect the consumer perception of the laundry detergents products which implies that Kenya has a favorable image among East African Consumers, and vi) finally

there was no perceived risk associated with the use of these products. One the key limitation of the study was the sample size used given the large population of the study. However, this should not negate the findings, conclusions and recommendations made. Moving forward a bigger sample size should be used to increase generalization of the findings.

Recommendations from the Study and for further research

The study recommends that Kenyan businesses marketing laundry detergents products in the East African Community market to put in place marketing strategies aimed at increasing their sales based on the favorable perception of East African consumers. The study also recommends that Kenyan manufacturers dealing in Fast Moving Consumer Goods such as laundry detergent products ensure that their prices are reasonable, of high quality and reduce risks associated with the consumption of

their products. This will have an impact on the market share of the Kenyan Manufactured Fast Moving Goods in East Africa market. In relation to recommendation for further research it is recommended that another study be done on the challenges facing the trading of the Kenyan Manufactured Consumer Goods in East African community market which was not the concern of this study.

References

- Aaker, D.A (1991). *Managing Brand Equity: Capitalizing on the Value of a Brand Name*, New York: Free Press.
- Aaker, D.A (1996). *Building Strong Brands*, New York; Free Press.
- Aaker, D.A and Joachimsthaler E. (2000). *Brand Leadership*, New York; Free Press.
- Agesa G. (2006). *Perception Of Quality Of Services Offered By NCW&S Company*. Unpublished MBA Project, University of Nairobi.
- Angatia J.S. (2003) *The Perception Of Job Previews Among Management Staff Of Commercial Banks In Kenya*. Unpublished MBA Project, University of Nairobi.
- Aosa E. (1992). *An Empirical Investigation of Aspects of Strategy Formulation and Implementation within Large Private Manufacturing Companies in Kenya* – Unpublished PhD Thesis University of Strathclyde Glasgow Scotland U.K.
- Arens W.F. et al, (1994), *Contemporary Advertising*. 10th Ed, Macgraw-Hill Education
- Assael, H (1998). *Consumer Behaviour: And Marketing Action* 6th Edition, New York, South Western College Publishing.
- Batra, R., and Sinha, I (2000). Consumer level Factors Moderating the success of private labels brands. *Journal of Retailing*, 76 (2), 175-191.
- Bauer, R. (1960). *Consumer behavior as risk-taking*, in Hancock, R. (Ed), *Dynamic Marketing for a changing world*, proceedings of the 43rd conference of the American Marketing Association, American Marketing Association, Chicago, IL, pp. 389-98.
- Bigsten A, and Kimuyu P (2001). *The structure and performance of manufacturing in Kenya*. New York: Palgrave.
- Bannister, J.P., Saunders, J.A. (1978). UK consumers' attitudes towards imports: the measurement of national stereotype image, *European Journal of Marketing*, Vol. 12 No.8, pp.562-70.
- Beckwith, N.E., Lehmann, D.R. (1975), The importance of halo effects in multi-attribute attitude models, *Journal of Marketing Research*, August, pp.265-75.
- Blackwell, R.D., Miniard, P.W. & Engel, J.F. (2003). *Consumer Behavior*, Harcourt, Orlando, FL.
- Byrnes, J. (2005). *Nail Customer Service*. HBS working knowledge
- Cox, D. (1967). *Risk taking and information handling in consumer behavior*, *Division of Research*, Graduate School of Business Administration, Harvard University, Boston, MA
- Cunningham, S.M. (1967). *Perceived risk and brand loyalty*, in Cox, D.F. (Ed.), *Risk-Taking and Information Handling in Consumer Behavior*, Boston University Press, Boston, MA, pp. 507-23
- Dowling, G.R. & Staelin, R. (1994). A model of perceived risk and intended risk-handling activity, *Journal of Consumer Research*, Vol. 21, pp. 119-34.
- Erickson, G.M., Johansson, J.K., Chao, P. (1984), Image variables in multi-attribute product evaluations: country-of-origin Effects, *Journal of Consumer Research*, Vol. 11 pp.694-9.
- Fishbein, M.,& Ajzen.I. (1975), *Belief, Attitude, Intention and Behaviour: An Introduction to Theory and Research*. Reading, MA: Addison - Wesley
- Garretson, J.A, Fisher D., and Burton, S (2002). Antecedents of Private label attitude and national brand promotion attitude:

- Similarities and differences. *Journal of Retailing*, 78 (20), 91-99.
- Greatorrex, M., Mitchell, V.W. (1993), *Developing the perceived risk concept: emerging issues in marketing*, in Davies, M. (Eds), Proceedings of the Marketing Education Group Conference, Loughborough, pp.405-15.
- Gerdin, A. (1997). *On Productivity and Growth in Kenya: 1964-94*. PhD Thesis, University of Gothenburg, Sweden.
- Han, C.M., Terpstra, V. (1988), Country of origin effects for uni-national and bi-national products, *Journal of International Business Studies*, Summer, pp.235-55.
- Hawkins, D.I., Coney, K.A. & Best, R.J. (2003). *Consumer Behavior: Building Marketing Strategy*, Irwin, Chicago, IL.
- Hazlewood A. (1979), *The Economy of Kenya*. Oxford University Press
- Hoch, S.J. (1996). How should national brands think about private labels? *Sloan Management Review*, 37 (2), 89-102.
- Ikiara G. K., P. Kimuyu, M. Manundu and M. Masai (2001). *Firm, product market and technological characteristics of the Kenyan manufacturing in structure and performance of manufacturing in Kenya*, Bigsten and Kimuyu (eds)2002):
- Johansson, J.K., Douglas, S.P., Nonaka, I. (1985), Assessing the impact of country of origin on product evaluations: a new methodological perspective, *Journal of Marketing Research*, Vol. 22 pp.388-96.
- Jacoby, J., Szybillo, G., Busato-Schach, J. (1977), Information acquisition behaviour in brand choice situations, *Journal of Consumer Research*, Vol. 3 pp.209-16.
- Khasiani B. (2006), *Perceived Benefits & Challenges Of The Eacu. The Case For The Kenyan Manufacturing Industry*. Unpublished MBA Project, University of Nairobi
- Klein, B., Leffler, K.B. (1981), The role of market forces in assuring contractual performance, *Journal of Political Economy*, Vol. 89 No.4, pp.615-41.
- Kenya National Trade Policy, (2009). *Efficient Globally Competitive Economy*. Ministry of Trade 2009.
- Kenya Association of Manufacturers (2011): *Policy Brief*, vol.4 No. 2,
- Kibera F.N. et al., (1988), *Fundamentals of Marketing: An African Perspective*. Kenya Literature Bureau.
- Kiilu M.N. (2005). Perception Regarding Internationalization Capability. A Case Of Architectural Consultancy Firms In Kenya. Unpublished MBA Project, University of Nairobi.
- Kogan, N., Wallach, M.A. (1967), Group risk taking as a function of members' anxiety and defensiveness levels, *Journal of Personality*, Vol. 35 No.1, pp.50-63.
- Kotler, P. (2000), *Marketing Management*, 10th Ed., Upper Saddle River, N.J. Prentice-Hall.
- Kotler, P and Keller, K (2003) *Marketing Management*, 13th Edition.
- Lichtenstein, D.R., Ridway, N.M., and Netemeyer, R.G. (1993). Price perceptions and consumer shopping behaviour: A field study. *JRM Journal of Marketing Research*, 30 (2), 234-245.
- Loudon, D. L. & Della Bitta, A. J. (1979). *Consumer Behavior*. N.Y. McGraw-Hill.
- Mulei A.N. (2005) Evaluation Of The Effectiveness Of Positioning Strategies On Consumer Choice. The Case Of Laundry Detergents In Kenya. Unpublished MBA Project, University of Nairobi.
- Mumenya A.T. (2005) *Perception By Stakeholders Of The New Traffic Regulations In Kenya. A Case Of Matatu Operators & Commuters In Nairobi*. Unpublished MBA Project, University of Nairobi.
- Murray, K.B. & Schlater, J.L. (1990). The impact of services versus goods on consumers' assessment of perceived risk. *Journal of the Academy of Marketing Science*, Vol. 18 No. 1, pp. 51-65.
- Nagashima, A. (1970), A comparison of Japanese and US attitudes towards foreign products, *Journal of Marketing*, Vol. 34 pp.68-74.

- Narayana, C.L. (1981), Aggregate images of American and Japanese products: implications on international marketing, *Columbia Journal of World Business*, Vol. 16 pp.31-5
- Njoroge J.K. (2003), *Customer's Perception of Service Quality in a Decentralized System in the Public Utility Sector in Kenya. The Case of KPLC Ltd.* Unpublished MBA Project, University of Nairobi.
- Olson, J., Jacoby, J. (1972), Cue utilization in the quality perception process, in Venkatesan, M. (Eds), *Proceedings of the Third Annual Conference of the Association for Consumer Research*, pp.167-79.
- Osgood, C., G. Suci, and P. Tannenbaum (1957), *The measurement of meaning*. Urbana, IL: University of Illinois Press.
- Okechukwu & Onyemah (1999). *Analysis of Nigerian Consumers' Perception of Foreign Products*
- Parasuraman, A., Zeithaml, V.A. and Berry, L.L. (1994), Alternative scales for measuring service quality: a comparative assessment based on psychometric and diagnostic criteria, Vol. 70.
- Roth, M and Romeo J. (1992). Matching product category and country image perceptions: A framework for managing country-of-origin effects. *Journal of Institutional Business Studies*, 23 (1), 477-497.
- Richardson, P.S., Jain, A.K., and Dick A. (1996). Household store brand proneness: A framework. *Journal of Retailing*, 72 (2), 159-185.
- Ries A. and Trout J. (1981) "Positioning - The Battle for Your Mind." (McGraw-Hill)
- Schooler, R.D., Wildt, A.R., Jones, J.M. (1987), "Strategy development for manufactured exports of third world countries to developed countries", *Journal of Global Marketing*, Vol. 1 pp.53-68.
- Shapiro, C. (1982), Consumer information, product quality, and seller reputation, *Bell Journal of Economics*, Vol. 13 No.1, pp.20-35.
- Shiffman LG, Kanuk LL(2009). *Consumer behaviour* 9th Ed (Person Education International)
- Sikasa C. (2004) *Customer Perception Of Change Management Practices In The Mortgage Industry. The Case Of HFCK.* Unpublished MBA project, University of Nairobi.
- Smulders.E. (2002), *Laundry Detergents*. Wiley VCH Publishers.
- Soderbom M. (2001), Are African Manufacturing firms really inefficient? Evidence from Firm-Level Data. *CSAE Working Paper Series 2001 – 14*, Center for African Economics, University of Oxford.
- Williams (1997), Perceptions of social-sexual communication at work: The effects of message, situation, and observer characteristics on judgments of sexual harassment. *Journal of Applied Communication Research*, Vol. 25, Issue 3.
- Yaprak, A. (1978), *Formulating a multinational marketing strategy: a deductive cross-national consumer behavior model*, PhD dissertation, Georgia State University.
- Zajonc, R.B. (1980), *Feeling and thinking: references need no inferences*, *American Psychologist*, February, pp.151-75.
- Zikmund, W.G. & D'Amico, M. (2001). *Marketing: creating and keeping customers*. Seventh edition. Ohio: South-Western College Publishing.
- Zeithaml, V.A. & Bitner, M.J. (1996). *Services Marketing: Integrating Customer Focus across Firm*, 3rd ed., McGraw-Hill, New York, NY.