Marketing Strategies in Woodwork Enterprises in Ongata Rongai: Kajiado District in Kenya

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ABSTRACT
The main purpose of the research was to find out the marketing strategies used by woodwork operators in Ongata Rongai area, Kajiado district. The study was partly geared to sensitize the policy makers, N.G.O.’s and other agencies concerned with small enterprise development (S.E.D.) for any interventions like training the operators. The study was carried out in form of a census where a total number of 41 respondents were interviewed. Observation method was also used to gather more information. Data from the survey was descriptively analyzed using percentages, frequency distributions, pie-charts and bar graphs. Findings from the survey indicated that the mean age of the respondents was 22 years of age and that formal education and especially secondary education was essential in operating the workshops. The study revealed that majority of the woodwork operators had various marketing weaknesses and did not employ meaningful marketing strategies. Those who had very low quality goods were 12.2% due to lack of skills, machines and tools to produce high quality goods. Promotion strategy was weak as 52.6% of the total sample had no form of promotion like posters, billboards and did not advertise their products to secure customers. 30.5% basically depended on display of finished products. Channels of distribution were underdeveloped and 97.2% used one level of distribution. Distribution outlets were limited to the area as 45% of the products and services were sold in Ongata Rongai. Pricing strategy was meet-the-competition pricing where the operators tried to set prices lower than those set by competitors. This was a major competitive threat mentioned by 34.7% of the total sample.

Based on the findings, the study recommended that there was need for the Government, N.G.O’s and Agencies to assist the operators by offering marketing training. This would enable the woodwork operators to scan the marketing environment and use effective marketing strategies for growth and profitability of their enterprises. The existing Government policy has been mainly to assist the S.S.E.’s financially to start and expand. Even though this has boosted the take-off in the S.E sector, the marketing component has always been ignored. There was need for supporters of the S.E. sector to appreciate the role of marketing in businesses and acknowledge that the market comes first before the product in order to realize sales and revenue.

Keywords: marketing strategies, woodwork operators, entrepreneurs

1.0 INTRODUCTION
Small Scale enterprises (SSEs) have afforded greater prominence both in Kenya policy frameworks and in academic literature in the past few years. In Kenya SSEs account for about 40% of the national wage employment and 20% of the Gross Domestic product (GDP) even though the sector has not realised its full potential. Third world countries in general are faced with a potentially explosive situation with regard to rapidly increasing rate of unemployment. Worse still, this development is taking place against an economic background characterized by stagnating or negative economic growth on one hand and comparatively high population growth rates on the other (Murage 1992). Kenya like many other third world countries is banking on the SSEs in alleviating this problem. SSEs conserve foreign exchange, rely primarily on family savings, create jobs at a relatively low capital cost.
and serve as a training ground for future entrepreneurs (Sessional paper No. 1 1986). The role of SSEs will only be effectively felt if marketing systems are developed to provide organizational framework necessary in coordinating production and consumption and in providing the supply of commodities to consumers in response to their expressed needs and wants (Moyer 1964). The informal sector has continually gained prominence even in other countries. In Tanzania for example, the informal sector is viewed as a single largest employer given the shrinking job opportunities in the formal sector and declining yields from peasant farming. In a recent labour force survey, about 21% of Tanzanians labour force of eleven million people is employed in the informal sector (Ubwnai 1995). In the united Kingdom and Europe the prospects and reality of recession and the subsequent need to stimulate growth caused Governments to device ways of increasing productivity and at the same time overcoming problems of unemployment through SSEs (Cox et al 1994).

In Kenya recent staff retrenchment in the public sector has resulted in a concentration of small and micro- enterprises (SMEs) in urban and peri - urban areas. Owing to ease of entry into this sector, competition has intensified hence calls for the SME’s to devise appropriate marketing strategies to cope with the market forces.

1.2 Statement of the Problem
Employment projections to the year 2000 indicate that of all new jobs created in urban areas will be in the informal sector and that 50% of all rural employment will be in the non-farm sector. These estimates underline the importance of small enterprise development in Kenya as the major generator for employment and growth in the near future (GOK report 1989). The sub-sectors which appear especially rewarding are furniture, metal goods, food kiosks and vehicle repairs which are relatively skill intensive (House 1981).

The growth of the SSEs is constrained by lack of adequate channels for marketing SSEs products (GOK, report 1989). According to the sessional paper number 2 of 1992 on SSE and Jua Kali development in Kenya, the future of the small enterprise sector depends on the rate of market expansion through; Improved linkages between the large and small enterprises, exploitation of export market opportunities and entry of the SSEs into services sector. Local small enterprises can be especially efficient at producing bulky or heavy items such as building materials and furniture thus saving on transport costs (Sessional paper No. 1 1986). Professionals point to the absence in many SSEs of a clearly delineated marketing function: formal marketing planning; Marketing or sales management; Sophisticated methods of sales analysis and formal sale and marketing training. (Kaynak 1982).

The urban and peri-urban population in Kenya has grown steadily over the years of which Ongata Rongai is no exception. As the city residents move from congested estates to rent or build their own houses, the size and composition of Ongata Rongai population has increased tremendously. In the 1980’s the population in this township was composed of farmers, quarry workers and a few businessmen. As houses in Ongata Rongai tend to be spacious, the demand of wood products has increased leading to a concentration of woodwork enterprises. For this reason, it is necessary for woodwork operators to use more innovating marketing strategies to survive in the business.

In light of these sentiments, there is need to explore the status of marketing in the small enterprise sector and come up with innovative marketing strategies to improve the sector. The entrepreneur’s recognition of the role of marketing in business growth and profitability is essential to remain competitive.

1.3 Objectives
1. To find out the personal profiles of woodwork enterprise operators.
2. To find out what marketing strategies are used by the entrepreneurs
3. To find out marketing constraints experienced by the entrepreneurs and suggest possible solutions and recommendations to improve the sector.

1.4 Research Questions
1. What are the personal profiles of the entrepreneurs?
2. What marketing activities are carried out in this sub-sector
3. What marketing strategies are used by the entrepreneurs?
4. What constraints do the entrepreneurs experience while marketing their products?
5. What are the possible solutions and recommendations that can alleviate these constraints?

2.0 LITERATURE REVIEW
2.1 Definition of Marketing
Over the years, marketing has been defined differently by various scholars and practitioners. Marketing is seen as being primary management function that co-ordinates the activities involved in developing and manufacturing suitable products for special markets, converting consumer purchasing power into effective demand, and in moving the products to the user in order to attain corporate objectives (Kotler 1984). Similar views were held by Carson (1965) Pg. 39 who referred to marketing as a management function which organizes and directs all those business activities involved in assessing and converting customers purchasing power into effective demand for specific products’ or service to the final consumer or user so as to achieve the profit target or other objectives set by a company.

To some scholars marketing is seen to focus on consumer’s satisfaction. In the post war period (1945) several trends combined to create a situation in which this could take root. At this time the population in the United Kingdom expanded to about 50 million people of which the majority achieved greater living standards and higher purchasing power than ever before. A situation in which less of the family budget was spent on necessities of life and more on wants arose. As people became better off in real terms they became more discriminating as buyers so that consumer sovereignty and consumer choice became of prime importance. In the late 1950’s, the business world began to talk of the marketing concept. (Frain 1990).

Marketing concept states that “a firm should focus all its efforts on satisfying its customers at a profit” (Kaynak1982). In less developed countries (LDCs) marketing is perceived as a system of concepts, tools and skills, that enable managers to match the capabilities of organizations to the needs of the society (Kaynak 1982). The scope of marketing demands that the marketing manager be concerned with profitability and hence sales revenue and costs (Kotler 1980). Similar sentiments were held by Frain (1990) who indicated that organizations should strive to attain their objectives which in the business world are usually expressed in terms of return on investment (ROI).

In order to achieve business objectives there is need to develop a marketing system. Marketing system is a primary mechanism for coordinating production distribution and consumption activities in the economy. This means interdependence of related activities and coordination of economic activities as a system (Kaynak 1982).

2.2 The role of marketing in small scale enterprises
The beginning of the practice of marketing can be traced back to the time in society when man ceased to be self-sufficient. The exchange process at that time was in form of bitter system which later developed into monetary exchanges. Later theories were built around these exchanges which then became known as marketing (Keith, 1960). The system of marketing of institutions is one vital factor in the profitability of productive activities and this influences investment decisions in LDCs.

Marketing and marketing systems are important in enhancing economic development of a country. Marketing reduces risks by providing adequate information flows from the producer to the consumer and vice - versa; it provides organizational framework necessary in coordinating production and consumption as well as the supply of commodities to consumers in response to their expressed needs and wants. Marketing systems may create conditions conducive to mass production and increase elasticity of supply and demand by making available new or improved products that buyers may find desirable to increase the well - being of the people and contribute to the economic development of LDCs (Mover 1964).

Similar views of the contribution of marketing to development of a country were held by Jerome et’ al (1975) as they pointed out that marketing is a key ingredient in economic growth and development, marketing stimulates research and innovations resulting in new products that, if found attractive to consumers can lead to full employment, higher incomes and higher standards of living. They continued to note that effective marketing system is therefore vital to the future of every nation developed or less developed. Supporters of the contribution of marketing to economic development also include Kaynak (1982) who indicated that marketing is the most effective engine of economic
development in that it contributes to awareness of entrepreneurs and managers for mobilizing latent economic resources.

In spite of this literature, the nature of small and micro enterprises (SMEs) suggest that marketing is far less prevalent and less professional because the SMEs have limited financial resources thus giving priority to production and sales that are beneficial in the short- term than long- term benefits of marketing. Small enterprise managers often do not understand marketing and see it as being restricted to the sales function. SMEs are generally less well disposed to marketing and where it exists, it is less well understood and less organized and has little strategic influence (Cox et al 1994). In a study carried out on “Marketing in small and medium sized companies” in Britain (1987) they found out that large companies were more likely to attach higher importance to marketing while the small companies were more likely to attach lower importance. They “also noted that a significant number of small firms reported that marketing was “non – existent” in their company53% of the sample reported a product orientation as compared to 11% of the sample who reported a market orientation. In performance, where performance is defined as; how well the companies performed relative to their major competitors in terms of profit, ROI, sales volume and market share, those who gave prominence to marketing in strategic planning, conducted long - term marketing planning and attached greater importance to marketing training were better performers (Cox et al, 1987).

In order for marketing to have an impact on performance, all aspects of marketing philosophy must be both laid down and practiced. Marketing benefits requires thorough knowledge of the market place and integration of all the companies’ activities in serving its needs profitability (Saunders, 1994). Small businesses in Kenya seem to give very little attention to marketing unlike their large business counterparts and one of the problems that account for the failures of small businesses is lack of markets for their goods and deficient marketing strategies (Sabana 1995). Major contribution of marketing to performance is making the customers the focal point of marketing strategy, giving a direction of how to compete, providing a framework of where to compete and acknowledging the importance of marketing and contributing to dynamic analysis of customers (Kaynak 1982).

2.3 Marketing environment in small enterprises

The marketing process is linked inseparably to the environment in which it takes place. The strains now being experienced in LDCs are demographic, social economic, cultural, political- legal, technological, supplier related and competitive changes (Kaynak 1982, pp 3-4). Environment refers to what is external of the system and is neither directly controlling it nor directly controlled by it (Kaynak 1982). Environment establishes the parameters within which firms must operate but ultimately their success will depend as much upon their interaction with each other as upon their interpretation of an adaptation to the general environment (Baker 1985).

The informal sector activities are largely ignored, rarely supported and often regulated and sometimes discouraged by the government. The gap between the Central government and the actual treatment of those in the informal sector is best illustrated by recalling the dramatic events in Grogan road, Nairobi (1977) when the police and Nairobi City Council “askaris” bulldozed cars, tools and equipment of many workshops into the river. Many jobs, incomes and capital equipment of the informal sector operators were lost overnight (Killick 1981), For SSEs changes in the market place will have a greater impact for large enterprises because of SSEs lack of structure, small size and poor access to environmental resources such as capital, information and human resources (Bruno and Tybjee 1982, Pg. 288) In most cases, because of limited financial and human resources, SMEs have more success in new or growing markets where technological innovation could be the instrument of competitive advantage, than in mature or declining markets (Saunders 1994).

A Government of Kenya (GOK) report, "A strategy for small enterprise development in Kenya towards the year 2000” (May 1989) emphasized that access to market information and research is a major problem among SSEs. The Government can encourage a more conducive environment for SSEs by disseminating market information, accessing Government tenders, developing export markets and sub - contracting of small enterprise products. (Sessional paper No.1, 1994). Among the SSEs problems cited by the sessional paper No. 2 of 1992 on SSE and Jua Kali development in Kenya include; lack of sub - contracting and inability to exploit market opportunities.
Despite the definite shift worldwide towards free market economic systems, there still be a need for specialized institutions focusing on the needs of SMEs. Even when one accepts the doctrine of free enterprises it must be realized that SMEs are characterized by information asymmetries and other market deformations that might prevent the mechanism from performing its functions properly. Market failure may be endemic to SMEs and in such as institution, Government intervention cannot be wholly discounted (Mwarania K. 1993).

3.0 METHODOLOGY
3.1 Research Design
The research design was a census and sort to explore the marketing strategies used by the woodwork operators in Ongata Rongai area. All woodwork operators in Ongata Rongai were included in the survey. In-depth interviews conducted were useful in analyzing two case studies which form part of the findings.

![Figure 1: Kenya – Position of Kajiado District, Rift Valley Province](image)

3.2 Population and Subjects
The total population of the woodwork enterprise operators in Ongata Rongai area was included in the survey. A total number of 41 operators were interviewed and observation techniques use wherever appropriate. The respondents included both formal and informal small-scale woodwork operators who design and make items according to customer specifications and sell the finished product. The survey excluded wholesalers and retailers who do not design, construct and finish the items that is those who do not take part in the production process of the goods.

3.3 Data Collection
Primary data was collected through face-to-face interview with the help of an interview guide. Observation method was used to gather information like respondents public relationship, available stock, machinery and tools, nature of display, number of customers at the time of the interview,
condition of workers, that is if they were busy, relaxed, very busy. An interview guide and an observation guide were developed and pre-tested on three woodwork operators after which they were revised and used in the study. Interviews were conducted by the researcher and one assistant in the months of January and February, 1996. The research assistant was first briefed on the objectives of the research and the questions the research intended to answer. Secondly, he was trained on how to carry out the interviews, during the pre-testing of the research instruments.

3.4 Data Analysis
Data obtained from the survey was analyzed using a range of methods. Analysis of content was mainly descriptive in the nature where responses were tabulated and frequencies used to calculate percentages. Bar graphs and Pie-Charts were also used in graphical presentations and together with general ideas and opinions by the respondents helped to draw conclusions for this study.

3.5 Hypotheses
Ho: “There is no relationship between the performance of the enterprises and the competitive strategies used by the entrepreneur.”
Chi-Square test was used to test the above hypotheses.

4.0 RESEARCH FINDINGS
The study sought to find out the personal profiles, business information, marketing activities and strategies used by SSE’s woodwork operators in Ongata Rongai. Marketing constraints and possible solutions, future marketing plans of woodwork operators and in-depth case study of two operators were carried out. Descriptive statistics were widely used in data analysis. These included percentages, tables, pie-charts, and bar graphs. To a lesser extent inferential statistics in particular the chi-square test was used in hypotheses testing.

4.2 Personal profiles of the woodwork operators
Of the 41 respondents interviewed 58.5% fell in the 20-30 years age group, 17.1% were between 31-41 years of age, another 17.1% were between 41-50 years of age while 7.3% were less than 20 years old. The mean age of the operators in this sub-sector was 22 years of age. The sub-sector was male dominated as all the owners interviewed were males. Respondents who were married were 65.8% and 34.2% were single. The survey found out that 97.6% of the respondents had received formal education with the highest number having reached to secondary level.

4.3 Business Information
The survey found out that 78% of the business were started between 1990 and 1996, 14.6% were started between 1985 and 1989, while 7.4% were started between 1980 and 1984.

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![Figure 1: Business age distribution](image-url)
Survey findings indicated that 63.6% of the respondents started their businesses in order to be financially independent as they could not secure gainful employment elsewhere. Skills and interest of woodwork was mentioned as a reason for going into the business by 20.5%. These operators indicated that they wanted to make woodwork their career and use their creativity to practice their skills and knowledge. In addition 6.8% mentioned that they spotted business opportunities in woodwork as the demand for the products was high. Those who wanted to satisfy needs and wants for Ongata Rongai residents were 2.3% while 6.8% indicated that woodwork enterprises were profitable compared to other types of business at that time.

The respondents gave various reasons for their choice of business locations. 47.8% mentioned that they choose their location because it was strategic for customers. These businesses were located near the main road, bus terminus and or near a market centre. 39.2% located their businesses where the premises was available while 8.7% cited few woodwork enterprises near their locality as the reason why they chose the particular location, cheap rental fee and future business prospects in the area was also mentioned by 4.3%.

The enterprises surveyed employed 94% males and only 6% females probably due to the masculine nature of the skills required in this sub-sector. Generally, workers in these enterprises were hired on part time basis and were paid according to the item they had made; owners cited that permanent employees would be very expensive in the long run as the customer’s orders were seasonal with no definite pattern. Performance of business since start up indicated that the number of employees, machines and tools, volume of sales, variety of products, market share and size of the premises had expanded.

Although the number of machines and tools had expanded since start up, it was observed that 63.4% of the enterprises had very few machinery and equipment. The study however did not find out the source of the machines and tools but respondents lamented that they were expensive. The most expensive machines and tools were those for splitting, planning and shaping wood, only 9.8% of the workshops had such machines and they, served the other workshops by providing the services at a fee.

4.4 Marketing Strategies
Marketing strategies spell out how you intend to achieve your objectives and reach your market segments by activities such as pricing, promotion and distributing your product or services. Setting realist marketing objectives can guide an entrepreneur in designing effective marketing strategies (Kuriloff and Hemphill, 1988). The first important tool is the marketing plan. The survey found out that 58.5% of the respondents did not have a marketing plan. This explained why they experienced reduced sales or closed business at times as they were not able to scan the marketing environment. Those who had marketing plans were 41.5% although the plans were not written. However, they reckoned that it was clear in their minds what they wanted to do.

The name of the business exerts a powerful influence over the prospects for the product or service offered by the business (Levison, 1990). The survey found out that 82.9% had business names while 17.1% were comfortably operating without names. Those without names felt that names were not necessary as customers knew them and their business location.
4.4.2. Products and services

The woodwork operators studied offered a wide range of products.

![Major Products](image)

**Figure 2: Major products manufactured**

After sales service like loading, transport and installation were offered by 92.6% of the enterprises: Of these enterprises 61.4% offered loading, 24.6% offered transport and 14% installed their products in customer residences and offices. Installation was mainly for curtain boxes, built-in wardrobes, cupboards, shop shelves and service tops for shops for catering places. Those who did not offer after sale services were 7.4% and saw their work as just to produce the goods.

4.4 Distribution

The study found out that 97.2% of the respondents sold their products and services directly to customers while 2.8% sold to wholesalers. Ongata Rongai area accounts for 45% of the market for the products probably because the operators employed one level of distribution. Nairobi accounts for 21.4% while Kiserian and Ngong account for 11.6% and 11.2% respectively. Karen, Matasia, Kiambu, Langata, Kitale, Kakamega and Kapenguria account for 1.1% each.

![Customers for woodwork products](image)

**Figure 3: Customers for woodwork products**

Recommendations laid down by the Government advocated for market expansion through improved linkages like sub-contracting and market provision to SSE’s (Sessional paper No. 2, 1992 and G.O.K.)
However, the woodwork operators in this area have yet to benefit as only 2.8% of the respondents mentioned the Government as a customer for their products. The survey found out that 29.5% of the respondents believed their competitive strength was high quality. High quality enabled the entrepreneurs to compare their offerings with those of their competitors, justify their pricing, enhance their word of ‘mouth marketing and enrich their marketing materials. Good public relationship also played a competitive strategy and was mentioned by 21.3%. Good and unique designs were mentioned by 14.8% while 6.6% cited timely supplies to customers. Good service durability and familiarity to the entrepreneur and the enterprises was mentioned by 65% of the respondents. On products price, quality, durability, design and performance, 40.1% felt they were very good while 58% felt their products were good. Only 1% felt that their prices were high compared to competitors. However, it was observed that only 12.2% of the respondents had high quality products.

4.4.3 Pricing

Price is a measure of what the customer must exchange in order to obtain goods or services and is an indicator of ‘Value’ to the customer. Price charged must cover all costs of production or providing the service (Kuriloff and Hemphill, 1988). The study found out that 87% of the respondents price their products considering the cost of production (raw materials, labour, overheads) and profit. 4.3% use a meet-the-competition pricing strategy where they price their products depending on what the competitors are charging.

Another factor that was considered by 4.3% of the respondents was the design chosen and items requiring complicated designs were highly priced. Customers purchasing power judged by the outlook was mentioned as a price determinant by 6.5%. Survey findings indicated that 50% of the respondents sell their products on installment basis after a customer paid an agreed amount of money as deposit. Those who sold on cash basis accounted for 46.2% while 3.8% accepted batter trade. Those who accepted batter trade those were mainly those who provided services like-wood planning and splitting. The customer was allowed to exchange some of his timber for the services rendered.

4.4.4 Promotion

“A furniture store used only a single billboard which they could legitimately say only NEXT EXIT and grew to hugeness starting with that weapon” (Levinson, 1990 Pg 7). The study found out that the most frequently used mode of promotion was display of finished products. The products displayed included customers finished orders and ready-made items.

Table 9: promotion strategies used by woodwork operations

<table>
<thead>
<tr>
<th>Promotion strategy</th>
<th>No. of operators using strategy</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Display of finished products</td>
<td>30</td>
<td>31.5%</td>
</tr>
<tr>
<td>Word of mouth</td>
<td>29</td>
<td>30.5%</td>
</tr>
<tr>
<td>Posters</td>
<td>7</td>
<td>7.3%</td>
</tr>
<tr>
<td>Personal selling</td>
<td>4</td>
<td>4.2%</td>
</tr>
<tr>
<td>Advertisement</td>
<td>3</td>
<td>3.2%</td>
</tr>
<tr>
<td>Photo album</td>
<td>1</td>
<td>1.1%</td>
</tr>
<tr>
<td>Billboards</td>
<td>1</td>
<td>1.1%</td>
</tr>
<tr>
<td>Business cards</td>
<td>1</td>
<td>1.1%</td>
</tr>
<tr>
<td>None of the above</td>
<td>19</td>
<td>20%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>95</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

For display to be an effective promotion strategy, it should clearly present the product or products for sale and must always look neat, colorful and clean to attract people near and far from the display. However, it was observed that only 29.3% of the enterprises had an appealing display.

Levinson (1990) cited that word-of-mouth was perhaps the most effective tool if one provided consistent quality, top level service, conscientious follow-up and an unblemished reputation. The survey established that word-of-mouth was the second widely used form of promotion where satisfied customers informed other people about the business and their products. Those who used posters fixed them at the premises while those who relied on personal selling sort orders from institutions.

The survey found out that 20% of the entrepreneurs did not use any of the promotion tools mentioned and customers knew of the enterprises and their products through their own means. It was no wonder.
that 51.2% of the respondents indicated that they did not search for any new customers. They reckoned that customers just came because of their good quality products and good public relations. However, 48.8% searched for new customers using various ways. This included: personal selling, display of finished items, showing photo albums, advertising, product improvement, making readymade items and liaising with building contractors so as to install wooden fittings. It was observed that 58.5% of the enterprises had no customers at the time of the interview, 29.3% had one customer, 4.9% had 2 customers, 4.9% had 3 customers and 2.4% had 6 customers. Further observation indicated that 53.6% of the total sample of enterprises were busy at the time of the interview, 24.4% were very busy while 22% were relaxed.

4.4.5. Competition and Competitive Strategies Used.
The enterprises studied faced competition from small and medium sized woodwork enterprises. Those who indicated small woodwork enterprises were 51.7% while those who competed with medium enterprises were 46.6%. However, 1.7% indicated that they did not face competition. The competitive threats reduced Sales of 75% of the respondents while 3.1% of the enterprises were forced to close business at times. In addition, 3.1% were forced to lay off of some workers due to low demand while 18.8% indicated that the threats had no effect on their business. The entrepreneurs used various strategies to combat or at least reduce the competitive threats mentioned. Survey findings indicated that good quality work made 43.8% of the businesses distinctive from competitors. Variety of unique designs also differentiated 25% of the enterprise while better services and good public relations distinguished 12.5% of the enterprises from their competitors. Timely supply which created customer confidence and trust was mentioned by 10% of the enterprises as a differentiation strategy while high speed of production and good display accounted for 40%.

On marketing information that affected their business, 40% gathered information on customer needs, tastes and preferences while 23.5% searched for information on products and designs. Those who gathered information on competitors and the nature of competition accounted for 12.9% and 11.8% sort information regarding market expansion and decline. Information on technological advancement in woodwork which included new products, design, machines, tools and knowhow was gathered by 11.8% of the respondents.

4.4.6 Hypotheses testing
The entrepreneurs rated their enterprises products and services in relation to competitors as follows:

<table>
<thead>
<tr>
<th>Products</th>
<th>Very good</th>
<th>Good</th>
<th>Poor</th>
<th>Very poor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Price</td>
<td>6(17.4%)</td>
<td>33(80.4%)</td>
<td>2(4.9%)</td>
<td>0</td>
</tr>
<tr>
<td>Quality</td>
<td>13(13.8%)</td>
<td>28(68.2%)</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Design</td>
<td>12(29.3%)</td>
<td>29(70.7%)</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Performance</td>
<td>20(48.8%)</td>
<td>21(51.2%)</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Durability</td>
<td>33(80.5%)</td>
<td>8(19.5%)</td>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

Product rating was used to test the hypotheses; H₀—“There was no relationship between performance of the business enterprise and the competitive strategies used by the entrepreneurs.” Chi-square test with 12 degrees of freedom at alpha = 0.05 indicated standard value of 21.0. The standard value was compared to the calculated $X^2 = 5.39$. The null hypotheses was accepted and conclusion drawn that there was no relationship between performance of the business and competitive strategies used by the entrepreneur.

4.4.7 Market weaknesses and strengths
It was observed that the number of entrepreneurs had marketing weaknesses. This included lack of any form of promotion like posters, billboards and so on in their premises or environs. Enterprises affected by this weakness were 53.6% while 17% operated with no business names. Some enterprises had piles of unsold stock, others had their finished products piled untidily and a few had closed their main entrances. Few entrepreneurs lacked variety of products and the products were undifferentiated. Some had bad public relations and not enthusiastic in making sales.
The survey established that 24.2% of the respondents had posters and billboards indicating their business names, products and services available and a few included location directions. It was observed that 9.8% had outstanding quality and display of finished items while other had very good public relations and handled their employees well. Other marketing strengths included variety of products and designs. Few entrepreneurs had floral designs imprinted into the wood which made their products design and quality outstanding. One of the outstanding entrepreneurs was able to scan the marketing environment and act accordingly.

The marketing weaknesses observed were probably due to lack of marketing training and/or experience. Those who did not posses marketing training or experience were 63.4% of the total sample. This explained further why some operators were not able to identify their competitors and competitive threats. However, 36.6% had marketing experience and in some cases training. They emphasized that marketing training and experience helped them to search for more customers and scan the marketing environment.

The survey indicated the major marketing problem perceived by the entrepreneurs as low demand. Many entrepreneurs felt that low demand was mainly due to reduced customer’s purchasing power as a result of economic conditions like inflation. Secondly, as the prices of timber went up about eight months ago, many entrepreneurs adjusted their prices upwards resulting in low demand.

A second problem mentioned which was closely related or could be a cause of low demand was high competition. Competition among the woodwork operators had intensified as many apprentices and employees of various workshops had left employment to start their own workshops. One respondent said that most of these employees and apprentices in most cases priced then items below their production costs. Another major problem mentioned was lack of raw materials and in some cases the materials were expensive. Timber being one of the major raw materials for this sub-sector was sometimes in short supply during the rainy seasons. At times the roads to the forests become impassable creating a shortage of logs at the saw mill. This pushed the prices upwards and in most cases the quality of timber at this time went down due to the rains.

Other marketing problems cited included lack of finance for marketing and poor marketing and distribution channels. Many entrepreneurs relied on display and word-of-mouth as promotion strategies. Although some would have liked to advertise and use other strategies like personal selling, lack of capital seemed to be a major handicap. All the entrepreneurs except 3 who sold goods to wholesalers, had one level of distribution that is manufacturer - customer which limited the market size. Although some entrepreneurs felt that wholesaling was worthwhile, they lamented that it required huge amounts of capital to fulfill the orders from retailers. Capital was generally a major problem. According to Gray et al, 1995, barrier to entry into woodwork sub-sector relative to others like metalwork and textiles was actually high initial capital for machinery, tools and also high working capital.

Harsh climatic conditions like excessive heat from the sun and sometimes heavy rain had affected the quality and general appearance of the finished products to some extent. This was because the operators displayed the items in the open in an attempt to capture customers and due to limited space inside their premises. Some of the finished products cracked, warped and acquired a dull finish while some finishes came off owing to long exposure to harsh conditions on daily basis. All woodwork products, being bulky in nature, this problem had persisted and was frequently felt by all the operators. The entrepreneur had various opinions on how their constraints could be alleviated. Some felt that the lasting solution would be a general improvement in the economy where people’s purchasing power would be higher, more formal employment to ease competition in SSE's and availability of loan facilities to small scale entrepreneurs. Those who had singled out low demand felt that changing location, searching for customers, streamlining display and charging affordable prices would stimulate demand. Entrepreneurs who had mentioned high competition as a major marketing constraint suggested that improving quality, searching for market out of Ongata Rongai, changing location and making readymade products would be effective strategies. In addition, timely services and making better designs were also mentioned.

The entrepreneurs who cited lack of raw materials and high prices felt, that accessing loan facilities through the government bodies like Kenya Industrial Estate (K.I.E.) and Non-Governmental Organizations (N.G.O.’s) would ease the problem. Another solution to this problem mentioned was
buying raw materials in bulk when they are cheap. The enterprises major raw material was timber which was mainly in short supply and expensive during the rainy season when roads to the forest became impassable. Although the entrepreneurs could benefit from buying in bulk when timber was cheap, they were limited by lack of storage space as timber was bulky.

Constraints like lack of finances for marketing their woodwork products, the entrepreneurs felt that proper financial management would help to set money aside for marketing. A few felt that loan facilities would cater for the problems like raw materials, inaccessibility to technology, equipment and lack of finance for marketing. Entrepreneurs who singled out poor marketing and distribution channels suggested that, lowering the cost of advertisement by the media and selling to retailers would solve their problems. When entrepreneurs were asked what marketing advice they could give to any person wishing to start a woodwork workshop, many entrepreneurs cited capital as a major driving force in starting woodwork ventures. The responses are presented in table 10 below in order of importance.

4.6 Future marketing plans of woodwork operators
The respondent had various future marketing plans. 31.7% planned to introduce other products and designs mainly to beat competition while 24.8% planned to use various means like personal selling to search for more customers. Most of the entrepreneurs felt that the market for woodwork products in Ongata Rongai was declining and hence they needed to map out strategies of surviving in business. 2 of the respondents planned to engage sales persons to market their products in other areas notably Ngong and Karen centres.

Entrepreneurs who felt that their current products need to be improved in order to compete favorable in the market were 15.8%. Those who felt that the Ongata Rongai market was declining planned to re-allocate their business to other areas with a wider market and less competition. One respondent felt that competition was not only within Ongata Rongai area but also other areas like Gikomba market in Nairobi posed a threat. He continued to say that owing to variety of ready-made items, short distance and availability of transport, some customers, preferred to buy from Gikomba market. Indeed one entrepreneur said he planned to make ready-made items to capture such customers. One respondent planned to sell to retailers though he reckoned that the undertaking required a lot of capital which he did not have at that time. Although no respondent said, they sell goods on credit; one entrepreneur was planning to do so to trustworthy customers known to him. However this idea may not be worthwhile as raw materials for woodwork products were expensive and the entrepreneur may incur losses if those he thought were trustworthy prove to be otherwise.

5.0 CONCLUSION
The study concluded that woodwork sub-sector in Ongata Rongai was male dominated where all the enterprises owners were males. The entrepreneurs did not employ any marketing strategies and where they were employed they were unplanned and distorted. Many relied on display and word-of-mouth and waited for customers to look for them. There was no aggressive search for customers and their market was confined to Ongata Rongai area. This led to the conclusion that the entrepreneurs did not engage in a market development strategy and were caught unawares by high competition and low demand. Their enterprises were more product-oriented than customer-oriented.

Despite of some of the entrepreneurs engaging in product development strategy, majority made products that were undifferentiated and were overcome by the “me-too” syndrome. This was associated with lack of skills in woodwork as the study findings indicated that only 20.5% had the required skills. Product development was also hindered by lack of capital to buy machinery and tools and to some extent hiring carpenters on part-time basis. These part-time carpenters had no time and commitment to engage in product development and they tried to finish a piece of item to get the agreed pay.

The major marketing constraints facing the entrepreneurs were low demand, high competition and lack of raw materials and sometimes high prices for raw materials. The entrepreneur’s inability to scan the marketing environment and act accordingly was the major reason why they could not cope with these constraints. This inability was further caused by lack of marketing training and experience as the findings indicated that about 63.4% did not possess any marketing training and/or experience.
5.1 RECOMMENDATIONS

1. There is need for the government and Non-Governmental organizations to support the entrepreneurs especially on training them in order to acquire skills in woodwork, marketing and business management as a whole.

2. The government should implement their recommendations outlined in the sessional paper No. 2, 1992 of expanding SSE market through sub-contracting; and buying products like furniture from the SSE sector.

3. The government through the ministry of Technical and applied Technology need to help the entrepreneurs in constructing Jua Kali sheds in order to reduce heavy expenditure on overheads. This concentration of many woodwork enterprises will be a better marketing base as it will provide variety of products, designs and services all under one roof.

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