

Market Information Dissemination Programs and Growth of Export Businesses in Kenya: A Case Study of The Kenya Export Promotion and Branding Agency

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Abstract: The research study addressed the Market Information Dissemination Programs and Growth of Export Businesses in Kenya: A Case Study of The Kenya Export Promotion and Branding Agency with a focus on the role of export policy forums, market survey dissemination forums, export trade information services, and product development dissemination programs. The research problem revolves around the need to understand how these factors impact export business growth in the Kenyan context. The research design adopted a descriptive approach to investigate the relationship between market information dissemination and the growth of export businesses in Kenya. The target population consisted of 100 exporting enterprises from eight sectors, with a stratified sampling technique employed to select respondents. The response rate for the study was 84%, indicating a good level of participation from the sampled enterprises and exporters. Data was collected through self-administered questionnaires, which underwent a pilot study to ensure clarity and validity. Based on these findings, the study recommends the promotion and expansion of export policy forums that had a mean score of 1.7476, enhancement of market survey dissemination forums with a mean score of 1.6619, accessibility and effectiveness, continued investment in export trade information services that had a mean score of 1.6929, and optimization of product development dissemination programs that had a mean score of 1.6786. The study recommends for conducting comparative analyses across various sectors and different types of organizations within the Kenyan context would offer a more nuanced perspective on the impact of export-related forums and services. Also longitudinal studies are recommended to explore the long-term effects of participation in export policy forums, market survey dissemination forums, trade information services, and product development programs on the growth of export businesses. Finally, investigating the mediating and moderating factors that influence the relationship between participation in these forums and export business growth is an area ripe for exploration.

Index Terms: Export, Export Performance, Export market dissemination programs, Export promotion programs

Introduction

Export market-oriented businesses must continuously work to comprehend client wants and create better solutions to meet those needs.¹ Exporting offers the simplest and most economical approach towards growing and penetrating global markets.² Exports are essential to the growth process. First, exporting makes it easier for small open economies in order to benefit from scale economies because of bigger global markets. Second, improved productivity and efficiency brought about by increasing competition and specialization; third, adoption of advanced technologies embodied in capital goods produced abroad; fourth, the learning effects and finally, the creation of jobs. In a similar vein, export earnings might help a nation build up foreign reserves for import insurance.³

In order for a company to succeed, according to Kotler and Keller⁴, it must outperform its rivals in terms of effectiveness and efficiency in the development, more consumer value to its target markets through delivery and communication. According to Hailey et al.⁵ market information dissemination is frequently associated with the application of research discoveries and findings that encourage transformation. When making strategic decisions, exporters rely on factual information so as to expand and penetrate new markets. Efficient dissemination not only guarantees the effective distribution of fresh knowledge but also enhances awareness and fosters collaboration. Export promotion agencies (EPAs) that are undertaking a myriad of export promotion programs (EPPs) has significantly increased over the past twenty years in response to the necessity for increasing and developing exports.⁶

Market dissemination programs is described as the official and informal exchanges of export information that allow the information created to reach the relevant important export decision-makers.⁷ Madsen, Srensen, and Ortega note that market information is a key contributor to the domestic and international success of any organization.⁸ According to some studies, the lack of information on markets and a lack of knowledge about export opportunities have a detrimental impact on export performance and act as roadblocks for exporting businesses.⁹

In order to assist the discovery and elimination of barriers to the quick growth of the export industry, the government formed the Export Promotion Council (EPC) in 1992. To achieve faster and more sustainable economic growth, EPC coordinated and harmonized export development initiatives across the nation. Following the amalgamation of the EPC and Brand Kenya Board (BKB), Legal Notice No. 110 of August 9, 2019 enacted the State Corporations Act, Cap. 446, which made the Kenya Export Promotion and Branding Agency (KEPROBA) a state corporation. The Agency's primary responsibility is to support Kenya's export of products and services by carrying out country branding and export promotion activities and implementing related policies. The specific duties of the Agency, as stated in paragraph (4) of the presidential order, can be summarized as "To Promote Kenyan Goods and Services in Export Markets by Advocating, Coordinating, Harmonizing, and Implementing Export Promotion and Nation Branding Initiatives and Policies" (KEPROBA, 2023). The Agency undertake various export market dissemination programs that are all geared towards enhancing the capacity of exporters while ultimately culminating in the growth of Kenya's export volumes.

Statement of the Problem

Market information is viewed as a source of competitive advantage and has the potential to be a significant factor in determining how well a corporation performs when in the exporting business. A market-oriented company can achieve superior organizational performance if it can satisfy customers by monitoring and catering to their requirements and preferences.¹⁰ In both local and foreign contexts, the use of market information is crucial and well recognized. The ability of a business to export is crucial to its success in both home and international markets.¹¹ Information is used to keep an eye on changes in source supply, competitive activity, demand patterns, and a number of other factors that influence decision-making in a variety of contexts, as well as to lower risk and uncertainty.¹² While being party to numerous bilateral and multilateral trade agreements and at the same time achieving significant advancements in the design of trade policy, Kenya has struggled to enjoy a significant growth in yearly changes in export volume and value that has remained unsteady. This explains the rationale behind examining the effects of export exposition and the link between exports and commercial progression.¹³ KEPROBA has various market dissemination programs that are all geared towards growing exports of businesses and reduce the Balance of Trade.

Research Objective

To investigate market information dissemination programs and growth of export businesses: a case study of the Kenya export promotion and branding agency.

Specific Research Objectives

- i. To determine how export policy dissemination forums affect growth of export businesses in Kenya.
- ii. To assess the effect of market survey dissemination forums on growth of export businesses in Kenya.
- iii. To analyze how export trade information services affect growth of export businesses in Kenya.
- iv. To examine how product development dissemination programs affect growth of export businesses in Kenya.

Significance of the Study

The variables influencing or impeding trade flows across nations are of major concern and significance to academics and policy makers about international trade. There is a limited body of research on the effects of Kenya's bilateral trade flows, with only a few studies providing evidence on the subject. This study's practical application is what gives it its significance and applied implications, as the study's conclusions are crucial in enhancing the country's export performance.

The study's findings also have the potential to significantly influence Kenya's trade policy frameworks, which will strengthen the country's export industry. The factors encourage or impede the flow of Kenya's exports is a major concern for policy makers and the diffusion of market dissemination programs impact export performance is an area discussion for policy makers.

The innovative aspect of the study is its contribution to the pragmatic research efforts in this field, which would bridge this gap and improve the literature on the subject matter. Since the study applies precise measurements of the responsiveness of the growth of export business in Kenya, the regression findings may be utilized in the creation of market information dissemination programs that would ultimately grow Kenya's volumes.

Conceptual framework

According to Camp, a conceptual framework is a framework that a researcher believes best represents how the phenomenon under study evolves spontaneously.¹⁴ It is a description of the researcher's approach to tackling the research challenge. It has a relationship to the theories, frameworks, and empirical research that the researcher used to structure and support the information that she promoted.¹⁵ The researcher created a conceptual framework for this research project to study this issue inside one significant dependent variable. The dependent variable of the research is growth of export business while the independent variables include; Export policy forums; Market survey dissemination forums; Export Trade Information Services and Product Development dissemination forums. According to the framework, there is a direct relationship between the independent variables and dependent variables.

Research Design

Creswell et al. defined a research design as the process through which a researcher collects, decipher, interpret and reports data in research studies.¹⁶ A research design is the utilitarian process through which a researcher develops strategies and methods that are connected together to obtain a dependable and substantial body of information for experimentally grounded investigations, conclusions, and hypothesis definition.¹⁷ A descriptive research approach was used for the investigation as the study intended to research on Market information dissemination and growth of export business in Kenya, focusing on the Kenya Export Promotion and Branding Agency. Painting a picture of a situation, person, or event is one of the objectives of a descriptive research, as is showing how diverse parts are related and present themselves naturally.¹⁸ The study sought to demonstrate how market information dissemination is interlinked to the growth of export business in Kenya.

Target Population

Population is a cluster that a researcher is interested in studying in order to gather data from which generalizations and inferences can be made.¹⁹ The investigation's objective was to ascertain if the various information dissemination initiatives offered by KEPROBA have had a direct influence on the export volumes of the 100 enterprises and exporters that made up the study target group. The target population was segregated in terms of sectors and was drawn from the exporters directory that is housed in KEPROBA. The eight sectors selected was in line with the top export sectors in Kenya.

Table 1: Target Population

Sector	No of respondents
Horticulture	25
Tea	15
Coffee	10
Macadamia	10
Manufactured	10
Livestock	10
Handicrafts	10
Fisheries	10
Total No	100

Data collections instruments

Questionnaires were the approach used to conduct the investigation. A questionnaire is defined as a data gathering tool that gathers pertinent data from a sizable population.²⁰ A five-point Likert scale with answers varying from strongly agree to strongly disagree was included in the survey along with closed-ended questions. The response options were listed in Appendix III and are as follows: 1=Strongly Agree, 2=Agree, 3=Undecided, 4=Disagree, and 5=Strongly Disagree. For this study, the researcher decided to allow the business to choose which employee gets the surveys.

Data Analysis and Presentation

To conclude, frequency tables were analysed using the Statistical Package for Social Sciences [SPSS] computer application. Tables and graphs were used to display the quantitative data. In order to determine how strongly the independent and dependent variables are correlated, the researcher additionally employed a multiple linear regression model. It is recommended to use the following equation for multiple linear regression. The equation for multiple linear regression that was used is as follows:

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$$Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + e$$

Where:

Y = Growth of exports (dependent variable)

β_0 = Constant

β (1,2, 3,4) are regression coefficient

X₁ = Export policy forums

X₂ = Market Survey Dissemination forums

X₃ = Export trade information services

X₄ = Product development dissemination program

e = Error Term

Response Rate

The study sought to collect data from a total of 100 enterprises and exporters in Kenya. The response rate achieved for the study was 84%, indicating a substantial level of participation and engagement from the target population, which was considered satisfactory for the research objectives.

Growth of Export Business

presents descriptive statistics on growth of export business within the enterprises and exporters in Kenya. Each item in the table represents a specific factor that may influence growth of export business, and respondents were asked to indicate their level of agreement or disagreement. The responses were categorized using a Likert scale, ranging from strongly agree (1) to strongly disagree (5).

Table 1: Descriptive Statistics on Growth of Export Business

	SA	A	U	D	SD	Mean	Std. Dev.
Export policy forums are key to the growth of exports	29.8%	64.3%	3.6%	2.4%	0.0%	1.79	.622
Market survey dissemination forums are key to the growth of exports	33.3%	64.3%	1.2%	1.2%	0.0%	1.70	.555
Export trade information services are key to the growth of exports	32.1%	63.1%	2.4%	2.4%	0.0%	1.75	.618
Product development dissemination programs are key to the growth of exports	33.3%	61.9%	1.2%	3.6%	0.0%	1.75	.656
Composite Mean and Std. Dev.						1.7470	.44670

The study findings demonstrate that export policy forums are highly valued by the respondents, with a mean score of 1.79. The findings also reveal that market survey dissemination forums are highly valued by respondents, with a mean score of 1.70. Descriptive statistics demonstrate that export trade information services are highly valued by respondents, with a mean score of 1.75. The results finally indicate that product development dissemination programs are highly valued by respondents, with a mean score of 1.75.

The correlation analysis reveals strong positive relationships between various factors related to export business growth and the different market information dissemination programs. First of all, there is a highly significant positive correlation between participation in export policy forums and the growth of export businesses with a Pearson Correlation = 0.881, $p < 0.01$. This suggests that enterprises and exporters who actively engage in policy forums tend to experience more substantial growth in their export activities. Similarly, participation in market survey dissemination forums is significantly positively correlated with the growth of export businesses with a Pearson Correlation = 0.731, $p < 0.01$. This implies that businesses that utilize market survey dissemination forums tend to experience greater export growth. Furthermore, engagement with export trade information services shows a significant positive correlation with export business growth with a Pearson Correlation = 0.761, $p < 0.01$. This indicates that enterprises and exporters who utilize trade information services are more likely to witness substantial growth in their export activities. Lastly, there is a significant positive correlation between participation in product development dissemination programs and export business growth (Pearson Correlation = 0.620, $p < 0.01$). This suggests that businesses that engage with such programs tend to experience increased growth in their export endeavours.

Regression Analysis

Regression analysis was used in this study to further investigate relationships between the independent and dependent variables. The study determined the strength and direction of these associations by fitting a regression model to the data, and it evaluated the degree to which the independent factors explained the variability in the dependent variable (Table 10).

Table 2: Regression Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.888 ^a	.788	.777	.21076

a. Predictors: (Constant), Product Development Dissemination Programs, Export Trade Information Services, Export Policy Forums, Market Survey Dissemination Forums

The coefficient of determination, represented as R Square, is 0.788. This means that approximately 78.8% of the variability in the growth of export businesses can be explained by the combination of the predictors included in the model, which are product development dissemination programs, export trade information services, export policy forums, and market survey dissemination forums.

The adjusted R Square, which takes into account the number of predictors in the model, is 0.777. This adjusted value suggests that around 77.7% of the variability in export business growth can be explained by the selected predictors while accounting for the model's complexity.

Table 3: Regression ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	13.053	4	3.263	73.460	.000 ^b
	Residual	3.509	79	.044		
	Total	16.562	83			

a. Dependent Variable: Growth of Export Business

b. Predictors: (Constant), Product Development Dissemination Programs, Export Trade Information Services, Export Policy Forums, Market Survey Dissemination Forums

The F-statistic, calculated as the Mean Square for Regression divided by the Mean Square for Residual, is 73.460 as per Table 11. This F-statistic tests the overall significance of the regression model. The associated p-value (Sig.) was found as .000, which is less than the conventional significance level of 0.05. This indicates that the regression model as a whole is statistically significant, suggesting that the predictor variables (product development dissemination programs, export trade information services, export policy forums, and market survey dissemination forums) have a significant impact on the growth of export businesses.

Overall, all predictor variables (export policy forums, market survey dissemination forums, export trade information services, and product development dissemination programs) have statistically significant positive coefficients, indicating that each of them contributes positively to the growth of export businesses in Kenya. Among these predictors, export policy forums have the highest standardized coefficient, implying the strongest influence on export business growth, followed by market survey dissemination forums, export trade information services, and product development dissemination programs. Based on the regression equation:

$$Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + e$$

$$Y = 0.141 + 0.738X_1 + 0.543X_2 + 0.518X_3 + 0.442X_4 + 0.103$$

Conclusion

In light of the first objective, the study concludes that participation in export policy forums is highly valued by enterprises and exporters in Kenya. Based on the second objective, the study concludes that market survey dissemination forums are also highly regarded by respondents. On the third objective, the study concluded that access to export trade information services is considered crucial by enterprises and exporters in Kenya. Finally, on the fourth objective, the study concluded that enterprises and exporters highly value product development dissemination programs.

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