UNIVERSITY OF NAIROBI

SCHOOL OF CONTINUING AND DISTANCE EDUCATION

DEPARTMENT OF EXTRA-MURAL STUDIES

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L126/24324/2013

FACTORS AFFECTING DEMAND STIMULATION IN SOFT DRINK INDUSTRIES IN KENYA.
(A CASE STUDY OF PEPSI COMPANY)

This Research Project Report Was Submitted For the Award of Diploma in Purchasing and Supplies in the University of Nairobi
DECLARATION

This research project is my original work and has never been presented to any other learning institution for any diploma or any other award

NAHUMI M MUTUA
L126/24324/2013
Sign ___________________ Date 01-12-2014

Declaration by the Lecturer
This research project has been submitted for examination with my approval as the university supervisor.

Mr. Gilbert Onguso
Sign ___________________ Date 01/12/2014
ABSTRACT

In this project that I conducted was mainly focused on factors affecting demand stimulation in soft drink industries that mostly focused on the Pepsi Company. It anticipates and identifies the wants and needs of a target market of consumers, then satisfies these needs in order to make a profit. It identifies one of its major problems as drop in sales revenue which is mostly caused by consumers being concerned more about their future and health thus reducing their consumption of the drinks. The main purpose of the study findings is to help the Pepsi company to determine factors affecting demand stimulations in soft drink industries in Kenya especially in their own company i.e the Pepsi Company so as to be able to be competitive and hence being able to make profits thus making their product successful and consumed by a large number group of people in the country. Some of the purposes of the study is to also examine the effect of brand equity on demand stimulation, to assess the effect of distribution channels on demand stimulation and to find out the effect of pricing on demand stimulation. During the conduction of the study some problems were encountered some are trade consolidation or the loss of any key customer could adversely affect the financial performance. Also the project looks at the operational framework and organization framework set by the company assists it to conduct their services well and how it affects the Pepsi Company both positively and negatively. The project also organizes some data collection methods, data analysis, sampling size and sampling procedure in which it assists in carrying out a clear research on the projects main course hence making it reliable. The questionnaire in which it is included assists the company and the researcher to be able to know what the company’s consumers require from them if they are not satisfied and what they are satisfied with hence improving their customer satisfaction and relation services.