

**FACTORS AFFECTING THE CHOICE OF DISTRIBUTION CHANNELS
STRATEGIES AND THEIR RELATIONS TO THE ORGANIZATION PERFORMANCE**

(A CASE STUDY OF INTERCONSUMER PRODUCT LTD)

**PRESENTED BY
CYNTHIA M GICHINGA**

**A RESEARCH PROPOSAL SUBMITTED TO MOUNT KENYA UNIVERSITY IN
PARTIAL FULFILLMENT FOR THE REQUIREMENT OF THE AWARD OF
BACHELORS DEGREE IN BUSINESS MANAGEMENT,
PURCHASING AND SUPPLIES OPTION**

AUGUST 2013

ABSTRACT

The main objective of the study was to determine the factors affecting the choice of distribution channels strategies and their relations to the organization performance in Interconsumer Products Limited. The specific objectives were to determine the distribution strategies used by manufacturing companies in Kenya, to establish the factors that influence adoption of this strategies, to investigate the distribution channel strategies and how they affect organization performances and to determine how the management of manufacturing companies can use this information in developing the channels in the distribution of their products.

The significance of the study aimed at promoting the use of the best distribution channels as a point of organization structuring and management in the various marketing strategies and sectors and by shedding more light on the benefits of using the various strategies and channels.

The data was collected through self administered questionnaires which were analyzed quantitatively using descriptive statistical tools like tables and charts to transfer the data into intelligible information.

In the findings the researcher found out majority of the respondents were of the view that Distribution channels had a great impact on the company's overall performance but specifically, it had improved the company profit, company sales, employee motivation and relations with all stakeholders. This has motivated the company to keep giving back to the community year round as they are sure of helping where the community is unable to stand on its own. It has also lead to the company being most respected in the industry and to scoop awards in relation to Distribution channels.

The recommendations given pointed out that for a business to develop an efficient and effective Distribution channels program it should first study its existing policy and the procedures before making contributions.