

**FACTORS AFFECTING PHYSICAL DISTRIBUTION OF MEDICAL SUPPLIES IN
KENYA: A CASE STUDY OF NAIROBI PHYSIO AND MEDICAL SUPPLIES**

BY

AURA.I.SAMUEL

BBM/113/00753

**A PROJECT REPORT SUBMITTED IN PARTIAL FULFILMENT OF THE
REQUIREMENTS FOR THE AWARD OF A BACHELOR OF BUSINESS
MANAGEMENT DEGREE OF MOUNT KENYA UNIVERSITY**

JULY 2015

ABSTRACT.

In today's global business environment, issuing or selling a product is sometimes easier than getting it to the customers. Companies must decide on the best way to handle stores and move their products and services so that they are available to customers in their right assortments, at the right time and in the right place. The main objective of this study was to determine the factors that affect physical distribution of medical supplies in Kenya. This study sought to establish the extent to which warehousing, inventory management and transportation affects physical distribution of Medical supplies at Nairobi Physio and Medical Supplies. The study was conducted between March and April 2015 and focused on factors affecting distribution in organizations. The study considered a case of Nairobi Physio and Medical Supplies in Kenya with its head office located in Nairobi's central business district. The target groups were the procurement officers and the sales representatives of its two main outlets namely St. Lukes Medical Centre and Caanan Chemists Limited. The study employed a descriptive survey research design. The target population for the study was 160 respondents comprising of 130 sales representatives and 30 procurement officers. A sample of 30% was drawn from each category using simple random sampling making the total sample size to be forty eight (48). The study used primary data which was collected using questionnaire. Both quantitative and qualitative approaches were used for data analysis. Quantitative data from the questionnaire was coded and entered into the computer for computation of descriptive statistics. The R-software was used to run descriptive statistics such as frequency and percentages. The qualitative data generated from open ended questions was categorized in themes in accordance with research objectives and reported in narrative form along with quantitative presentation. Qualitative data was transcribed and organized into similar topics and presented in form of tabular interpretive reports. The study utilized tables, graphs and charts in presenting quantitative data. Content analysis was used to analyze qualitative data and have it presented in prose form. The study revealed that Decentralized warehousing is cheaper as compared to centralized warehousing stock out costs and inventory costs to a very high extent affect Physical Distribution of Medical Supplies and Warehousing space materials handling and risk cost affect Physical Distribution of Medical Supplies to a high extent. The study recommends that organisations should embrace Decentralized warehousing as it is cheaper as compared to centralized warehousing. Further research is needed on the factors influencing efficiency in warehousing operations