



Top marketing executives in Ker

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In this era of cutthroat competition and sophisticated customer needs, the role of good marketing st
Leading companies in Kenya, including those that deal in fast moving consumer goods, financial
industrial machinery are building up a formidable marketing team and strategy to stay ahead of comp
Most organizations have now elevated marketing executives to the directorship position, per
importance they attach and influence given to this cadre of company executives

It is also increasingly becoming apparent that marketing jobs are the most sought after especially
need to push up their revenues and reach out to their customers.

Marketing is the engine of any enterprise, capable of addressing the top items on any CEO's agenda.
Yet in too many organizations, marketing is underutilized and undervalued, leaving many mar
executives feeling frustrated and unappreciated.

Many complain that the CEO, top-level executives, and non-marketing managers in their organiz
connection between what the marketing function does and how it makes a significant contribution to tl
Consequently, many CEOs and suite executives view marketing as a discretionary expense – quick
times – or as a function, that doesn't require professional stature or respect.

Simply put, marketing is about meeting the needs and wants of customers. It is about understan
finding ways to provide products or services which customers demand.

The Financial Post sought the views of some of the top performing marketing directors and exe
companies in Kenya.

What we found out was that regardless of what views exist in the corporate world; marketers are g
improving their stature and having considerable impact in their respective organizations.

Those top performing marketer we talked to reveal how they are addressing the top issues on
organizations, thereby improving marketing's power and influence and earning the profession the
at the strategy table. On the list is Kenya Commercial Bank, Celtel, Safaricom, Ketepa and New KCC.
The Kenya Commercial Bank Group is one of the leading institutions in Kenya's banking and fina
asset base of over Ksh 100 billion.

has the widest network of outlets comprising of 132 branches across the region and 119 Automated Teller Machines (ATM).
lobal financial market, the group maintains working arrangements with over 400 correspondent banks throughout the world.
ie bank puts its marketing department at the centre of pushing the KCB brand to the banking public.

se of over 600,000 customers, KCB stands out as one of the fastest growing commercial banks in the country.

ly on an ambitious expansion program into the regional markets of Uganda, Sudan and other Eastern Africa countries.

btably Kenya's largest mobile phone network with over 6.5 million subscribers and is top league of those firms with the most energized marketi

marketing, Safaricom's growth is due aggressive and effective sales and marketing campaigns. One of the company's major achievements is
vative new mobile payment solution that enables customers to complete simple financial transactions by mobile phone.

transfer service is an example of Kenya leading the way in the advancement of mobile technology and its uses. Following the very positive resp
rketing systems laid by its marketing portfolio, the company has been able to keep pace with the global mobile telecommunication scenario
ns.

he global mobile telecommunication initiative and which help in meeting the dynamic challenges of the modern mobile telecommunication world.
g subscriber base, the company has over 1000 employees to keep up with the fast growing industry. It has also opened 10 retail shops countrywi
akuru and Kisumu. It also have a countrywide dealer network to handle distribution and selling of services and products.

ose interviewed include New KCC and Ketepa, whose marketing managers share their strategies.

ative Creameries – New KCC is now the leading milk processing company in Kenya, commanding over 40 per cent of the market share of the dairy
ie company has offered an assured market and stable prices for all milk produced by co-operative dairy farmers in the country. The milk prices h
and have now stabilized at Ksh 18 per kilo. The firm is now not only exporting milk and milk products to the Eastern African region but it rece

luct range including fresh milk, fermented milk, yoghurts, UHT Long Life milk (whole and Low Fat), butter, cheese, ghee, milk powder (whole and
Vhey flavoured milk. The company has also started an ambitious programme for providing merchandise to its members.

A Limited is now among the largest tea blending and packaging companies in Africa with a capacity to produce 15million kilograms of packed loc
ies of tea bags per year.

it Ketepa was formed because of shortage of tea locally due to attractive tea prices in the export market, which led to shortages in the local mar
wned company, refreshing Kenyans as well as enhancing in a small way, the standard of living of small-scale tea growers in the country wh

atalogue of products includes Fahari ya Kenya Tea, Masala spice tea, Safari Pure tea and Livingstone loose tea and Premium blend loose-leaf tea.
managed to talk to a number of marketing executives of leading companies in Kenya, their experiences, strategies and trends in the professi
good marketer.

Marketing Director Mary Ann Kirubi

inted Divisional Director-Marketing at KCB, slightly over one year ago, Mary-Ann Kirubi has joined KCB Group from Coca-Cola East and Ce
Franchise Marketing Manager.

lor of Arts degree in International Administration from Franklin College, Switzerland, and a Master of Science degree in Management from the

ears of marketing experience gained while working with Ogilvy and Mather both locally and abroad, GlaxoSmithKline East Africa where she serv
recently with The

where she was the Franchise Marketing Manager for the

Safaricom Limited

id marketing executive Michael Joseph has this to say.

a deep understanding of the consumers' motivations and needs that drive them to interact with the product/ service on offer.

eds to be commercially sound in that he/ she needs to know that the exchange with the customer needs to be profitable both ways.

ly marketing) will also help in assisting the marketer know those variables that impact on the customer/consumer.

r the best teacher as this is a combination of practical interactions with the customer and the eventual results.

plains that the company's marketing strategy involves understanding the markets needs and offering products that are relevant to the needs. TI ating the markets needs and developing offerings that meet those needs. Safaricom is also using superior communication of its offerings to ation.

onest with our customers do not over promise but aim at over delivering, "says Michael.

some of the company's most successful marketing campaigns, Michael mentions that the ones coming to mind are Sambaza, Bonga, Bamba

ave enabled the company to connect with the consumers and meet their objectives of raising awareness and increasing subscriptions.

some of the new emerging trends in the marketing profession is that it is now commercially driven and has become more of a science than an ar ble and we look at customer lifetime interactions as opposed to one off relationships.

om has been part of the success at Safaricom. Although he is an engineer by profession, he comes out as the country's top marketing executive.

any is running the Kwachua milioni promotion, where those who purchase Safaricom scratch cards, are expected to win over Ksh 100 million by

largest promotion ever in the country, with winners expected to receive their prizes through the m-pesa money transfer service. One Safaricom su

on, 5 winners of Ksh 5 million and 10 winners of Ksh 1 million. There are also winners in Ksh 100,000, Ksh 10,000, Ksh 1,000 and Ksh 500

ncrease the number of subscribers loading on to the Safaricom network.

es and Marketing Manager, New KCC

p in Siaya District, 38-year Olga Adede has always looked forward to becoming a social worker.

r campus, I was going to get a position in some NGO as a social worker," she says.

mbition to become a social work was thwarted when she left campus and met the wife to her husband's boss, who was a marketer with Colgate Pa

ter her graduation in 1991 with a Bachelor of Arts degree in Geography and Sociology, at Egerton University, Adede was to take the long route into

fession has been developing. Previously, the approach was more on sales-oriented activities and many thought if one is in sales, he/she is also ma

urance Company where she had a chance to sample what was in sales and marketing.

thing that one does to reach and persuade prospects. Sales on the other hand is everything that one does to sell a product that the business has es volume objectives. However, I believe all are necessary to the success of a business."

loyed at Sharp Electronics as a sales representative, dealing with office equipment including such products as photocopiers, fax machines and cas

ok a course in Chartered Institute of Marketing (CIM) to enrich her knowledge and skills in marketing, at the Kenya School of Professional Studies

rom the job after working with Sharp to concentrate on my studies," she says.

ing is essential as Adede says since unlike sales where the emphasis is ordinarily upon helping the customer determine if they want the

/ research and promotional activities to discover what products are needed and to make potential customers aware of them.

Adede says that a good marketer may not be a good salesperson and neither is a good salesperson necessarily a good marketer. Occasic

th but it is not always obvious. There is, however, a need for both to realize that businesses must first and foremost fulfill consumers' wants and

re fulfilled, a profit will be made.

Radbone Clark Kenya Limited as a sales representative, the then sole distributors of Gillette products in Kenya. After three months, Adede was sition in charge of Eastern, Central and Rift Valley region.

was involved in the retail trade chain, ensuring that every shop had the Nacet razor blade- the cheapest in the market." Later, Gillette pulled

dede to leave for Brookside Dairy as the Sales and Marketing Manager in charge of trade.

all outlets such as Nakumatt, Uchumi as well as agents to ensure availability of brands, displays, merchandising, market audit."

the Sales and marketing department of New Kenya Cooperatives Creameries – New KCC, the country's leading dairy processing firm in Kenya,

CC has developed a wide range of brands including powdered milk, ghee, cheese, butter, fresh and yogurts covering various consumer segmer all outlets countrywide at competitive prices.

any marketing campaign, Adede says that one needs to understand that the way one communicate really matters. Also, there is need to unders he target clients for particular products.

can determine if there is a place in the market for the products he/she want has. There is definitely a place if one understands exactly what set admits that marketing is full of daily hassles. A born again Christian, Adede loves singing, swimming, socializing and traveling.

n event, but a process. It has a beginning, middle, but never an end, for it is a process. You improve it, perfect it, change it, even pause it. E

Limited

or, Anna Othoro

vide experience in marketing says, "There are two campaigns that I have had the pleasure of launching in two totally different industries. The Campaign which I did while working for GlaxoSmithKline. Then there is the Uhuru Campaign for Celtel Kenya.

th, the campaigns the way consumers thought about toothpastes and communication respectively, through a paradigm shift.

! to be a good marketer, one needs to work hard and truly understand the consumer before launching a campaign.

ds in the marketing profession, Othoro says that marketing in Kenya is not as cutting edge as it used to be. "With pressure on budgets and achie ve been forced to be very literal and creativity has as taken a back seat," she says.

that some of the positives include the fact that marketers are speaking to consumers in the language they understand, be it sheng or colloquial K .She mentions that one of the challenges facing the marketing profession includes the ever changing needs of the consumer. It is important fc

consumer otherwise the company's brand could easily become irrelevant. "Good brands die if you do not constantly keep up with what the con: eltel Marketing spin doctor also remembers her worst marketing campaign. This was one on Sensodyne toothpaste. It simply related to t

re ad was a lifestyle ad.

re had jumped a couple of steps in communicating with our target audience and hence they did not understand the intended takeout of the ad wh

' clause is therefore seen as a measure to cut down the influence of a powerful clique to insurance brokers, who have previously held the entire i
es these allegations, arguing that a few unscrupulous brokers have spoilt the name of the profession. He adds further that the Ksh 3 million t
acting business is now not necessary with the cash and carry rules, arguing that the level of risk in the brokerage business has been reduced.
ce underwriters are experiencing improved business due to the requirement that all premiums should be paid upfront, with the firms reportir
icha, General Manager- AMACO, "This has really improved our cash flow as premiums are now paid in advance."
usiness department officer at Jubilee Insurance supports these sentiments and calls on all players to comply. With the new policy in place, und
laims fast.
Kenya Independent Insurance Agents (AKIIA), welcomes the 'cash and carry' policy since it now levels the field for all players and will lead to
ctor.
himu says "The policy will have a positive impact for us in the long run in that most clients used to go to brokers because they (brokers) could
. So now that we are operating on a level field, we know those clients will come back to us.
/ requirement now enables underwriters to make profits by investing the premiums collected before claims are made.
um remitting rules, it is expected that competition between insurance brokers and agents will intensify.
nce brokers have been withholding premiums, leading to insolvency and liquidity problems for underwriters, especially those in the motor business.
the Ksh 3 million guarantee to be provided by brokers should be scrapped as it does not make sense. "The bank guarantee was ideal due to t
ad then. Now that this is no longer the case this requirement should be scrapped."
y has also welcomed the cash and carry requirement. Simon Kimutai, national chairman of the Matatu Owners Association, however, calls for
by financial institutions in form of loans.
should be via a water tight agreement that will also benefit the financial institution," he says.
s flying all over, there is disquiet within the industry that some insurance companies and brokers are not complying with the cash and car
me clients are not able to pay upfront large sums and that some companies are still encouraging installments rather than lose their clients.

ts the lid on forex bureaus

f Kenya (CBK) has lifted the moratorium on licensing of more forex bureaus.
this industry and operations of the players has been brought under closer watch than before.
Revised Forex Bureau Guidelines (2007) which became effective this year, the CBK has introduced new licensing procedures that involve a two st
plicants are expected to submit application documents including a certified copy of Certificate of Incorporation and Memorandum and Articles
re proposed forex bureau.
ires particulars and 'fit and proper forms' of proposed shareholders and directors and a declaration that shareholders and directors do not hol
go into the forex bureau business are also needed to provide evidence of non-interest bearing deposit of US\$ 30,000 and core capital of US\$ 3
on-refundable application fee of KSh.10,000 payable to the Central Bank of Kenya by banker's cheque.
e, the Central Bank issues a Letter of Intent to prospective bureaus to enable them commit funds by paying the requisite fees and deposits, and
suance of licence and approval to commence operations.
and fulfillment of the above, the Central Bank will issue a Letter of Intent, which advises the applicant on the next steps and requirements
ce and approval to commence operations in the second stage, which include paying a license fee of Ksh65, 000 to the Central Bank of Kenya

Central Bank of Kenya offshore account, being non-interest bearing deposit (account number provided upon request); Prepare premises for insp
with the standards in the Guidelines; and Present Principal and Assistant Principal Officers to the Central Bank of Kenya for interview and approva
fulfills the entire requirements, the Central Bank shall issue the applicant with a licence and approval to commence operations of the forex bureau b
red licensing regime, the CBK will also require industry players to have sound and effective internal control and management information system
ission of returns.

ers, forex bureaus conduct business and are regulated under the provisions of the Central Bank of Kenya Act (Cap 491). These guidelines are th
Central of Kenya Act.

ention of the Central Bank has been drawn to the fact that several Forex Bureaus were violating various sections of the Forex Bureau Guidelines
and telegraphic transfers without the approval of the Central Bank.

it was observed that these services may have been abused as avenues for fraud, tax evasion and money laundering.

concern, the Banking Supervision Department issued Central Bank circular No. 1 of 2005 instructing all Forex Bureaus to cease dealing in teleg
with immediate effect.

n, the Central Bank held discussions with officials from the Kenya Forex Bureau Association and agreed to develop a framework for strengthen
gulations relating to telegraphic transfers and third party cheques in particular.

x Bureau Guidelines therefore seek to deal with the challenges outlined above and provide an opportunity for the sector to realign itself i
oreign exchange market.

s also intend to provide a service to a market segment largely excluded from the mainstream banking sector due to the size and frequency of trans
ig of more forex bureaus had been put on hold to allow for consolidated growth in the industry. The CBK was also been reluctant to allow more
time to develop the appropriate regulatory and supervision frameworks.

now be required to transact telegraphic transfers and bank drafts in amounts not exceeding and equivalent to US\$10,000 per transaction. This lir
reas to focus their services on segments largely excluded from the mainstream banking sector due to the limited size and frequency of transaction
all not allow or process transactions that are, or appear to have been deliberately split into several amounts of US\$ 10,000 or less to avoi

struggle for space within Nairobi city

of multimillion shilling Muthurua market still to be completed, hawkers now find themselves squeezed between dark narrow alleys and struc

sted that as part of the solutions, hawkers should be allowed to operate after 5.00 pm in such areas as the parking bay next to the high court in the city.

Enhances its international image

The listing of Renaissance Capital Kenya Limited onto the trading floor of the Nairobi Stock Exchange is expected to boost the appeal of this bourse to foreign investors.

Renaissance Capital Kenya Limited (RC), the first foreign brokerage firm on the NSE, is the local subsidiary of Russian-based Renaissance Capital - part of the Renaissance Group of finance and investment companies specializing in high-opportunity emerging markets, consisting of investment banking, asset management and private equity.

The selection of Renaissance to have a seat on the trading floor of the exchange has been attributed to the investment bank, its capitalization and the high expectations placed on the company by the NSE's board.

"Renaissance Capital will facilitate the internationalization of the NSE and bring back foreign investors," says Mbaru.

Renaissance Capital offered the second highest bid at Ksh 251 million behind that of Old Mutual, which placed an offer of Ksh 452 million amount, it won the bid.

Renaissance will use its international networks to target overseas business and also position the NSE on the global arena.

Following the bid owing to its potential in deepening the NSE by developing new products, including the corporate bond, margin trading and the futures markets. Deposits have already been found in the Sudan and Uganda, we expect this investment bank to take advantage of emerging opportunities in this region, says Mbaru.

By entering these new product areas, Renaissance is also expected to participate aggressively in growth of the private equity market, assist private firms and help in building up capacity of local brokerage firms.

The expected listing of Safaricom, the most profitable cellular phone company in East Africa, on the NSE has brought out issues of lack of local capital.

It is expected to open a window for the participation of foreign transaction advisors in the Safaricom IPO.

It is still undecided whether this IPO could be floated on the international market although the entry of Renaissance seems to suggest an attempt to build up the lead of this IPO, billed to be the largest the NSE has handled yet. The treasury hopes to raise an estimated Ksh 35 million from the sale of stake.

The proceeds from the sale of the NSE seat to Renaissance Capital will be used to pay off creditors of the defunct Francis Thuo and Partners, a brokerage firm facing liquidity problems.

The entry of a high profile international investment bank at the NSE comes at a time when the bourse is faced with inadequate supply of financial products.

There is a demand but supply of enough financial instruments. While we now have an automated trading system, the number of transactions per day is still low. Only about 54 transactions done per day on the three hour trading cycle is still below capacity of the exchange to handle a higher turnover.

Recently, Kenya has achieved substantial economic recovery, recording a growth rate of over 6 per cent last year.

In the period, share prices have appreciated to the extent that the NSE market index has increased from around 2,000 to over 5,500 points.

The contribution of international investors was about 15 percent of the stock market turnover. Most of these funds were remitted to Kenya through companies or through these investors.

The driving activity at the stock exchange include availability of low interest rate and unsecured personal loans to individual investors and similar business opportunities. The impact of this lending has been demonstrated on several oversubscribed IPOs.

Investors have been attracted by the substantial profit growth of the companies listed on the Stock Exchange, which have benefited from the improved economic conditions and better business prospects in new markets such as Rwanda, Eastern DR Congo and Southern Sudan.

The substantial price rise of shares of firms such as Kenya Airways, East African Breweries, Kenya Commercial Bank, East African Cables, Mumias Cement Company, among others, has been as a result of increased domestic and regional business growth.

The stock market has also benefited from a considerable shift in the business strategy of individual and institutional investors. There is a shift from long term liquid investments such as equities, Treasury bills and bonds, both Treasury and Corporate.

The modernizing its operations including installation of a Central Depository and Settlement Corporation (CDSC), which has significantly improved the clearing and settling System (ATS) has also eliminated inefficiencies in allocation of shares and delays in transfer of shares, hence, better price discovery on the market. It is expected that a reputable firm such as Renaissance capital is expected to build on and spruce the image of the NSE on the international market.

Principles of Islamic banking

The Islamic banking system is becoming an alternative financial model to many people thanks to its diverse financial application.

In an Islamic bank where the lender takes the lion share of profit against the borrower, Islamic bank takes the concept of sharing of profit and loss. Typically, the borrower who gets ample time to repay the borrowed money without hassle and benefit from the loan. Another major principle in the Islamic banking system is that the lender should not charge interest.

In an Islamic society as ours, conventional banks normally benefits from the non-loss policy where the borrower ought to pay the borrowed money at all costs. This is many in turmoil especially when one fails to honour the repay agreement, besides forfeiting the already paid amount to the bank.

In an Islamic banking system, initial agreement on the mode of payment is done between the bank and the borrower to one own convenience until the repayment is completed. In Islamic banking, one is not allowed to charge interest, the borrower is always on the safe side from manipulation.

The greatest challenge the Islamic banking system directs against the conventional banks is the saving and lending transactions. Initially, local banks benefited from savings. So, they went for big-earners whom they expected to save a lot.

Over time, conventional banks realized the best way to invest is by lending, the reason why most local banks are turning to the common mwananchi and people. In Islamic banking, the major concept of investment is through lending than saving.

Abubakar, CEO, Al-Islamia Sacco Society says, "the story of the Islamic banking is big success because its principal is based more on lending unlike conventional banking which is based on saving."

Abubakar continues, "We encourage customers to borrow the money and invest without charging interest, so the customer benefits a lot. In Islamic banking, there circulating banks tend to receive more both in terms of saving and repayment of the debt."

ness based on free –price transaction. It is often done especially when one person wants to sell a commodity to someone but is not sure if they are going to sell. So, both parties negotiate on the price through bargaining without any reference to the price paid or cost incurred by the seller.

Qard loan)

based on goodwill gesture, where the person receiving the loan will only repay the borrowed amount to the lender. However, he may decide to add to the loan if he so wishes.

Bai' (Hire Purchase)

based on hire purchase. There are two contracts involved in this concept. The first contract is Ijara, that is hire in form of renting or leasing of a commodity. The second agreement, that of a Bai' or purchase thus completing into a Hire Purchase transaction.

A bank leases a car to its customer for an agreed rental price. When the lease period expires, the second contract comes into effect, which entails the purchase of the car at an agreed price. The bank sells the car to the customer at an above market-price profit margin similar to the agreed leased-contract.

Istisna'a is a contract for manufacturing goods and commodities, allowing cash payment in advance for future delivery. Istisna'a can be used for the purchase of machinery or construction of houses, plants, projects, building of bridges, roads and highways.

Istisna'a is a contract in which an Islamic bank provides equipment, building, or other assets to the client on a rental basis under an agreement that at the end of the term the asset would be transferred to the lessee. The rentals as well as the purchase price are fixed in such a manner that the bank gets back its principal plus a profit.

Istisna'a is similar to a financial certificate but can be seen as an Islamic equivalent of bond. However, fixed-income, interest-bearing bonds are not permissible under Islamic law that comply with the Islamic law and its investment principles, which prohibit the charging or paying of interest.

Wakf (Gift)

A donor deposits funds in the bank so the bank rewards the customer for using its account. This means, the bank compensates the customer for the use of the account as a gift (hibah) because it does not officially guarantee payment of the gift.

A person appoints a representative to undertake transactions on his/her behalf i.e. a lawyer.

Wakf