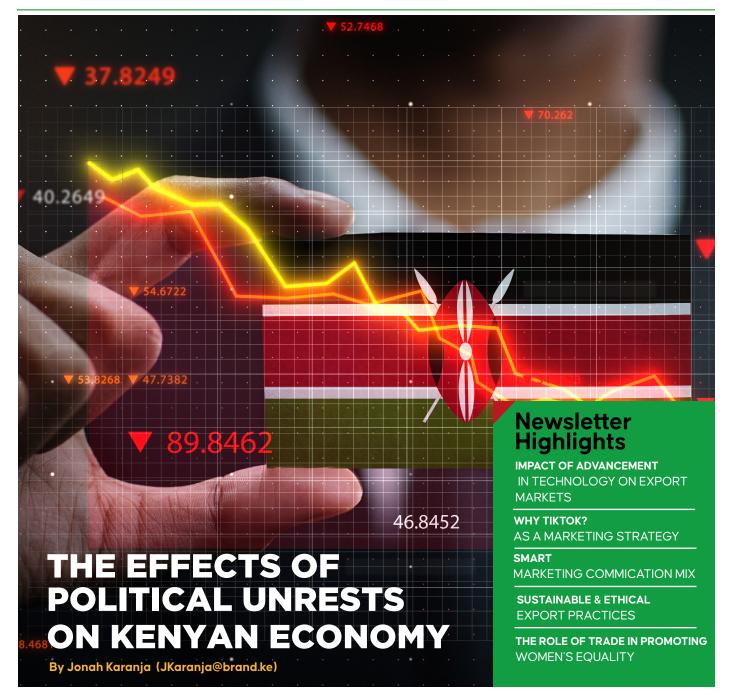


Newsletter

A Publication by the Kenya Export Promotion and Branding Agency



enya is famous for her vibrant sandy beaches and a wide variety of flora and fauna, world's best tea, coffee, flowers, avocados and her welcoming people. Most importantly, the East African Nation is widely regarded as the cradle of mankind following numerous archaeological discoveries of early human remains and ancient tools around Lake Turkana which is the world's largest desert lake. Despite her numerous accolades, Kenya is sometimes rocked by internal conflicts emanating from natural resource pressures such as pastures and livestock food and political related conflicts. Kenya successfully mitigated the Covid-19 pandemic and managed to bounce back from the pandemic's shock. However, no sooner had the Covid-19 pandemic gone than the 2022 general elections came calling hence creating anxiety across the business environment and the political divide in Kenya. >>> Continue on page 2

Editorial

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Article 37 of the Kenyan Constitution enshrines the right to picket, assemble and demonstrate if the participants are peaceful and unarmed. However, demonstrating parties misuse this right and end up engaging in violence, destruction of property and disruption of businesses. Political related demonstrations often lead to a decline in foreign investment which in turn hinders economic growth and development.

Political demonstrations have direct impacts on agriculture, tourism and manufacturing value chains. Tourism is one of the largest sectors of the Kenyan economy and accounts for approximately 10% of the country's GDP and employing over 1.5 million people. Political unrest often scares tourists hence affecting tourism related business and the hotel industry.

The agricultural sector is affected when transport is paralysed, affecting the prices of commodities. Additionally, Kenya's exports are affected when the manufacturing sector is rocked thus leading to low production and job loss.

Kenya is one of the leading economies in East Africa with a GDP of approximately \$106 billion as of 2021. The country has experienced a significant economic growth with an annual average growth rate of 5.5% between 2015 and 2019. The growth rate however contracted by 0.6% in 2020 due to the Covid-19 pandemic.

According to the Kenya Private Sector Alliance (KEPSA), the private sector in Kenya loses approximately 3 billion shillings due to political related protests.

The trickle-down effect leads to disruption of service delivery and movement of people and goods.

There are alternative methods of resolving political disputes without the need for protest. The widely used methods are: Negotiation, Mediation and Arbitration.



NEGOTIATION

This involves back and forth communication between conflicting parties with the goal of trying to find a solution. The negotiation process can be done through direct communication or through an attorney. A negotiated agreement can become a contract and is enforceable.



MEDIATION

Mediation is a process in which a third party or an impartial person in this case the mediator helps in reconciling conflicting parties when negotiation fails. The aim of mediation is to promote reconciliation and to help reach a mutually acceptable agreement.



ARBITRATION

This involves the submission of the disputed matter to an impartial person who acts as the final decision maker. The arbitrator controls the process and listens to both sides and makes the final decision. The Kenyan political class should therefore look into these methods of conflict resolution as they will allow the citizens to contribute towards the economy and create a productive environment across different value chains in Kenya.





icking off from the stone age era, with the recent gradual growth in technology, an impact has been felt ever since it came into existence. Advanced technology has played a major role in this space and as such has had an impact in different ways both economically and financially within the same area.

Technology can be said to be an upper gear on how the export market has been impacted over the years. Customers worldwide are searching for goods and services produced outside their boundaries through the use of the Internet.

Overview of exports

Exports are an important contributor to Gross Domestic Product in most countries globally as well as a crucial factor in pricing efficiency and allocation of scarce resources to the most export-intensive sectors. Research conducted by the World Economic Forum's global survey, in December 2020 revealed some emerging technology trends such as; loT in supply chains, digital payments, e-commerce platforms, cloud computing, and 5G, which promise to change the traditional international trade landscape. This means that this new technology has the power to make cross-border trade more efficient, inclusive, and equitable for small and medium-sized enterprises (SMEs) worldwide.

In Kenya for example, following these new technology advancements, the amount of manufactured goods over the years has highly increased. According to the Kenya National Bureau of Statistics, the amount of manufactured goods exported from Kenya increased from 62.2 Billion to 124.6 Billion Kenyan shillings in 2020. Real Gross Domestic Product (GDP) is estimated to have grown by 7.5 percent in 2021 compared to a contraction of 0.3 percent in 2020. This is a result of the gradual growth of technology that has impacted export markets not only locally but even in the rest of the world.

Ways in which technology has impacted export markets

Technology has aided in expanding market reach for exports all over the world in different ways. With the growth of e-commerce platforms, for example, companies and organizations have found it easier to streamline operations on an online base without the need of incurring high costs to find networks of exports as in the past. Methods of online payments such as M-Pesa services, and mobile money have helped solve the desires and wishes of the unbanked population and narrowed the market gap of exports within many countries.

Export markets are now able to access the paths for product innovation. Through advanced technology organizations, or rather exporters are now able to create new products with easier models of research on how to manufacture them and easily export them globally. This effectiveness has reduced the use of intermediaries and rent seekers between producers and manufacturers hence enabling more equitable distribution of accrued value to various participants along the value chain. In Kenya, the new Digital Economy Blueprint addresses



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challenges related to processing export cargo, launched in 2014. Through this system, exporters are now able to access export permits, licenses, and certificates.

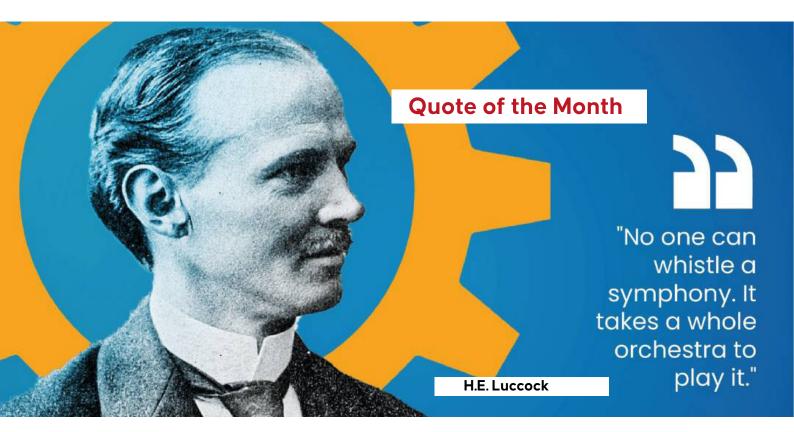
Trade platforms have been established that aid in bringing farmers closer to the traders such include the computer -guided aerial mapping, data collection and the use of global positioning systems (GPS) and GPS computer guided implements such as harvesters that can be used by farmers hence making farming much more efficient. (Ministry of Information, Communications 2019). Organizations are now able to track their shipments in real time and even ensure their exports have arrived in desired time and space. This has in turn proved to be an avenue that has benefited export markets in a very big way thus providing companies with satisfaction when engaging in exports or exploring export markets. For example, for the United States alone, it's been estimated that GPS has generated roughly \$1.4 Trillion in economic benefits since it was made available for civilian and commercial use in the 1980s.

Technology has made significant progress in digital export trade in most countries and nearly 85% have adopted. The rapid growth is indeed cropping up more benefits hence improving operations of the exporters through advanced channels and

Total Coffee exports in 2021 were valued at USD 36.3 Billion. For the last 2 decades, Brazil maintained her position as the lead source market (supplier) for coffee worldwide. In 2021, Brazil's exports were valued at USD 5.8 billion and constituted 16.2% of global exports of coffee in the year.

The top importer of coffee in the world has been the USA over the last 20 years. USA imported coffee worth USD 6.9 billion in 2021; 19% of all imports of coffee in the year. Germany has been the second lead global importer of coffee during the same

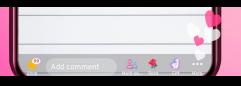
The lead African exporter in 2022 was Ethiopia which was ranked 9th globally with exports valued at USD 1.1 Billion.





WHY TIKTOK SHOULD BE PART OF YOUR MARKETING STRATEGY AS AN EXPORT BUSINESS

By Rachel Nyambura | Interncomm2@brand.ke



ikTok is taking the world by storm and there is no wonder why. This short form app is revolutionary in this digital age and any business would benefit greatly by tapping into this bold and creative universe.

What is TikTok?

TikTok originally launched in China, in 2016 as a short form video sharing platform and has morphed into a full-fledged video service with over 1 billion users worldwide and content available for all types of viewers.

Coincidentally, it is TikTok's model that makes it different from other social media platforms. At its core, TikTok is video based, its videos ranging from 3 seconds, up to ten minutes.

With this unique attribute, TikTok then requires a different angle as opposed to other social media platforms. Age-old tactics will not bode well with this target audience. Creating compelling narratives is key as 22.4% of TikTok's users are 20-29, proof that Gen Z and quite a number of Millennials are big on this app.

Reasons TikTok should be part of your marketing strategy

Most TikTok users instantly seek to buy a product upon discovering it. This is usually based upon a business's ability to create desirable content for their products. Here are some ways TikTok could further your business:

1. Tap into a youthful audience

TikTok gives businesses a platform to explore different communities online by sharing its story and what drives the business in a creative and interesting way. These communities are made up of individuals who are majorly in the 18-24 and millennial age bracket.

Sharing your 'why' as a business especially towards younger people has a bigger pay off as they thrive off relatability and authenticity.

2. Aids in monitoring a business's conversion

TikTok is a mighty marketing tool that could help small and medium-owned businesses reach a wider audience and in turn, increase their conversion rate.

A conversion rate records the percentage of users by calculating the total number of users who inquire about a product via comments or direct messaging. Dividing it by the overall size of the audience and thereby converting that figure into a percentage.

The conversion rate is largely measured over time, by the engagement garnered from the attention it gets from its viewers per video.

3. TikTok encourages engagement with

If there is ever a place where engagement is critically essential, it's TikTok. This is usually showcased not only in replies and comments but also in how videos are shared.

Additions of trending music, filters and Call-to-Action >>> Continue on page 6



curiosity of the customer as they are received with transparency, consistency and confidence from business owners.

4. TikTok births creativity while marketing

Businesses on TikTok do marketing quite differently. With the reputation of the app being fun and free, Gen Z don't engage much with videos that pass off as advertisements.

As a smart marketing move, creating content that is creative and resonates with its audience attracts more customers who are in need of products from a reliable business. This slowly builds your audience up to trust new products or stock you may have.



How to keep up with your business's growth on TikTok



Monitor the length of your videos

TikTok viewers have a very short attention span as compared to other social media platforms. When starting out, keep the right momentum by ensuring your content is not more than 15 seconds. This is mainly to avoid people skipping over your videos that may be lengthy.



Ensure consistent use of trendy music

As a TikTok user, it is important to keep up with what's trending and use it according to your business niche. It is also important to ensure that your selection of Sounds, as they are known, aligns with the product you are showcasing as well as your brand.

Music that is outdated or not in alignment with your message simply won't attract many views.



Find a uniform brand visual for all your content

Branding is essential in how customers identify your brand. It is important to find consistent and eye-catching visuals in the form of graphics and animations.

Lack of Call-to-Action captions and high-quality visuals can lead to your videos lacking any form of engagement and being considered flat or uninteresting.

TikTok has ways of keeping your visuals filled with the needed information in order to attract clients.

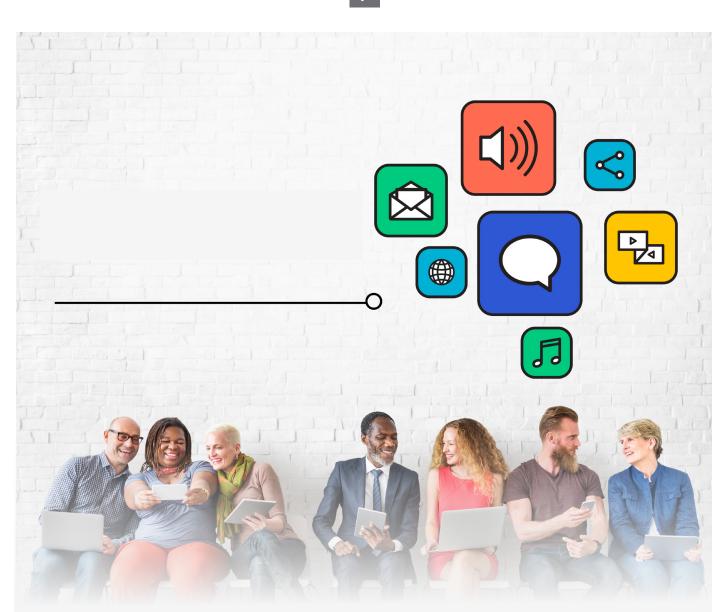


Keep your tone fun and free

TikTok users in comparison with other social media platforms like engaging with business platforms that keep it fun and lighthearted. Videos that may seem pushy in their delivery create a lack of interest and may be seen as generic establishing doubt in the product or service being sold.

Launching pad

TikTok has revolutionized how businesses do marketing. It has provided an interactive experience where people can follow companies they typically could have blown off on other social media platforms. At the same time, TikTok acts as a launching pad for small businesses to bloom and soar not only locally but on the international front as well.



Why you should consider a SMART marketing communication mix for your business

By Mariam Maina mmaina@brand.ke

nyone who has been in business clearly understands that competition is a reality that one has to deal with. As someone once said, there is nothing new under the sun. It is rare for a business to have monopoly over a certain market. Many companies find themselves competing with others for the same client base in the same geographical area. To this end, companies have to develop creative ways to win over customers and retain these customers. No one wants to lose to the competition. Therefore, having a marketing communication plan is important for any business. >>> Continue on page 8

WHAT IS A MARKETING COMMUNICATION MIX?

Marketing communication mix refers to the different tools that a business can adopt to inform, persuade and remind the customer about the product and services it sells or provides.

These tools include advertising, sales promotion, events and experiences (sponsorship), public relations and publicity, digital marketing and direct marketing, interactive marketing, word-of-mouth marketing, personal selling, etc

MARKETING COMMUNICATIONS TOOLS

1. Advertising (Traditional media - TV, radio, newspapers, magazines)

Advertising covers all avenues where a company pays for their message to be broadcasted. Successful advertising campaigns should be emotive, creative, eye-catching, catchy, musical, or even intentionally annoying (anything to grab attention!)

2. Direct marketing & digital marketing (email, social media, etc)

The emergence of digital did not just bring social media and online shopping. It also gave us a whole new way to do marketing. This way is significantly cheaper; and if done correctly can be even more effective than broadcasting to the masses through TV or radio. One of the major benefits of direct marketing is its targeted approach.

Social media has changed the way we communicate. Social media can be used to advertise, retain and gain customers, gather feedback about products or services and as a customer service tool.

So, if you have done the best and most accurate market research on your customers, you will know exactly who to target. It is also attractive to marketers because its results can be directly measured.

3. Public relations (PR)

Public relations turns brand messages into stories that appeal to the target audience. It amplifies news, strategies and campaigns to create a positive view of a company through partnerships with newspapers, journalists and other relevant organizations.

But not everything can be shared via PR. The idea is to separate the stories they think could be developed into an effective PR strategy. A great PR campaign revolves around a public interest, current event or trend that can be connected to a product, service or brand.

So, usually anything considered too 'salesy' is a no no.

4. Personal selling

Personal selling is selling through a person (usually in a face-to-face setting). This includes salespeople, representatives, brand ambassadors or even influencers.

Their aim is to inform and encourage customers to buy or try a product or service.

5. Sales promotions

Sale! 50% off selected lines!

Using various online and offline outlets, sales promotion creates limited time deals or promotions on products or services to increase short-term sales. It can include sales, coupons, contests, freebies, prizes, and product samples.

When conducting a sales promotion, it is important to consider how much it costs and whether the volume of sales will make up for the lost revenue and whether it will build loyalty or just attract one-off purchasers.

Choose the right marketing communication mix

While there are innumerable ways to attract the customers, you need find out how much you can spend on promotions. Budgeting based on the target consumers and industry requirements is key to achieving promotional success.

Different companies have different marketing strategies wherein they use several promotional tools like advertising, direct marketing, personal selling or online marketing etc. Each tool has its own advantage and costs involved.





ustainable and ethical export practices have transcended from being optional to becoming essential for Kenyan businesses striving to excel in the international marketplace. By embracing eco-friendly, fair trade, and socially responsible approaches, Kenyan exporters not only enhance their reputation and competitiveness but also contribute to securing a more sustainable future for the nation.

These practices hold great appeal not only for conscientious consumers but also for ethical investors and business partners who prioritize sustainability throughout their supply chain. The Kenya Export Promotion and Branding Agency, in collaboration with other relevant stakeholders, plays a pivotal role in promoting and supporting these initiatives, enabling Kenyan businesses to achieve global success while upholding the country's core values and commitment to a sustainable future.

Kenyan businesses are embracing sustainable and ethical export practices, as exemplified by the following initiatives:

Preserving the environment through eco-friendly farming practices

Over the years, Kenya's agricultural sector has experienced significant growth, with products like tea, coffee, flowers, and fresh produce garnering acclaim in international markets. To preserve the nation's natural resources and biodiversity, sustainable farming practices have become paramount. Notably, Kenyan tea and coffee plantations have adopted eco-friendly cultivation methods, curbing water usage and reducing chemical inputs. These practices not only safeguard the environment but also resonate with environmentally conscious consumers, bolstering the image of Kenyan exports as eco-friendly and responsible choices.

• Empowering local communities in handcraft exports

Kenyan handcrafted products, including beadwork, woven baskets, wood carvings, Glassblowing, leather goods, and Handwoven fabrics boast a unique appeal in global markets. Many local artisans and cooperatives have taken up the mantle of fairtrade principles, ensuring that their crafts are ethically produced, and that artisans receive fair wages for their exemplary work. These initiatives empower local communities, particularly women, fostering sustainable livelihoods. Ethically produced handcrafts resonate with socially conscious consumers worldwide, creating a positive brand image for Kenyan handcraft exports.

• Ethical sourcing in the floriculture industry

Kenya's floriculture industry has gained renown for exporting high-quality flowers to Europe and other markets. Nonetheless, concerns have arisen about the industry's environmental impact and labor conditions. In response, some Kenyan flower farms have embraced ethical sourcing practices, adhering to international labor standards and sustainable production methods. By doing so, they appeal to consumers who prioritize transparency and ethical accountability in their purchases, positioning Kenyan flowers as a responsible choice in the global market.

· Investing in renewable energy for manufacturing exports

The rapidly evolving manufacturing sector in Kenya has driven the demand for sustainable energy solutions. Some manufacturing companies are now investing in renewable energy sources, such as solar power, to reduce their carbon footprint and dependency on non-renewable energy. Notably, this not only lowers operational costs in the long term but also bolsters the overall sustainability of Kenyan products manufactured for exports, making them increasingly appealing to environmentally conscious buyers.

These practices hold great appeal not only for conscientious consumers but also for ethical investors and business partners who prioritize sustainability throughout their supply chain.

Creating and **Maintaining**

TEAM**WORK**

By Molly Wambui MWambui@brand.ke

eamwork is when a group of people work together towards a common goal or purpose. Teamwork is important because it promotes a conducive work environment where employees combine their energies and abilities towards achieving a common goal.

The benefits of sustained teamwork include accomplishing complex tasks in a timely fashion, building synergy and good working relationships as well as meeting and exceeding expectations.

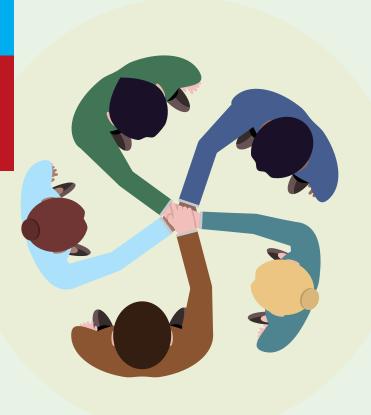
In order to create and maintain a good team dynamic, there are certain aspects that must be created within team members. The first and most important aspect of good teamwork is communication. It is the foundation of every effective team. Information like deadlines, changes in schedules and feedback create clarity and avoid misinformation. Communication also goes a long way in solving misunderstandings and challenges quickly and effectively.

Collaboration is an important aspect of good teamwork. This entails two or more individuals or groups working together to achieve an objective by exchanging ideas and thoughts. The goal of collaboration is to pool ideas and skillsets to achieve a desired outcome. Each team member who collaborates builds stronger connections with colleagues which further contributes to a positive team dynamic.

When working as part of a team, having shared values is important. Common values and goals can help teams work together toward a similar definition of success. It can also help team members feel connected, understood and supported.

Good teamwork thrives in respectful environments that are free of discrimination, microaggression and inappropriate language. When people feel accepted for their age, cultural background, job title, ethnicity, ideas or lifestyle, they can be more willing to share their ideas and engage with the group. Even if members of your team disagree, maintaining a judgement-free work environment can help encourage positive and open communication.

Teamwork is essential in every organization regardless of size. Working well with clients, colleagues, managers and other people in the workplace creates an enjoyable environment both for yourself and others. An organization that emphasizes good teamwork skills is a healthy, productive workplace. Play your part and become a team player.



"

"No one can whistle a symphony. It takes a whole orchestra to play it." -H.E. Luccock

The role of trade in promoting WOMEN'S EQUALITY

by Margaret Kamau

sudden upsurge of women in business has made a tremendous mark in trade and export markets. Global value chains play a huge role in global production and trade. It depends on hundreds of millions of workers for sourcing from developing countries. Women represent a significant proportion of workers in many sectors, including agrifood, garments, and personal care.

Research by the World Bank Group and the World Trade Organization shows that more than two-thirds of women in developed countries were employed in the services sector in 2017, up from 45% In 1991. In developing countries, the proportion of women in the service sector jumped from 25% to 38% over the same period. Countries are becoming more integrated with global value chains, which tend to create jobs and increase wages for women.

Women constitute 36.7 % of the workforce of GVC firms and 37.8 % of the workforce of foreign-owned firms. In Kenya, USAID emphasizes equality and women's economic empowerment by promoting entrepreneurship, employment, and increased income for women through trade, agriculture, and finance activities, and private sector partnerships with a focus on gender equity.

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The role of trade in promoting **WOMEN'S**



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The Kenya Export Promotion and Branding Agency partnered with International Trade Centre to initialize the She Trades project that has aided women to trade by giving them skills and easier access to markets both locally and internationally. This initiative has helped women entrepreneurs to network with other businesses and develop new synergies.

KEPROBA continues to engage with women led Made in Kenyan adoptees in promoting their products as quality and authentic. Some of the adoptees include Alive And Kicking Kenya, Mommies Choice Products, Prodigy Healthcare Limited and Caroline & Cupcakes Limited, among others.

Role of trade in promoting women's equality

The rise of digital technology and new online platforms has created more opportunities for women to bypass traditional trade barriers, expand their entrepreneurial skills and develop flexible careers that enable them to manage both work and household responsibilities.

Trade increases women's wages and economic equality of which, globally, women are prone to taking home a smaller share of their wages. When developing countries double their manufacturing exports, women's share of total manufacturing wages rises by 5.8 % points on average, through a combination of increased employment and higher salaries. In Africa, freer trade has helped close the wage gap, mostly for skilled women workers. Analysis of the implementation of the African Continental Free Trade Area (AfCFTA) suggests that, by 2035, wages for skilled and unskilled female labor would be 4.0 % and 3.7 % higher, respectively (World Bank).

Trade has brought an absolute income gain to women in developing countries. Research confirms that women are paid better in trade-related sectors than in other sectors. Women play different roles in the market and society such as entrepreneurs, consumers, service providers, and workers. Women are known to have a decisive voice when choosing commodities for their homes, therefore, they easily influence sustainability, responsibility, and better-informed choices that impact trade. Global economic activity is shifting its focus toward services, which employ a larger share of women than sectors such as agriculture and manufacturing. Furthermore, trade in services is expanding at a faster rate than the trade in goods, hence providing more opportunities for women to do trade. According to International Labor Organization, in 2000, 46 % of all services sector workers were women, rising to 58 % by 2020.

Trade remains to be a powerful tool when it comes to a nation's development. Arguably, trade measures and trade agreements have and are still playing a role in prioritizing women's well-being. Trade has contributed to women's economic empowerment, hence boosting productivity, and increasing economic diversification and income equality in addition to other positive development outcomes. It is estimated that gender gaps cost the economy some 15 % of GDP. Gender equality is key to business human rights strategies, supply chain resilience, and commercial success. The new recent trade agreements have included a separate chapter on gender and trade which seeks to promote gender equality as part of inclusive economic growth and sustainable socio-economic development by listing areas of cooperation to promote women's full participation and advancement in society.

In conclusion, there is a need in promoting the economic empowerment of women to enhance communities and sustainable development. When women trade, economies grow.







Get ready to showcase your brand in The Daily Nation during the special Made In Kenya Feature to run in August 2023. KEPROBA have negotiated special rates for this space.

If interested kindly confirm by filling in the link to book your space



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The Kenya Export Promotion and Branding Agency has developed an E-portal that:

- a) Provides a platform where exporters/sellers can showcase their products internationally
- b) Provides customised market intelligence information to related to potential exporters for purposes of improving products to enable compete
- c) Promotes Kenya's exports and the nation brand through information dissemination and export assistance
- d) Informs, educates and inspires our internal and external audiences about Kenya and what it has to offer globally in order to influence trade, investments and positive national perspective.

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