# Cultural Factors and Consumer Behavior towards Baked Bread in Kenya

**Dr. Hannah Wanjiku Wambugu, Jemimah Muthoni Maina**

*School of Business, Kirinyaga University*

**\*Corresponding Authors:** *Dr. Hannah Wanjiku Wambugu, School of Business, Kirinyaga University*

**Abstract:** *Creating sustainable marketing strategies is the most important goal of any organization and the most important attribute on which any firm focusing on selling must place its focus. This entails developing successful marketing strategies that pay attention on assessing unique strengths, identifying growth opportunities, collecting competitive intelligence, and responding to competitive threats which will effectively support a company's top-line growth (Wambugu, Maina and Ndungu 2021).Furthermore, the firm's marketing strategies should address questions related to what products customers buy, when they buy and why they buy them (Saleemi, 2011). This is the only way a firm can succeed in increasing product adoption and repeat purchase (Wambugu, 2015). The market for baked products is increasing globally and despite this projected growth rate, not much research has been carried out to understand the cultural predictors of consumer behavior in regard to the amount of bread bought. This is despite the fact that, baked bread was part of the menu for some communities from olden days. The purpose of this study is to analyze cultural factors influencing behavior of bread consumers in Kenya. Factors considered for this study were cultural norms, subcultures (racial groups, religious groups and geographical sub-cultures). Income was considered as a moderating variable. Primary data was collected from 1230 adult consumers in Kiambu and Thika towns, and was analyzed quantitatively. Descriptive statistics were only used when analyzing the profile of the respondents. Multiple regression analysis was carried out to determine the effects of the explanatory variables on the dependent variable (amount of bread bought per week). The results indicated that the following variables had significant effect: religion (Muslim) (Coef 1.140, P-value 0.000), geographical subculture (Coef 1.061, P-value 0.001), Racial group(non-african) (Coef 0.512, P-value 0.000), social class(upper) (Coef 1.156, P-value 0.013),cultural norms(Coef1.306, P-value 0.010) and Income (Coef 1.204, P-value 0.000).It can therefore be concluded that cultural factors and sub-cultures do influence consumers' behavior towards baked bread in Kenya. Thus, bakers and retailers should bear this in mind when developing their marketing strategies, mainly communication, pricing, product development and distribution strategies.*

**Keywords:** *Consumer Behavior, Bakers, Bread, Cultural Factors and Sub-cultures*

## 1. STRUCTURE OF THE PAPER

This article starts by presenting the background of the study, which helps the author to identify the gap that the article seeks to fill. This is followed by the purpose of the study, specific objectives and then literature review. Research methodology including research design, sampling, data collection and analysis is presented. Conclusions and recommendations are presented followed by the recommended areas of future research and finally the references cited in the text.

### 1.1. Background of the Study

Demand for baked products has been on rise, and the market is expected to grow annually by 13% (CAGR 2020-2025). This projected growth is for a greater variety of bread with ethnic breads and greater varieties of whole-meal **breads**, like oats, bran and seeds (Musyoka and Wambugu 2020).Revenue generation projection in the bread segment is at US$448,266m in 2025 (CAGR 2020-2025). In global perspective, most revenue in year 2020 was generated in Chinese market, and it was worth (US$69,376m in 2020) (Euro monitor, 2020). In relation to total population figures, per person revenues of US$60.01 was generated in 2020 and the average per capita consumption stood at 28.0 kg in 2020 (Euro monitor 2020). African market is projected to grow by 6.9% between 2016 and 2025(Euro monitor, 2020). Due to the projected growth, there is fierce competition between firms,

and the old firms are upping their games about promotion activities (Wambugu and Musyoka, 2021). The growth in the bread segment in the baking industry has attracted many researchers in marketing and general business management, trying to investigate the basis of competition. For instance, McLaughlin, Hawkes, Park and Perosio, (1995) investigated consumer attitude and behavior with respect to baking department in supermarkets in America. Other studies that have focused on the performance of bakeries in the supermarkets include: (Mbindo 2016), and Nga'ngá (2012) who focused on private label bread of large supermarkets in Nairobi). Souki,Reis and and Moura (2016) investigated the effect of social economic factors on the behaviour of women towards baked products in India. Wambugu and Musyoka (2021), investigated the effect of situational factors, individual factors, and marketing factors on behavior of bread consumers in Kenya.

In all the studies identified above, a gap exists in that cultural factors have not been given much attention and yet history of bread consumption indicates that bread is one of the first baked foods, culturally accepted and prepared in different ways (Briggs, 2018). Archeological digs suggest that bread consumption in some communities' dates back 10,000 years during the Neolithic period and the Ancient Egyptians, (Briggs, 2018). Charred crumbs of a flatbread made by Natufian hunters and gatherers from wild wheat, wild barley and plant roots ago were found at the archaeological site of Jordan existed between 14,600 and 11,600 years, predating the earliest known making of bread from cultivated wheat by thousands of years (Briggs, 2018). Grinding stones dated 30,000 years old, possibly used for grinding grains and seeds into flour, have been unearthed in Australia and Europe, although there is no definitive evidence that these tools were used for making breads (Briggs, 2018).

## 1.2. Purpose of the Study

The purpose of this paper is to investigate cultural factors influencing the behavior of consumers towards bread in Kenya. The study shall fill the gap in the literature by considering all the aspects of culture in the analysis of consumer behavior towards bread in Kenya. The aspects included are: sub cultures (cultural norms, religious groups and geographical sub-cultures), social classes and racial/nationality aspects. The findings of this study shall assist the competitors in baking industry when planning their marketing strategies in regard to communication/promotion strategies since different cultures in Kenya might respond differently to baked products communication programmes. The retailers and bakers would benefit in that they shall be able to bake products depending on the targeted cultures.

## 1.3. Specific Objectives

Specifically, the study aims at:

a) Investigating whether culture and sub cultures (cultural norms, religious groups and geographical sub-cultures) cultural influences the amount of bread bought in Kenya

b) Examining whether consumers' social classes influences consumer behavior in regard to the amount of bread bought in Kenya

c) Examining whether nationality/racial groups of the consumer influences the behavior of consumers in regard to the amount of bread bought in Kenya

d) To establish the moderating effect of consumer's income on the relationship between cultural factors and the amount of bread bought in Kenya

## 2. LITERATURE REVIEW

Before an analysis of the factors influencing consumer behavior is presented, it is necessary that the meaning of the terms behavior and consumer behavior are well understood. Psychologists define behavior as anything a person does that is observable (Mwangi, 2009). Behavior recognizes the importance of understanding a process that cannot be directly observed but must be inferred from behavioral and neurobiological data (Paul & Olson, 2008). The American Marketing association defines consumer behavior as '*the dynamic interaction of affect and cognition, behavior and the environment by which human beings conduct the exchange aspect of their lives*' (Paul & Olson, 2008 p.g 58). In other words, consumer behavior involves the thoughts and feelings that people experience and the actions they perform in consumption process. It also includes all the things in the environment that influence these thoughts, feelings and actions (Jobber, 2010). Kuester (2012 p.g 110) defines

consumer behavior as; '*the study of individuals, groups, or organizations and the processes they use to select, secure, and dispose off products, services, experiences, or ideas to satisfy needs and the impacts that these processes have on the consumer and society*'. It blends elements from psychology, sociology and economics. It attempts to understand the decision-making processes of buyers, both individually and in groups. It studies characteristics of individual consumers such as demographics and behavioral variables in an attempt to understand people's wants. It also tries to assess influences on the consumer from groups such as family, friends, reference groups, and society in general (Kardes, Maria & Thomas 2011). Kibera & Waruingi (2007 p.g 78) defines consumer behavior as 'the *behavior exhibited by people in planning, purchasing and using economic goods and services*'. According to Jobber (2010 p.g 56), the study of the buyer behavior '*involves understanding of how individuals or organizations behave in the purchase situation*'. Consumer behavior is dynamic because the thinking, feelings and actions of individual customers are constantly changing (Hoyer & Maclinnis, 2011).

Simon, Richard & Cate (2001 p.g 150) defines culture as '*values, beliefs and expectations that are shared by members of a group*'. It is not about individual behavior but about shared systems of meaning within and across ascribed and acquired social groups. Hofstede (1991 p.g 16) defines culture as '*the collective programming of the mind which distinguishes one group or category of people from another*'. Kibera & Waruingi (2007 p.g 13) defines culture as a '*system of values and social norms ("norms and guidelines directing behavior), shared among a society or a group of people*'. Culture therefore involves three elements: a set of shared values or dominant beliefs that define an organization's priorities, a set of norms of behavior and finally the symbols and symbolic activities used to develop and nurture those shared values and norms. Hans, (2001 p.g 88) describes culture as the '*configuration of learned behavior and results of behavior whose component elements are shared and transmitted by members of a particular society*'. Aaker (2005 p.g 125) defines culture as '*the sum total of the beliefs, rules, techniques and institutions and artifacts that characterizes human populations*'.

*Sub-cultures*- According to Kibera and Waruingi (2007), subcultures may be defined as groups of people within a society whose traditions, values and customs differ in some significant way from those of the larger culture of which they are part. There are four types of sub-cultures: ethnic goups, religious groups, racial groups and geographical sub-cultures e.g coastal region cultures and up-country sub-cultures. When subcultures grow large and affluent enough, companies often design specialized marketing program (Rajan, 2006). A product introduced to a market carrying cultural specialties is expected to succeed in the targeted society (Mutlu, 2007). At the same time, when consumers buy a product, they expect it to perform according to their needs, not forgetting that, consumers' needs are differentiated between cultures. Thus, to avoid making costly mistakes, marketers should therefore familiarize themselves with the cultures and sub-cultures in which they plan to market their products and services. They can do this either through marketing research or other knowledge sources (Rajan, 2006).

*A social class*- It is an open aggregate of people with similar social *ranking* (Paul & James p.g 43). A social class is measured as a weighted function of an individual's occupation, place of residence, income, education and values (Kibera & Waruingi, 2007). Individuals within a given social class tend to behave more alike. Further, individuals are ranked as occupying inferior or superior positions according to their social class. According to Paul & Olson (2008), social class has some implication to marketing in that it involves different attitudinal configurations, thus it becomes a useful independent variable for segmenting markets and predicting consumer reactions. Social classes show distinct product and brand preferences on many products, including clothing, home furnishings, leisure activities and automobiles. There are also language differences among the social classes and so advertising copy and dialogue must ring tone to the targeted social classes (Kotler et al, 2009). Some products are more likely to appeal to one social class rather than another. Even when members of different classes purchase the same product, the kind and quality of product selected may vary. But differences between social classes show up not just in product choice but in other areas particularly in regard to shopping locations and media habits. Social classes differ in media preference, with upper-class consumers often preferring magazines and books and lower class consumers tend to prefer television. This influences the media of communicating products and services (Kotler et al, 2009).

### 2.1. Empirical Literature

There are several studies conducted on consumer behaviour towards baked products, for instance Mclaughlin and Hawkes (1995) conducted a study on attitudes and preferences for supermarket-baked products in American market, and findings indicated that Americans preferred the bakes from local bakeries than those from supermarkets based on freshness. In Indian market, consumers are not for sweet bread, they preferred milk bread (Padamavethy and Muruganathi, 2007). Another study in Indian market was by Harish and Pravin (2019) in their study indicated that product & brand recognition, affordability, availability and packaging are the important factors influencing preference for bakery products in India. In Brazil, study by souki, Reis & Moura (2017) indicated that the consumers demonstrated positive mental associations about bread, bakeries and baked products, including those produced by other companies than bakeries. In addition, consumers are not willing to pay more for baked products than for products from other industries, although they have been showing preference for baked products. In Lativia, a study by Eglite and Daiga (2015)indicated competition in the baking industry is based on the price and quality. Studies for Kenyan market have focused on the retail bakery performance (Mbindo 2016), others have focused on private label bread of large supermarkets in Nairobi (Nga'ngá 2012). From the accessible literature, no study has been conducted on the cultural factors that could be influencing bread consumers, thus the need for this study.
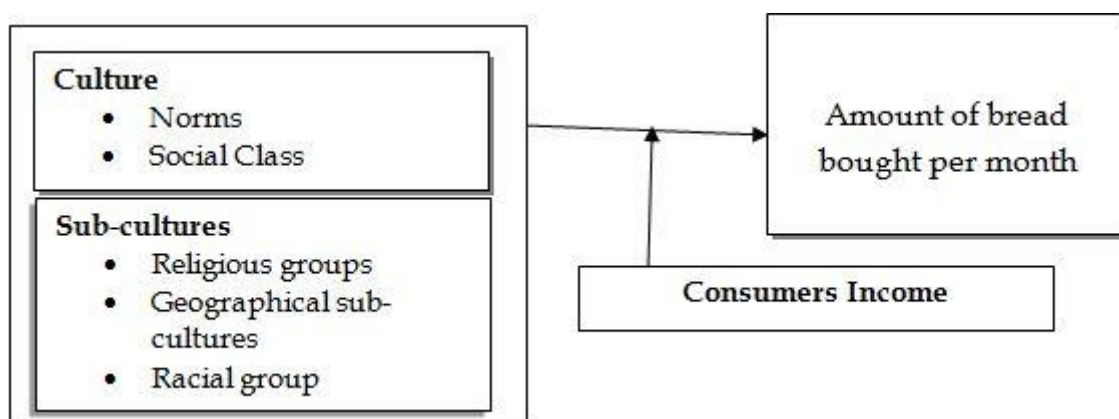
### Conceptual Framework



**Figure1.1.** *Conceptual Framework*

## 3. RESEARCH METHODOLOGY

This study was designed in form of survey, where the target population of 3,424,000 (adults in the study site, Kiambu and Thika) was considered for the study (Kenya Bureau of Statistics). The actual sample size was determined using the formula proposed by Saunders et al, (2007 p.g 214): $n^a = \frac{nX100}{re\%}$, where: $n^a$ = the actual sample size required, n = minimum (or adjusted minimum) sample size, re% = the estimated response rate expressed as a percentage. In line with many studies in marketing, a level of confidence of ninety-five percent, which corresponded with z = 1.96 was assumed. Based on the reasoning by Saunders et al, (2007 p.g 586), and considering that, 80% of Kenyan population can make purchase decisions regarding bread since it this product is categorized as a convenience good, the minimum sample size was computed as follows: n= p% x q% x $\left(\frac{z}{e\%}\right)^2$, where: $n$ = minimum adjusted sample size required, $p\%$ = proportion belonging to the specified category, $q\%$ = proportion not belonging to the specified category, $z = z$ value corresponding to the level of confidence required while $e\%$ = margin of error required. Thus, n= 80 x $\left(\frac{1.96}{5}\right)^2$ which was equal to 246.4. This had to be adjusted to 248.38 according to the target population of 3,424,000 ( adults in the study site) using the formula provided by Saunders et al, (2007 p.g 586) where, n'=

$\dfrac{n}{1+\left(\dfrac{n}{N}\right)}$ . In this formula, n'= the adjusted minimum sample size, n= the minimum sample size, and

N= the target population.

n= 80 x $\left(\dfrac{1.96}{5}\right)^2$ = 1229.3, which is approximately 1230 since we are dealing with people , while

actual sample is n'= $\dfrac{n}{1+\left(\dfrac{n}{N}\right)}$ = $\dfrac{1230}{1+\left(\dfrac{248.38}{3,424,000}\right)}$ = $\dfrac{1230}{1+0.0007155}$ which is approximately 1230

people, which is the actual sample size used in the study.

The **Multiple Linear Regression Model** was **specified as** follows:

$$Y = \alpha_0 + \alpha_1 X_{1i} + \alpha_2 X_{2i} + \alpha_3 X_{3i} + \alpha_4 X_{4i} + \alpha_5 X_{5i} + \alpha_6 X_{6i} + u_i$$

Where: $Y$ = amount of bread purchased, $\alpha_0$ = constant term. $\alpha_1$, $\alpha_2$ ………….. $\alpha_{16}$ are unknown parameters associated with changing patterns of the explanatory variables which were estimated and $X_1$= religious group, $X_2$= geographical subculture, $X_3$ = racial group, $X_4$ = social class, $X_5$ = consumers income, while $\mu$ = random error term. The variables were operationalized as follows.

**Table1.** *Operationalization of Variables*

| Variables | Specification/operationalization |
|---|---|
| Amount of bread | Number of loaves bought per month |
| $X_1$ <br> Religious Faith | Religious group= 1 if a Muslim, religious =0 if otherwise |
| $X_2$ <br> Geographical subculture | Geographical culture = 1 if from Costal region and geographical= 0 if otherwise |
| $X_3$ <br> Racial group | Racial group= 1 if of Non-African origin =0 if otherwise |
| $X_4$ <br> Social class | Social class = 1 if from upper class, and social class = 0 if otherwise |
| $X_5$ <br> Consumers income | Amount of Money in Kenya Shillings |
| $X_6$ = Cultural Norms | Cultural Norm= 1 If eating bread was a traditional the Norm, and Cultural norm if Otherwise |

## 4. RESULTS

The response rate was 100% which can be attributed to the fact that, one- to-one interviews method of data collection was used, making it possible to replace a questionnaire that was wrongly completed by interviewing another respondent. 42% of the respondents were male, implying that 52% were female. The average age of consumers was 34 years. The average family size was 3.6 (approximately 4 persons). 55 % of the old consumers were health conscious.

The mean monthly family income was KSh 17,642.800 per month, with a minimum of Ksh 6000 and a maximum of KSh. 300,000. 78 % of respondents were Christians, 78.2% of the respondents have lived upcountry the while of their lives, and 80% were of African origin. 52 % classified themselves as low class, 39 as middle class and 9% as belonging to the upper class group.

### 4.1. Robustness Tests

Two tests of robustness were carried out: Autocorrelation tests and Multicollinearity analysis. Autocorrelation Test were carried out using Durbin-Watson 'd' coefficients and the results are as shown in the table range from 1.743 to 1.860. This implies that the variables did not have a serious problem of autocorrelation, thus, they were appropriate for further analysis.

**Table2.** *Autocorrelation Test of Independent Variable*

| Variable | R | R2 | Durbin-Watson |
|---|---|---|---|
| Religious faith | 0.5401 | 0.2900 | 1.743 |
| Geographical sub-culture | 0.4690 | 0.2279 | 1.860 |
| Racial group | 0.5740 | 0.3301 | 1.895 |
| Social class | 0.5100 | 0.2599 | 1.773 |
| Consumers income | 0.4789 | 0.3456 | 1.754 |

**Source:** *Own source*

The results from Multicollinearity analysis in Table 2 confirmed that there were no serious cases of multicollinearity among the cultural factors and income as independent variable identified for the study. The tolerance values were higher than 0.1 while all the variance inflation factors were below 10,implying that there were no multicollinearity amongst independent variables.

**Table3.** *Test of Multicollinearity of Independent Variables*

| Model | Collinearity Statistics | |
|---|---|---|
| | Tolerance | VIF |
| Religious faith | 0.273 | 3.679 |
| Geographical sub-culture | 0.191 | 5.112 |
| Racial group | 0.220 | 4.413 |
| Social class | 0.225 | 4.413 |
| Consumers income | 0.234 | 3.789 |

**Source:** *Own source*

**Table4.** *Results of the Regression Model*

| Linear regression | | No.obs | = | 1230 |
|---|---|---|---|---|
| | | F( 15,  1214) | = | 309.29 |
| | | Prob > F | = | 0 |
| | | R-squared | = | 0.619 |
| | | Adj R-Squaured | | 0.739 |
| | | Root MSE | = | 0.376 |

| | Coef. | Std.Err | T | P>t    [95%] |
|---|---|---|---|---|
| Religion (Muslim) | 1.140 | 0.025 | -10 | 0.000 |
| Geographical sub-culture(costal resident) | 1.061 | 0.023 | 11.63 | 0.001** |
| Racial group(non-African) | 0.512 | 0.030 | 3.767 | 0.000** |
| Social class (upper) | 1.156 | 0.025 | 9.76 | 0.013** |
| Cultural norm | 1.306 | 0.302 | 6.712 | 0.010** |
| Income | 1.204. | 0.0000 | 1.31 | 0.010** |
| _cons | 1.2014 | 0.0961 | 10.49 | 0.000 |
| ** p-valueis significant at  0.05 | | | | |

This implies that about 62. % of the variation in the amount of bread bought from the supermarket and other retail outlets could be explained by the combined action of the ten predictors together in the model. The Adjusted R- squared was 0.739, while F (15, 1214) was 309.29 and with significance of 0.000. Thus, the probability of these results occurring by chance was less than 0.05. Therefore, a significant relationship was present between the amount of bread bought and the ten variables. The model therefore fit the data well.

RMSE was 0.376, an indication of a higher degree of goodness of fit of the regression model. The results indicate that all the explanatory variables considered in this study were significant predictors of the amount of bread bought by consumers per month. Given that validity of the results was guaranteed by the robust tests, and that F was significance, and the sample used was large enough, it was possible to generalize those results.

## 5. CONCLUSION AND RECOMMENDATIONS

From the analysis above, it can be concluded that the amount of bread bought is dependent cultural factors selected for this study, and income has a positive and significant moderating effect between cultural factors and the amount of bread bought by consumers in Kenya. Bakers in the manufacturing sector and large retail outlets should always consider cultural factors, so that they can bake the right offering to consumers of different cultural background. Since income effect on the buying behavior is positive and significant, and upper-class buys more compared to if otherwise, bakers should strategize on how they can segment the market

The results have policy implications in that, since the high class are buying more bread than the lower class in Kenya, government should liaise with the manufacturers so that it can develop policies to enable the lower class to purchase bread. Furthermore, bread is a basic good, thus the government should consider coming up with subsidized prices for this commodity.

## 6. AREAS OF FUTURE RESEARCH

Given that all the studies done in this area are based on the consumer as the unit of analysis, it is important that studies be done on the baker's side/producers side. The studies should focus on firm innovativeness in regard to differentiated bread and other baked products affordable to the consumer. If it is understood how firms can achieve this, this would assist the firms in their quest for profits and the consumers in their quest for utility maximization.

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## AUTHORS' BIOGRAPHY

**Hannah Wambugu, (PhD),** is a Senior Lecturer at Kirinyaga University in the School of Business and Education. She has specialized in marketing, and her research interests are in Marketing, and Strategic Business Management. She has published many journals articles in these areas, and supervised post-graduate students in the same areas.

**Jemimah Maina, (M Sc),** is an assistant lecturer at Kirinyaga University. Her research interests are in Procurement, Logistics and Supply Chain Management. She is currently pursuing PhD in this area and has published journal articles in areas of Supply Chain Management. Specifically, she has written in the topics such as Chain Simulation, Facility Location Decisions, Supply Chain Sustainability and Supply Resilience and supply chain disruptions and covid-19: impacts and recovery

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