

**THE EFFECT OF INNOVATION STRATEGIES ON MARKET
SHARE OF SMALL SCALE TEA PACKERS IN KENYA**

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DECLARATION

This research project is my original work and has not been submitted for a degree in any other University.

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This research project has been submitted for examination with my approval as the University Supervisor.

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DEDICATION

I dedicate this work to my family and those who supported me throughout the completion of this project

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ABBREVIATIONS & ACRONYMS

ICT : Information and Communication Technology

KETEPA : Kenya Tea Packers

KTDA : Kenya Tea Development Agency Ltd

MSE : Micro and Small Enterprises

SME : Small and Medium-sized enterprises

ABSTRACT

The tea industry is progressively facing intensified competition making all players in the industry to draft superior strategies to beat competition. Growth is driven by innovation in the business environment. The country's business system is not as innovative a fact that is greatly seen by the number of imitations happening in the market. The purpose of the study was to find out the effect of innovation strategies adopted by small scale tea packers to beat competition for market share. The objectives were to determine the drivers of tea marketing in Kenya and to assess the success rate of innovation strategies in growing the market share for tea packers. This study adopted a descriptive research approach. The target population of the study consisted of 100 active small scale tea packers in Kenya. A purposive sample of 50 tea packers was used in the study. The study used primary data from the enterprises whereas secondary data was obtained from Tea Directorate. Data was collected using self-administered questionnaires. For this study, the data collected was analysed using descriptive statistics. The data was analysed qualitatively with the aim of ascertaining common themes from the responses provided by the respondents. The statistical test to determine the influence of an independent variable against the dependent variable was analysed through correlation and regression. The study found that most of organizations are privately owned and have been in existence for 11 to 15 years and averagely have employed employees between 20 and 30 where most of them have a low asset value. The study also that found that technological innovation product innovation, process innovation and marketing innovation affects market share of small scale tea packers in Kenya positively and significantly. The study concludes that marketing innovation had the greatest effect on the market share of small scale tea packers in Kenya, followed by technological innovation, then product innovation while process innovation had the least effect to the market share of small scale tea packers in Kenya. The study recommends that the government should offer support to all firms by ensuring good policies that promote availability of affordable credit and training of SMEs in enterprise and innovations management. The study also recommends that common user facilities could be established so that small scale tea packers could deploy resources away from fixed assets towards innovative marketing and business development initiatives. The study further recommends that through the different types of innovation strategies they should expand into new markets and identify products that can help them compete within the established markets.

CHAPTER ONE: INTRODUCTION

1.1 Background of the study

Business need to constantly innovate in order to ensure growth and success. Innovation is vital in creating and improving goods and services, developing market demand, meet market expectations, and increase shareholders' wealth (Halkias et al., 2011). Successful business activities are driven by strategy making it a very fundamental concept in the business environment. This has made strategy to develop due to the changing business and consumer dynamics in order for businesses to thrive in the competitive market. The growth of small enterprises is dependent on many internal and external factors but a firms' innovation strategy greatly determines its survival and growth in their market share (Howaldt & Schwarz, 2010). Market share is driven by the need to make a higher economic contribution, profit, and industry control among competing entities. Acquiring a higher market share leads to market leadership. Innovation strategies have been classified (Dodgson et al., 2008) as proactive, active, reactive and passive.

Entrepreneurship innovation theory by Joseph Schumpeter explains the role of innovation and entrepreneurship in economic growth (Price et al. 2013). Currently, the world has become extremely complex and exhibits dynamism whereby economic development cannot be achieved without using innovation as the driving force for entrepreneurship. Innovation takes place in an environment of limiting resources in order to beat competition. As Allinson et al. (2013) indicate, the Resource based theory explains that if a resource is important and hardly available, then it can be source of great success of the business. Firm that control rare resources and consistently innovate achieve enterprise success and this greatly varies with the kind

of industry in which a firm operates in. Porter's (1980) models on the five competitive forces explains the external environment that a firm operates in and helps in strategy formulation.

Kenyan tea is mostly grown by small scale farmers whose production, processing and marketing is managed by the KTDA Management Services Ltd. Kenya produces on average almost 450 million kgs of tea annually of which 95% is exported leaving a paltry 5% for local consumption. Moreover, the tea that Kenya exports has little value addition and the bulk of exports go to only a few countries. Management team in the Tea packing sector are involved in ensuring there is diversity in the products through branding which include; household brands as well for business purchaser chains (Tea Directorate annual report 2016). Innovation has ensured that most packers compete sustainably in the world market. This ever changing environment continuously presents opportunities as well as challenges as consumer preferences keep shifting. Firms therefore need to develop capabilities to manage the threats and also fully exploit emerging opportunities appropriately (Porter, 1985).

1.1.1 The Concept of Innovation

Innovation as defined by different economists focuses on the item and its production chains (Greenhalgh & Rogers, 2006). Branding involves introduction of a completely modern product into the market while process innovation refers to implementing a new way of efficiently managing production. These have been the major types of innovation but they are not the only ones. Others include; marketing innovation, technology innovation and organizational innovation. Innovation according to Tidd et al. (2001) is postulated as the introduction of recent technology in production and other business activities in a firm. Dodgson et al. 2008 have classified innovation

strategies into proactive, active, reactive and passive. Others like Robertson (1967) elaborate innovation as a connection of chains that recent ideas, behaviours which exist in different forms are implemented in practice.

Companies with proactive innovative ideals tend to have a greater investment in research and are market leaders who move fast to grow their market share (Murray et al, 2010). When there are active innovation strategies, a firm is well equipped to adopt to dynamic market changes or technological changes. This approach is useful when companies are trying to mitigate risks and it needs firms to have broad sources of knowledge (Steel et al. 2012). This is the different between firms with active and those passive innovation strategies. Companies with passive strategies wait until consumers make a preferential demand that needs a change in the product for them to act. Innovation is essential to a business to increase its market share locally, regionally and even globally (Ahmed & Shepherd, 2010)

Invention happens when an idea first occurs while innovation involves implementation or putting the idea into practice. Innovation is driven by very many forces in the business environment. Greenhalgh and Rogers (2006) discuss six drivers of innovation that occur at firm-level. These include capital and duration of existence of a firm, type of ownership, market share globally, research and development efforts and innovation results, human resource, information and communication technology and largely the type of business environment that a firm operates in. Firms have varied abilities to innovate many of which depend on the level the firm is in its growth. Young firms are perceived to be the main drivers of innovation as they put pressure into large firm (Ahmed & Shepherd, 2010).

1.1.2 Concept of Strategy

Strategy as derived from Greek military word ‘strategos’, means a command used by soldiers or the skill on how to overcome the rivals in war via the application of limited expense in weapons. Mintzberg and Quinn (1991) postulates that, strategy has been in use for decades and was considered a fundamental skill in any organization at the time of Pericles (450 BC), translating to organization or leadership skills such as administrative, leadership, public speaking and power. Strategy is also elaborated as the long term path that a firm chooses that helps it achieves its objectives using the limited resources it has in a largely competitive environment (Johnson and Scholes (2002)). A firm uses strategy to meet its markets needs and all other stakeholders’ expectations. Usually strategy effects are felt throughout the entire organization rather than in a single unit.

Successful business activities are driven by strategy making it a very fundamental concept in the business environment. This has made strategy to develop due to the changing needs in business rather than to develop theory. In the 1950s and 1960s, senior managers had difficulties managing and controlling companies that were rapidly growing in size and complexity. Previously they had been using financial budgets but with time this only served to provide short-term control on projects to be implemented and little guidance on the long term direction of the firm (Ahmed & Shepherd, 2010). This changed in the 1990s when focus drifted from the bases of revenue from the outside setting to sources of revenue from within the organization. It drove to the increased focus on the resource-based view of the firm.

Strategy drives productivity within firm thus driving profits and revenues. This revenue is due to the increase and widening of the market share that is realised when a

firm has outlined the direction it needs to follow. The main sources of a firm's competitive advantage are its resources and capabilities. Organizational and people capabilities drive performance and enable strategy. Pearce and Robinson (2007) suggest three ingredients for successful strategy. They include consistency with conditions of the dynamic environment, take advantage of emerging opportunities and mitigate risks and must be realistic to what a firm has in form of resources. There are however many external environment forces that influence policy such as political or legislative forces, economic factors, demographic factors, social factors, technological and industrial or competitive factors.

1.1.3 Market Share

According to Mwenda (2007), market share is defined as that segment of consumers that a firm's product commands. Market share is central in the strategy of any organization as the levels of competition in the business environment are still high. It is important to beware of the high levels of competition at global and domestic fronts that make business of all sizes become more concerned with the market-share figures they control in the marketplace (Ansoff, 1987).

Acquiring high market share leads to market leadership. This is because increase in market share will lead to growth in profits. Many large firms have provided their consumers with a long-term solution to their needs making them more sustainable as they have an assured market for their products. Innovation is key for market share to grow. To stay relevant in the market, a firm needs to cultivate customer relations and have smart hiring practices. According to Kulei (2013), high market share leads to better buying prices from suppliers due to large volumes ordered.

Market share is often driven by the need to make a higher economic contribution, profit, and industry control among competing entities. Every strategy that a firm makes is analysed on the market position and activities being carried out by competitors (Onyango & Tomecko, 2008). Whatever strategy or innovation that a firm makes, competitors will always try to imitate, so it should be hard and costly to copy. Predictions on the preferences of consumers are also key during plan making.

1.1.4 Small Scale enterprises in Kenya

A small enterprise is any business activity whose annual turnover does not exceed Kenya Shillings 500,000 and one that employs not more than 9 people. Small scale businesses are those firms that have an employee list of 10 to 50 (World Bank, 2013). In the processing industry, amount of money spent on the physical assets should range between Ksh 10 million and Ksh 50 million and recognized capital of the business between Ksh 5 million and Ksh 25 million in the service and agricultural sector.

Mutua (2015) observed that in the developing countries the state of the economy has a strong association with the health and nature of Small and Medium Enterprises sector. The SME sector is one that has great potential to bring about industrial revolution in Kenya if all conditions for growth were available to them. The enterprises are present in all sectors in the Kenyan economy and provide the greatest source of employment, generate income and contribute greatly in poverty reduction. These industries are commonly found along roads in urban and outskirts of major towns in Kenya. Even though income from this sector is ranked lowest among other sectors, it is highest in terms of livelihood providing for many urban and rural poor.

The small and medium sized enterprise sector contributes to about 80% of total job opportunities and more than 92% of jobs created in Kenya (Afande, 2015). This implies that the SMEs sector has a crucial role on improvement and growth of the economy of the country. Small enterprises in Kenya suffer various challenges that hinder their growth. These challenges include lack of financial resources, skilled human resources, lack of proper marketing strategies, and poor adoption of modern technologies among others. These challenges have further reduced business resilience and prevent the SMEs from attaining the economies of scale.

1.1.5 Small Scale Tea Packers in Kenya

According to the Kenya Tea Directorate (2015), there are 138 registered tea packers in Kenya with the top five commanding almost 75% market share. KETEPA leads with a market share currently standing at 36%. It is followed by Gold Crown (Kericho Gold, Baraka Chai) at 16%; Karirana (Eden tea) at 11%; Kiptagich (Tilya Tea) at 6% and Melvin Marsh at 4.9%. The remaining 133 tea packers command a total of about 25%. These small scale tea packers can therefore be defined as those blending and packing firms that pack and sell less than one million kgs of tea per year. They each command less than 5% of the total market share in Kenya. .

Kenya Tea Packers (KETEPA) was a monopoly with support from the industry until the liberalization of the tea sector in 1992 and its market share was nearly 100%. The Tea Act was repealed in 1992 to allow more players to pack tea for local consumption effectively ending Ketepe's monopoly of the local market. The Price Control Act was also repealed to allow the farmers to be paid according to the auction prices thus effectively removing the price subsidy that the consumers were enjoying. Other tea packers began to supply tea to the local market as soon as the tea sector was

liberalized in 1992. By 1994, the Tea Board of Kenya had licensed approximately 40 companies to buy, blend, pack and distribute in the local market (Tea board of Kenya, 2010).

1.2 Research Problem

The tea industry is progressively facing intensified competition making all players in the industry to draft superior strategies to beat competition (Porter, 1980). Business enterprises need to constantly innovate in order to ensure growth and the broader success of any business. Tucker (2008) states that growth is driven by innovation in the business environment. Freeman (1982) says that to choose to be non-innovative is to choose death to an organization. Innovation concepts and metrics are generally applied in the private sector but not well developed in the public sector. A number of business systems are not as innovative; a fact that is greatly seen by the number of imitations happening in the market (Ministry of Science and Technology, 2008). Consequently, many young firms in most sectors are not able to innovate and hence growth is limited. This causes a large number of SME malfunctioning within the early years of their operation.

Research points that most SMEs in agribusiness and manufacturing sectors in Kenya are not as innovative as those in the ICT sector and this affects negatively their growth potential. Mwangi (2008) recommended that government and manufacturing firms work closely to ensure policies made are geared towards promoting innovation in small firms and enlarging market share for large corporations. Innovation is lacking in products exported and this makes few multinationals and large firms that have invested heavily in product innovation get the largest segment of the market and thereby gaining market control Little is documented on SMEs technological

development in the manufacturing sector and its related effect on growth of SMEs in Kenya.

Many scholars have conducted studies in the area of innovation including Gitonga (2003) on factors influencing innovation in Kenya's banking industry, Mwangi (2007) who studied the effect of innovation in Kenya's financial intuitions to list but a few. There is however very little information and research of small scale tea packer's innovation strategies and growth of market share in Kenya. The only study on innovation within the tea industry focused on productivity within tea farms (Ongonga & Ochieng, 2013). This research therefore sought to bridge the gap by carrying out an in depth research on innovative strategies employed by small scale tea packers in Kenya by examining the relationship between innovation strategies and their market share. Eventually, the study was meant to answer the following research question: What was the effect of innovative strategies on market share of small scale tea packers in Kenya?

1.3 Objectives of the Study

The general objective of this study was to analyse the effect of innovative strategies on market share of small scale tea packers in Kenya.

The specific objectives were:

- i. To determine the types of innovative strategies employed by small scale tea packers in Kenya.
- ii. To assess the effect of these innovation strategies on the market share of the small scale tea packers in Kenya.

1.4 Value of the Study

The finding in this research would be significant to the academic community as it enhances the available literature around innovation strategies employed by small scale enterprises. It would contribute to filling the gap of knowledge that examines the contribution of these strategies to the growth of market share in especially in the tea sector. It would also add to the growth of a better theoretical models and point the way toward further study. Little study had been done around this area and this study will add on the knowledge for other researchers to undertake further research.

This study would be of great benefit to the small scale tea packers in Kenya in establishing strategies to grow their market shares. Different strategies such value addition is a key component in improving the prices that farmers and packers get for their tea. Among the various stakeholders that would benefit from the study include farmers, tea packers and blenders, tea auctioneers and tea exporters. In addition, the government would also benefit from improved economic activities leading to more revenues in terms of fees, levies and taxes.

The study would also inform government policy formulation towards creation of an enabling environment for SMEs to thrive and prosper. The enabling environment could be in form of R&D funding, capacity building through establishment of business incubation hubs, tax free holidays during implementation of innovative projects etc. The findings would also strengthen collaborative relationship between academia and the industry, subsequently creation of supportive legal and regulatory framework to spur innovation.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

Theoretical foundation covers theories that explain innovation theories that drive growth of firms. The second part on review of empirical studies shows different strategies used by small scale enterprises for their growth in market share as analysed by different researchers in the field.

2.2 Theoretical Foundation

This section discusses three theories namely; Entrepreneurship Innovation theory, Resource based theory and Porter's five forces model.

2.2.1 Entrepreneurship Innovation Theory

Schumpeter (1961) is famous for defining an entrepreneur as a person who facilitates production and is a change agent ('creative destruction'). This theory indicates that any entrepreneur should be innovative, must have foresight and be very creative. Therefore, a "Schumpeterian" entrepreneur is classified as an innovator. Many authors and researchers do not greatly value innovation in the early stages of a firm existence but see it as important in the later stages where the impact on the economy is greatly felt (Ács & Naudé, 2013). This theory explains the needs to exercise innovation from the beginning levels of a business growth and evidence shows that such firms have a greater growth rate and acquire a greater market share early in the business existence.

Schumpeter analysed vast determinants that affect the growth of the economy and innovation is key. The conditioning among people has prevented them from being innovative. There are various forms of influences such as cultural heritage, their

history, their past experiences that contributed to failures and success that may hinder innovation. This theory explains the need of shunning such inhibitors in order for an entrepreneur to succeed. In corporate entrepreneurship for example, an employee perform daily duties in the exact same manner with a supervisor overseeing the tasks in the same manner too. A manager's work therefore become correcting mistakes in the same routine too making the whole firm lack innovative activities (Schumpeter, 1961). This, according to the innovation theory by Schumpeter needs a wave of creative disruption to the daily way of doing things something that may be accomplished by hiring new creative employees.

2.2.2 Resource Based Theory

The resource-based view (RBV) analyses a firm's competitive advantage by evaluating the resources at the firm's disposal. Most young firms that have failed may have been inhibited by lack of sufficient resources to survive in the competitive business environment. This theory analysis cause of market using two models (Barney, 1991; Peteraf & Barney, 2003). First, this model assumes that businesses in any sector may be different in terms of resources that they control. Second, this diverseness may go on over a long period that resources may not be able to be moved around across different firms. This is because the differences become so diverse that they cannot utilise the same resources. Moving resources across firms makes them grow at a faster rate that when mobility is limited. However, it is this lack of mobility that that brings resource uniqueness among various firms thus bringing the necessary conditions for competitive advantage.

Business capital must be unique and inadequate, one that cannot be imitated by other competitors (Barney, 1991). This is necessary for competitive advantage. Recent

development has seen major imitation in various industries that have rendered firms that were the first entry into a market obsolete. Peteraf (1993) presents in her paper four conditions necessary for competitive advantage; rare resources, competitive superiority, inefficient resource mobility and ex ante controls to rivalry. RBV has contributed to growth concepts with regard to how imitable a product is (Rumelt, 1984). The theory has an intra-organization perspective and explains that success of a firm is dependent on its strategies and capabilities (Dierickx & Cool, 1989). When SMEs start growing, they start investing in more resources such as innovative staff (Sampler, 1998), market intelligence, and more research and development (Teece, Pisano & Shuen, 1997).

Individual resources in a firm are considered relevant to the analysis of a firm's competitive advantage. This is possible, according to Foss (1998), if resources are well defined. Most of these resources are intangible and implicit in nature. To understand competitive advantage, resources have to be clustered in a way that enable them fit into the system. Some SMEs start out with sufficient resources but end up failing because they do not most often fit into the system. This then pushes the problem to relating competitive advantage to strategy other than the individual resources (Foss 1998). Firm's resources cannot be same however. For Barney (1991) however, a strategy can be implemented by any firm in the same environment. What makes the difference is the capabilities and cost of resources utilized for implementing the strategy in question. For competitive advantage to be sustainable here, the resources and capabilities should be costly to copy by other competitors.

2.2.3 Porter's five forces model

This model builds on the structure-conduct-performance (SCP) paradigm that is embedded in organizations that are industrial in nature, (Porter, 1980). The model is grounded on the concept that a business strategy should be to deal with the opportunities and threats in the firm's external environment. This structure paradigm explains a firm's performance has been dependent on the characteristics of the sector it operates in, that is, the structure (Porter, 1981). Porter (1980) acknowledges five competitive forces that shape every industry. The forces determine how competition is rated hence profitability and attractiveness to the specific industry. A firm's strategy should be geared to modifying prevailing rivalry powers in a manner that strengthens the firm's competitiveness in the industry.

Every firm intends to achieve superior economic performance in order to become the market leader and trendsetter. The porter's model allows entrepreneurs to determine the attractiveness of an industry hence determining profitability. Porter's (1980) work nevertheless explains that sources of profit are not in the firm itself rather in the model of the sector in which it runs in. This is quite contradictory with the RBV model that attributes profits of a business to its reserves and other than factors that are beyond its control (Schoemaker, 1990). These five forces collectively determine how well a firm will perform as compared to other firms. Corporate strategies should be tailored towards beating these forces that tend to present a challenge to the growth of any SMEs market share especially during the initial stages of a firm's existence. Strategy is fundamental in this case as competitors will have different ways of dealing with these forces.

2.3 Types of Innovation Strategies

Innovation is quite varied depending on time factors in any business activity, scope, impact expected in the society and organization culture. Categorisation of innovative activities is on where activities differ to avoid duplication in any activity (Subrahmanya et al., 2010). The Oslo Manual explains four innovation types: technological innovation, product innovation, process innovation and marketing innovation (Becheikh et al., 2006).

2.3.1 Technological Innovation

This type of innovation focuses on how technology can be used successfully on products, services and processes to provide an advantage in business competition. Three areas are focused on in this innovation process which include; invention, realization and implementation. In these changing times where technology has been embedded in all processes, firms that that want to succeed cannot avoid it. This is more so in trying to acquire way into a modern market (Becheikh et al., 2006). SMEs are more flexible when compared to other firms of different sizes since they adapt better and are not limited to protocol so can implement new ideas faster. ICT use in organisations is the most common form of technological innovation applied in firms. There is a lot of governance required in this type of system since the business environment is greatly networked.

Technological innovation can be seen in communication channels that are used in the products value chains. This is from the production stage up to the point the products reach the ultimate consumer. We have people order for items from a different continent and have them delivered without having to travel or meet face to face with the supplier. In the innovation cycle, the realisation stage is marked when products

become usable (Barney, 1993). Technological innovation is linked to product and process innovation. Most organizations adopt ICT so as to make efficient their daily routines (process innovation) and also introduce new things (product innovation) (Holland et al., 2011).

Technology has changed in the current season and it has become easier to convince people to uptake it now more than before and thus many SMEs are using it to the fullest. One has to develop and convince someone else to buy it. Technological innovation thus has changed from efficiency driving to value creation.

2.3.2 Product Innovation

Product innovation constantly defines a firm's product sustainability in the changing consumer preference world. Schumpeter (1934) elaborates product innovation as the generation of a modern brand that consumers have not interacted with before. Many firms distinct themselves use a brand that is known in the market. Product innovation sustains this brand in the competitive market. The success of innovation is seen and measured in the success of a brand. SMEs and especially young ones that are new to the market need to work harder to grow a brand and sustain it. Product innovation is therefore the generation of modern technology, efficient output or the integration of modern features into the current brands (Susman et al., 2006).

Nooteboom (1994) notes that not so many SMEs are involved in technological development processes. The small percentage that do so are rewarded by the number of patents that are issued to them. Many of these are from developed nations. In the developing world, patenting is rarely and firms that introduce new innovations do not patent their work thus making it easily imitable. Nooteboom recommends that many

of these firms should target product innovation strategies in recurrent markets and patents. Woodcock et al. (2000) also notes that brand growth depends on the product innovativeness that a firm conducts and recommends the investment of resources in innovation. Trott (1998) suggests strategies to adapting into the competitive markets among which product innovation is included.

2.3.3 Process Innovation

Process innovation refers to the utilisation of a modern process of output generation. This is a method not yet used before by any firm and it's the role of the inventor to test out in the industry (Buckley & Mirza, 1997). It can also represent a new way of handling a commodity commercially. Changing the production process aims at reducing production costs, reduce wastage and lead to time management efficiently (Schumpeter, 1934). When process innovation is well introduced in a firm, it shows direct and immediate impact on the productivity. It can be easily implemented in SMEs to their simplicity and flexibility and this makes it cheaper than having the same switch in larger firms. It is important to note that process innovation should occur at all levels of within an organization as no firm can survive with innovation occurring at only one level (Castillejo, 2008).

The biggest challenge for any type of innovation has been the actual implementation of the act. This is quite common in process innovation where people tend to be contented with the daily routine and do not what to change the way things are done. With innovation comes efficiency and this stimulate the rates of productivity from low to high and therefore increasing a firm competitive advantage. A firm masters and implements a new design in the output generation of goods and services even if the same is not known to the competitors locally or globally (Henard & Dacin, 2010).

When a process is changed, improvement is seen also in areas of quality products, the design routines in management and organization capacities and also marketing. Innovation does not only ensure product sustainability but also ensure environmental sustainability (Munani & Kamau, 2009).

2.3.4 Marketing Innovation

Burrone and Jaiya (2005) defines marketing innovation as the generation of a modern way of marketing a firms goods and services that involves changing the design, packaging, placement, pricing and even the promotion of a product. The customer is the central focus of any marketing innovation strategy. This innovation aims at increasing a firms sales by addressing the ever changing consumer needs by opening new markets or positioning differently the products in the market. The development of new marketing tools and methods plays a key role in ensuring organization success in marketing. This can be applied to a firms new or existing products in the industry. Marketing innovation may be benefiting to the innovating firm but may hurt some consumers or benefit consumers and hurt the innovating firm.

2.4 Innovation Strategies on Market Share

Existing literature that explains the growth of a firm's market share shows it as a process with many factors some that cannot be observed or identifies which are accountable for the development of the business. According to Jovanovic (1982), a firm's development is viewed as time to correct mistakes. This is because there are a lot of developments during the entry stage and a firm has a lot to learn at that point. Small starting out firms tend to grow their market share faster once they discover that they can stand up to their competitors. Using the innovation strategies discussed in 2.3, they can apply these strategies to increase efficiency of their process, make a

sustainable brand for their product and grow their marketing tools and at the same time making use of the available technology. Their size does not deter them from competing with the already established firms as long as they have a strategy to do so.

For a firm to sustain competitiveness, it must have the ability to produce and implement new knowledge in the market. Ansoff's (1965) model has different strategies that enable a firm's growth. This growth is targeted at different levels of the organization and is always considered every time they want to introduce new products or enter into a new market. There are four major forms of growth strategies that are based on two dimensions, product and market. These are market penetration, product development, market development and diversification. All these are aimed at widening the market share for the specific firm. Without growth, SMEs would not survive in the market since big firms already have the largest market share. Some SMEs will succeed if they invest in technological innovation, others on product, process or marketing innovation depending with the nature of their business.

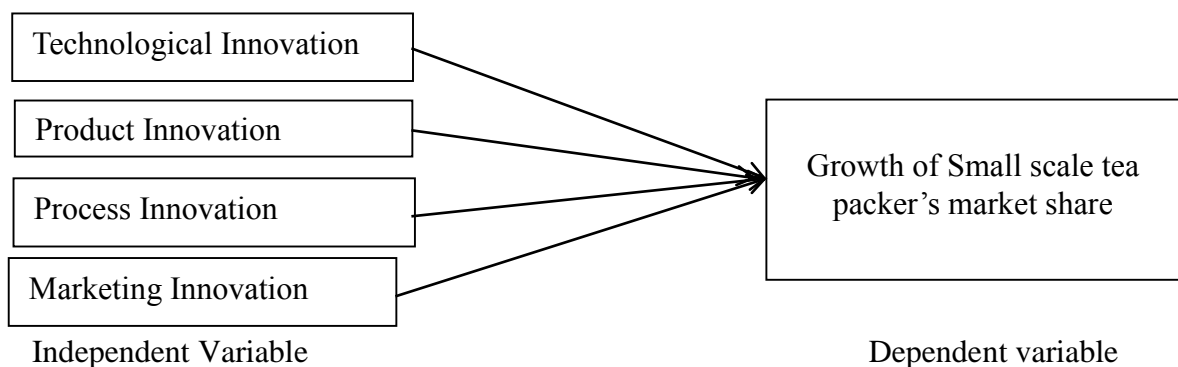
Coad and Rao (2008) have examined how innovation impacts on growth of the market share on technology-based companies. This are companies serving consumers with a lot of sophistication and demands and each of these demands changes with different generations. Without innovation therefore, serving such a diverse clientele would not be possible. If these innovation is carried out successfully, the products innovated are likely to increase in market share and hence increase in sales. Loss of market share means loss of revenue (Watts et al. 2008). The growth of SMEs spills to growth of the economy also solving the problem of unemployment. Innovation allows a firm the ability to transform the lives of all types of consumers by developing tailored and transformational products to meet their different demands.

Innovation strategies work to influence development strategies of a business. There is the market penetration strategy that can only be supported by the innovation strategies. It aims at increasing the revenue through aggressive promotion of the product. The product should be able to sustain competition, have gone through an efficient process and use marketing methods that will push for a good entry into the competitive environment. Mascarenas et al., (2006) notes that innovation should be made a culture for any organization to succeed. SMEs have different growth stages that are characterized by a different market share. Due to their small sizes, SMEs segment the market in order to offer more tailored solutions and widen the segment with their growth (Kotler, 1999).

2.5 Conceptual Model

Figure 2.1: Figure showing the relationship between the independent variables and the dependent variable

The conceptual model was constructed from the variables from the literature review and also individual variables from the researcher. It gives a visual picture of the research and helps develop the survey questions.



CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This section describes the process that was followed answer the research questions. It focused on research design, population of the study, sampling procedure, data collection methods and methods of data analysis.

3.2 Research Design

Descriptive survey design is characterised with either identifying the characteristics of an observed phenomenon or exploring possible correlations among two or more phenomena. It was used to determine growth strategies by SMEs in the tea packing sector since it does not involve changing or modifying the situation under investigation. This design sought to describe specific strategies because of its easiness to guarantee minimal of biasness and expansion of the reliability of evidence to be collected (Mugenda & Mugenda 2003). It is a survey which involved collection of data from a sample of small scale tea packers which will be considered as a representation of the whole industry. The data collected from the tea packers would answer questions of the study topic and it is cross sectional as it was collected from different firms over the same period of time.

3.3 Population of the Study

The target population of the study consisted of active small scale tea packers in Kenya. According to the Tea Directorate report of tea packers in Kenya (2015), there are 138 registered tea packers in the country but about 100 packers are actively doing business.

3.4 Sample Size and Sampling Design

The sample size used in a study is determined based on the expense and time of data collection and the need to have sufficient statistical power. A purposive sample of 50 tea packers was used in the study. This method was used because of its ease in assembling the sample, its representativeness of the population. According to Dattalo (2007), the perfect sample size is directly related to the type of research one is conducting.

3.5 Data Collection

The study used primary data from the enterprises whereas secondary data was obtained from Tea Directorate. Data was collected using self-administered questionnaires which had three parts namely part 1; background information, part 2; innovation strategies, part 3; market share. Questionnaires are appropriate because they enable the respondents to collect data from a large number of people in a short period of time and in a relatively cost effective way and results of the questionnaires can usually be quickly and easily quantified. The respondents were either business founders/owners or firm executives/managers as they had a +wider view of firms operations thus were in a better position to fill the questionnaires.

3.6 Data Analysis

Data analysis involves inspecting, cleansing, transforming and modelling data with the goal of discovering useful information, suggestions and conclusions that support decision making. For this study, the data collected was analysed using descriptive statistics. The data was analysed qualitatively with the aim of ascertaining common themes from the responses provided by the respondents. The analysis groups' common concepts from each and every questions present in the questionnaire with the

aim of identifying common trends, perceptions, and practices relating to innovation strategies used by tea packers for market share growth. The statistical test to determine the influence of an independent variable against the dependent variable was analysed through correlation and regression (Kothari, 2004).

CHAPTER FOUR: DATA ANALYSIS, FINDINGS AND DISCUSSION OF THE RESULTS

4.1 Introduction

This chapter has covered data analysis for the data collected on the subject under study as well as the discussion of the findings. The data is presented using frequency Tables.

4.2 Response Rate

The researcher administered 50 questionnaires to various small scale tea parkers and only 42 questionnaires were completely filled and returned. This represents a response rate of 84% which is considered good for data analysis as per Kothari (2004) who recommends that for data analysis to be carried out a response rate above 50% should be attained.

Table 4.2.1: Response Rate

	Frequency	Percentage
Response	42	84%
Non-Response	8	16%
Total	50	100

4.3 Background Information of the Business

The study sought to collect information about the general information of the business under study. This included duration of existence, the legal business ownership, number of employees and estimated value of the business.

4.3.1 Business Duration

The respondents were requested to indicate how long their businesses have been

existing. Table 4.3.1 shows their responses.

Table 4.3.1: Business Duration

	Frequency	Percent
1 – 5 years	7	16.7
6 – 10 years	9	21.4
11 – 15 years	17	40.5
16-20 years	5	11.9
More than 20 years	4	9.5
Total	42	100.0

From the findings, 40.5% of the respondents indicated that their businesses have been in existence for 11 – 15 years, 21.4% of the respondents revealed that their businesses have been existing for 6 to 10 years, 16.7% said for 1 – 5 years, 11.9% said for 16-20 years while 9.5% of the respondents indicated that their businesses have been in existence for more than 20 years. This implies that most of organizations have been in existence for 11 to 15 years. This is mainly because the KETEPA was a monopoly for long time until liberalization of the tea sector in 1992 (Woodcock *et al*, 2000).

4.3.2 Form of Business Ownership

The researcher requested the respondents to indicate the form of their business. Their responses are illustrated in Table 4.3.2.

Table 4.3.2: Form of Business Ownership

	Frequency	Percent
Sole trader	11	26.2
Partnership	13	31.0
Private limited company	18	42.9
Total	42	100.0

As per the results, 42.9% of the respondents indicated that the form of their business was private limited company, 31% indicated partnership while 26.2% of the respondents said that their form of business was sole trader. This implies that most of organizations are privately owned. This is because tea growing in Kenya is a delicate sector there seems to be a preference in operating private limited companies as compared to other forms of business ownership as postulated by Burrone and Jaiya (2005).

4.3.3 Number of Employees

The researcher requested the respondents to indicate the number of employees in their organization. The findings were as illustrated in the Table 4.3.3.

Table 4.3.3: Number of Employees

	Frequency	Percent
Less than 10	10	23.8
11 – 20	6	14.3
20 – 30	15	35.7
30 – 40	8	19.0
40 – 50	3	7.1

Total	42	100.0
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As shown in Table 4.3.3, 35.7% of the organizations have employed staff between 20 – 30 employees followed by 23.8% of the organizations having employed less than 10 employees. The respondents also indicated that 19% have employed 30 to 40 employees, 14.3% have employed 11 to 20 employees while 7.1% have employed 40 to 50 employees. This shows that most of the organizations have employees between 20 and 30 since mechanization of tea packing has reduced the number of permanent staff utilized hence making most of small tea packers to employ a few employees as recommended by Murray *et al* (2010) who argue that most of small scale tea packers have a maximum of 30 employees.

4.3.4 Estimated Business Assets Value

The respondents were further asked to state their assets value and the analysis is as shown in Table 4.3.4.

Table 4.3.4: Estimated Business Assets Value

	Frequency	Percent
Less than 1M	6	14.3
1M – 3M	17	40.5
3M – 5M	10	23.8
More than 5M	9	21.4
Total	42	100.0

From the study results, 40.5% of the respondents revealed that the organization asset value is 1 to 3 million, 23.8% indicated 3 to 5 million, 21.4% said more than 5 million while 14.3% of the respondents revealed that the organization asset value was less

than 1 million. This implies that most of the organizations have a low asset value as postulated by Ahmed and Shepherd (2010) who argue that most of organisations operate in a low asset value.

4.4 Types of Innovation Strategies Employed by Small Scale Tea Packers in Kenya

The respondents were also asked to indicate the innovation strategies adopted by the organization. Their replies were as presented in Table 4.4

Table 4. 4: Types of Innovation Strategies employed by Small Scale Tea Packers in Kenya

	Yes	No
Technological innovation	87.2	12.8
Product innovation	76.5	23.5
Process innovation	67.1	32.9
Marketing innovation	86.3	13.7

As per the study results, 87.2% of the respondents indicated that most of the organizations adopted marketing innovation, 86.3% indicated technological innovation, 76.5% indicated product innovation while 67.1% of the respondents revealed that the organizations embraced process innovation. This implies that majority of the organizations adopt marketing innovation strategy. This agrees with previous study by Trott (1998) who suggests that there are strategies that make it easy for organisations adapting into the competitive markets among which market innovation is included.

4.5 Innovation Strategies adopted by the Small Scale Tea Packers in Kenya

This section presents the findings on the innovation strategies that most of the small

scale tea packers have adopted as well as their effect on market share. These strategies include technological innovation, product innovation, process innovation and marketing innovation.

4.5.1 Technological Innovation

The study sought to find out the effect of technological innovation on market share of small scale tea packers in Kenya. Table 4.5.1 illustrated the study results.

Table 4.5.1: Level of agreement with Statements on the effect of Technological innovation on market share

Statements on Technological innovation	Mean	Std. Dev.
Our organization has advanced equipment and machinery	3.91	0.951
Our organization has up to date ICT including advanced software geared towards improving operational effectiveness	3.13	0.787
Our organization technology always goes hand in hand with customer value innovation	4.11	0.841
Our organization has strengthened Integrated System that enhances production	3.75	0.874
Average of average	3.73	0.863

As per the study results, most of the respondents were in agreement that their organizations technology always go hand in hand with customer value innovation as shown by a mean score of 4.12, their organizations have advanced equipment and machinery as shown by a mean score of 3.91 and that their organizations have strengthened integrated system that enhances production as expressed by a mean score of 3.75. However, the respondents were neutral that their organizations have up to date ICT including advanced software geared towards improving operational

effectiveness as shown by a mean score of 3.14. This shows that most of the organisations have technology that always goes hand in hand with customer value innovation and have strengthened integrated system that enhances production. This agrees with study by Holland *et al.* (2011) who argue that most organizations adopt ICT so as to make their daily routines efficient in production of new products.

4.5.2 Product Innovation

The study also inquired on product innovation used by small scale tea packers in Kenya. The replies were depicted in Table 4.5.2.

Table 4.5.2: Level of agreement with Statements regarding the effect of Product innovation on market share

Statements on Product innovation	Mean	Std. Dev.
The company has products with different flavours thus enhancing our sales	3.99	0.822
Our product sizes are varying with prices increasing the sales volumes	4.29	0.572
Our tea products have different packaging (tea bags/loose tea) increasing sales	3.05	0.524
Our organization constantly revises its product costs in line with competitors increasing our market share	2.46	1.070
Our organization constantly replaces non-performing products with performing products to increase its competitiveness	2.45	0.848
We continuously introduce new products before competitors	4.05	1.308
Average of average	3.58	

Regarding product innovation, the respondents were in agreement that their product

sizes are different varying with prices increasing the sales volumes as illustrated by an average of 4.29, they continuously introduce new products before competitors as expressed by a mean score of 4.05 and that the companies have products with different flavours thus enhancing our sales as shown by a mean score of 3.99. In contrary, they were neutral on the fact that their tea products have different packaging increasing sales as shown by a mean score of 3.05 and disagreed with the fact that their organizations constantly revises its product costs in line with competitors as illustrated by a mean of 2.46 and that their organizations constantly replaces non-performing products with performing products to increase its competitiveness as illustrated by a mean score of 2.45. This reveals that most organisations have product sizes that are varying with prices hence increasing the sales volumes and continuously introduce new products before competitors. This correlate with Schumpeter (1934) who argues that product innovation is the introduction of a new good that consumers have not interacted with before.

4.5.3 Process Innovation

The study further asked the respondents to show level of agreement with statements relating to the effect of process innovation on market share of small scale tea packers in Kenya. Table 4.5.3 shows the findings.

Table 4.5.3: Level of agreement with Statements relating to the relationship between Process innovation and market share

Statements on Process innovation	Mean	Std. Dev.
Our organization has automated all its operation hence improving efficiency	3.58	1.061
The company Layout allows free flow of the operational process	4.60	0.980
Our organization has minimal process intervening enhancing supply reliability	3.16	0.804
Our organization has short product to market cycle	3.98	0.973
Determining and eliminating activities that where not adding value in the processes of the organization is frequently done	3.06	0.616
Average of average	3.67	

The study results reveals that the respondents strongly agreed that the company layout allows free flow of the operational process as expressed by an average of 4.60. The respondents unanimously agreed that their organizations have short product to market cycle by a mean score of 3.98 and that their organizations have automated all its operation improving efficiency by a mean score of 3.58. They were however neutral on the fact that their organizations have minimal process intervening enhancing supplies reliability by a mean score of 3.16 and determining and eliminating activities that where not adding value in the processes of the organization is frequently done by a mean score of 3.06. This implies that company layout allows free flow of the operational process and most organisations have short product to market cycle and have automated all its operation improving efficiency. This conforms to Henard and Dacin (2010) who suggests that a firm masters and implements a new design in the

production of goods and services even if the same is not known to the competitors locally or globally.

4.5.4 Marketing Innovation

The study further inquired on the effect of marketing innovation on market share of small scale tea packers in Kenya. The study results were as shown in Table 4.5.4.

Table 4.5.4: Level of agreement with Statements on effect of marketing innovation on market share

Statements on Marketing innovation	Mean	Std. Dev.
Our organization has enjoyed superior branding compared to other players	3.91	1.37329
Market innovation strategies have facilitated creation of value through pricing	2.61	1.261
Distribution of our products is done evenly depending on demand	4.09	0.980
Promotion and advert are frequently used in our organization	3.83	0.923
Market innovation strategies employed has led to enhanced entry into new markets	4.13	1.261
Market innovation strategies involves environmental analysis and response to changes	3.62	0.954
This organization conducts aggressive anti-competitors marketing campaigns	3.57	0.822
Average of average	3.68	

On the effect of marketing innovation on market share, the findings show that the respondents were in agreement with the fact that market innovation strategies employed has led to enhanced entry into new markets as shown by a mean score of 4.13, distribution of their products is done evenly depending on demand as expressed by a mean score of 4.09, their organizations have enjoyed superior branding compared to other players by a mean score of 3.91, promotion and advert are frequently used in their organizations by a mean score of 3.83 and market innovation strategies involves environmental analysis and response to changes by a mean score of 3.62. However, the respondents were neutral on the fact that their organizations conduct aggressive anti-competitors marketing campaigns and also market innovation strategies have facilitated creation of value through pricing by a mean score of 3.57 and 2.61 respectively. This infers that market innovation strategies employed has led to enhanced entry into new markets where distribution of their products is done evenly depending on demand and have enjoyed superior branding compared to other players. This agrees with previous study by Trott (1998) who suggests that there are strategies that make it easy for organisations adapting into the competitive markets among which market innovation is included.

4.6 Market Share of the Small Scale Tea Packers in Kenya

The researcher requested the respondents to indicate the trend of market share in their organization for the last 5 years. This was as shown in Figure 4.6.

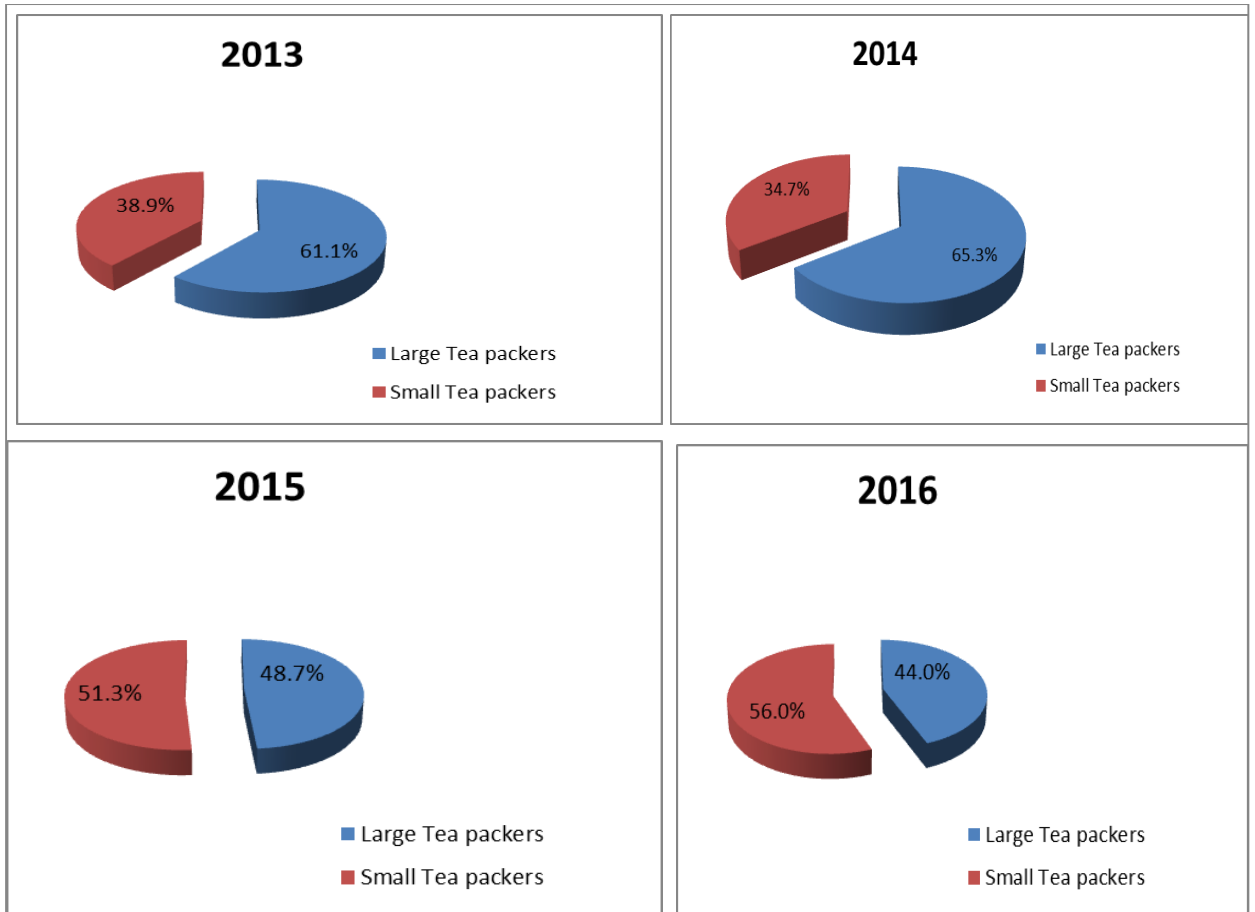


Figure 4.6: Market Share of the Small Scale Tea Packers in Kenya

The data findings show that market share in small tea packers has been dominated by three major players namely Kenya Tea Packers Ltd, Karirana Estates Ltd and Gold Crown Beverages (K) Ltd over the last four. This could be because they possess machinery and other process innovations to carry out all the operations hence increasing their production. The findings also showed that the market share of the small firms have been increasing in the years 2015 and 2016. This has been as a result of benchmarking from the prospering large firms.

4.7 Pearson Product-Moment Correlation Analysis

A correlation is a number between -1 and +1 that measures the degree of association between two variables. A positive value for the correlation suggests a positive

association while a negative value for the correlation suggests a negative or inverse association. The Correlation coefficients are presented in Table 4.7.

Table 4. 7: Correlation Matrix

		Market share of small scale	Technological innovation	Product innovation	Process innovation	Marketing innovation
Market share of small scale tea packers in Kenya	Correlation	1				
	Sig. (2-tailed)	.				
Technological innovation	Correlation	0.818	1			
	Sig. (2-tailed)	0.02	.			
Product innovation	Correlation	0.774	0.223	1		
	Sig. (2-tailed)	0.027	0.006	.		
Process innovation	Correlation	0.618	0.243	0.497	1	
	Sig. (2-tailed)	0.005	0.002	0	.	
Marketing innovation	Correlation	0.918	0.333	0.42	0.531	1
	Sig. (2-tailed)	0.017	0.031	0.018	0.0	.

The findings shows that the correlation between the technological innovation and market share of small scale tea packers in Kenya was as shown by a positive coefficient 0.818, with p-value of 0.020. It infers that the result is significant at $\alpha = 5\%$ and that if the technological innovation increases it will positively influence the market share of small scale tea packers in Kenya. The correlation results between product innovation and market share of small scale tea packers in Kenya also reveals

the same type of result where the correlation coefficient is 0.774 and a p-value of 0.027 which significant at $\alpha = 5\%$. The results also imply that there is a positive relationship between process innovation and market share of small scale tea packers in Kenya where the correlation coefficient is 0.618, with a p-value of 0.005. Further, the result shows that there is a positive association between marketing innovation and market share of small scale tea packers in Kenya where the correlation coefficient is 0.918, with a p-value of 0.017. Nevertheless, the positive relationship indicates that when the practice of the afore-mentioned innovations is in place, the levels of market share of small scale tea packers in Kenya increase. This agrees with previous study by Trott (1998) who suggests that there are strategies that make it easy for organisations adapting into the competitive markets among which market innovation is included.

4.8 Regression Analysis

The study made use of a regression model to test the relationship between technological innovation, product innovation, process innovation and marketing innovation and market share of small scale tea packers in Kenya.

Table 4. 8.1: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.827	0.684	0.673	2.239

The outcome of Table 4.8.1 found that R-Square value coefficient of determination is 0.673, which indicates that the independent variables; technological innovation, product innovation, process innovation and marketing innovation explain 67.3% of the variation in the market share of small scale tea packers in Kenya.

Table 4.8.2: Analysis of Variance (ANOVA) Results

Model		Sum of Squares	do	Mean Square	F	Sig.
1	Regression	868.88	4	217.220	13.708	0.000
	Residual	586.33	37	15.847		
	Total	1455.21	41			

The ANOVA results are shown in Table 4.8.2 which found that the model had predictive value and thus it was significant. This was because its p-value was less than 5%, $p=.000$ and F calculated= 13.708 was significantly larger than the critical F value= 2.6060 .

Model coefficients provide unstandardized and standardized coefficients to explain the direction of the regression model and to establish the level of significance of the study variables. Results are captured below:

Table 4.8.3: Regression Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)	1.053	0.117		9.000	0.000
Technological innovation	0.782	0.249	0.759	3.141	0.003
Product innovation	0.701	0.311	0.680	2.254	0.030
Process innovation	0.599	0.206	0.581	2.908	.006
Marketing innovation	0.813	0.091	0.789	8.934	.000

As per the SPSS generated table above, the equation ($Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \epsilon$) becomes:

$$Y = 1.053 + 0.782X_1 + 0.701X_2 + 0.599X_3 + 0.813X_4$$

The findings showed that if all the independent variables (technological innovation, product innovation, process innovation and marketing innovation) were held constant at zero, the market share of small scale tea packers in Kenya will be 1.053. The findings illustrated also reveal that taking all other independent variables constant at zero, a unit increase in the technological innovation would lead to a 0.782 increase in the score of market share of small scale tea packers in Kenya. This variable was significant since $0.003 < 0.05$.

The findings also show that an increase in the score of product innovation would lead to a 0.701 increase in the score of market share of small scale tea packers in Kenya. This variable was significant since $0.030 < 0.05$. Further, the results indicated that a unit increase in the score of process innovation would lead to a 0.599 increase in the scores of market share of small scale tea packers in Kenya. This variable was significant since $0.006 < 0.05$. The study also established that a unit increase in the score of marketing innovation would lead to a 0.813 increase in the score of market share of small scale tea packers in Kenya. This variable was significant since $0.000 < 0.05$.

As per the findings, at 95% confidence level, all the variables were significant as the p-value was less than 0.05. The study infer that marketing innovation had the greatest effect on the market share of small scale tea packers in Kenya, followed by technological innovation, then product innovation while process innovation had the

least effect to the market share of small scale tea packers in Kenya. This agrees with study by Holland *et al.* (2011) who argue that most organizations adopt ICT so as to make their daily routines efficient in production of new products.

4.9 Discussion of the Findings

Under this section, findings are discussed in relation to the previous studies.

4.9.1 Demographic Information of the Business

The study indicated that most of organizations have been in existence for 11 to 15 years. It was also revealed that most of organizations are privately owned. The study also revealed that most of the organizations have employees between 20 and 30 and have a low asset value since mechanization tea packing has reduced the number of permanent staff utilized hence making most of small tea packers to employ a few employees as recommended by Murray *et al* (2010) who argue that most of small scale tea packers have a maximum of 30 employees.

4.9.2 Technological Innovation

The study found that in small scale tea packers in Kenya technology always go hand in hand with customer value innovation. It was clear that small scale tea packers in Kenya have advanced equipment and machinery and have strengthened integrated system that enhances production. However, the small scale tea packers in Kenya do not have up to date ICT including advanced software geared towards improving operational effectiveness. This is similar to study by Holland *et al.* (2011) who argue that most organizations adopt ICT so as to make efficient their daily routines (process innovation) and also introduce new things (product innovation).

4.9.3 Product Innovation

Regarding product innovation, the study also reported that small scale tea packer's product sizes are different varying with prices increasing the sales volumes. The study found that the small scale tea packers continuously introduce new products before competitors and have products with different flavours thus enhancing their sales. However, majority of the small scale tea packers do not have tea products with different packaging (tea bags/loose tea). The small scale tea packers also do not constantly revise their product costs in line with competitors and also do not replace non-performing products with performing products to increase its competitiveness. This correlate with Schumpeter (1934) who argues that product innovation is the introduction of a new good that consumers have not interacted with before.

4.9.4 Process Innovation

According to the study findings, the company layout of the small scale tea packers allows free flow of the operational process. The study deduced that the small scale tea packers have short product to market cycle and have automated all their operations improving efficiency. However small scale tea packers in Kenya have a lot of process intervening affecting supply reliability. The small scale tea packers in Kenya also do not continuously determine and eliminate activities that were not adding value in the processes of the organization. This conforms to Henard and Dacin (2010) who suggests that a firm masters and implements a new design in the production of goods and services even if the same is not known to the competitors locally or globally.

4.9.5 Marketing Innovation

On the effect of marketing innovation on market share, the findings show that market innovation strategies employed by the small scale tea packers in Kenya have led to

enhanced entry into new markets and that distribution of their products is done evenly depending on demand. The study established that small scale tea packers in Kenya have enjoyed superior branding compared to other players. Further, it was clear that promotion and advertisement are frequently used in the small scale tea packers in Kenya. The study also reported that market innovation strategies in the small scale tea packers in Kenya involve environmental analysis and response to changes. The small scale tea packers in Kenya however do not conduct aggressive anti-competitors marketing campaigns. This agrees with previous study by Trott (1998) who suggests that there are strategies that make it easy for organisations adapting into the competitive markets among which market innovation is included.

CHAPTER FIVE: SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter presents the summary and conclusions from the findings and recommendation based on the objective of the study.

5.2 Summary of the findings

It was clear that most organizations have been in existence for 11 to 15 years and averagely have employed employees between 20 and 30 where most of them have a low asset value. It was also revealed that most of organizations are privately owned.

The study found that among small scale tea packers in Kenya technology always go hand in hand with customer value innovation. It was clear that small scale tea packers in Kenya have advanced equipment and machinery and have strengthened integrated system that enhances production. However, the small scale tea packers in Kenya do not have up to date ICT including advanced software geared towards improving operational effectiveness.

Regarding product innovation, the study also reported that small scale tea packers pack tea of different product sizes with varying prices so as to increase their sales volumes. The study found that the small scale tea packers continuously introduce new products before competitors and have products with different flavours thus enhancing their sales. However, majority of the small scale tea packers do not have tea products with different packaging (tea bags/loose tea) hence not able to compete effectively across all market segments. The small scale tea packers also do not constantly revise their product range hence new innovative products outperform old brands.

According to the study findings, the company layout of the small scale tea packers allows free flow of the operational process. The study deduced that the small scale tea packers have short product to market cycle and have automated all their operations improving efficiency. However small scale tea packers in Kenya have a lot of intervening processes affecting supply reliability. The small scale tea packers in Kenya also do continuously determine and eliminate activities that were not adding value in the processes of the re-organization.

On the effect of marketing innovation on market share, the findings show that market innovation strategies employed by the small scale tea packers in Kenya have led to enhanced entry into new markets and that distribution of their products is done evenly depending on demand. The study established that small scale tea packers in Kenya have enjoyed superior branding compared to other players. Further, it was clear that promotion and advertisement are frequently used in the small scale tea packers in Kenya. The study also reported that market innovation strategies in the small scale tea packers in Kenya involve environmental analysis and response to changes. The small scale tea packers in Kenya however do not conduct aggressive anti-competitors marketing campaigns.

5.3 Conclusion

The study concludes that small scale tea packers are privately owned and have been in existence for 11 to 15 years with an average number of employees between 20 and 30 and a low asset value. The study found that technological innovation, product innovation, process innovation and marketing innovation affects market share of small scale tea packers in Kenya positively and significantly. This is as a result of small scale tea packers in Kenya being in possession of advanced equipment and machinery that have strengthened integrated system that enhances production and continuous

introduction of new products with different flavours before competition thus enhancing their sales. The small scale tea packers are in the process of automating their operations improving efficiency making them enjoy efficient production compared to other players.

5.4 Limitation of the Study

Time was a major constraint given that the preferred data collection method was questionnaires administered to the respondents. In this case most of the respondents had busy schedules, some of them were not available, hence a “drop and pick” method of questionnaires administration was used. The other limitation was unwillingness to disclose confidential information by the respondents on innovation strategies adopted in firm. The researcher had to clarify to them that the study was strictly meant for academic purposes and that the information they provided would be treated with utmost confidentiality.

5.5 Recommendation from the Study

The study found that most of the organizations are privately owned and have employed few employees. Therefore the study recommends that the government should offer support to all firms by ensuring good policies and affordable credit scheme that would boost their working capital. The study also recommends that the small scale tea packers should be taken through enterprise management training to boost their capacity to manage the rapidly changing business environment.

The study established that small scale tea packers in Kenya do not have up to date ICT including advanced software geared towards improving operational effectiveness. Therefore the study recommends that the small scale tea packers should come up with strategies to ensure that they have advanced software. Resources need to be set aside to purchase or develop the latest software.

Since the study revealed that innovation strategies affects market share, the study recommends that small scale tea packers should put in place competitive strategic responses to help them gain a competitive advantage over their competitors. They should emphasize on strategies that profit their firms through increased productivity as the least cost possible. Through the employment of differentiation strategies, small scale firms should find strengths that facilitate them to extend their scope within the larger sector and pinpoint a position for themselves.

Marketing innovation strategy was found to affect market share of small tea packers significantly. Therefore the study recommends that through the different types of innovation strategies they should develop into new markets and detect products that can assist them compete within the recognized markets. This will be done by detecting the fragments in the market that suits their products.

To ensure that the small scale tea packers increase their market share, the study recommends the government should come up with strategies of providing machines to the small scale tea packers whose market has not been high as well as making sure that the market is favorable for their products. They should also be encouraged to carry benchmarking activities in the firms that have been controlling the market with the tea packing industry in order to encourage competition and value addition.

5.6 Recommendations for Further Research

This study suggests a similar study should be done based on other firms other than small scale tea packers. The researcher also suggests further research should be done on challenges faced in adopting the innovative strategies thus hindering their effectiveness.

Another important area particularly in fast moving consumer goods (FMCG) organizations is the role of political and economic influence both local and international on strategic plan implementation and business performance.

Future studies should also be done to link the performance of the small scale tea packers with the strategies they have adopted. Such a study would enable researchers determine how certain strategies impact on the overall existence of a firm.

A comparative study on the innovation strategies adopted by firms in the small scale tea packers can help enlighten researchers on the most popular strategies used within the sector. Other researches can be conducted on strategies used by different categories of stakeholders in the tea industry including agents, dealers, millers and warehouses.

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APPENDIX II: QUESTIONNAIRE

This questionnaire is designed to collect data on innovation strategies and growth of small scale tea packers' market share in Kenya. The data collected shall be used for academic purpose only, and thus shall be treated confidentially. Your participation in facilitating this study is highly appreciated. Kindly answer the following questions by ticking in the appropriate box.

PART ONE: Background Information

1. Name of the firm (optional).....

2. How long has the business been in existence?

1 – 5 years	[]	6 – 10 years	[]
11 – 15 years	[]	16-20 years	[]
More than 20 years	[]		

3. What is the legal business ownership of this firm?

Sole trader	[]	Partnership	[]
Private limited company	[]		

Any other (specify).....

4. How many employees work in this firm?

Less than 10	[]	11 – 20	[]
20 – 30	[]	30 – 40	[]
40 – 50	[]		

5. What is the estimated value of your business assets?

Less than 1M	[]	1M – 3M	[]
3M – 5M	[]	More than 5M	[]

PART TWO: TYPES INNOVATIVE STRATEGIES ADOPTED BY THE FIRM

6) Which of the following innovation strategies is adopted in your organization?

- a) Technological innovation []
- b) Product innovation []
- c) Process innovation []
- d) Marketing innovation []

PART THREE: INNOVATIVE STRATEGIES AND MARKET SHARE

6. How would you attribute the growth of your firm with the innovation strategies in the agreement scale below?

5=strongly agree 4=agree 3=undecided 2=disagree 1=strongly disagree

ITEM	Agreement scale				
	1	2	3	4	5
Technological innovation					
Our organization has advanced equipment and machinery					
Our organization has up to date ICT including advanced software geared towards improving operational effectiveness					
Our organization technology always goes hand in hand with customer value innovation					
Our organization has strengthened Integrated System that enhances production					
Product innovation					
The company has products with different flavours thus enhancing our sales					
Our product sizes are different varying with prices increasing the sales volumes					

Our tea products have different packaging (tea bags/loose tea) increasing sales					
Our organization constantly revises its product costs in line with competitors increasing our market share					
Our organization constantly replaces non-performing products with performing products to increase its competitiveness					
We continuously introduce new products before competitors					
Process innovation					
Our organization has automated all its operation improving efficiency					
The company Layout allows free flow of the operational process					
Our organization has minimal process intervening enhancing supply reliability					
Our organization has short product to market cycle					
Determining and eliminating activities that where not adding value in the processes of the organization is frequently done					
Marketing innovation					
Our organization has enjoyed superior branding compared to other players					
Market innovation strategies have facilitated creation of value through pricing					

Distribution of our products is done evenly depending on demand					
Promotion and advert are frequently used in our organization					
Market innovation strategies employed has led to enhanced entry into new markets					
Market innovation strategies involves environmental analysis and response to changes					
This organization conducts aggressive anti-competitors marketing campaigns					

Part 3: Market Share (volume/value)

What is the trend of the following aspects market share in your organization for the last 5 years?

Sales volume	2013	2014	2015	2016

Thank you for your cooperation

APPENDIX III: MARKET SHARE DATA

		PACKERS LOCAL SALES/FACTORIES DOOR SALES			
	PACKER	2013	2014	2015	2016
1	KENYA TEA PACKERS LTD	4,578,148	5394103.35	6,797,834	4,132,207
2	KARIRANA ESTATES LTD	3379629.03	3652517	4,686,724	4,642,300
3	GOLD CROWN BEVERAGES (K) Ltd	2313970.7	2626532.8	1,509,468	1,086,698
4	KIPTAGICH TEA FACTORY	1162204.81	787896	1,241,701	1,300,795
5	CHOMOGONDAY TEA	709502	446344.1	1,016,233	508,700
6	KAISUGU TEA FACTORY	533486.08	295204.99	950,923	621,939
7	KITUMBE TEA	245563	259333	885,930	940,356
8	CHANGANA TEA	201323	244066	800,475	602,509
9	GOLD CROWN FOODS (EPZ)	194759.25	212495.26	757,762	3,468
10	CHEMOMI	192082.25	193477	740,376	412,497
11	TIRGAGA TEA FACTORY	172932.37	163895.78	522,943	70,383
12	KEPCHOMO	157800	163583	503,839	6,459
13	SOTIK HIGHLANDS TEA	142268.5	159110	491,386	163,866
14	CHINGA TEA FACTORY	122969	142428	465,760	17,929
15	CHANGOI TEA FACTORY	117576.75	138117	462,631	35,195
16	KYMULOT TEA	108246.51	129797	413,891	517,403
17	KAIMOSI TEA	105837.75	119512.83	385,739	41,045
18	MAU FOREST	93,265	110805	339,710	410,756
19	EBEREGE TEA FACTORY	89218.25	99945.45	208,094	304,150
20	MOGENI TEA FACTORY	84220	88873.25	207,380	
21	TINDERET TEA	83315.75	84379.25	198,902	18,258
22	JFKL	80844.25	76711.5	173,295	-
23	KAPCHEBET TEA	78017.6	74828.6	150,969	332,936
24	MELVIN MARSH	70755	70649	144,546	118,166
25	EMROK	70694.25	67199.75	136,247	177,801
26	SOTIK TEA FACTORY	67559.5	65706.01	126,498	328,291
27	MARAMBA TEA	65155.5	62121.48	114,712	240,730
28	NYANSIONGO	63,406	58600	110,299	52,551

29	KABIANGA TEA		62,401	56960	101,445	138,603
30	ELGON TEA FACTORY		61870.8	56887.51	96,153	282,529
31	SOTIT TEA		59638.75	56157.5		93,718
32	KIPKEBE TEA		59238.75	54701.5	88,791	120,358
33	IKUMBI FACTORY CO.	TEA	58729	52670	87,299	160,913
34	NGORONGO PACKERS LTD	TEA	58674.5	48068.25	86,768	347,880
35	TOMBE TEA FACTORY		56019.76	47971	80,774	38,412
36	AL NOOR FEISAL & LTD		55547.5	47591.5	73,831	88,403
37	NGORONGO FACTORY	TEA	54697.75	47241.24	69,205	4,959
38	KURESOI FACTORY	TEA	54172.25	45442	60,140	
39	KANGAITA FACTORY CO.	TEA	52139.75	45048.62	59,244	41,504
40	NANDI TEA ESTATE		51844	44652	59,076	90,354
41	CHEBUT FACTORY	TEA	47999.75	43039.5	49,102	124,835
42	LITEIN TEA FACTORY LTD		46,805	42049	47,406	40,359
43	KIPCHABO		45965.25	41221	46,450	
44	MABROUKIE TEA		44359.67	40632	46,130	78,962
45	KAPKATET FACTORY	TEA	41273.75	40588	44,115	91,856
46	KENYA COMPANY LTD	NUT	39957.5	40578.2	41,508	54,897
47	GATHUTHI FACTORY	TEA	38717.75	38840	41,217	90,504
48	MOMUL FACTORY	TEA	34274	38631	36,363	87,250
49	KAMBAA FACTORY	TEA	30551.2	37452.75	35,935	109,055
50	NDUTI TEA FACTORY CO. LTD		30424.44	37243.63	34,824	52,592
51	NGERE TEA FACTORY		30221	35987	33,159	83,049
52	THUMAITA FACTORY	TEA	30006.45	35079.5	32,639	36,776
53	GITHAMBO FACTORY	TEA	29555.25	34760	31,310	17,460
54	RUKURIRI FACTORY	TEA	29440.2	34340	29,440	52,357
55	OGEMBO FACTORY	TEA	27026.25	34115.5	28,148	3,609
56	IGEMBE FACTORY	TEA	25909	33607.95	27,200	2,514

57	BOITO TEA FACTORY		25,213	33371.25	26,545	7,249
58	THETA TEA FACTORY COMPANY		22363.5	33188	26,226	62,643
59	KAPKATET TEA PACKERS LTD		18490.92	31535.5	25,701	71,524
60	MAKOMBOKI TEA FACTORY		17977.75	29876.23	25,064	101,121
61	GITHONGO TEA FACTORY CO.		17,859	28629.25	24,750	53,506
62	NDIMA TEA FACTORY		17,302	28338.5	23,093	51,802
63	MUNGANIA TEA FACTORY		16126.75	26506.5	21,561	35,607
64	GACHEGE TEA FACTORY CO.		13726.25	25863.12	20,851	56,993
65	WERU TEA FACTORY		11908	25156.25	19,170	35,290
66	KAPCHORUA TEA		11902.6	24348.25	19,067	54,951
67	KAPKOROS TEA FACTORY		10010	24058.5	18,500	27,537
68	GITHUNGURI TEA FACTORY		9173.25	24019	17,334	
69	KIEGOI TEA FACTORY		8948.75	22762.25	16,814	32,596
70	MOGOGOSIEK TEA FACTORY		6776	22054.5	16,569	1,270
71	TOROR TEA FACTORY		5574	21723.5	16,276	60,291
72	MATAARA TEA FACTORY		4650	20485.77	16,276	24,944
73	GACHARAGE TEA FACTORY CO.		3755	19282.24	16,260	24,789
74	KATHANGARIRI		3499.25	16974.25	16,147	57,149
75	KAPTUMO TEA FACTORY		2,891	16079	15,768	32,566
76	MUNUNGA TEA FACTORY CO.		2800	15896	15,576	60,195
77	IMENTI TEA FACTORY CO.		2,773	15276	15,290	24,696
78	KAGWE TEA FACTORY		2660	13426	14,163	65,849
79	KIMUNYE TEA FACTORY CO.		2550	12781	14,145	35,264
80	KAPSUMBEIWA		2500	11850	14,008	300,635
81	KANYENYAINI TEA FACTORY		2443.5	10794	13,895	36,718
82	KINORO TEA FACTORY CO.		2310	10500	13,574	33,471
83	KAPSARA TEA		2175	10419	12,009	75,778
84	ROROK TEA FACTORY		2003.5	9500	11,339	12,950
85	GATUNGURU TEA		1915.75	8602	9,787	42,883

	FACTORY CO.				
86	KIAMOKAMA TEA FACTORY	1299.93	8364	9,000	4,661
87	TEGAT TEA FACTORY	1020.55	6832	8,916	26,794
88	ITUMBE TEA FACTORY CO.	942	6515.9	8,375	20,108
89	MICHUIMIKURU TEA COMPANY	597	6014.18	8,004	25,761
90	KAPSET TEA FACTORY CO.	560	4988.5	6,941	9,409
91	SANGANYI TEA FACTORY	157	4200	6,750	11,264
92	NYANKOBA TEA	141	3900	6,562	27,322
93	LASIT TEA FACTORY	70	3150	6,525	89,814
94	LITEIN (CHELAL) TEA	-	3010.2	6,403	69,945
95	GITUGI TEA	0	2853	6,394	11,679
96	KIPKOIMET TEA	0	2600	6,155	
97	KIONYO TEA FACTORY	0	2500	5,896	24,194
98	SIRET TEA FACTORY	0	2446	5,619	422,022
99	NYAMACHE TEA FACTORY	0	2182.5	5,252	6,694
100	KEBIRIGO TEA FACTORIES	0	2178.2	5,173	39,776
101	UPLANDS DAVRO TEA	0	2000	4,684	
102	MUDETE TEA FACTORY	0	1710	4,315	21,126
103	MAISHA	0	1640	3,714	59
104	SASINI (K) LIMITED	0	1384	3,116	15,229
105	OLENGURUONE TEA FACTORY	0	1288	3,115	9,843
106	RAGATI TEA FACTORY	0	1220	2,988	21,249
107	KIBWARI TEA	0	1138	2,896	2,976
108	KOBEL TEA	0	1127	2,049	133,695
109	HOMECOMFORT	-	929.75	1,962	-
110	RIANYAMWAMU TEA FACTORY	0	844	1,674	20,261
111	KIPCHAMBO	0	841	1,658	105,407
112	KERUSOI TEA FACTORY	0	531.48	-	151,785
113	MAJANI BORA PACKERS	0	500	-	53,730
114	KERICHO TEA SUPPLIES	0	310	-	48,854

115	BELGUT TEA PACKER	0	180	-	27,451
116	MOGOGOSIEK (KOBEL TEA FACTORY)	0	149.02	-	26,196
117	KIRU TEA FACTORY CO. LTD	0	71	-	23,815
118	NJUNU TEA	0	31	-	17,196
119	IRIAINI TEA FACTORY	0	0	-	12,939
120	RIOTANA TRADING LTD	0	0	-	11,000
121	KERICHU CROPS AND COMMODITIES	0	0	-	9,272
122	CHIPPENDALES (K) LIMITED	0	0	-	4,872
123	GIANCHORE TEA FACTORY	0	0	-	4,134
124	SAVANI TEA	0	0	-	3,645
125	BARAKA NANDA TEA	0	0	-	3,500
126	KENT TEA RETAILERS	0	0	-	2,420
127	TRUST TEA TRADERS	0	0	-	2,020
128	CRESTWOOD LOGISTICS LTD	0	0	-	1,680
129	KARI TEA PACKERS	0	0	-	1,452
130	MIKUYU INVESTMENTS	0	0	-	1,300
131	BERIK ENTERPRISES	0	0	-	961
132	PALZAN COMMODITIES	0	0	-	955
133	GULEID TRADING COMPANY	0	0	-	600
134	ONE TOUCH LTD	0	0	-	494
135	KARI TEA COMMODITIES	0	0	-	475
136	EASSE LTD	0	0	-	293
137	IMAGE CROPS & COMMODITIES	0	0	-	200
138	KURI TEA FACTORY	0		-	35

APPENDIX III

	PACKER	MARKET SHARE			
		2013	2014	2015	2016
1	KENYA TEA PACKERS LTD	27.25	30.18	25.50	18.42
2	KARIRANA ESTATES LTD	20.12	20.44	17.58	20.70
3	GOLD CROWN BEVERAGES (K) Ltd	13.77	14.70	5.66	4.84
4	KIPTAGICH TEA FACTORY	6.92	4.41	4.66	5.80
5	CHOMOGONDAY TEA	4.22	2.50	3.81	2.27
6	KAISUGU TEA FACTORY	3.18	1.65	3.57	2.77
7	KITUMBE TEA	1.46	1.45	3.32	4.19
8	CHANGANA TEA	1.20	1.37	3.00	2.69
9	GOLD CROWN FOODS (EPZ)	1.16	1.19	2.84	0.02
10	CHEMOMI	1.14	1.08	2.78	1.84
11	TIRGAGA TEA FACTORY	1.03	0.92	1.96	0.31
12	KEPCHOMO	0.94	0.92	1.89	0.03
13	SOTIK HIGHLANDS TEA	0.85	0.89	1.84	0.73
14	CHINGA TEA FACTORY	0.73	0.80	1.75	0.08
15	CHANGOI TEA FACTORY	0.70	0.77	1.74	0.16
16	KYMULOT TEA	0.64	0.73	1.55	2.31
17	KAIMOSI TEA	0.63	0.67	1.45	0.18
18	MAU FOREST	0.56	0.62	1.27	1.83
19	EBEREGE TEA FACTORY	0.53	0.56	0.78	1.36
20	MOGENI TEA FACTORY	0.50	0.50	0.78	0.00
21	TINDERET TEA	0.50	0.47	0.75	0.08
22	JFKL	0.48	0.43	0.65	0.00
23	KAPCHEBET TEA	0.46	0.42	0.57	1.48
24	MELVIN MARSH	0.42	0.40	0.54	0.53
25	EMROK	0.42	0.38	0.51	0.79
26	SOTIK TEA FACTORY	0.40	0.37	0.47	1.46
27	MARAMBA TEA	0.39	0.35	0.43	1.07
28	NYANSIONGO	0.38	0.33	0.41	0.23
29	KABIANGA TEA	0.37	0.32	0.38	0.62
30	ELGON TEA FACTORY	0.37	0.32	0.36	1.26
31	SOTIT TEA	0.35	0.31	0.00	0.42
32	KIPKEBE TEA	0.35	0.31	0.33	0.54
33	IKUMBI TEA FACTORY CO.	0.35	0.29	0.33	0.72
34	NGORONGO TEA PACKERS LTD	0.35	0.27	0.33	1.55
35	TOMBE TEA FACTORY	0.33	0.27	0.30	0.17
36	AL NOOR FEISAL & LTD	0.33	0.27	0.28	0.39
37	NGORONGO TEA FACTORY	0.33	0.26	0.26	0.02
38	KURESOI TEA FACTORY	0.32	0.25	0.23	0.00
39	KANGAITA TEA FACTORY CO.	0.31	0.25	0.22	0.19
40	NANDI TEA ESTATE	0.31	0.25	0.22	0.40

41	CHEBUT TEA FACTORY	0.29	0.24	0.18	0.56
42	LITEIN TEA FACTORY LTD	0.28	0.24	0.18	0.18
43	KIPCHABO	0.27	0.23	0.17	0.00
44	MABROUKIE TEA	0.26	0.23	0.17	0.35
45	KAPKATET TEA FACTORY	0.25	0.23	0.17	0.41
46	KENYA NUT COMPANY LTD	0.24	0.23	0.16	0.24
47	GATHUTHI TEA FACTORY	0.23	0.22	0.15	0.40
48	MOMUL TEA FACTORY	0.20	0.22	0.14	0.39
49	KAMBAA TEA FACTORY	0.18	0.21	0.13	0.49
50	NDUTI TEA FACTORY CO. LTD	0.18	0.21	0.13	0.23
51	NGERE TEA FACTORY	0.18	0.20	0.12	0.37
52	THUMAITA TEA FACTORY	0.18	0.20	0.12	0.16
53	GITHAMBO TEA FACTORY	0.18	0.19	0.12	0.08
54	RUKURIRI TEA FACTORY	0.18	0.19	0.11	0.23
55	OGEMBO TEA FACTORY	0.16	0.19	0.11	0.02
56	IGEMBE TEA FACTORY	0.15	0.19	0.10	0.01
57	BOITO TEA FACTORY	0.15	0.19	0.10	0.03
58	THETA TEA FACTORY COMPANY	0.13	0.19	0.10	0.28
59	KAPKATET TEA PACKERS LTD	0.11	0.18	0.10	0.32
60	MAKOMBOKI TEA FACTORY	0.11	0.17	0.09	0.45
61	GITHONGO TEA FACTORY CO.	0.11	0.16	0.09	0.24
62	NDIMA TEA FACTORY	0.10	0.16	0.09	0.23
63	MUNGANIA TEA FACTORY	0.10	0.15	0.08	0.16
64	GACHEGE TEA FACTORY CO.	0.08	0.14	0.08	0.25
65	WERU TEA FACTORY	0.07	0.14	0.07	0.16
66	KAPCHORUA TEA	0.07	0.14	0.07	0.24
67	KAPKOROS TEA FACTORY	0.06	0.13	0.07	0.12
68	GITHUNGURI TEA FACTORY	0.05	0.13	0.07	0.00
69	KIEGOI TEA FACTORY	0.05	0.13	0.06	0.15
70	MOGOGOSIEK TEA FACTORY	0.04	0.12	0.06	0.01
71	TOROR TEA FACTORY	0.03	0.12	0.06	0.27
72	MATAARA TEA FACTORY	0.03	0.11	0.06	0.11
73	GACHARAGE TEA FACTORY CO.	0.02	0.11	0.06	0.11
74	KATHANGARIRI	0.02	0.09	0.06	0.25
75	KAPTUMO TEA FACTORY	0.02	0.09	0.06	0.15
76	MUNUNGA TEA FACTORY CO.	0.02	0.09	0.06	0.27
77	IMENTI TEA FACTORY CO.	0.02	0.09	0.06	0.11
78	KAGWE TEA FACTORY	0.02	0.08	0.05	0.29
79	KIMUNYE TEA FACTORY CO.	0.02	0.07	0.05	0.16
80	KAPSUMBEIWA	0.01	0.07	0.05	1.34
81	KANYENYAINI TEA FACTORY	0.01	0.06	0.05	0.16
82	KINORO TEA FACTORY CO.	0.01	0.06	0.05	0.15
83	KAPSARA TEA	0.01	0.06	0.05	0.34

84	ROROK TEA FACTORY	0.01	0.05	0.04	0.06
85	GATUNGURU TEA FACTORY CO.	0.01	0.05	0.04	0.19
86	KIAMOKAMA TEA FACTORY	0.01	0.05	0.03	0.02
87	TEGAT TEA FACTORY	0.01	0.04	0.03	0.12
88	ITUMBE TEA FACTORY CO.	0.01	0.04	0.03	0.09
89	MICHUIMIKURU TEA COMPANY	0.00	0.03	0.03	0.11
90	KAPSET TEA FACTORY CO.	0.00	0.03	0.03	0.04
91	SANGANYI TEA FACTORY	0.00	0.02	0.03	0.05
92	NYANKOBA TEA	0.00	0.02	0.02	0.12
93	LASIT TEA FACTORY	0.00	0.02	0.02	0.40
94	LITEIN (CHELAL) TEA	0.00	0.02	0.02	0.31
95	GITUGI TEA	0.00	0.02	0.02	0.05
96	KIPKOIMET TEA	0.00	0.01	0.02	0.00
97	KIONYO TEA FACTORY	0.00	0.01	0.02	0.11
98	SIRET TEA FACTORY	0.00	0.01	0.02	1.88
99	NYAMACHE TEA FACTORY	0.00	0.01	0.02	0.03
100	KEBIRIGO TEA FACTORIES	0.00	0.01	0.02	0.18
101	UPLANDS DAVRO TEA	0.00	0.01	0.02	0.00
102	MUDETE TEA FACTORY	0.00	0.01	0.02	0.09
103	MAISHA	0.00	0.01	0.01	0.00
104	SASINI (K) LIMITED	0.00	0.01	0.01	0.07
105	OLENGURUONE TEA FACTORY	0.00	0.01	0.01	0.04
106	RAGATI TEA FACTORY	0.00	0.01	0.01	0.09
107	KIBWARI TEA	0.00	0.01	0.01	0.01
108	KOBEL TEA	0.00	0.01	0.01	0.60
109	HOMEComfort	0.00	0.01	0.01	0.00
110	RIANYAMWAMU TEA FACTORY	0.00	0.00	0.01	0.09
111	KIPCHAMBO	0.00	0.00	0.01	0.47
112	KERUSOI TEA FACTORY	0.00	0.00	0.00	0.68
113	MAJANI BORA PACKERS	0.00	0.00	0.00	0.24
114	KERICHO TEA SUPPLIES	0.00	0.00	0.00	0.22
115	BELGUT TEA PACKER	0.00	0.00	0.00	0.12
116	MOGOGOSIEK (KOBEL TEA FACTORY)	0.00	0.00	0.00	0.12
117	KIRU TEA FACTORY CO. LTD	0.00	0.00	0.00	0.11
118	NJUNU TEA	0.00	0.00	0.00	0.08
119	IRIAINI TEA FACTORY	0.00	0.00	0.00	0.06
120	RIOTANA TRADING LTD	0.00	0.00	0.00	0.05
121	KERICHU CROPS AND COMMODITIES	0.00	0.00	0.00	0.04
122	CHIPPENDALES (K) LIMITED	0.00	0.00	0.00	0.02
123	GIANCHORE TEA FACTORY	0.00	0.00	0.00	0.02
124	SAVANI TEA	0.00	0.00	0.00	0.02
125	BARAKA NANDA TEA	0.00	0.00	0.00	0.02

126	KENT TEA RETAILERS	0.00	0.00	0.00	0.01
127	TRUST TEA TRADERS	0.00	0.00	0.00	0.01
128	CRESTWOOD LOGISTICS LTD	0.00	0.00	0.00	0.01
129	KARI TEA PACKERS	0.00	0.00	0.00	0.01
130	MIKUYU INVESTMENTS	0.00	0.00	0.00	0.01
131	BERIK ENTERPRISES	0.00	0.00	0.00	0.00
132	PALZAN COMMODITIES	0.00	0.00	0.00	0.00
133	GULEID TRADING COMPANY	0.00	0.00	0.00	0.00
134	ONE TOUCH LTD	0.00	0.00	0.00	0.00
135	KARI TEA COMMODITIES	0.00	0.00	0.00	0.00
136	EASSE LTD	0.00	0.00	0.00	0.00
137	IMAGE CROPS & COMMODITIES	0.00	0.00	0.00	0.00
138	KURI TEA FACTORY	0.00	0.00	0.00	0.00