STRATEGIES ADOPTED BY FOREIGN COMPANIES IN KENYA TO GAIN COMPETITIVE ADVANTAGE

BARDYL AMOS J. Y.

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ABSTRACT

Organizations both in the developed and developed countries are constantly being faced by threats and challenges that pose a threat to their sustainability. Particularly, the foreign companies operating in new have a greater task in attaining competitive advantage as compared to the local firms. Despite the foreign companies contributing greatly to the economy in terms of employment creation and revenue collection, their penetration is not easily attained. The study sought to determine strategies adopted by foreign companies to gain competitive advantage in Kenya. This study adopted the cross sectional survey research design in obtaining information pertaining to the research objectives. Due to the population being small and manageable, a census approach was employed so as to cover all the 113 foreign companies. The respondents were the senior managers in the companies or their equivalents. The study used purely primary data that was collected using questionnaires. Quantitative data from the close ended questions was interpreted by use of statistical package for social sciences (SPSS) and analyzed through the use of descriptive statistics which include frequencies, percentages, standard deviation and arithmetic mean. The data was presented in graphs and tables. The strategies found out to be put in place included; strategic alliances, joint ventures, franchises, exports, contracts, wholly owned while mergers, licensing, direct acquisitions and foreign direct investments. Whereby, the most adopted venture strategy was business partnership and separate joint venture business and corporations. It was also found out that these strategies were complementary in nature whereby more than one strategy could be adopted by one firm in gaining competitive advantage. The study thus concludes that the strategies have been adopted by the companies as a way of gaining competitive advantage. The study therefore recommends that the managements at the foreign companies to highly priorities strategy formulation and implementation. The study further recommends that the policies developed should be designed in such a way that they favor strategy implementation in the firms and cause minimal legal barriers. The study was however not able to cover all the strategies adopted by the companies as it was limited to three main strategies namely; strategic alliances, ventures and franchising. The study thus suggests that further studies may be conducted on the other determinants of competitive advantage in these firms, other than the strategies employed. This will enable comprehensive determination of the concept of competitive advantage in the foreign companies.

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

The high competitive environments in which organizations operate in highly determine how they conduct their operations. Particularly, the increased competition due to globalization and improved technology has led to organizations to experience challenges in gaining competitive advantage (Gupta, 2012). The managements of all types of organization are thus necessitated to reorganize their approaches to both operation and human capacities. To achieve this they need to employ strategies that will make them have a competitive edge against the competition in the industry (Nenzhelele and Pellissier, 2014).

Well planned strategies focus on improving competitive positions of products and services in a particular industry or market segment being served (Hunger and Wheeler, 2001). Though the available theoretical framework it tries to give the basis of the strategies, it seems not to be in consensus onto which strategies are most appropriate (Thompson et al., 2007). Game theory and open systems theory hold that the choice of strategy or implementation is highly pre-determined by the choices being used by other firms. Resource Based View Theory on the other hand speculates that the available firms resources are what determines the strategies a particular firm can be able to adopt and to which extent (Gichohi, 2014).

The expansion of trade between countries and globalization lead to the economic growth of nations and the world economy as a whole. However, foreign corporations similar to the local organizations of recent have been posed with growing competition ascending from various causes including other foreign corporations (Pellissier and Nenzhelele, 2013). They also experience the challenges of unfamiliar business environments and unfriendly laws. The formulation and implementation of strategies is thus hypothesized to help these organizations gain competitive advantage. However, the exact strategies that have been adopted by these foreign companies is not well established (Ahmad, 2015). The strategies have been established to differ greatly with no uniformity been in the organizations.

1.1.1 Concept of Strategy

Strategy is termed as the measures put in place so as to accomplish both short term and long term organizational targets (Chandler 1962). It is also defined as the decisions and actions meant to achieve business objectives and purpose, (Johnson and Scholes 2006). Similarly, Pearce and Robinson, (2010) define strategy as a plan intended to maximizing the organizational resources and gain an upper hand in the competitive environment in line with the company objectives. This is the collaboration of the external environment, the resources and values of the organization (Thompson and Strickland, 2008).

Organizations operating in foreign markets may adopt numerous strategies, which will help in attaining the set targets and competing with other firms. These strategies include acquisitions, licenses, contracts and franchises, joint ventures and strategic alliances (Nenzhelele and Pellissier, 2014).

However, the business strategies may have advantages for the companies to utilize as well as disadvantages that must be well-thought-out by the company's senior managers. This is because organizations differ both structurally and on the available resources hence a strategy which may work in one organization may not work in another.

1.1.2 Concept of Competitive advantage

Competitive advantage is termed as the capability of a companies to produce goods or services better than raver, therefore having an upper hand (Kinicki and Williams, 2006). This requires companies to stretch and use their resources more effectively and more efficiently. Competitive advantage can be characterized into the following five categories: product advantage, knowledge advantage, cost advantage, relationship advantage and structural advantage (Wickham 2006).

Product advantage entails providing products of the best quality, knowledge advantage is about the organization having additional knowledge than the competitors such as product knowledge, market knowledge and technical knowledge, relationship advantage is building a trust, loyalty and good rapport with the customers while structural advantage is having the necessary equipment and resources to conduct the operation (Wickham 2006).

Organizations in both the developed and developing countries are faced with numerous challenges on their day to day operations (Mathooko, 2014). These challenges if not well addressed are most likely to affect negatively the performance and success of the business.

Regardless of the challenges being faced, adoption of appropriate strategies has the potential of countering this. The foreign companies in Kenya therefore ought to yearn to gain competitive advantage so as to thrive in the market dominated by the local companies (Ahmad, 2015).

1.1.3 Foreign Companies in Kenya

Kenya is part of the current international economic order and is a rightful member of the world comity of nations (Yabs, 2006). This has seen the country as a sovereign state occupy an important place in international economic relations. As a result, the number of foreign companies operating in the country has increased drastically in the past two decades. The rise and growth of these companies is traceable to the historical development of International Business, where international business was expanding their trade capabilities from one location to other areas. The foreign companies provide products and services, both private and public.

There are factors that determine the entry, establishment and development of foreign companies (Ndegwa and Otieno, 2008). As such, these companies may lack competence to exploit the business opportunities and to compete in with the local companies which often creates problems. This is because the local companies have better knowledge of the market, resources and customers hence have an upper hand (Karagozoglu and Lindell, 2001). Firms participating in international business must thus formulate international strategies that would enable the firm to compete in different markets.

1.2 Research Problem

Organizations both in the developed and developed countries are constantly being faced by challenges that pose a threat to their sustainability. With the advancement in technology and increased players in the industry, the competition has been intensified even further. Coping with this increased competitive environment demands companies to do reconsideration of their marketing strategies (Pearce and Robinson, 2005). Particularly, competition among the organizations has intensified leading to most organizations having lower returns. This has raised interest on the exact strategies that may be adopted by these companies so as to remain dominant (Dimba, & Rugimbana, 2013).

The foreign companies operating in new have a greater task in attaining competitive advantage as compared to the local firms (Maina, 2014).of recent past, the amount of foreign companies has significantly improved to become a major part of the Kenyan Market. Despite the foreign companies contributing greatly to the economy in terms of employment creation and revenue collection, their penetration is not easily attained. To remain competitive in this dynamic environment therefore, there is need for foreign companies to leverage their strategy to the ever changing industry critical success factors (Irungu, 2014).

Though various theoretical frameworks have been used in facilitating how these strategies may be used in attaining competitive advantage such as Game Theory and Open Systems Theory, the studies conducted have not been fully conclusive. As such, the studies conducted both locally and internationally have established the strategies that firms adopt so as to cope with competition are not uniform. To begin with, Sadaghiani, Dehghan and Zand, (2011) established that market entry strategy influence the export performance of the Iranian export companies. Machau, (2009) established that changes in the external environment were negatively related to the external environment. Ndwiga (2012) studied on the foreign market strategies cast-off by the British Multinationals in Kenya and found out that franchising and licensing were the most used strategies.

Cheptegei (2012) also did a study on foreign business entry strategies used by multinationals in Kenya and established the company mainly used the differentiation strategy. While studies conducted by Zekir and Angelova (2011) Ongwae, (2011) established that incorporating strategies led to no significant changes in the competitive advantage.

To adapt, survive, and grow, foreign companies in Kenya ought to respond effectively to both internal institutional pressures as well as to the external environment demands. However, the available literature is not sufficient enough in explaining the strategies that may be adopted by these companies to help them in gaining competitive advantage. The studies conducted have mainly concentrated on the type of strategies adopted without considering their impact on competitive advantage. Moreover, there is scantiness in studies conducted within the local context with most being done in the developed countries. 2What strategies have been adopted by foreign companies in Kenya to gain competitive advantage?

1.3 Research Objective

The objective of this study was to determine strategies adopted by foreign companies to gain competitive advantage in Kenya.

1.4 Value of the study

To the management of foreign companies, they will be able to evaluate which strategies are crucial in gaining competitive advantage. This will afford them ascertain the cracks in their strategies which may improve their strategic response and as an outcome move towards effectively managing their current strategies which will enhance performance.

The study will be important to the shareholders of the foreign companies in evaluating the effectiveness of the foreign companies' strategies as they cope with the increasingly competitive financial market locally. By identifying the appropriate strategies in coping with competition, the industry will also be able to achieve their objective much faster and growth of the individual firms.

This study will provide information for other researchers on related topics. The study will also benefit other academicians who undertake the same topic in their research. The results of this study will thus have value in the academic field in that it will help in filling existing gaps in literature on strategies adopted by multinational commercial foreign companies in coping up with competition in Kenya.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This section reviews the existing theoretical and empirical literature on strategies adopted by foreign companies to cope to competition. The chapter reviews different theoretical frameworks, the competitive strategy practices, and the empirical literature and finalizes by giving a summary of the literature and an overview of the research gap.

2.2 Theoretical Foundation

This study is anchored on the following theories, they are as follows.

2.2.1 Open Systems Theory

Open Systems Theory was initially introduced by Ludwig von Bertanlanffy (1956) However, has been modified since then and been used in many disciplines. The theory tries to describe the composite associations between people, responsibilities, and technologies and helps us to see how these can be used to improve companies performance (Pasmore and Sherwood, 1978).The theory expresses the associations among the organizations and the environment in which they are involved.

The study finds this theory appropriate as it tries to establish the influencing nature of the external environment to the firm. Thus the types of strategies kept in place by foreign companies to cope competition are theorized to be influenced externally; this could be due to competition or government policies. This is due to the fact that any change in the external system could highly influence the performance.

It is therefore due to this continuous interaction with external environment that has seen organizations operating as open systems. The Open Systems theoretical framework implies that the decision on the nature of competitive strategies to be adopted by the foreign companies is highly dependent to the external environment. For effective strategies, the external environment; for example competitors, should be critically analyzed and used during the formulation of strategies.

2.2.2 Game theory

Game theory as described by Kotler (1998) acts as a mathematical tool for the decision-maker in firms. The strength of game theory lies in the method it offers for structuring and analyzing problems of strategic choice. Game theory has shown to be a predominant theory in analyzing the types of competitive strategies adopted by organizations (Shapiro, 1989). This theory holds that the firms choose their strategies based on their competitors' strategies.

The market is seen as a game whereby each firm is termed as a player and each player’s action influences the actions of the other player either directly or indirectly. The foreign companies therefore ought to not only analyze the competitive strategies adopted by companies but also know how to counter attack these strategies.

Additionally they have to be able to formulate even better strategies in order to gain competitive advantage.

2.2.3 New Trade Theory

This theory was proposed by economists led by Paul Kurgan in the 1970s and tends to explain how companies perform in international market. The theory holds that many domestic markets are relatively slight and the local producer may not realize economies of scale because it might not trade products in huge volume. This problem may be improved by exploiting international market (Cavusgil, 2008). The international market is perceived to be more favorable and less crowded thus the most favorable.

The study theory makes the assumption that by venturing in international market, the organizations have a better chance of survival. The theory is of importance to the studies in explaining why companies may choose to establish in Kenya. Hence the strategies to be used will mainly aim to exploit and maximize the available local market. This enables the companies to expand their operations and have better returns as compared if they remained in their own countries.

2.2.4 International Product Life Cycle Theory

The product life cycle theory was initially introduced by Ray Vernon in the mid-1960s and has then been modified to explain various disciplines in the international business. The theory explains the various stages which products undergo in operation. This include the introduction, growth, maturity, and decline (Daniels, 2013). Whereby each stage of production requires different levels of expertise and strategies, with some requiring more attention and demand than others.

The theory's preposition is that by understanding the cycles the products undergo will enable in formulating the appropriate strategies so as to achieve competitive advantage. Therefore, the strategies adopted by the organizations will vary greatly based on the particular stage of production. The companies may opt to having different strategies, each addressing a particular stage of production of their commodities. This will ensure that competitive advantage is attained right from the initial processes.

2.3 Strategy and Organization

The increase in trade both locally and internationally has been established to contribute significantly to the growth of the economy. However, with this expansion and increased globalization comes with new emerging challenges. As such, competition has been intensified, and companies which are located in the country have to go an extra mile so as to remain dominant. This has seen many strategies being formulated by these companies in attempts to gain competitive advantage (Buckley, 2005).

A strategy however, speak of an organizations ability to understand the changing dynamic in the external environment and organization ability to align themselves in term of understanding of how, when and where it should compete; against whom it should compete and for what purpose it should compete (Pearce and Robinson, 2010). Although formulating consistent strategies seems a difficult task for any management team, making that strategy work through effective execution is even more difficult

(Hrebiniak, 2006). Despite most strategies being well formulated, less than half of them get past the implementation process. This shows appropriate measures must be placed in the organizations so as to ensure the entire strategy implementation goes according to the set plan.

However, mixed results have been obtained into whether strategies have an influence on coping to competitions. While some firms invest greatly on strategy implementation, other companies have been noted to have succeeded without the benefit of an explicitly enunciated strategy (Gichohi, 2014). Additionally, other scholars hold that strategy implementation may lead to additional expenses been incurred which may negatively affect the financial performance. But yet these strategies have been determined to improve significantly how organizations operate both internally and externally.

Kinicki and Williams (2006) well-defined competitive advantage as the capability of an organization to produce goods or services effectively than its rivals, therefore outstripping them. A company is said to gain competitive advantage if it achieves an advantage than its competitors (Porter, 1989).Similarly, Thompson and Strickland, (2002) argue that a company can also achieve competitive advantage by securing customers and defending against competitive sources. Competitive advantage is positively correlated to the financial performance. Thus attaining competitive advantage is crucial for any organization that aims to improve its financial performance (Porter, 1980).

Competitive advantage in firms may be measured using both long term and short term methods. The long term approach tends to look at the sustained company acquired by the firm. Sustained competitive advantage may be quantified using various constants contained in the sustainability report such as economic and environmental. While the short term approach focuses more in accessing the effectiveness in the day to day operations. However, the extent of benefit from the competitive advantage will depend on the sustainability of the particular strategy (Kiragu, 2014).

2.5 Strategies adopted by foreign companies in gaining competitive advantage

To gain competitive advantages and dominance in the local market, the foreign firms have formulated practices known as strategies which give them a distinguishing factor among the rest, these strategies include; differentiation, joint venture, franchising and strategic alliances. To begin with differentiation as described by Reilly (2002), refers to a situation where a firm opt to providing products/ services which are completely different to what other firms are providing. This gives the firm's products a distinguishing factor in market. The main advantage of using differentiation is that due to the loyalty created in customers, the firm counters the competitor's competitive strategies.

Joint venture refers to where companies mutually agree to share their ownerships so as to complement or boost their gains. The foreign companies choses a local company that is well established in the market, then start a completely new company through acquisition or partial ownership. Investment through joint venture is advantageous in creating growth opportunities, risk diversification, reduced startup costs and increased growth opportunities (Williams, 1997). This enables a quick market entry and increased returns.

Franchising entails an organization being given the rights to use the trade marks, company or technology of another. This enables rapid market expansion as the franchisor may help the franchisee in marketing, general organization and general management (Floyd, 2002).Tow kind of franchising namely; product and trade name franchising and package franchising. Franchising as a business format for business penetration has developed and formulate strategy for business development, job making and economic growth (Kotler Armstrong, 2001).

Strategic alliance on the other hand is a business establishment where two or more companies cooperate, so as to mitigate risks in achieving a common set objective (Cater and Graham, 2002). The alliances aim at expanding the business boundaries through sharing costs, resources and even risks (Berquist et al.2007). The strategies alliances will occur when a foreign company unites with an already established local company which will help ease the penetration process of the companies in the country. This will see both parties benefit, but a close evaluation is needed so as to ensure the process is successful. This is due to the fact that negative alliances will result in diminished returns.

2.6 Empirical Review of Competitive Strategies Adopted by Firms

A number of researches have showed both locally and globally companies has not come up with a precise strategies that has been adopted by foreign firms to gain competitive advantage. Ogutu, and Nyatichi, (2012) examined the competitive strategies adopted by Multinational foreign companies in Kenya. The data was analyzed using descriptive statistics such, scores, percentages and frequencies. The findings indicated clearly that for multinational foreign companies to sustain their competitive advantage in the market they have largely adopted broad differentiation strategy. The study however wasn't able enumerate the other strategies adopted by these companies.

Barasa, (2013) did a research on the strategies used by multinational pharmaceuticals firms in Kenya. The research used primary data that was collected alone with structured questionnaire involving closed and open-ended questions. The target population of this study consisted of 15 multinational pharmaceuticals firms in Kenya with an average 3 to 5 partners in each firm giving 45partners. The research findings show that Companies that want to internationalize must decide on an appropriate mode of entry into a foreign market as a means of appropriately utilizing of their resources.

Ndungu, Machuki, and Murerwa, (2014) conducted a study on comeback strategies by commercial foreign companies to economic changes in Kenya. A sample of thirty five foreign companies was and primary data gathered using questionnaires directed to the managers of the foreign companies. Secondary data was found from the foreign companies' current bank publications and yearly reports. The research pointed out that the commercial foreign companies are aware of some of the dynamic within the extended environment thereby using a cost-cutting strategies which deals with reducing costs and divestment of non-core assets.

Kungu, Desta, and Ngui, (2014) on their study on an assessment of the success of a competitive strategies by commercial foreign companies, gathered that there has been a encouraging relationship amid competitive strategy effectiveness; and improvement, clients attention, bench marking and diversity remained statistically important. The research used a descriptive research design. The research endorses that foreign companies to upgrade the mood of information, come up with a well-structured marketing strategies, and assume cutting-edge technology.

Gaceri, Mugambi and Wepukhulu, (2015) conducted a study on the issues affecting the implementation of strategy between foreign pharmaceutical companies in Kenya. Using a sample size of 46 foreign pharmaceutical marketing companies in Kenya, the research found that at $p<0.05$, favorable government policies, organizational competitiveness and organizational capabilities are correlates of globalization of strategy execution between foreign pharmaceutical companies in Kenya.

This shows that though there are various theoretical frameworks attempting to explain what influences the type strategies to be adopted by the foreign companies, the results obtained from the empirical studies have not been fully conclusive. The strategies available have been found to vary greatly amongst the companies. Additionally, there are minimal studies conducted locally in Kenya as most studies have concentrated in the developed countries. This represents a research gap in identifying the exact strategies adopted by the foreign companies in gaining competitive advantage, and this study aimed at addressing this.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter presents the research methodology that was relied on to carry out the research. The chapter describes the; research design, target population, sampling design, method of data collection, and data analysis. It also describes several scientific approaches that were relied on in achieving the research objectives.

3.2 Research Design

The research design entails the outline or approach used by the study in addressing the various research objectives (Creswell, 2003). This study adopted the cross sectional research design in obtaining information pertaining to the strategies adopted by foreign companies in Kenya to gain competitive advantage. Cross survey design basically, a type of descriptive research design which entails gathering of information pertaining to a particular sample at once. The research design was preferred because it allows generalization of the findings of the study at a particular parameter (Ngechu, 2004).

The method also enabled prudent comparison to be made under minimal interference as the researcher has not direct control over the variables hence the most appropriate. This enabled determining the exact strategies out in place by the companies and the impacts they have on the organization and the influences these strategies have had on the performance.

3.3 Population of the Study

Population constitutes the sum of elements that conform to a certain specification and are of interests to the researcher (Muro, Magutu and Getembe, 2013). The target population constituted all the 113 foreign companies that are located in Nairobi as shown by Table 3.1. All the companies that the major shareholders (>70%) are not from Kenya were considered to be foreign. The companies were all contacted prior to the study and only 76 agreed and responded back. The companies were selected from all the available sectors so as to enable comprehensive determination of the phenomenon that exists.

This region was chosen as it contains the highest concentration of the companies, hence the most appropriate for the study. In addition, the area is of close proximity to the researcher thus more convenient. Due to the population being small and manageable, a census approach was employed so as to cover all the selected foreign companies. This in accordance with Mugenda and Mugenda, (2003) argues that where the population is small, the entire population is to be used so as to enable generalization of the findings. The respondents were the senior managers in the companies or their equivalents. This is because they are directly involved with formulation of the strategies in the companies and thus the most conversant with the study topic.

Table 3. 1 Population of the Study

Sector	Number
Building, Construction & Mining	3
Chemical and Allied	12
Energy, Electrical and Electronics	7
Food & Beverage	8
Motor Vehicle & Accessories	4
Paper & Board	13
Pharmaceuticals & Medical Equipment	4
Plastic & Rubber	14
Leather & Footwear	2
Metal & Allied	18
Textiles & Apparels	10
Timber, Wood & Furniture	3
Others	12
Total	**113**

Source: group Kenya 2013, na a study done by Sukali, W., (2014).

3.4 Data Collection

The research relied on purely primary data. Primary data is information obtained direct from the field of study, and is yet to be published or document (Miles, and Huberman, 1994). This was preferred to the secondary data as it is more oriented to the study and is less likely to be outdated or biased. Anonymity of the researcher was also maintained which encourages the respondents to be more candid in their Reponses. The primary data were gather by the used of questionnaires that will constitute both open ended and close ended questions. This enabled collecting both qualitative and quantitative data.

Questionnaires are considered the most appropriate due to them being not only time saving but also enabling collection of a wide range of data. Construct validity and pretesting were used in testing the reliability for the study. The questionnaires were administered to the managers at the companies through a drop and pick method. This method ensured the respondents have an sufficient time to fill the questionnaires. Follow ups were done through emails and calls to ensure that all the questionnaires are dully filled and collected.

3.5 Data Analysis

The data analysis process constitutes meaningful information from the raw data gathered. The completed questionnaires were accessed for consistency and completeness. The internal consistency was calculated using Cronbach's alpha so as to ascertain that the data gathered is valid and accurate. The data from the open ended questions was interpreted using content analysis since the focus was on interpretation of the outcomes slightly than quantification.

Quantitative data from the close ended questions was analyzed by use of statistical package for social sciences (SPSS) and analyzed through the use of descriptive statistics which contain frequencies, percentages, standard deviation and mathematics mean. These were chosen as they enable ease interpretation of the collected data. The data was presented in graphs and tables.

CHAPTER FOUR

DATA ANALYSIS, FINDINGS AND DISCUSSION

4.1 Introduction

This chapter presents analysis and findings of the study on the strategies adopted by foreign companies to gain competitive advantage in Kenya. It represents the findings obtained on the key research variables and interpretations.

4.2 Response Rate

The population of this research was all the foreign companies in Nairobi. In this regard, 113 questionnaires were issued to the respondents who were the senior managers in the companies or their equivalents, out of which 76 were fully filled and returned. This translates to a response rate of 67% as shown by Table 4.1. This population is considered to be adequate and large enough to enable the generalization of the study's findings.

Table 4. 1 Response Rate

	Frequency	**Percentage**
Responded	76	**67%**
Not Responded	37	**33%**
Total	**113**	**100%**

Source: Field Work (2017)

4.3 Background Information

This section constitutes the background information pertaining to both the respondents and the foreign companies.

4.3.1 Gender of the Respondents

The research sought to determine the gender balance and disparity among the respondents. The findings obtained are shown by Table 4.2.As indicated, 55% were male while the remaining 45% were females. This implies that there was an equal representation of both genders hence no biasness in the responses given.

Table 4. 2Gender of the Respondents

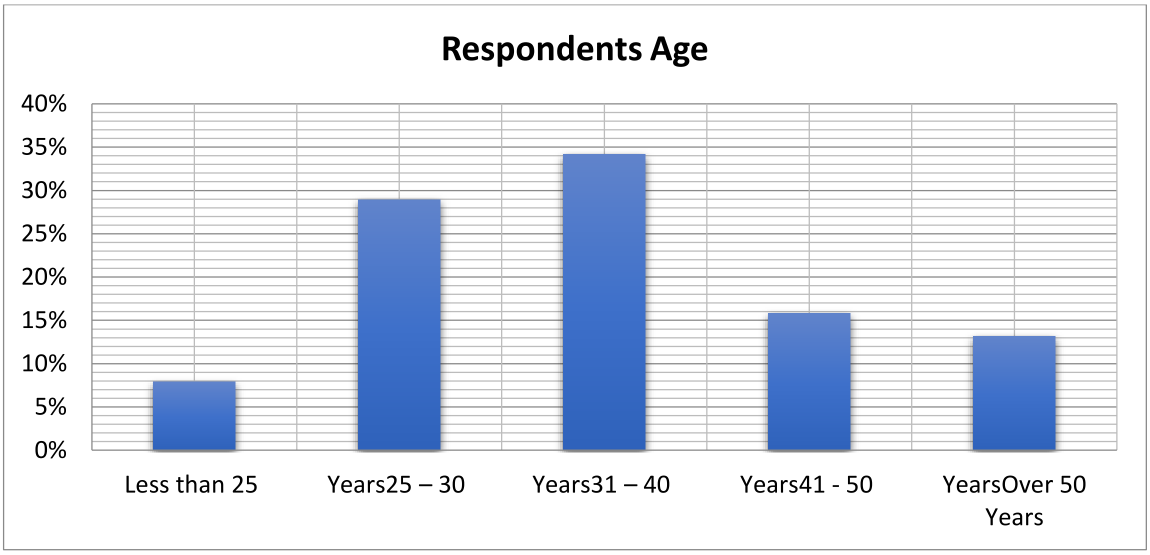
Gender	Frequency	Percentage
Male	42	**55%**
Female	34	**45%**
Total	**76**	**100%**

Source: Field Work (2017)

4.3.2 Age of the Respondents

The research sought out to find the age of the respondents in the research. As shown by Figure 4.1, 34% were between the ages 31-40 years, 29% between the ages 25-30 years, 16% between the ages 41-50 years, 13% above 50 years while the remaining 8% under 25%. This shows that majority of the respondents were above 25 years and therefore able to give valid and accurate information concerning the study topic.

Figure 4. 1Age of the Respondents

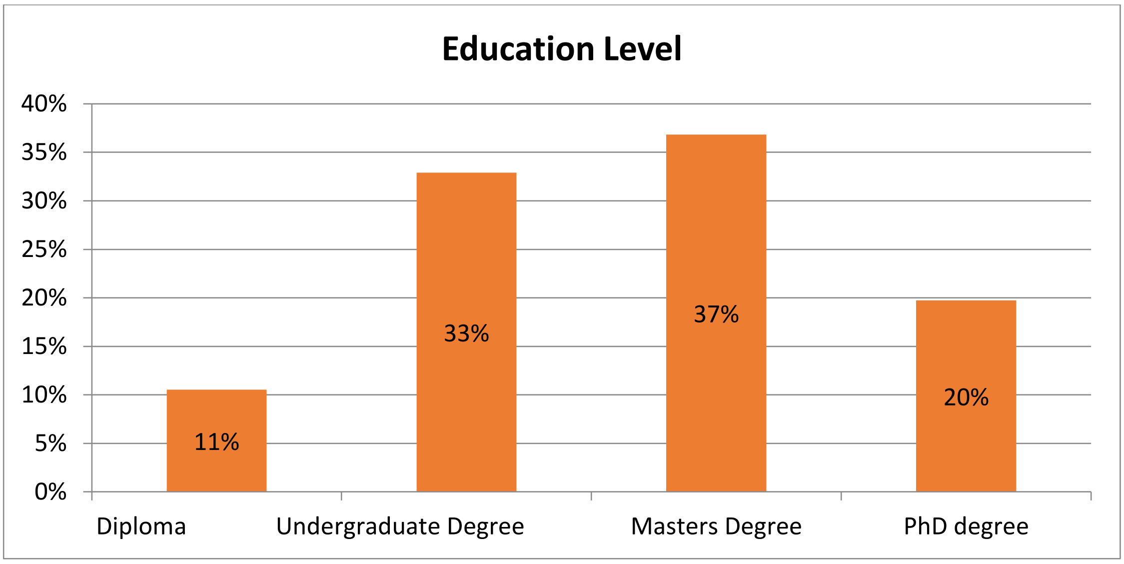


Source: Field Work (2017)

4.3.3 Education of the Respondents

This research sought to determine the education levels of the respondents as a measure of their qualifications. The findings obtained as shown by Table Figure 4.2, indicate that 37% had masters degrees, 33% had undergraduate degrees, 20% had doctorates whereas only 11% diplomas. This shows that the respondents were well qualified for their respective positions, hence reliable in describing the phenomenon that exists in their companies.

Figure 4. 2 Education of the Respondents



Source: Field Work (2017)

4.3.4 Position at Company

This section sought to establish the positions held by the respondents in their firms. This was attributed by the fact that this determines there involvement and knowledgeably of the organization’s operations. The results found as indicated by Table 4.5, show that the majority were middle level managers (47%), this was followed by top managers (37%) and lastly, then on-managerial staff (16%).This shows that the respondents held mostly the managerial positions and therefore well informed about the strategies employed in their firms.

Table 4. 3 Respondents Current Position

Rank	Frequency	Percentage
Top management	28	**37%**
Middle level management	36	**47%**
Non managerial staff	12	**16%**
Total	**76**	**100%**

Source: Field Work (2017)

4.3.5 Years worked at Company

This section sought to find out the duration that the respondents had been in their respective organizations. The findings as shown in Table 4.4, indicate that 34% had worked for a period of 10-15years, 29% for a period of 5-10 years, 16% a period of15-20 years, 13% for a period of over 20years while the remaining 8% for a period of less than 5 years. This is an indication that the respondents had been in their organizations long enough and therefore fully aware of the available strategies and the impact these strategies have in attaining competitive advantage.

Table 4. 4 Years Served at Company

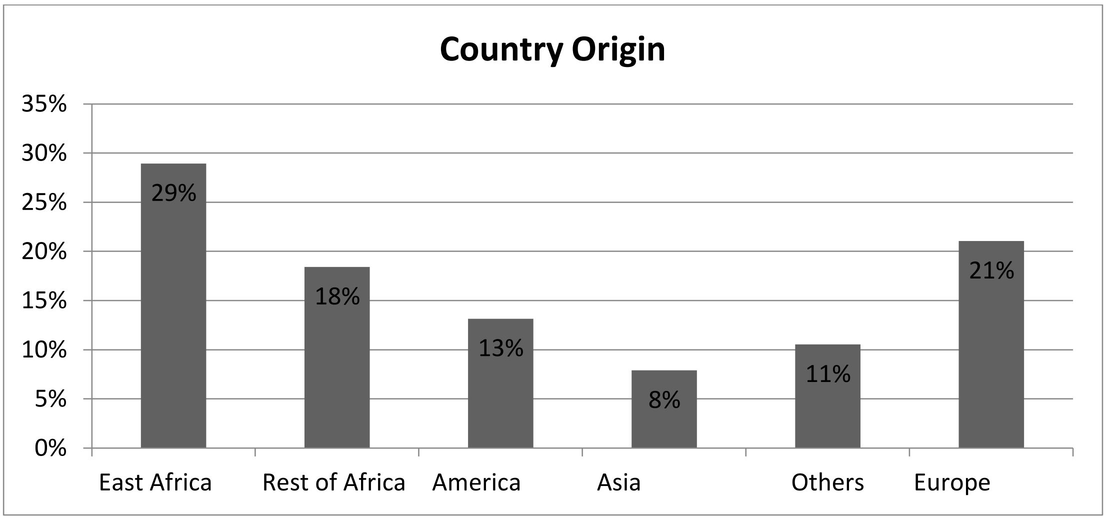
Years	Frequency	Percentage
0 – 5 years	6	**8%**
5 – 10 years	22	**29%**
10 – 15 years	26	**34%**
15 – 20 years	12	**16%**
Over 20 years	10	**13%**
Total	**76**	**100%**

Source: Field Work (2017)

4.3.6 Origin of the Foreign Companies

The study sought to determine the exact origin of the companies under study. As shown by Figure 4.3, 29% were from East Africa, 21% from Europe, 18% from the rest of Africa, 8% from Asia, while the remaining from other parts of the world such as Australia, Canada and the rest.

Figure 4. 3Origin of the Foreign Companies

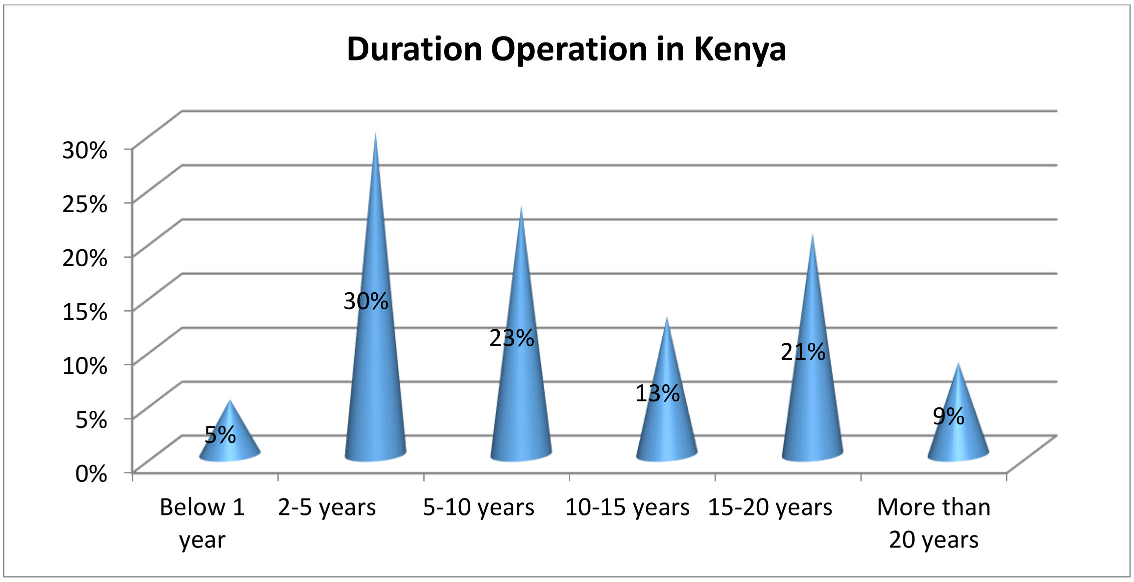


Source: Field Work (2017)

4.3.7 Duration Operational in Kenya

This section aimed at establishing the duration the companies had been operating in Kenya. The results obtained as presented by Figure 4.4, 30% had been operational for 2-5 years, 23% for 5-10 years,21% for 15-20 years,13% for 10-15 years, 9% for more than 20 years and only 5% for less than a year. This indicates that the companies had been operation in Kenya for considerable length of time and therefore aware of the dynamics of the Kenyan market.

Figure 4. 4 Duration Operational in Kenya

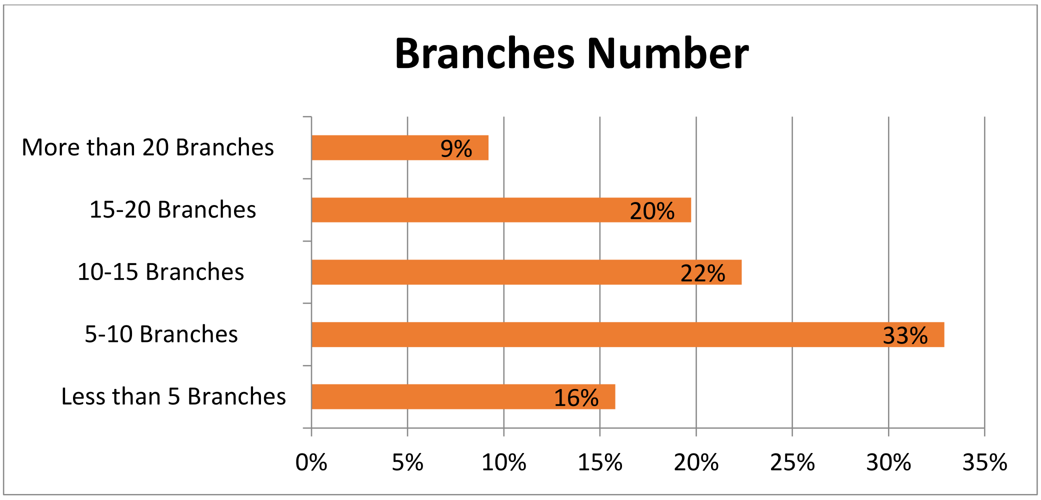


Source: Field Work (2017)

4.3.8 Number of Branches

This section aimed at establishing number of branches that the foreign companies had in the country. The results as presented by Figure 4.5 show that 33% had 5-10 branches, 22% had 10-15 branches, 20% had 15-20 branches, 16% had less than 5 branches while the remaining 9% had more than 20 branches. This shows that less than 30% of companies had more than 20 branches which show minimal spread throughout the country.

Figure 4. 5 Number of Branches



Source: Field Work (2017)

4.3.9Number of Employees Employed

The study sought to establish the number of employees in the foreign companies as a measure of their size. The findings obtained, as shown by Table 4.5, indicate that 35% had 50-100 employees, 30% had less than 50 employees, 23% had 100-200 employees while 12% had above 200 employees. This implies that majority of the firms (more than 50%) had over 50 employees which shows that the foreign firms were mostly large in size.

Table 4. 5 Number of Employees Employed

Employee Number	**Frequency**	**Percentage**
Less than 50	23	**30%**
50-100	27	**35%**
100-200	17	**23%**
Above 200	9	**12%**
Total	**76**	**100%**

Source: Field Work (2017)

4.3.10 Competitive Advantage in the Foreign Companies

The study sought to determine as to whether the foreign companies had been able to attain competitive advantage and dominance in the Kenyan market which is highly populated by the local companies. The results obtained on the extent of competitive advantage show that 46% stated it to be moderate, 24% stated it to be good, 16% stated it to be very good, and 12% stated it to be poor whilst only 3% stated it to be very poor as shown by Table 4.6. This shows that though majority of the respondents stated to have above average levels of competitive advantage, there is still a good number which had low levels of competitive advantage, which raises concern.

Table 4. 6 Extent of gaining Competitive Advantage

	Frequency	Percentage
Very Good	12	**16%**
Good	18	**24%**
Moderate	35	**46%**
Poor	9	**12%**
Very Poor	2	**3%**
	76	**100%**

Source: Field Work (2017)

4.4 Strategies adopted by foreign companies to gain competitive advantage in Kenya

4.4.1 Various strategies adopted by foreign companies in Kenya

Strategies are measures put in place so as to ensure the organization's goals and targets are achieved within the specified duration. This study wanted to investigate the strategies that are adopted by the foreign companies and the extent to which they were adopted. The findings obtained are shown by Table 4.7.

Table 4. 7 Various strategies adopted by foreign companies in Kenya

Strategy	Mean	Std Dev
Strategic Alliances	4.25	1.1246
Joint Ventures	4.20	1.0508
Franchises	4.07	0.8928
Direct and Indirect Export	4.06	0.8571
Contracts	3.86	0.7886
Wholly Owned Subsidiaries	3.61	0.5973
Merger	3.57	0.5427
Licensing	3.43	0.4988
Foreign Direct Investment	3.33	0.4495
Direct Acquisition	3.28	0.5552
Sequential Market Entry	2.99	0.6559

Source: Field Work (2017)

Note: A Likert Scale of 1–5 whereby 1 is strongly disagree 2 is disagree, 3 is neutral, 4 agree and 5 strongly agree was used in measuring the responses.

This findings obtained indicate that the most used strategy was strategic alliances, while the least was sequential market entry. Additionally, Joint Ventures, Franchises and Direct and Indirect Export also had large extents of adoption with majority of the other strategies having moderate extents of adoption. This concurs with Ndwiga (2012) who researched on the foreign market strategies used by the British Multinationals in Kenya and found out that franchising and licensing were the most used strategies.

4.4.2 Franchising

This research sought to determine the Franchising practices adopted by the foreign companies in gaining competitive advantage in Kenya. This entails an organization being given the rights to use the trade marks, company or technology of another. The findings obtained are shown by Table 4.8.

Table 4. 8 Franchising

Franchising	**Mean**	**Std Dev**
Product franchising	4.18	0.9922
Retail franchising	3.63	0.7433
Investment franchising	3.57	0.6693
Trade name franchising	3.23	0.6904
Management franchising	2.82	0.5153
Average	3.48	0.7221

Source: Field Work (2017)

Note: A Likert Scale of 1–5 whereby 1 is strongly disagree 2 is disagree, 3 is neutral, 4 agree and 5 strongly agree was used in measuring the responses.

As per Table 4.8, the most adopted franchising strategy was product franchising while the least adopted was the management franchising. While the other franchising strategies were found out to have moderate extents of adoption. The low preference to the management franchising could be due to the lot of uncertainties that are created when a business is handled by another party other than the owner. This is because it is perceived to be prone to malpractices such as fraud and mismanagements. Product franchising on the other hand is the most opted for because, it enables rapid market expansion as the franchisor may help the franchisee in marketing, general organization and general management (Floyd, 2002). On overall, the franchising strategies are established to be implemented in the foreign companies to a moderate extent as an average mean of 3.48 was attained.

4.4.3 Strategic Alliances

The study also sought to investigate the extent to which alliances, as a strategy practices has been implemented in the foreign companies in gaining competitive advantage. This refers to business establishment where two or more companies cooperate, so as to mitigate risks in achieving a common set objective. The results are as shown by Table 4.9.

Table 4. 9 Strategic Alliances

Strategic Alliances	**Mean**	**Std. Dev**
Equity strategic alliance	3.95	0.8540
Contractual agreements	3.88	0.7888
Supply Contracting	3.59	0.6362
Distribution Agreement	*3.13*	0.4662
Average	**3.64**	**0.6863**

Source: Field Work (2017)

Note: A Likert Scale of 1–5 whereby 1 is strongly disagree 2 is disagree, 3 is neutral, 4 agree and 5 strongly agree was used in measuring the responses.

As shown by Table 4.9, the equity and contractual alliances has large extents of adoption whereas supply contracting and distribution agreement had moderate extents of adoption. This thus implies that most implemented strategic alliance practice was contractual agreement while the least was distribution agreement. However, none of the practice had a large or very large extent of adoption this shows that this strategy is yet to be fully implemented in these firms. On average, the strategic alliances practices attained a mean of 3.64 which confirms the moderate extent of adoption. This may be attributed by the fact that though alliances aim at expanding the business boundaries through sharing costs, resources and even risks, a close and constant evaluation is needed so as to ensure the process is successful. This is due to the fact that negative alliances will result in diminished returns.

4.4.4 Joint Venture

The study also sought to find out the extent of use of joint venture strategy in achieving competitive advantage. This constitutes where companies mutually agree to share their ownerships so as to complement or boost their gains. The results are by shown by Table 4.10.

Table 4. 10 Joint Venture

Joint Venture	Mean	Std Dev
Business partnership	4.05	0.8587
Using exporting mode of international marketing strategy to venture into multinationals.	3.88	0.8598
Separate joint venture business	3.72	0.7130
Co-operate with another business in a limited and specific way	3.58	0.6541
Using owned subsidiaries mode of international marketing strategy to venture into multinationals.	3.05	0.4291
Average	3.66	0.7029

Source: Field Work (2017)

Note: A Likert Scale of 1–5 whereby 1 is strongly disagree 2 is disagree, 3 is neutral, 4 agree and 5 strongly agree was used in measuring the responses.

As shown, business partnership had a very large extent of adoption; exporting and separate joint ventures had large extents of adoption, while cooperation and owned subsidiaries had moderate extents of adoption. Investment through joint venture is advantageous in creating growth opportunities, risk diversification, reduced startup costs and increased growth opportunities (Williams, 1997). This explains why on average, the mean of the joint venture strategy was 3.66 which implies above moderate extent of adoption.

4.5 Discussion of Findings

4.5.1 Comparison of the Study Findings with Theories

The study sought to investigate the exact strategies which are adopted by the foreign companies in Nairobi. The strategies found out to be put in place included; strategic alliances, joint ventures, franchises, exports, contracts, wholly owned while mergers, licensing, direct acquisitions and foreign direct investments. The strategies extent of adoption however varied with the most adopted venture strategy was business partnership and separate joint venture business and corporations and the least being Sequential Market Entry. The differences in the strategies adopted by the firms may be explained by the Resource Based View Theory due to heterogeneousness of the resources in the firms (Gichohi, 2014). As such, a firm will only adopt a strategy based on the available resources so as to achieve the desired outcomes.

The results also showed that the strategies adopted have a positive impact in gaining competitive advantage in the companies. The positive effect may be attributed to the fact that availability of strategies enables proper orientation and organization of the organizations' resources.

The positive influence is supported by the available theoretical frameworks such as New Trade Theory and International Product Life Cycle Theory. Whereby, New Trade Theory holds that through strategies the foreign companies may be able to exploit the international market and create dominance. While International Product Life Cycle Theory further adds that incorporating strategies at each cycle of production will result in further increase in competitiveness of the firm.

4.5.2 Comparison of the Study Findings with Other Studies

The study found out that Joint Venture, Strategic Alliances and franchising to be the most adopted strategies by the foreign companies in achieving competitive advantage. This therefore confirms that the strategies have proved to be essential in the operation and competitiveness of the firms. However, the strategies were found to have no uniformity as they varied amongst the foreign companies.

This relates to Nenzhelele and Pellissier, (2014) who state that organizations which operate in foreign markets require strategies so as to enter and thrive. The strategies enable them to gain competitive edge against the competitors an achieve the firm's targets. In a similar way, Ndungu, Machuki, and Murerwa, (2014) who conducted a study on response strategies by commercial foreign companies to economic changes in Kenya established that the strategies enable the companies to respond to any changes in the macroeconomic environment through cutting operating costs and divestment of non-core assets.

Similarly, the studies conducted have also established a positive influence on the strategies adopted and competitive advantage. Kungu, Desta, and Ngui, (2014) on their study on an assessment of the effectiveness of competitive strategies by commercial foreign companies, found out that there was a positive correlation between competitive strategy effectiveness and innovation. Gaceri, Mugambi and Wepukhulu, (2015) also established that the execution of internationalization strategy among foreign pharmaceutical marketing companies in Kenya enabled them to attain competitive advantage. However, this tends to contradicts Sadaghiani and Dehghan, (2011) who found out those companies did not necessarily require strategies so as to remain competitive.

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATION

5.1 Introduction

This chapter contains summary of the study, conclusion and recommendations and areas for further research. Data analysis and summary and conclusions were made in line to the study objective which was to determine strategies adopted by foreign companies to gain competitive advantage in Kenya.

5.2 Summary of Findings

This study sought to determine the strategies adopted by foreign companies to gain competitive advantage in Kenya. Descriptive research design in obtaining information pertaining to the research objectives. Due to the population being small and manageable, a census approach was employed so as to cover all the 113 foreign companies. The data was gathered using of questionnaires which were managed through a drop and pick method to the target respondents who were the senior employees in the firms. Descriptive statistics such as means and frequencies were used in describing the data. The findings obtained are summarized below as per the research objectives.

The study aimed to investigate the exact strategies which are adopted by the foreign companies in Nairobi. The strategies found out to be put in place included; strategic alliances, joint ventures, franchises, exports, contracts, wholly owned while mergers, licensing, direct acquisitions and foreign direct investments. Whereby, the most adopted venture strategy was business partnership and separate joint venture business and corporations. It was also found out that these strategies were complementary in nature whereby more than one strategy could be adopted by one firm in gaining competitive advantage. This aims to increase the end results of the strategies as it in line with Mugambi, (2011) who investigated the foreign market entry strategies adapted by companies in export processing zones in Kenya.

The study also sought to determine the exact practices used in strategic alliances, joint venture and franchising. On franchising method, the most implemented was product franchising while the least popular was management franchising. On strategic alliance practice, the most implemented practice was contractual agreement while the least was distribution agreement. Whereas the most adopted venture strategy was business partnership and the least was using owned subsidiaries. However, all these strategies had moderate extents of adoptions which indicate that they are yet to be fully intergrated to the operations of the foreign companies.

All the strategies however were found out to have moderate extents of adoption in the organizations. This thus shows that though there are strategies put in place by the foreign companies, the desired outcomes are yet to be attained. Specifically, most companies were found out to have moderate competitive advantage with only few having high levels of competitive advantage. Owing to the fact that the competitive strategies were found out to play a role in enhancing competitive advantage in the foreign companies, it necessitates those additional measures to be put in place so as to facilitate the implementation process of these strategies in the companies.

5.3 Conclusion

Based on the study findings, the study makes a number of conclusions. To begin with, the study concludes that the foreign companies in Nairobi have adopted strategies which facilitate attainment of competitive advantage. However the companies were found out to vary in relations which they adopted and implemented the strategies. The study therefore concludes that the most used strategies by the foreign companies to be most used strategy was joint ventures, while the least was sequential market entry.

The study also found out that there all the strategies in the companies had moderate to have average extents of adoption. This is implies that there is relative low implementation and acceptance of the strategies in the foreign companies. The study concludes that the low competitive advantage experienced in some companies could be due to the limited effectiveness of the employed strategies. Hence the companies ought to carefully evaluate the effectiveness of the available strategies if they are to attain improved competitive advantage.

5.4 Recommendations

Based on the findings of the study, several recommendations are proposed. To begin with the study established that the adoption of strategies plays a huge role on how the companies gained competitive advantage. The study therefore recommends that the managements at the foreign companies to highly priorities strategy formulation and implementation. They should also ensure that there is sufficient budgetary allocation and adequate resources towards these strategies so as to enable them succeed.

The study also found out that there are challenges which limit the effectiveness of adoption of the competitive strategies. The study therefore recommends that the management and concerned bodies in the foreign companies to constantly monitor and evaluate the strategies that they have put in place in their firms. This will enable the determination of the effectiveness of the strategies and any shortcomings which are associated with them. It will therefore create an avenue though which challenges are identified and addressed.

The study also recommends that the Kenyan Government and other policy makers to ensure that there macro environment are stable and constant. This will facilitate economic growth and development which will in turn create a conducive environment on which the foreign companies will thrive and prosper. The study further recommends that the polies developed should be designed in such a way that they favor strategy implementation in the firms and cause minimal legal barriers.

5.5 Limitations of the Study

The study was limited to the mode of data collection used which was through questionnaires. Hence, this data collection method did not enable the triangulation of results in determination of the strategies that exist. Also, owing to the sensitive nature of the information being sought by the study, the respondents were reluctant. This is because matters pertaining to the competitive strategies in companies are deemed private and confidential as they may be used by competitors. The researcher however overcame this limitation through assuring the respondents that the data collected would be used entirely for academic purposes and that they could withdraw at any particular time.

The busy schedules of the respondents lowered the response rate down of which the researcher countered this through follow ups by calls and emails. Additionally, due to time and financial constraints, the study was only limited to the foreign companies in Nairobi. As such, this may not be an actual representation of other foreign companies in the country. The study was also not able to cover all the strategies adopted by the companies as it was limited to three main strategies namely; strategic alliances, ventures and franchising. Despite this, the researcher comprehensive data collection and ensured that the data collected is valid and accurate so as to enable generalization of the findings.

5.6 Suggestions for Further Research

Despite the study addressing its research objective, there are certain areas which have arisen as a result of this study which prompt the need for further studies. To begin with the study established that there are challenges which face the foreign companies in attaining competitive advantage. It is therefore suggested that future studies to be conducted entirely on these strategies and how they may be addressed. Also further may be conducted on the other determinants of competitive advantage in these firms, other than the strategies employed. This will enable comprehensive determination of the concept of competitive advantage in the foreign companies.

The further studies should also encompass other strategies used by the foreign companies other the ones in the study. Additionally, the study was only restricted to the foreign companies and such did not considered other firms such as the multinationals and local companies. Research could also be done on these firms to establish whether the similar strategies are applicable. Focus group discussions and interviews can also be adopted other than questionnaires so as to triangulate the results.

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APPENDICES

APPENDIX I: QUESTIONNAIRE

"STRATEGIES ADOPTED BY FOREIGN COMPANIES IN KENYA TO GAIN COMPETITIVE ADVANTAGE"

This questionnaire is designed to collect information on the strategies adopted by foreign companies in Kenya to gain competitive advantage. The information obtained will only be used for academic purposes and shall be treated in confidence. Kindly answer the questions honestly and candidly as possible. Please tick or write in the spaces provided.

SECTION A: GENERAL INFORMATION

PART I: RESPONDENTS INFORMATION

1. Name of respondent (Optional)………………………………………………..
2. Gender of the respondent
    a) Male [ ]
    b) Female [ ]
3. What is your current position in the Company………………………………….
    a) Top Management [ ]
    b) Middle Level Management [ ]
    c) Employee [ ]
4. Please indicate your number of years in service to the company
    d) 0 – 5 years [ ]
    e) 5 – 10 years [ ]
    f) 10 – 15 years [ ]
    g) 15 – 20 years [ ]
    h) Over 20 years [ ]

5. Please indicate your highest education level attained:

   a) Primary Certificate [ ]

   b) Diploma [ ]

   c) Undergraduate [ ]

   d) Postgraduate [ ]

PART II: COMPANY INFORMATION

6. Name of Company (Optional) ……………………………………………………

7. What is the origin of your company?

   a) East Africa [ ]

   b) Rest of Africa [ ]

   c) America [ ]

   d) Asia [ ]

   e) Europe [ ]

   f) Others (Please Specify)……………………………………………………

8. How long has your company been operation in Kenya?

   a) Below 1 year [ ]

   b) 2-5 years [ ]

   c) 5-10 years [ ]

   d) 10-15 years [ ]

   e) 15-20 years [ ]

   f) More than 20 years [ ]

9. How many branches does your company have?

   a) Less than 5 Branches [ ]

   b) 5-10 Branches [ ]

   c) 10-15 Branches [ ]

d) 15-20 Branches [ ]

e) More than 20 Branches [ ]

10. How many employees has your company employed in Kenya?

a) Less than 50 [ ]

b) 50-100 [ ]

c) 100-200 [ ]

d) Above 200 [ ]

11. To what extent has your firm been successful in attaining competitive advantage in Kenya?

a) Very Large Extent [ ]

b) Large Extent [ ]

c) Moderate Extent [ ]

d) Small Extent [ ]

e) Very Small Extent [ ]

12. How often does your company review its entry strategies?

a) After 2 years [ ]

b) After 3 years [ ]

c) At the mid-year [ ]

d) Never at all [ ]

e) Once per year [ ]

SECTION B: STRATEGIES ADOPTED IN GAINING COMPETITIVE ADVANTAGE BY THE FOREIGN COMPANIES

PART I: REASONS FOR PREFERENCE IN KENYA

13. Factor leading to establishment in Kenya

This section seeks to determine the reason(s) for your preference in Kenya. Please rate the following using a Likert Scale of 1–5 whereby 1 is strongly disagree 2 is disagree, 3 is neutral, 4 agree and 5 strongly agree.

Statement	**1**	**2**	**3**	**4**	**5**
Availability of cheap and labour					
Availability of raw materials					
Availability of technology					
Companies’ orientations and objectives					
Few regulatory barriers and restrictions					
Proximity to the suppliers					
Ready Market					

14. Are there any other inducing factors for choosing to establish in Kenya?

…………………………………………………………………………………………

…………………………………………………………………………………………

PART II: STRATEGIES USED ADOPTED IN THE FIRMS

15. In your opinion, to what extent has your company used the following strategies in gaining competitive advantage in the Kenyan market? (Please rank in order of importance) (1- To a little extent; 2- To a moderate extent; 3- Indifferent; 4- To a great extent; 5- To a very great extent).

Statement	**1**	**2**	**3**	**4**	**5**
Contracts					
Direct Acquisition					
Direct and Indirect Export					
Foreign Direct Investment					
Franchises					
Joint Ventures					
Licensing					
Merger					
Sequential Market Entry					
Strategic Alliances					
Wholly Owned Subsidiaries					

16. Franchising

Please rate the extent to which the following strategies have been adopted in your company using a scale of 1 to 5 where 1 is very small extent, 2 is small extent, 3 is moderate extent, 4 is large extent and 5 is to a very large extent.

Statement	**1**	**2**	**3**	**4**	**5**
Investment franchising					
Management franchising					
Product franchising					
Retail franchising					
Trade name franchising					

In your opinion how does franchising impact on the organization?

…………………………………………………………………………………………

………………………………………………………………………………………

17. Strategic Alliances

Please rate the extent to which the following have been adopted using a scale of 1 to 5 where 1 is very small extent, 2 is small extent, 3 is moderate extent, 4 is large extent and 5 is to a very large extent.

Statement	**1**	**2**	**3**	**4**	**5**
Contractual agreements					
Distribution Agreement					
Equity strategic alliance					
Supply Contracting					

Which other alliances has your organization entered in the recent past?

…………………………………………………………………………………………

…………………………………………………………………………………………

18. Joint Venture

Please rate the extent to which the following have been adopted using a scale of 1 to 5 where 1 is very small extent, 2 is small extent, 3 is moderate extent, 4 is large extent and 5 is to a very large extent.

Statement	**1**	**2**	**3**	**4**	**5**
Business partnership					
Co-operate with another business in a limited and specific way					
Separate joint venture business					
Using exporting mode of international marketing strategy to venture into multinationals.					
Using owned subsidiaries mode of international marketing strategy to venture into multinationals.					

19. Are there any other strategies used by your company in gaining competitive advantage?

…………………………………………………………………………………………

…………………………………………………………………………………………

…………………………………………………………………………………………

SECTION C: Key Challenges Faced in the Selection by the foreign companies

20. This section seeks to determine as to whether there are any particular challenges experienced in by the foreign companies in attaining competitive advantage.

Statement	**1**	**2**	**3**	**4**	**5**
There is poor development infrastructure which increases the operational costs					
The country has poor legal infrastructure					
There is poor technological developments					
The high taxations hinder development					
Currency exchange rates fluctuations lead to uncompetitive pricing and losses					
High inflation rates hinder profitability in the firms.					
The over regulations are unfavorable					
There is minimal customer loyalty to the foreign commodities					
The companies experience extensive competition from the local companies					

21. Are there any other challenges experienced by your company in gaining competitive advantage?

……………………………………………………………………………………

……….........……………………………………………………………………………

SECTION C: COMPETITIVE ADVANTAGE

22. In your own opinion, how would you rate the extent of competitive advantage in your firm?

a) Very Good [ ]

b) Good [ ]

c) Moderate [ ]

d) Poor [ ]

e) Very Poor [ ]

23. In your own opinion, to what extent have the strategies been successful in gaining competitive advantage in your organization?

f) Very Small Extent [ ]

g) Small Extent [ ]

h) Moderate Extent [ ]

i) Large Extent [ ]

j) Very Large Extent [ ]

24. Which measures can you suggest so as to improve the competitive advantage in your firm?

………………………………………………………………………………………

………………………………………………………………………………………

End

Thank you for your time