

**POSITIONING STRATEGIES ON MOBILE MONEY TRANSFER AT
SAFARICOM LIMITED**

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DECLARATION

This research proposal is my original work and has not been presented for a degree in any other university.

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This research proposal has been submitted for examinations with my approval as the university supervisor.

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DEDICATION

This project is dedicated to my family for their support their guidance and contribution in getting to where I am today and for their patience and support as I spent time and resources towards attaining my master's degree.

ABSTRACT

Organizations that operate in an industry with more than one firm face substantial competition if not fierce competition. Firms, therefore, seek to outperform their rivals by using strategies such as positioning strategies. The objective of this study was to assess the positioning strategies on mobile money transfer business at Safaricom Kenya Limited. The research design was a case study. It utilized primary data which was collected via an interview guide which contained a set of questions to be asked while interviewing managerial officers in charge of marketing, finance, human resources, business development and research division. Collected data was analyzed through content analysis. The study findings revealed that positioning strategies used by Mobile Money transfer business at Safaricom Kenya Ltd include focus; differentiation, low cost and differentiation focus strategies. It uses differentiation focus to its customers. For example, Safaricom selects a market niche and focuses its service. The study further deduced in comparison that Safaricom Kenya Ltd does not use low cost strategy. Safaricom Kenya Ltd does not charge its customers for sending or withdrawing a hundred shillings, a strategy that is also used by its competitors. However, the study established that Safaricom Ltd use focus strategy most. The company concentrates in understanding customer needs and carries out continuous research and innovations to meet this need. Safaricom has further build a strong brand M-pesa, which has become difficult for competitors to imitate. Safaricom has tailored its M-pesa brand with contents that interest customers which has built customer loyalty. The study further established that Safaricom Kenya Ltd mobile money transfer face challenges in experience to implementing focus strategy on mobile money. The Company need experts and resources and the process of implementation is also complex requiring marketing research to understand the needs and requirement of the customer and the environment at large. This is a very expensive exercise to carry out because it requires a huge amount of initial capital. From the findings, the study concludes that Safaricom Kenya Ltd use focus, differentiation, and differentiation focus strategies. The study recommended that Safaricom should engage in cost leadership strategy in providing Mobile money transfer services, take advantage of the opening up of the regional market as a result of the East Africa Community and finally evaluate its positioning strategy continuously to enable it remain relevant in the ever growing competing environment.

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LIST OF ABBREVIATION AND ACRONYM

CCK	Communication Commission of Kenya
EDGE	Enhanced Data GSM Environment
GDP	Gross Domestic Product
GPRS	General Packet Radio Services
GSM	Global System for Mobile
ICT	Information Communication Technology
IFC	International Finance Corporation
IMF	International Monetary Fund
KP&TC	Kenya Posts and Telecommunications Corporation
MMS	Multimedia Messaging Services
M-PESA	Mobile-Pesa
M-TIBA	Mobile Healthcare
PCK	Postal Corporation of Kenya
ROI	Returns on Investment
SMS	Short Message Service
SWOT	Strength Weakness Opportunities Threat
VOIP	Voice over Internet Protocol

CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

Positioning strategies initially defined how a firm designed the cardinal details of marketing: product price, promotion, price and feature, place, and promotion. This aided in appealing to a certain market niche (Isoherranen & Kess, 2011). This was through matching production locations, product and price for the returns on investment (ROI) maximization (Dash, 2013). The main benefits are to expand market share and increase profits maximization margins of market niche elements, a firm can increase its market penetration and its operations to serve those market niches (Rahman & Akhter, 2013). A significant role is played by positioning through various analyses.

Positioning strategy is the alteration of the marketable offering in such a way that it suits current competition. It deals with changing both the palpable features and abstract perceptions to fit in the current market (Arnott, 2012). Dash (2013) asserts that business data builds positioning strategy and it aims at composing words precise chain so as to balance distinction and differentiation concepts. Solidifying a company's identity is a long-term effort. It is an organized way of having a brand fixed in the mind of the customers. Positioning is vital as it relates and connects research done on the market, information about the nature, if there is any, of competition, detachment of groups and internal affairs (Duncan, 2009). Companies should take into account the continuously changing trends in strategy and nature of the organization. It is crucial that they project the future and decide whether or not their current system coincides with the future projections and that they can handle it. Also, if it does not coincide, it is important to decide what needs to be altered and when so as to catch up with trends in the industry.

Mobile money banking and payments is today become the everyday life of every business. Mobile Money has taken the industry by storm, causing redefining of the financial sector in Kenya and globally. Money Mobile money players have come in making the business very competitive. However, above all these challenges, Safaricom Ltd has maintained its position in the industry holding the largest number of loyal customers. Many Companies have come in but still cannot match. Others have changed hands like Zain to Airtel, Orange to Telkom but still they are way below Safaricom in terms of the number of customers they serve as well and the products they provide and accessibility.

Global Entrepreneurship Summit held in Nairobi in 2015, deduced that revolution of mobile money technology affirms that businesses need to strategically embrace the innovations digital money innovation has made available. Mobile money technological innovation has positioned Kenya as a leader in technology in the region boosting the entrepreneurial spirit of the country. M-PESA has simplified day-to-day life and become enabler of financial inclusion to the largely unbanked masses in rural areas.

Safaricom Ltd has lived the opportunity and become a mobile money pioneer in the region. The increase in mobile money innovations has also posed a challenge to banks as to where to focus their investment and what technology to use. The changing competitive environment, together with external developments has forced mobile money businesses to continually rethink their strategies because the future is in digital.

1.1.1 Positioning Strategies

Lynch (2009) defines strategy as being able to figure out the main objective or mission of the company and coming up with strategies to fulfill it, the essence of which revolves around trying to define the actual business, future direction, business culture and leadership styles and the overall attitude to strategic change.

The positioning strategies refer to variety of ways with which a business communicates essential benefits to potential customers. It is also concerned about what the consumer expects from the organization and how it influences stakeholders (Johnson & Scholes, 2005). Arnott (2012) defines positioning as the act of devising of the desired future position of the organization depending on current and future developments and strategies to realize that positioning through management of cost, product differentiation and market focus. Kotler and Keller (2006) define positioning strategy designs the company's offering and image in order to occupy a unique place in the target market.

When a company or provider creates and maintains a unique place for itself and what it is presenting in the market, it is considered successfully positioned. In the 5 progressively competitive service sector, good positioning is one of the in most critical tasks in marketing. Consumer perceptions of brand positions and competitive response are key determining factors of ideal competitive brand strategy (Hauser, 2008). This study explores positioning strategies in the telecommunication industry. The stiff competition among the service providers influences superiority of firms in the market. The study is based on the telecommunication industry in Nairobi where the key players in the industry have their headquarters. The competition is attributed to technological advancement and

market liberalization. The competition compels service providers to discover means of positioning their products in the market to remain superior.

According to ICT MTEF Sector report (2008) positioning strategies can be conceived and developed in numerous ways from object attributes such as, Reliability Dependability, Flexibility, Value for money or the characteristics of the products. Firms in the Telecommunication sectors have similar objective of creating the right attitude to customer's perception.

1.1.2 Mobile Money Transfer Business

Mobile money transfer is an electronic money system that allows an individual to carry out financial transactions through mobile phone (Etim, 2014). It allows financial services to be stretched to unbanked people at a considerably low cost since physical infrastructure is not required. Mobile phone penetration is growing across sub-Saharan Africa, with nearly 76 percent of the population owning a mobile phone. The growing ownership of mobile phone increases the potential for mobile money accessibility to unbanked individuals. According to the IFC (2011) the mobile money market is with approximately 98.5 percent mobile money accounts.

Kenya is one of the global leaders in Mobile Money Transfer Business. By the year 2017, about 96 percent of households in Nairobi has at least one M-PESA account. M-PESA has a wide range of products including loans and savings accounts. Over time, it has developed features to enable pay salaries and bills, thus saving time and money for its users unlike previously where their physical location mattered and they had to queue for

long hours in banks (Hughes & Lonie, 2007). Other service providers are Airtel Money, Orange Money, Yu Cash and Tangaza which transfers money to other networks (IFC, 2011).

The fast growth of mobile money transfer, over the past few years has demonstrates an underlying demand for these services and existing readiness to adopt the use of mobile money transfer services. Simultaneously, banks, microfinance and governments institutions have resorted to offering financial services by the use of mobile phones since it is less costly and profitable and this has had an impact on corporate business strategies of the telecommunication operators who are pushing to bring the service to the market (FSDT, 2009).

1.1.3 Telecommunication Industry in Kenya

The telecommunication services were introduced in Kenya during the colonial times. Up to 1977, management of telecommunication services was under regional network. Unlike the present, there was no multiple telecommunication networks managed independently. The introduction of Kenya Posts and Telecommunications Corporation (KP&TC) made it to collapse eventually (Africa Business Pages, 2003). The government in the year 1998/9 introduced the reform in telecommunications sector reform. Competition was introduced in some market segments, while simultaneously disbanding KP&TC (CCK, 2001).

The Telecommunications sector in Kenyan has four major players. They include Safaricom Limited, Telkom Kenya, Airtel Kenya, and Essar Telecom Kenya. Companies in the telecommunication industry in Kenya have developed numerous approaches as positioning strategies in spite of them having the common goal of creating a good image

in the mind of consumers, mobile money is an affordable and safe option for international remittance for millions of people across the globe.

Mobile money has been responsible for lowering the cost of international remittances; there has been a significant reduction of transfer costs as a result of the mobile money industry's positioning in this landscape. Safaricom, which was launched in 1997 is the leading mobile network in Kenya with ... subscribers. Safaricom provides mobile phone services, wireless telecommunication, data and Internet services. It offers general packet radio services (GPRS), enhanced data GSM environment (EDGE), third generation (3G), and mobile money transfer solution dubbed M-Pesa. Safaricom PrePay service consist of voice mail, international dialing, and prepays roaming (GoK, 2010). Increased competition in the industry has led to the application of new positioning strategies by players to compete in the market (Kapto & Njeru, 2014).

1.1.4 Safaricom Limited Kenya

In Kenya, for almost a decade now, Safaricom, Ltd has been the top mobile network operator. The company was formed in 1997 and it was totally owned by telecom Kenya. Vodafone Group Plc of the Kingdom acquired a 40% stake and management responsibility for the company in May 2000. It has more than 20 Million subscribers and market share estimated to be 67%. In Kenya, the company has the most extensive present day mobile network coverage. It also has a nationwide network of dealers that are effective, experienced shareholders, attractive tariffs, and highly competent staff and management facilitating it to continue being the sub-Saharan market mobile leader (Safaricom.co.ke).

The company, alongside its subsidiaries, offers integrated telecommunication services in Kenya. It offers MPESA services to the subscribers, fixed voice mobile and fixed voice, Internet data and SMS. It similarly sells numerous devices, which include: mobile handsets, tablets, notebooks, mobile broadband modems and routers. Furthermore, it offers variety of voice pricing plans on postpaid and prepaid options; national and international roaming services, an emergency top-up credit facility also referred to as Okoa Jahazi, Bonga points which is a customer loyalty and value added services, which include, a caller ring back tone service dubbed Skiza.

Safaricom Kenya Ltd services play an enormous role in Kenya's economy this is according to a report by KPMG. Furthermore, as at year ending March, the company had contributed towards some Sh413.8 billion into the country. This added the equivalent of 6.6 percent of the country's GDP. The company also offers community development services as a charitable cause. Since Safaricom Kenya Ltd foundation was founded, it has been able to disburse 2 billion shillings in numerous programmes.

1.2 Research Problem

Positioning strategy was initially defined how a firm designed the cardinal details of marketing: product price, promotion, price and feature, place, and promotion. This aided in appealing to a certain market niche (Isoherranen & Kess, 2011). This was through matching production locations, product and price for the returns on investment (ROI) maximization (Dash, 2013). The main benefits are to expand market share and increase profits maximization margins of market niche elements, a firm can increase its market penetration and its operations to serve those market niches (Rahman & Akhter, 2013). A significant role is played by positioning through various analyses.

The telecommunication industry in Kenya consists of four major mobile telecommunication companies namely: Safaricom Kenya Ltd, Telkom Kenya limited, Airtel Networks Kenya Limited and Finserve Africa Limited (Equitel) (Communication Authority, 2017). These firms have introduced mobile money as a product for the target market, however, the penetration of mobile money of each company is varied. The success of mobile money in the market is dependent on strategies adopted by the company (Richard & Johnson, 2009).

Several international studies on the concept of positioning strategies have been done and mobile money transfer. Camner, Pulver & Sjöblom (2009) conducted a study to investigate what makes a flourishing mobile money implementation. It was found that early adopters of the service in Kenya had encountered higher rates of loss than non-users. Gajendra, Jarikre and Kankam (2013) conducted a study in Ghanaian telecom industries. The objective being to examine the challenges of mobile money transfer services. The findings implied that all telecom networks must be on a one policy where clients can receive and money between networks. Etim (2014) carried out a research on mobile banking and mobile money adoption for financial inclusion. It was discovered that mobile phones were rarely used for servicing high order tasks such as mobile money transfers or mobile banking. This was despite the mobile phone being majorly used for communication while whereas basic mobile phones were widely used primarily for communication with typically family and friends, they were.

Several studies have also been locally conducted on these two concepts. Chelimo (2012) conducted a study to establish firms' positioning strategies in the Kenya's telecommunications. Findings revealed that telecommunication companies are preferred

by customers due to their technological advancement, superior product characteristics and competitive prices. Onguko and Ragui (2014) conducted a study to establish positioning strategies role on performance of products in Kenya's telecommunications industry. The study revealed that research and development influences products performance in telecommunication firms in Kenya. Kamau and Wafula (2015) carried out a study on the effects of strategic positioning of service delivery on customer satisfaction. The study found that consumer segmentation, brand benefit, product classification and technology advancement enhances customer satisfaction. However, these studies have not outlined positioning strategies on mobile money transfer in telecommunication companies in Kenya. For that reason, this study seeks to establish positioning strategies on mobile money transfer business at Safaricom Kenya Limited. Hence the research question, what are the positioning strategies on mobile money transfers business at Safaricom Kenya Limited?

1.3 Research Objectives

The general objective of this study was to assess the positioning strategies on mobile money transfer business at Safaricom Kenya Limited? Specifically the research sought to address the following objectives:

- (i) To identify positioning strategies used in Safaricom Mobile money transfer services;
- (ii) To establish how Safaricom Kenya Limited has used these positioning strategies to remain the leading company in the industry;
- (iii) To establish the challenges associated with Safaricom's positioning strategies on Mobile money.

1.4 The Value of Study

The study findings will benefit a number of stakeholder's telecommunication industry among them, the management, employees, regulators, business researchers and scholars. The study will be of great significance because it will enhance the existing theories in strategic management, positioning strategies on mobile money transfer business and become the basis of further research on similar topic.

Scholars and business researchers will be able to borrow from this study's findings to support literary citations and also add theme for further research. The study particularly makes practical, theoretical and methodological contributions useful in the professional addition of the existing knowledge in strategic management.

The study will be of value to policy makers in the government as they will be provided with important information to be used for rules, regulations and policy formulation that can engage telecommunication firms and help them focus on their key competencies. This will help improve the overall performance in the sector and hence reduce the cases of failure.

Finally, the study will help practitioners become aware of positioning strategies on mobile money transfer business which will lead to the performance of firms, hence their survival. This study will also help them understand the importance of positioning strategies.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This chapter contains a review of literature relating to positioning strategies as presented by various researchers. The chapter contains a theoretical review where the positioning approach and the resource-based view of the firm are reviewed to explain means of gaining competitive advantage. Strategic positioning strategies are discussed and a review of empirical studies also done. The chapter ends with chapter review.

2.2 Theoretical Foundation

This study will be anchored on resource-based view and porter's five forces theory. These theories are further discussed in the section below.

2.2.1 Porter's Five Force Theory

In 1980, Michael Porter developed the Porter's five forces theory of competitive advantage. This framework is used for industry analysis and development of business strategy. The premise this theory is based on is that a corporate strategy must meet the opportunities and threats in external environment. These forces determine the level of competition in an industry. They also determine Industry's, profitability and attractiveness According to this theory, the objective of every corporate should therefore be to manage these forces in such a way that the position of the corporate in the industry improves. Porter described the five forces as; the bargaining power of suppliers, bargaining power of customers; intensity of existing competitive rivalry; threat of new entrants; and threat of substitute products.

Porter's theory is important since it introduces the concept of external environment in competitive advantage. Porter (1985) explains that the bargaining power of customers and that of suppliers affect the intensity of competition in an industry. If suppliers increase their prices, this increases the cost of production and therefore threatens the position of a firm in the industry. Customers' bargaining power affects the cost of sales and in the event a firm makes losses its position is threatened. New entrants into an industry and substitute products increase competition in the industry. For any firm to survive, Asad (2012) notes that the firm needs to manage these five forces such that they play in its favor.

This theory considers only the external factors to a firm as its only source of competitive advantage. This view is flawed in this way since there are other sources of competitive advantage internal to the firm (Ferdinand, Graca, Antonacopoulou, & Easterby-Smith, 2004). The resources at a firm's disposal for instance can be used to create a sustainable competitive advantage. This approach is therefore useful in this study since positioning strategies as a competitive advantage in mobile money at Safaricom Limited can be seen to affect profitability (from customers' bargaining power), reduce competition and reduce the cost of production.

2.2.2 Resource-Based View

The resource based theory of competitive advantage as a powerful group of research inside the strategic management field was named by Birger Wernerfelt in his article "A Resource-Based View of the Firm" (1984). The resource based theory sources can however be followed back to before the earlier research were conducted. Through works of Coase (1937), Selznick (1957), Penrose (1959), Stigler (1961), Chandler (1962,

1977) and Williamson (1975) where emphasis is put on the importance of resources and its implications for firm performance. Two publications by Barney in which he discussed about strategic factor markets and the role of resources closely followed Wernerfelt's initial article and although not referencing Wernerfelt directly, the statements he made can clearly be seen within the resource-based theory as later developed by Barney (1991).

According to the resource-based theory, if firms have superior resources they can be able to earn super normal profits. These resources need to be rare, non-substitutable, valuable, and inimitable. Competitive advantage basis of a firm lies majorly on the application of the valuable resources at the disposal of a firm (Asad, 2012). This is its main principle. This theory is based on the assumption that the managerial effort desired outcome within the firm is sustainable competitive advantage. In order to build this sustainable competitive advantage a firm needs to start by identifying and classifying its key potential resources.

In these resources should lie the potential to generate value and they should also not be easily imitated or substituted by rivals. After the identification and classification of resources, firms should then identify their capabilities and determine what they should do more effectively than rivals. According to this theory, it is important for firms to identify gaps that emerge in its resource base and invest in augmenting, replenishing and upgrading their resource base.

While the five forces model of competitive advantage developed by Porter considered the forces in the industry, external to a firm, as the only determinants to be considered in building a sustainable competitive advantage, the resource-based theory expanded this to look at resources at the firm's disposal. These resources have been termed 'routines', 'core competences' and 'core skills' (Ferdinand, Graca, Antonacopoulou, & Easterby-Smith, 2004), all of which seek to establish a direct link between the endogenous characteristics of a firm and its competitive performance.

According to Priem and Butler, (2001) as much as this theory pointing out its unique resources through shifting strategy to firms' internal features, by and how they may have been created, This can be considered as a static theory. From this theory, Safaricom Limited in mobile money can gain competitive advantage through positioning strategies that ensure identification of their valuable resources, their exploitation and protection so as to sustain the advantage.

2.3 Positioning Strategies

Organizations may adapt different processes for positioning strategy. According to Beckman and Rosenfield (2008) firms might choose to distinguish themselves by choosing one of the three main alignments which are variety-based, need-based and access-based.

Positioning strategies have been considered and advanced in various ways by different researchers. Porter (1985) introduced the generic strategies that is, the low cost, focus, differentiation and differentiation focus strategies, positioning by product use or application. Well grafted positioning strategies give an organization an edge above its competitors. They stick in the mind of the customer hence increases customer loyalty.

2.3.1 Differentiation Strategy

Producing unique features in services and products that customer's value is termed differentiation strategy (Kamau, 2015). The major characteristic of this strategy being perceived quality. The value added on the product allows the firm to command a premium price. Value addition is gained through superior customer service, technology, product design, and dealer network among others. Through differentiation, the brand loyalty and perceived quality insulates a firm from threats that arise from the environment (Porter, 1985). Any increased costs arising from increase in prices by suppliers can be passed down to consumers who are willing to pay. Brand loyalty also protects from new entrants into the industry.

Organization practicing differentiation strategy offer unique products or services. Though offering products that are unique, companies gain competitive advantage over their competitors since the competitors cannot match what they are offering. Companies often invest heavily in research and development in order to produce unique products and services, something that many small businesses simply cannot afford. Companies relying on differentiation have to trade with care so as not to develop easily imitated offerings.

Johnson et al. (2009) expound on the discussions by explaining that differentiation approach is influenced by the needs of the customer and the competitors. The aim of the company to achieve competitive advantage is then realized through offering better products and services to the target clients than those of the competitors by either providing the same price or enhancing margins by pricing slightly higher.

It is important to lay emphasis on the firm's ability to differentiate their products from what the competition is offering (Ferrell & Hartline, 2008). Sharp and Dawes (2001) further expound on differentiation as a strategy that seeks to provide products or service benefits that are different from those of competitors are widely valued by the consumers.

2.3.2 Cost Leadership Strategy

The cost leadership strategy is typically only employed by large companies that can obtain products cheaply through economies of scale. They turn around and sell these cheaply purchased products to buyers, adding a minimal markup to keep the price low. The idea behind this strategy is to be the cheapest provider of a good or service -- making it difficult for your competitors to compete with you. Because this strategy requires economies of scale, it's poorly suited to most small businesses.

The low cost or cost leadership strategy has the company positioned above its competitors in terms of cost. Firms employing cost leadership strategy aim at being the lowest cost producer. They are able to achieve this through minimizing inputs for a give level of output (Chang, Fernando & Tripathy, 2015).

On cost leadership Porter (1985) argues that for a firm that sets out to use low costs in the industry, its sources of cost advantage are diverse and depend on the structure of the industry. The company seeking cost leadership may pursue preferential access to raw materials, economies of scale or use other factors and if it can achieve and sustain it then it will perform above average compared to its competitors.

2.3.3 Focus Strategy

The focus strategy is similar to the cost leadership strategy except that it focuses on a niche market. Instead of marketing a product to the entire population it is marketed to a particular segment of the population (Moutinho, 2000). The aim of the strategy is to then be the cheapest provider in that segment. For example, an electronics store might focus its market on a single town; its goal would then be the cheapest in the town but not necessarily the cheapest overall.

Targeting a particular market segment involves focus strategy. The strategy can either be differentiation or cost leadership aimed at a focused market (Kamau, 2015). The strategy concentrates on serving a particular group of the market more efficiently and more effectively compared to the rivals. The focus strategy yields customer loyalty which protects from new entrants and substitute products. Firms that employ this strategy can be able to closely customers and monitor their needs.

For instance, according to Craven (1990) for product user strategy focuses on the buying behavior of the consumers given that they consume certain products or services. Wells and Prensky (1996) stated that consumer behavior is influenced by culture, value, demographic factors, personality lifestyle, and reference groups while Xavier (2002)

argues that a firm may position its services in a way that satisfies the needs of the group or individuals seeking these services. A not-for-profit organization working in the service sector may provide a package with a range of services which may be free or highly subsidized as opposed to providing single service to a focus population.

2.3.4 Differentiation Focus

The differentiation strategy, like the low-cost focus strategy, also focuses on a specific subset of the market. But instead of marketing a product or service as the cheapest, it's marketed as being unique in some way. For instance, a company might develop a product that is specifically made for left-handed people. By focusing on a narrow market segment, a company can focus its efforts which may require fewer resources than developing a product for the broad market (Ng'oo, 2016).

Differentiation focus strategy is a hybrid of focus strategy and differentiation strategy. With focus strategy, a company chooses a small segment of the industry to focus its marketing efforts on. The advantage here is that there is less competition and, therefore, greater pricing flexibility. The company becomes more experienced and specialized at providing goods and services to a limited sector of consumers, and it can charge more for that expertise due to reduced competition.

With differentiation strategy, a company makes efforts to appear unique from its competitors (Kald et al., 2000). It does this by emphasizing one or a few features that consumers consider important, such as brand image or durability, and by focusing marketing efforts on these features to lure consumers away from competitors. Differentiation focus strategy combines the advantages of both strategies; the company

appears unique to its potential consumers in an already-narrow market with little competition.

2.4 Empirical Review

The success of mobile money in the market is dependent on strategies adopted by the company (Richard & Johnson, 2009). Several international studies have been conducted on the concept of positioning strategies and mobile money transfer. Camner, Pulver & Sjöblom (2009) conducted a study to investigate what makes a flourishing mobile money implementation. It was found that early adopters of the service in Kenya had encountered higher rates of loss than non-users. Gajendra, Jarikre and Kankam (2013) conducted a study in Ghanaian telecom industries. The objective being to examine the challenges of mobile money transfer services. The findings implied that all telecom networks must be on a one policy where clients can receive and send money between networks.

Etim (2014) carried out a research on mobile banking and mobile money adoption for financial inclusion. It was discovered that mobile phones were rarely used for servicing high order tasks such as mobile money transfers or mobile banking.

Several studies have also been locally conducted on these two concepts. Chelimo (2012) conducted a study to establish firms' positioning strategies in the Kenya's telecommunications. Findings of the study revealed that most telecommunication companies are preferred by customers due to their technological advancement, superior product characteristics and competitive prices. Onguko and Ragui (2014) conducted a study to establish positioning strategies role on performance of products in Kenya's

telecommunications industry. The study revealed that research and development influences products performance in telecommunication firms in Kenya.

Farhiya (2015) studied strategic positioning as a source of sustainable competitive advantage at the Norwegian Refugee Council (NRC) in Dolo Ado, Ethiopia. The research design was a case study and content analysis was used to analyze the collected data. The study found out that product differentiation involves differentiating wide range of housing units produced by the organization and other humanitarian providers. NRC was found to have worked with all local institutions, opinion leaders and beneficiaries as determined by the ever changing situation on the ground. The study found out that the factors considered by NRC in pursuit of strategic positioning were the emergencies that occurred in the region of its operations, stakeholders and the strategic planning process..

Rahman and Akhter (2013) studied strategic positioning and the sources of competitive advantage in Bangladesh Telecommunication Industry. It was found that Grameenphone ruled the total industry by means of aggressive market strategies, followed by Banglalink, taking competitive strategies and then Robi, which follows defensive strategy. To explore the sources of competitive advantage, Chi-square distribution was used. The whole gamut of techniques and procedures concluded that Grameenphone is the market leader in the yard stick of strategic positioning and competitive advantage in the telecommunication industry and the industry as a whole is matured.

Chang, Fernando and Tripathy (2015) examined the relationship between strategic positioning of firms and their production efficiency. From the study, firms with competitive advantages based on either differentiation or cost leadership to outperform their competitors. The study relied on the hypotheses that the cost leadership strategy is associated with higher production efficiency. The study applied DEA to an archival data for a large sample of publicly listed firms. The study found that firms that enjoyed higher production efficiency employed cost leadership strategy while those employing differentiation strategy attributed less importance to production efficiency and instead concentrate on innovation, brand development and marketing.

Nyangechi (2011) studied environmental analysis as a perspective of strategic positioning by Barclays Bank of Kenya Limited. The study aimed at establishing how environmental analysis is used as a determinant of strategic positioning. Case study was used for this study. The head of payments, head of information technology, head of merchant acquiring, head of credit card issuing, head of corporate, head of finance and head of marketing formed the interviewees. Content analysis was adopted in the interpretation and presentation of the data obtained. From the study, environmental analysis is key for a company to maintain its strategic position in the industry. The study concludes that the attainment of the bank's goals is highly dependent on the effectiveness of environmental analysis and how it positions itself in the industry.

Kasyoka (2011) analyzed the use of strategic positioning to achieve sustainable competitive advantage at Safaricom Limited. The research was a case study guided by the need to find out the following; the role of cutting edge technology in achieving sustainable competitive advantage; the role of the Resource-Based View in achieving

generic and sustainable competitive advantage. The data was processed using content analysis. The study found that cutting edge technology is useful to Safaricom Limited in its goal to achieve sustainable competitive advantage. The study also found that the resources of Safaricom limited (technological, human, knowledge and financial) are useful in achieving sustainable competitive advantage.

Okoth (2015) studied strategic positioning and performance of insurance firms in Kenya. Descriptive survey design was used in the study. The population under study comprised the 41 registered insurance companies in Kenya. According to the study positioning strategies have several benefits to the insurance companies, key among them being; providing the framework upon which to build and coordinate the elements of the marketing mix, facilitate fine tuning of strategy due to experience gained by being close to the customers, helps the company to know where to confront competition from and where to avoid it, and it also provides the company with a unique image in the market.

In 2016, Ng'oo studied the influence of positioning strategies on competitive advantage of the insurance firms in Kenya. The study was anchored on the resource-based view of the firm and the Network approach. The study population comprised of 53 insurance companies in Kenya as per the Insurance Regulatory Authority (IRA, 2013). Descriptive analysis was used in terms of means and standard deviation. Multiple regression analysis was used to determine the relationship between the variables. From the study findings, 57.8% of the variations in competitive advantage of insurance firms in Kenya are explained by the positioning strategies. According to the study, insurance firms should make use of positioning strategies and failure to do so is losing an opportunity to build a competitive advantage.

In studying strategic positioning as a basis of building sustainable competitive advantage, Gichungu (2012) noted that strategic positioning is one way by which the supermarkets can consistently outperform competitors through sustainable competitive advantage and improved financial performance. Uchumi supermarkets in Kenya were the focus of study. The study adopted a case study design and used content analysis to analyze the data obtained. According to the study, Uchumi supermarkets adopted five strategies including rebranding, customer service, recapitalization, cost management and sales maximization to gain a position above competitors in the industry. These strategies resulted in increased profitability and better shareholder dividends.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

The section outlines the methods and sources of the data, which data was collected in order to conduct this study. It further discussed on analysis and presentation of data.

3.2 Research Design

Greswell (2009) defines research design as providing information and solution to problems through planning, organizing, collecting and analyzing data. This study employed a case study since it focused on one organization. A case study is a research strategy, an empirical inquiry that investigates a phenomenon within its real-life context (Yin, 1984).

Case study design allows the researcher to study the events in its natural environment, and collection of data from more than one entity. Case studies are useful when the attention is on an event that recently happened (Yin, 1984). In this study, the focus is to assess the positioning strategies on mobile money transfer business at Safaricom Kenya Limited.

3.3 Data Collection

Primary data was used in this study. The researcher engaged the respondents in face to face interview. A question guide was used and it contained a set of questions to be asked while interviewing. The respondents included those in charge of formulation and implementation of organization's strategies.

The interviewees were the top managers and managerial officers in charge of marketing, finance, business development and research division. These respondents were chosen since they are considered to have crucial information for this research.

The question guide will be divided into four sections. Section (A) will capture background information the respondents; section (B) will capture information on positioning strategies for mobile money transfer at Safaricom Kenya Limited.

3.4 Data Analysis

The data from an interview guide is qualitative and was analyzed using content analysis. Content analysis is the systematic qualitative description of the Composition of the objects or the materials of the study. It involves observation, and detailed description of objects, items, or things that comprises the object if the study.

Content analysis puts forth broad expressions on how classes or topics of information are connected. This method of investigation was received in this examination on the grounds that the reseracher could depict, translate and in the meantime reprimand the topic of the exploration since it was hard to do as such numerically.

CHAPTER FOUR: DATA ANALYSIS, RESULTS AND DISCUSSION

4.1 Introduction

This chapter highlights data analysis and findings. Data was gathered using an interview guide and analysed using content analysis. The key findings were on positioning strategies of mobile money transfer business at Safaricom Kenya Limited. Four top managers in charge of marketing, finance, human resources, business development were interviewed and thus the response rate of 80%.

4.2 Demographic Information

The interviewees were asked to indicate their position in the organization. The findings show that all the interviewees were senior managers in the departments of Business Development, Finance, Human Resource and Marketing. About 60% of the interviewee had worked for the organization for at least two years. The respondents thus had the necessary knowledge and experience to provide the relevant information for this researcher. All the respondents confirmed that they were aware that Safaricom Ltd has been in the mobile money transfer market for ten years. They all indicated that Safaricom Kenya Limited uses positioning Strategies such Low cost, focus, differentiation and differentiation focus.

4.3 Positioning Strategies for Mobile Money Transfer

This study establishes the positioning strategies used on Mobile Money transfer business at Safaricom Ltd highlighting them on area they are mostly applied.

4.4 Low Cost Strategy

Compared to other mobile companies such as Airtel money and T-cash, Safaricom Ltd Mobile Money business prices are relatively low. For example, Safaricom Ltd does not charge for depositing hundred Kenya shillings. The company also charges relatively low fee for sending and withdrawal of cash from their agents. Safaricom money transfer services though affordable, still have high costs compared to their competitor Airtel. For example, Airtel tariffs below explain why Safaricom charges lower.

Airtel Money Tariffs

	Kshs.
All Deposits	0
Buy Airtime through Airtel Money	0
Transaction Reports	20
Airtel Money balance check	0

Source: (data extracted from Airtel website)

From the above summary, it is clear that although Safaricom does not charge to deposit money to M-Pesa, Airtel does that as well. When Safaricom charges 25-49 Kenya shillings minimum for Transaction Reports, Airtel charges a standard fee of Kenya shillings twenty shillings. Safaricom Money balance check is free likewise Airtel.

Safaricom Money Withdrawal Charges

Min (Ksh)	Max (Ksh)	Mpesa Charges(Ksh.)
200	2,500	33
2,501	5,000	66
5001	10,000	110
10,001	20,000	193

Source: (data extracted from Safaricom website)

Airtel Money Withdrawal Charges

Minimum (KSHs)	Maximum (KSHs)	M-Pesa Charges(KSHs.)
0	100	0
200	2,500	33
2,501	5,000	66
5,001	10,000	110
501	20,000	193

Source: (data extracted from Airtel Kenya website)

The use of low cost strategy does not give Safaricom Ltd a competitive edge over its mobile money transfer competitors. This is notable in the examples where Airtel has resorted to offer Mobile money transfer services at the same cost or lower cost than Safaricom. The researcher further established that use of low cost strategy in management of Safaricom Ltd Mobile money transfer services offers for clients to send money free or at a discounted rate during public holidays of which Airtel does the same. Based on the findings above, the researcher concludes that Safaricom Ltd does not practice low cost strategy.

4.4.2 Focus Strategy

The strategy concentrates on serving a particular group of the market more efficiently and more effectively compared to the rivals. The focus strategy yields customer loyalty which protects the customers from switching to new entrants and substitute products. Firms that employ this strategy are able to relate closely their customers and monitor their needs. All the interviewees indicated that Safaricom Ltd use focus strategy on mobile money transfer.

The study found that the focus strategy worked successfully on mobile transfer at Safaricom Ltd. The company leverages its operation structure down to the customer to enable them understand the customers' need by offering products and services that truly meet customer needs and expectations. The Company concentrates on serving a particular group of market more efficiently through target marketing thus embedding segment approach to marketing. Example, Safaricom selects a niche and focuses its services on it. For instance, payment through M-pesa services targets the business community where customers make payment through M-pesa using a Pay bill number.

Safaricom Ltd has segmented into m-pesa agents, corporate customers such as banks. Safaricom Mobile money transfer services have further been divided under loans, savings, withdrawals, and cashless payments. Generally, Safaricom has Mobile Money agents outlets well spread across the country. Although Airtel has also segmented into corporate customers, it has not distributed its services well down to the remote parts of Kenya. The services are limited to cities and big towns.

Safaricom's focus strategy on mobile money transfer creates competitive advantage through market segmentation of customers the Safaricom customers in corporate M-pesa agents and General M-pesa customers. Market segmentation has helped Safaricom to capitalise on what the market needs in terms of conducting market research and market surveys which elucidate the special wants and requirement of M-pesa services.

Safaricom Ltd mobile money transfer focus on broad market for M-pesa agents. The Company focuses on broad segmentation through M-pesa dealers who have direct access to Safaricom. The M-pesa segment is broad and better managed through Safaricom dealers hence making the segment more profitable and cutting down the administration expenses.

According the research findings of Ali Isse, (2015) with regard to customer satisfaction, the study found that the Safaricom M-pesa service customers were highly satisfied with the services offered by the provider. The quality of services and availability. Safaricom is adversely penetrated in all regions in the Republic of Kenya. Safaricom has a focus on all its customers' mobile money needs and has therefore spread all its services to all regions. Airtel on the other hand can be accessed only at certain points and is not well distributed. Airtel services and products cannot be accessed in certain regions in the country especially in the remote regions.

Safaricom focuses on continuous innovation which the researcher discovered to be a key factor for the achievement combined with forceful market research which guarantees the organization is always addressing the requirements of the consistently changing business sector while as yet developing new items. The study concludes that although both

Safaricom and Airtel Kenya use focus strategy but Safaricom has invested more on it by embracing technology and innovation. Out of all it's spent, Safaricom spends more on innovation and research. This is seen in Safaricom's capability to retain a large number of loyal Customers than Airtel and other mobile providers. Abuya, (2017).

4.4.3 Differentiation Strategy

Safaricom Ltd has differentiated its mobile money transfer services compared to its competitors who are Airtel and Telekom mobile money transfer in the communication industry. For instance, the uses M-pesa logo to differentiate its mobile money transfer services. Safaricom's mobile money transfer offers their customers service to payment of bills through M- pesa. Safaricom also partners with other institutions for effective delivery of Mkesho and KBC M-pesa. This strategy helps in retaining customers.

Some of the challenges facing Safaricom is facing in its Mobile money transfer business are stiff competition that arises from other players who have tried to copy its brands and logos to try to evade market share in the mobile money transfer business.

The study established that Safaricom Ltd mobile money transfer services care better than that of the rivals with regard to quality. For example, Safaricom offers quality services in regard to Mobile money transfer by providing convenient and effective services through use of M-pesa 3G and 4G. Safaricom have a market niche for mobile money transfer for instance Safaricom target subset of business people whereby Safaricom designed a special product. For example, pay bill number where their customers make payments and till numbers for supermarkets and hospitality industry for easier payment of bill. Safaricom has proven to be the pace setter in all Mobile money products in Kenya. Most

Mobile money transfer products in Kenya market have been produced first by Safaricom Ltd. Other providers have come up with similar products to compete in the market.

Safaricom Ltd has a strong brand M-pesa which has led to customers calling the same product from other providers M-pesa. This has made the company very different from the others. Airtel has the following products, send money, buy air time, withdraw money, and pay bill and mobile banking whereas Safaricom has more products like Hakikisha, M-PESA Statements, M-Shwari, M-Shwari Lock Savings Account, M-ledger, M-PESA Chama Account, Bill Manager and International Money Transfer. Safaricom has differentiated more products than its competitor Airtel.

Airtel mobile money transfer uses airtel money logo branded red to differentiate its mobile money transfer services from Telkom mobile money transfer and Safaricom mobile money transfer. To energize new bank accounts for poor people and the critical rate that live over the neediness line yet remain unbanked, Kenya's National Bank adjusted their directions for bank operators and their retail outlets, enabling them to start new records and to empower more stores and withdrawals by means of mobile money (Gachiri, 2013).

Some of the challenges facing Safaricom in its Mobile money transfer business are stiff competition that arises from other players who have tried to copy its brands and logos to try to evade market share in the mobile money transfer business. While Airtel faces challenges in poor network coverage which led to slow down of the mobile money transfer services. The finding is in agreement with the findings of Chang, Fernando and Tripathy (2015) examined the relationship between strategic positioning of firms and

their production efficiency. From the study, firms with competitive advantages based on either differentiation or cost leadership to outperform their competitors.

The study established that Safaricom Ltd mobile money transfer services better than that of the rivals with regard to quality. For example, Safaricom offers quality services

The researcher found out that although all the mobile money transfer companies use differentiation strategy, Safaricom uses it more. Safaricom has the largest range accessible Mobile money transfer products than its competitors. This has been proven with innovations that the Company do to match the market and customer dynamics.

4.4.4 Differentiation Focus Strategy

Safaricom Ltd uses differentiation focus strategy on mobile money transfer. Safaricom offers unique features that fulfill the demands in the segmented niche markets like Safaricom Ltd has come up with special products such as pay bill number and till number which are specifically for business people whereby the pay bill and till numbers enable their customers to make payment of bills.

Safaricom Ltd also has come up with services where customers can save and borrow money through the M-Shwari and KCB M-pesa products. Customers can also access their bank accounts through these services. However, Airtel offers the same products. Both Safaricom and Airtel use differentiation focus in banking. Example, the companies have focused on the banking industry and partnered with the banks to offer their services. Airtel has partnered with Equity bank while Safaricom has partnered with Kenya Commercial Bank. At the same, both Mobile companies use differentiation focus by offering features which are similar. Example, use of bill number and till are similar in

both companies. Safaricom Ltd has concentrated more on Product development and has proven to be the pace setter in the industry. This is because Safaricom has pioneered in coming up with new products in the industry, particularly in Kenya and it's environ.

Finally the research established Safaricom Ltd has distinctive features of mobile money transfer which are used to attract customers. For example, Safaricom mobile money transfer has strong 3G and 4G networks which enable effective and efficient operations of mobile money transfer services. Safaricom Kenya Ltd Mobile money transfer business that has agents in almost every shop and every business premises. Safaricom has M-tiba, a product that helps customers access and pay for medication which Airtel Kenya still does not have. Airtel mobile money transfer has poor network coverage which hinder them from effectively competing while Safaricom has strong and reliable 3G and 4G network coverage which gives them competitive against their rival's hence distinctive features.

From the above findings, the researcher concludes that Safaricom Ltd use Differentiation Focus Strategy for positioning for competitive advantage.

4.5 Discussion of the Findings

The study established that although Safaricom Ltd uses cost leadership and the differentiation focus strategies, they have not highly contributed to the company competitive advantage among their competitors in the industry because the Competitors also apply these positioning strategies. It has positioned itself for superior performance relative to Airtel mobile money transfer and Telekom mobile money transfer by building its brand name in the mind of the customer. Safaricom has tailored its brand (M-pesa) to interest customers buy continuous research and product differentiation resulting to retention of the largest number of customers for the brand.

The study findings are in line with both Porters five force theory and resources- based view theory. Porters five force theory premise is based that a corporate strategy must meet the opportunities and threats in external environment while Resource based theory implies that competitive advantage basis of a firm lies majorly on the application of the valuable resources at the disposal of a firm. Safaricom has factored in both its internal and external environment in coming up with various products which has enabled it gain competitive advantage over the other mobile money providers.

The finding concurs with the findings of Kasyoka (2011) who analyzed the use of strategic positioning to achieve sustainable competitive advantage at Safaricom Limited. The study found out that cutting that edge technology is useful to Safaricom Limited in its goal to achieve sustainable competitive advantage. The study also found out that the resources of Safaricom limited (technological, human, knowledge and financial) are useful in achieving sustainable competitive advantage. The study also concurred with Chang, Fernando and Tripathy (2015) study who examined the relationship between

strategic positioning of firms and their production efficiency. The study found that firms that enjoyed higher production efficiency employed cost leadership strategy while those employing differentiation strategy attributed less importance to production efficiency and instead concentrate on innovation, brand development and marketing.

Safaricom has however, proven to use focus strategy more than its competitors Airtel and Telkom. Safaricom has concentrate more on its customer's interests and needs. The company has invested on research and innovation this to understand the customer changing needs in line with the dynamic technological environment.

CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This section presents the summary of data findings, conclusion drawn from the findings highlighted and recommendation made there-to. This study sought to assess the positioning strategies on mobile money transfer business at Safaricom Kenya Limited.

5.2 Summary of Findings

The study found out that positioning strategies used by Mobile Money transfer business at Safaricom Kenya Ltd include focus differentiation, low cost and differentiation focus strategies. Safaricom Kenya Ltd use differentiation focus to its customers for example it selects a market niche and focus its service. For example, the payment through M-pesa services it targets the business people who customers make payment through M-pesa using Pay bill number.

The study further established that Safaricom Ltd uses focus differentiation strategy most. This is seen in their focus on the customer and the environment to keep pace with the dynamics that are found with the two which are critical for the success of the company.

The study further deduced that the transaction charge fee for Safaricom Kenya Ltd services is relatively low compared to its competitors. For example, the company also charges a relatively low cost in relation to transaction costs of sending and withdrawal of cash. Safaricom by charging no cost for deposits creates good business ground for customers depositing money.

The study further established that Safaricom Kenya Ltd mobile money transfer in implementing its positioning strategies on mobile money transfer, require experts and resources. The process of implementation is also complex since the company need to carry out marketing research which requires a huge amount of initial capital.

The study also established that Safaricom is facing technological challenges which come due to the rapid changes in technology combined with changing customer test. This has forced the company to invest more in research to mitigate the risk of being redundant, thus the company produces new products more frequently than their competitors.

Safaricom is facing a fierce completion with its competitors trying to have the same products as safaricom. The competitors also have engaged in low cost strategy to attract customers as compared to Safaricom. Safaricom has well penetrated its services down to every part of Kenya including the remotest regions. Safaricom shop is found in every build in Kenyan towns and cities. The company has built on its brand M-pesa. Today in Kenya, most users of Mobile money refer to it as M-pesa even those using Airtel.

5.3 Conclusion

Safaricom Kenya Ltd mobile money transfer has been able to remain competitive in the telecommunication industry by adopting appropriate positioning strategies. The company has made focus on the environment dynamics, customers changing needs to ensure the Company manages what it does best (mobile money transfer), better than any of its new (and current) competitors in the Eastern and Central Africa.

Every company, no matter what size, industry or financial position needs appropriate positioning strategies to navigate the business environment for profitability.

From the findings, Safaricom Ltd use focus, differentiation and differentiation focus strategies. These strategies have helped the company to expand and grow its Mobile money transfer business in a competitive and technologically challenging environment. Out of these strategies, the company use Focus strategy most which has led to its large number of customer loyalty.

Safaricom however face a challenge in maintaining its top position in the industry since more competitors are joining the industry, customers are becoming more informed with changing interest, technology is changing daily with an increasing push for companies to become digital. This leaves the Company with no choice but to rethink its positioning strategies so as to remain competitive.

5.4 Recommendations

The following recommendations are made based on the findings of this study:

Safaricom to engage in cost leadership strategy in providing Mobile money transfer services as a response to some competitors' (for example, Airtel Kenya Ltd) strategy whose mobile money transfer services are much cheaper. Safaricom Kenya Ltd to continuously deliver mobile money transfer benefits that exceed those of competing products. Focus more on the customer and the Environment to come up with new technologies and products. (Maintain being a pace setter in the industry through more innovation).

Safaricom Kenya Ltd should take advantage of the opening up of the regional market as a result of the East Africa Community and perceived increased foreign direct investments to penetrate the region to enlarge its market through competitive marketing on mobile money transfer services and product in order to increase market penetration, increase market share and customer preference.

Safaricom Kenya Ltd to evaluate its positioning strategy continuously to enable it remain relevant in the ever growing competing environment and deal with prevailing technological challenges. Proactive positioning strategy is frequently engaged by Safaricom Kenya Ltd through coming up with new target market for their mobile money transfer so as to compete favourably with competitors in the same industry.

5.5 Limitations of the findings

The data gathered might differ from positioning strategies adopted by other mobile money transfer companies in the telecommunication industry given that this was a case study on one company. Different strategies are adopted by various companies so as to distinguish one company from the other.

The position strategies a company use are its key strengths that distinct it from other competitors. Companies shy away from disclosing their key strength to avoid leakage to the competitors. This was noted when getting audience from the key interviewees at Safaricom Kenya Ltd. The researcher noted that the respondents were reluctant to disclose their personal details as well as freely give the information required.

A number of challenges have been faced by researcher. Alongside the challenges was the political climate at the time which made accessing the Company to collect data difficult. The researcher is an evening student and striking a balance between work and studies posed a challenge. Positioning Strategies of an organization determines its competitiveness in the environment. Information about and organizations position strategy are considered secret hence cannot be shared easily. This made the respondents reluctant to give the researcher audience. The researcher used persuasion through an employee known to the researcher.

5.6 Recommendations for Further Research

It is recommended that further research be done on the alternate organizations in the communication industry to get exhaustive data on what the various strategies different players in the business, for example Airtel mobile money transfer and Telekom mobile money transfer use and which strategy they use most.

Additionally research ought to be done to assess how the individual mobile money transfer firms have reacted to the competitive environment with dynamic innovation in light of what acclaimed researchers have proposed as the best positioning strategic responses. A research should also be conducted on the same study using quantitative data.

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Appendix I: Interview Guide

The interview guide provides sample questions to be used in assessing positioning strategies for mobile money transfer business at Safaricom limited.

Part A: Background information

1. What is your position in the organization?
2. What is your department/division in the organization?
3. How long has Safaricom been in Mobile Money business?
4. How long have you worked with Safaricom Ltd?
5. Does Safaricom Ltd has specific strategies for positioning in the Mobile money transfer business?
6. If yes, which strategies?

PART B: Positioning Strategies for Mobile Money Transfer

7. Besides the strategies mentioned in 5 above, which approach (s) to positioning strategies are most used on Mobile Money transfer business at Safaricom? (The low cost, focus, differentiation and differentiation focus strategies,)
6. Why is the approach more used than others?

Low Cost Strategy

- (i) How do you compare Safaricom ltd mobile money transfer prices in relation to your competitors?
- (ii) Are the Safaricom ltd mobile money transfer charges cheaper than the competitors?
- (iii) Has the use of low cost strategy given Safaricom Ltd a competitive edge over its Mobile money transfer competitors?
- (iv) How does Safaricom ltd maintain low cost strategy with regard to mobile money transfer?
- (v) How has Safaricom Ltd used low cost strategy on Mobile money transfer for competitive advantage?

Focus Strategy

- (i) How has Safaricom Ltd used focus strategy on mobile money transfer?
- (ii) Has focus strategy worked successfully on mobile money transfer at Safaricom Ltd?
- (iii) What challenges has Safaricom Ltd faced in implementing focus strategy on mobile money transfer?
- (iv) Has the focus strategy on mobile money transfer led to competitive advantage?
- (v) Has Safaricom Ltd mobile money transfer focus on broad or/and narrow market?
- (vi) Is Safaricom's mobile money transfer the lowest priced among its competitors?
- (vii) Focus strategy for money market involves targeting promotional activities to let those consumers who are interested in the mobile money service know that it is

available from your company? Which promotional activities have been employed on Mobile Money transfer for Competitive advantage?

Differentiation Strategy

- (i) Has Safaricom Ltd differentiated its mobile money transfer services compared to its competitors?
- (ii) How has Safaricom Ltd differentiated their mobile money transfer services from its competitors?
- (iii) How unique is Safaricom's mobile money transfer service as compared to its competitors?
- (iv) What are the challenges facing implementing differentiation strategy on mobile money transfer services?
- (v) Are Safaricom's mobile money transfer services better than that of its industry rivals with regard to quality? Please explain.
- (vi) Does Safaricom Ltd have a market niche for mobile money transfer?
- (vii) How successful is the niche market?

Differentiation Focus Strategy

- (i) Has Safaricom Ltd used differentiation focus strategy on mobile money transfer?
- (ii) What are the challenges facing implementation of differentiation focus strategy on mobile money transfer as Safaricom Ltd?
- (iii) Has differentiation focus strategy on mobile money transfer led to competitive advantage?

- (iv) Which distinctive features of mobile money transfer has Safaricom Ltd emphasized to lure consumers away from competitors?

Thank you for taking part in the survey.