ROLE OF STRATEGIC ALLIANCE ON COMPETITIVE ADVANTAGE OF REAL ESTATE COMPANIES IN MOMBASA COUNTY

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DECLARATION

This research project is my original work and has not been submitted for any other academic award

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This project has been submitted for examination with my approval as the university supervisor

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ABBREVIATIONS AND ACRONYMS

APHRC	Africa Population Health Research Centre
CRE	Corporate Real Estate
EARB	Estate Agents Registration Board
RBV	Resource Based View
TCT	Transactional Cost Theory
CBK	Central Bank of Kenya
SAs	Strategic alliances
SPSS	Statistical Product and Service Solutions

ABSTRACT

Strategic partnership entails companies with a given degree of equal distribution of resources as well as information and the ability to develop together or share services or products. The realization of competitive edge is not achieved by only one specific company as it doesn’t have all the fundamental assets and skills to become entrepreneurial as well as creative in the economic markets which are very competitive and dynamic. Pricing pressure gaps in asset concentrations, product mix and increased competition has forced most entities across the world to consider forming strategic alliances as they bring on board cost and product differentiation synergies. The study’s objective was therefore to examine the role of strategic alliance on competitive advantage on real estate companies in Mombasa County. This study was anchored on the transaction theory, resource-based view theory and knowledge-based view theory. The study adopted a descriptive research design and the population was made of 81companies registered with Estate Agents Registration Board and also which had advanced in technology and had a website or be listed in major real estate websites in Mombasa County. The study using purposive sampling technique selected a sample of 67 real estate companies and using questionnaires to collect data from only the managers of the selected real estate firms. The data collected through the questionnaires was analyzed through descriptive statistics presented in tables. The study found that that real estate firms in Mombasa County used strategic alliances at a moderate extent and that strategic alliance affects competitive advantage of real estate firms in Mombasa County at a moderate extent respectively. The results also show that product differentiation was a moderate source of competitive advantage and that cost leadership was a great source of competitive advantage of real estate firms in Mombasa County respectively. The findings of the study will also benefit firms in other industries since they get to appreciate the role played by strategic alliance as a way of achieving competitive edge. This would boost the performance of the real estate companies in Mombasa County and this increases their competitive advantage. Future researchers will find the study’s findings as an important source for reference. These results can be compared with other sectors to determine the various ways institutions can react to competitive forces in their respective environments. Scholars can also use this study as a base on which the other similar research studies can be built upon. The study also focused on strategic alliance and competitive advantage, which was assessed through product differentiation and cost leadership. The study therefore recommends an additional research on effects of strategic alliances on other firm metrics like financial performance, strategy formulation, strategy implementation and organizational culture. The study also collected data from one respondent from the real estate companies. The study therefore did not obtain the views of other employees. The study recommends a similar study but which will cover all the employees of the real estate companies.

CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

Strategic alliance is defined as the contractual and sometimes temporary correlation between organizations while they maintain their independence, whose objective is to reduce the uncertainty levels in the achievement of the strategic goals of their partners in which their partners too are dependent on through working in conjunction to implement the activities of the firm. Strategic alliances are widely researched, vital and growing section of academic study within the prominent principle of management (Vaidya 2011). The resolution to get into an alliance is commonly regarded as a long-term means for raising the competitive position of the company in the marketplace through either an expertise or legitimacy-oriented focus (Darnall &Lin 2015). They are always informed and engaged although not necessarily via participation, and they divide the profits, costs incurred, as well as the potential risks involved. Some examples of strategic alliances include the joint ventures, agreements to outsource, licensing of technology and also products, marketing jointly as well as combined Research and Development. Some other forms of SAs which engage partners other than profit making entities, comprising civil sector organizations and governments, often engage in such activities for more than just economic motives (Kopka et al. 2014; Cordoba et al. 2017). The shifted scrutiny to study new disciplinary vistas and contextual previously untapped, sectors such as hybrid and not-for-profit organizations (Liu et al. 2016; Quélin et al. 2017). The realization of competitive edge is not achieved by only one specific company as it doesn't have all the fundamental assets and skills to become entrepreneurial as well as creative in the economic markets which are very competitive and dynamic.

This study has been anchored on the following theories: Transaction theory, Resource-based view theory and knowledge-based view theory. Greater significance on the trend of SAs as a mechanism for leveraging the resources for start off new ventures followed afterwards (Moroz et al. 2014). In Consonance with the transaction cost theory (TCT) (Yasuda, 2005), the decision of the company in terms of the most preferred transaction mode is affected by the reduction of production total and the resultant costs incurred. The management will most likely opt for the option of 'market and hierarchy' which results to lowered costs (Williamson, 2010). As for the markets which are considered to be narrow, where companies depend entirely on the suppliers to get unique products can result to actors having high dedication from the expensive costs of switching suppliers. This is asset specificity, which translates that resources can be very specific for a particular transaction, resulting to expensive costs of transaction.

According to the resource-based view (RBV), although these resources are appreciated by the various theorems put forward, it insists on the key significance played by the resources. The real estate in Kenya has in the recent past witnessed drastic changes. Corporate bodies like banks, micro finance, insurance companies, government institutions, fund managers, religious institutions and Sacco's are diversifying into real estate development due to the high returns. With such kind of stakes, more real estate companies are being formed to avail the right products in the industry. Knowledge and belief practices and structures to Strategic alliances via the making of cross cultural associations for attaining numerous objectives in harmonization with the collective paradigm (Ackers 2015; Senevirathna 2018; Nicholson et al. 2017).

The formation of county government also opened more opportunities in Mombasa County thereby attracting corporate bodies and individuals to the industry. Such interests had led to most challenges compelling real estate firms to alternative ways of retaining competitiveness in the industry. The regulatory authorities like Estate Agents Registration Board, Board of Registration of Architects and Infrastructure development in Kenya has facilitated the growth and development of real estate sector. For instance dual carriages roads, standard gauge railway, and rural electrification have opened up sections of the county that were considered remote. Real estate sector is vital to the advancement of a county as it provides employment opportunities, provides housing, and promotes income distribution and reduction in poverty levels Taylor (2014).

1.1.1 Concept of Strategic Alliance

Strategic alliances are the agreements reached between the firms who are the partners, in order to attain the set goals for the benefit of both firms. Study has shown how businesses and society purposes and the requisite for companies to take on traditional knowledge systems and perspectives to maneuver these deviating positions of civil society stakeholders and consumers (Liket & Maas 2016; Marens 2016). This alliance is among some available alternatives for organizations to realize their objectives, depending on the working together of both firms. Roles of this alliance are risks sharing among others. The concept of risk sharing is a common concept while having an agreement which is cooperative, or maybe when there is a new market entry, or even when the market is filled with uncertainties and instabilities, risk sharing becomes very significant. This shared knowledge with expertise is very useful. Some firms are efficient in diverse areas while they are poor in experience of other sections; and therefore, formation of these alliances can greatly aid in availability of knowledge and skills in the sections that the firm is inexperienced in. As reported by Sambasivan et al., (2013), previously the inter-organizational arrangements have rapidly increased as a strategic way to enhance the competitive edge. The organizations are now shifting their attention to the core activities of quality services and goods production with the establishment of alliances with the vendors and the clients.

These alliances have become more popular previously, because of the manner in which they give unique and significant assets, and also the skills and knowledge, which are very key for the sustain ace of the organization and its growth (Nielsen, 2007). As reported by Lin et al., (2011), these alliances are given consideration in promptly established strategies of success while increasing the equity of the respective shareholders. Thus, the R and D strengths could be used to access external assets and the skills resulting to the enhancement and application of the successful strategies which are external, and might be positive or of negative impact on organizational performance. Sequential, the perspective of strategic cooperation stands for alliances which are strategic as a different choice of marketing plans, and evaluating hierarchy system, among the companies to handle the given needs and requirements (Williamson, 1991; Nielsen, 2007).

There could be various explanations as to why companies long to develop an alliance (Gulati, 1998). For example, information which is cutting edge as well as the information technology has both come up with the chance to have business activities which are cooperative. Furthermore, challenging surroundings have resulted to alliances formation, since when they do business independent of each other they gain lots of costs and get very low value. Therefore, thanks to coordination, they can add their efficiencies and increase the rate of innovation that results to a bigger market share and also more benefits (Tariq, 2012, Stuart, 2000).

Furthermore, these alliances can be established when the organization has abilities in diverse functional phases, which include the value chain of that given good or also when the competitive risks has to be distributed equally (Stuart, 2000).In the beginning, these alliances were dominant in the US, where they were viewed domestically to distribute the costs incurred in the market entry of capital-intensive sectors that include; mining of copper, railroads, oil and gas pipelines among the others. The alliances became key to the survival of domestic businesses as the companies fought to endure the development of more beneficial models of business (Hagedoorn, 1993; Reuer & Leiblein, 2000). Also, the key factor in alliance formation was the spread of knowledge with the influence it had in bi-direction (Arvanitis, 2012 & Hagedoorn 1996).

1.1.2 Competitive advantage

Competitive advantage as described by Garfinkle (2005) as the firm's ability to be ahead of current or potential competitors. Barney (2008) argues that competitive advantage is sustainable if competing firms cannot imitate its source of competitive advantage or develop better offerings. According to Porter (1985), companies avail to the markets goods or services that buyers consider as superior, which is the best product with minimized price or it could also be an improved product which is worth more. There are various strategies in which this can be achieved and are as follows. Differentiation is one of the strategies used by businesses to distinguish themselves from competitors. A service or product tends to be differentiated if clients perceive it to have attributes which distinguish it from those of the rivals (Thompson, Mark, 2005). Differentiation is the most distinguished way of motivating clients to pay an extra price for a product since the same products or services are not available elsewhere. Market segments are units where the customers have specific needs which may be identified and targeted.

The main competitive leadership that most business seek to gain is Cost leadership. Cost leadership benefit occurs when an enterprise is able to offer products of similar quality as rivals, but at a lesser price. Another strategy is strategic alliances whereby businesses can gain competitive advantage by getting into alliances with other enterprises in the same or related industry. Strategic alliances involve methods such as joint ventures which businesses utilize to mobilize resources and secure themselves market share at the expense of other competitors who are not part of the alliance. Another unique method to gain competitive advantage leverage on the defensive strategy. The defensive strategy allows the entity to maintain the already gained competitive advantage.

Companies develop a competitive edge once they produce attributes that enable them to outshine their oppositions Garfinkle, (2005). Innovative Strategy is a another form where companies may be ahead of their competitors by doing things in a unique manner, companies can gain competitive advantage as they discover innovative ways conducting business continuously. Operational effectiveness is also one of the strategies. Some companies usually do what they do better than anyone else.

1.1.3 Real Estate Companies in Mombasa

In Kenya, the industry of real estate just like all the others works in cycles. Ours are likely to commence after an election and consecutively finalize after five years in the next election. In 2017, which was an election year, the slow uptakes, falling in prices as well as the maximized vacancies is an indicator of the market adoption of the concept of wait and see (Reginald Okumu, 2017). In Mombasa, the real estate industry is quickly recovering after it hit its worst ever experienced slumps back in 2013, and the developers successfully tabulating an increase by over 60 percent in the recorded number of inquiries. These developers quoted that the enquiries enhanced the clients' perspective in investing in the coastal region, with its major challenge being insecurity in the area. Back in 2013 and also in 2014, the prices of property across that region dropped by almost 20 percent while the shareholders getting the approach of wait and see much after the terror related incidences were reported in that coastal region.

In Mombasa North Coast, property is still the most wanted with the apartments, maisonettes with own compound as well as land being appealing to most clients. The most demanded areas are Nyali, Kizingo, Tudor, Kiembeni, Bamburi and Bombolulu respectively. As a result, the prices of houses has shot, with apartments with two-bedrooms trading at nearly Sh8 million, as compared to two years ago when thye were going for Sh6 million at the same place. Furthermore, an apartment of 4 bedrooms in the posh areas of Nyali having the ocean view is approximated to be Sh24 million. As for Bamburi, Utange and Shanzu regions, a bungalow of three bedrooms will be trading for Sh6 million to almost Sh6.5 million. The constant demand for affordable houses for the middle class residents is also on the rise.

The risen demand for retailing spaces and stalls is making Kenya to become the most preferred destination in retailing in the African continent. The National Government thus has devolved and surrendered the responsibility to the County Governments as well as the

State Agencies which are well rooted in Mombasa, Kisumu and also in Nairobi. These circumstances have generally attributed to the reduced utilization of the office space and consecutively maximization of the stock which is available. In 2017 which was an election year, a number of projects were postponed and all the ongoing projects were pushed to the next year, 2018. 2017 was a year of testing for the developers, shareholders as well as the owners respectively.

1.2 Research Problem

Pricing pressure gaps in product mix, increased competition as well as asset concentrations has compelled many entities across the world to engage in strategic alliances to bring on board product differentiation and cost synergies. These alliances are designed to produce a positive strategy towards greater future success by firms via combination of resources within a standard operational fit. By partnering with other firms, companies create a synergies thus increasing their competitiveness (Holmberg & Cummings, 2009). This has been noted in realizing the competitive edge is the indicator to the operation and performance of a company (Barney, 1991 & Fahy, 2000). This Competitive edge-e is as a result of factors like operational efficiency, types of diversification and organizational structures among others, (King, 2007). However, formulating and measuring competitiveness of real estate firms is complicated, especially in emerging markets like Mombasa County.

Additionally, Yasuda (2005), States that most companies are utilizing these alliances to get assets, risks sharing, quickly respond to the environmental changes, and speed up the enhancements in technology as well as to get access to the international markets. Therefore, these alliances can be said to give, in a particular portion, the agreement to equally distribute resources amongst the partners so as to acquire skills and knowledge which is not accessible within the company's reach (Chen & Chen, 2002). Additionally, Kolter et al., (2003), even the largest known firms including; IBM, Philips, Nokia as well as Unilever regularly cannot be able to obtain national or international leadership levels without developing these strategic alliances with the local or global organizations which complement and improve their abilities to deliver quality products or services.

Ogega (2010) researched on the strategic alliance of Safaricom with Equity Bank on the money sending services and conclude that there are more gains than drawbacks gained by engaging in alliances. Nzyimi (2012) delved into strategic alliances and competitiveness at KCB and established that strategic alliances accorded partners the opportunity to utilize the assets, knowledge, capabilities as well as the skills of their strategic partners to gain competitiveness. Chepkwony (2009) did a research on strategic alliances in Kenya banking industry. His findings are that profitability, customer satisfaction, competition technology and value addition as the main objectives as to why banks go for strategic alliances

A number of researchers have urged that failed strategic alliances account for up to 50 percent across the world (Sambasivan et al., 2013, Das & Rahman, 2010, Dyer et al., 2001; Sivadas & Dwyer, 2000). In an effort to challenge this rising failure rate for the alliances, more comprehension is needed in terms of what the factors under consideration are, in order to achieve strategic alliances that are successful (Sambasivan et al., 2013). Strategic alliance in real estate is inhibited by inadequate knowledge benefits which can be achieved through such alliances and reluctance to share knowledge. In order to bridge this academic gap, research will seek to fill in this gap by seeking to answer the resultant research question that is; what is the role of strategic alliance on competitiveness in real estate companies in Mombasa County?

1.3 Research objective

The objective of this study was to examine the role of strategic alliance on competitive advantage on real estate companies in Mombasa County.

1.4 Value of the Study

The shareholders and management of real estate companies in Kenya will be beneficiaries of this study as it is a valuable origin of informative information in the establishment and utilization of their competitiveness both currently and for the future business environment. The research study provides knowledge of roles acquired when strategic alliances are used to gain competitive advantage.

The government and industry regulators will also benefit from this study as to how alliance strategy is implemented and improved and hence use the strategies guide and give hope to other firms in forming strategic alliance. The makers of policy can also utilize the information to determine and bridge the data for the other alliances which are failing between firms.

The findings of the study will also benefit firms in other industries since they get to appreciate the role played by strategic alliance as a way of achieving competitive edge. This would help to boost performance of the real estate companies in Mombasa County and this increases their competitive advantage. Future researchers will find the results of this study an important source for reference. These results can be compared with other sectors to determine the various ways institutions can react to competitive forces in their respective environments. Scholars can also use this study as a base on which the other similar research studies can be built upon.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This chapter focused on reviewing of the literature on strategic alliance and its role as a source of competitive advantage. The section outlines the theoretical framework adopted in the study and a detailed discussion of the different strategic alliances strategies. A discussion on the role of strategic alliances in improving organizational competitiveness is further provided in the chapter.

2.2 Theoretical Foundation of the Study

A theory is described as a group of concepts and understandings which are interrelated systematically, with explanations and possible suggestions which are well evaluated to expound as well as to foresee the facts or the phenomena. With regards to this information, lots of theories have been developed to expound on what happens in ours surrounding environment. Theories are used to foresee the facts which should be looked into (Schindler &Cooper, 2003). Debates on the effect of strategic alliance as a major origin for competitive edge in the real estate firms is addressed in light of three theories: transaction cost theory, resource-based view as well as the knowledge-based view**.**

2.2.1 Resource-Based View Theory

The theorem is dependent upon the principal that the basis of the competitive advantage of the organization is inherent on the as well as the abilities within contrary to its positioning in the environment it operates. Strategic alliances promotes in various manners competition according to a number of academic studies emphasis, that is, the cost of distributing assets is minimized, the important mass developed through a set of skills and knowledge which is specialized, expertise, know-how and also the value added to the individual products (Tan and Thai, 2014 & Raguz et al., 2015). The partners can coordinate the partnership with intangible assets like technology, patent rights, general information on management, and also the tangible resources such as machines, the equipment, and information on the current market situation, their distribution channels, the materials, labor as well as financing.

Resources refer to the raw materials used in production. These are human resources and capital while capability is the available resources' potential to perform some activity (Grant, 2006). RBV proponents argue that it is easier to benefit from opportunities gotten externally through the utilization of assets internally within the firm as compared to obtaining latest knowledge for all chances arising. The theory purports that certain the resources of a particular have the possibility and the guarantee to create competitive edge that may lead to better performance in future (Ainuddin et.al, 2007). A company is therefore a group of assets as well as the abilities, that directs its strategy and execution and if companies in the market possess similar capabilities and resources, same value will be created leading to low competitiveness (Barney, 1991).

Sustainable competitive advantage to a company can be brought by resources or capabilities that meet the above criteria. A strategy should be directed by the company's resources and abilities that are unique; its potential to create value, which is the capability of the organization to initiate and also sustain profitability, is dependent on the capacity of its existing capabilities and services to generate income generating (Grant, 2008). The top level management team is seen as the key to a company's success by proving leadership; it reduces uncertainty by ensuring that alternatives are considered, it also and assists managers in dealing with investors. To achieve superior competitive advantage, Besanko (2007) argues that the capacity of an organization to create more value is determined by its resources and unique capabilities to exploit the resources. To ensure sustainability of profits, a company must ensure it has successful alliance management and the created competitiveness are retained.

2.2.2 Transaction Cost Theory

In the theorem of transaction cost, the decision of the company in terms of which mode to use to transact, it is affected greatly with the reduction of the total cost incurred for production and transactions (Kogut, 1988; Yasuda, 2005). The actors are more likely to opt for alternative found in the sphere of 'market and hierarchy' which results to lowered costs (Williamson, 2010). According to his study Coase (1937), hierarchy is the factors that affect operations in the given companies as opposed to utilizing the market. Chen and Chen (2003) stated that markets are the opposites of hierarchies, and thus formation of alliances is considered to be significant within the spectrum. The TCT with alliance formation under consideration, it is critical to note the prevalence of costs of transaction incurred in the surroundings which can highly be advantageous to establishment of an alliance. As for the markets which are narrow, whereby the companies depend on the specific vendors to supply the specific goods, they can hence make it mandatory for the factors to be totally dedicated thanks to the high costs incurred from switching vendors (Hennart, 1988).

In line with, Williamson (1981), he argues that this is commonly said to be specificity of the resources, implying that the resources can be very specific for a given transaction, resulting to the emergence of increased costs of transactions. The agreement of sharing can compel the same circumstances, because the organizations are well interlinked to achieving better economies of scale thus resulting to reduced distributers. This knowledge of trade is therefore affected by the costs of transactions, with regards to the uncertainty of those purchasing with respect to the knowledge of nature. Hennart (1998) states that these illustrations need that the given organizations can control and depend on each other, driving them to enter into contracts for their own safety from opportunism as well as safety.

Kogut (1988) states that for determining a partner to be in alliance with, it is the future uncertainties which should be put under consideration. Furthermore, Hennart (1988) argues that the TCT could only be useful to the alliances once it is expanded, even though it could be the only alternative. In looking at the alliances from the view of TCT, there is a specific keenness on a given alliance; which is the alliance of equity. The strategic alliances would in given circumstances and from the arrangements given structurally, have the opportunities presented. Meanwhile, the alliance of equity is seen to be much close to the end of the hierarchy, those alliances of no equity are considered as loose agreements which mimic the transactions of the given market.

2.2.3 The Knowledge-Based View

Based on Grant (1996), this theorem is considered to be another choice of achieving the competitive edge of a company. Based on this theory, productivity relies upon the knowledge gained, which interprets to mean the competitive edge of an organization is dependent on the generation and coordinating the acquired skills (Grant & Baden-Fuller, 1995& Grant, 1996). This knowhow is said to be either explicit or tactic. The major differentiating factor is the ability for either to be transferred. Knowledge that is tactic is gotten from its implementation and from continuous application while knowledge that is explicit is acquired through communication, which makes the transfer almost costless. Differentiating these two is significant as ways of coordinating them are largely diverse.

As stated in Grant (1996) study, companies need to coordinate their functions which include rules, routines, their directives so a so well utilize their knowhow. The variety of knowledge acquired for the companies, the better coordination machines are necessary of the organizations resulting to increased costs (Grant & Baden–Fuller, 2004). When the RBV refers to the boundaries of the organization through the assets it utilizes (Penrose, 1959, pp. 9-30), the RBV however argues that the boundaries of the company are determined through the skills it can coordinate together (Grant, 1996). Through alliance, companies boost each other to divide equally the risks and also the costs incurred, and also add the rate of initiation of knowhow, assisting the companies to have uncertain businesses environments for their competition (Mowery et al., 1996). With regards to Grant & Baden-Fuller (2004), the RBV is necessary for the organizations which require lots of knowhow and skills, since they have increased the rates of alliance formation.

2.3 Strategic Alliance and Competitive Advantage

In Kenya, there has been a rise in alliances formed in the recent past, most especially in the technology sector, where they has been an additional need to control the risks associated as well as the market performance (Lee et al., 2010). Furthermore, these strategic alliances help to realize success with the stability of the surroundings via distributing the important knowhow across the partners, via the determination of tasks to be reciprocated, manage the utilization of partnership, and constantly evaluating the findings of the association (Li et al., 2013). In order to find the strategy of alliances, the researchers in the review of the literature have tried to explore the principle. For example, Das & Teng (1998) discuss these alliances to be the agreements reached upon by the partners, whose objective is to achieve the targets.

Similarly, (Li et., al 2013) says that these alliances are promoting the availability of assets belonging to the partners, in order to get the adequate knowhow, and also sustain and establish the capabilities, through collaborating with the skills of their colleagues to lower costs incurred that come from risks of cooperation. Of importance, López-Duarte et al. (2016) states that the alliances determined through a field are very crucial subject of study, since they investigate the association of global management with business research. The research study shall be in conjunction with the explanations offered for the alliances which are consistent and are in line with the set out procedure. Yasir Yasin & Maqsood Ahmad, (2013) argue that these associations are objective in terms of partnerships between the firms in collaboration to realize the aims for the benefit of both companies via distributing, more enhancement, distributing of assets and the abilities.

Mutuva (2014) studied the role of strategic alliances on competitive edge of Airtel Kenya. His findings were that Airtel Kenya was involved in strategic alliances to gain competitiveness in the market via the coordination with financial institutions, internet providers, airlines, health insurance companies and mobile handset producers with the objective of expanding their subscribers' clientele, enhance their profits and strengthen the brand identity. The study only focused on competitive advantage of Airtel Kenya, but did not focus on real estate companies.

Chebet (2013) did a study on the Strategic Alliances for the Hotel Industry: A Case Study of the Sarova Group of Hotels. Findings advocated that competency as well as enhanced image greatly impact on the level of success for the creation of associations. The study focused on hotel industries but not real estate companies. Nzengya (2013) did a study on Strategic Alliances among Kenyan Commercial Banks. Profit maximization, expansion of branch networks, increasing of regional presence and maximization of revenues were identified as the main reason for getting into alliances. The study focused on commercial banks and not real estate.

Gatoto (2013) studied how strategic alliance has been used as a means of getting competitive edge in the Africa Population and Health Research Centre and the challenges faced by APHRC in managing the strategic alliances. The key findings were that APHRC has engaged in strategic alliances that are contractual in nature and brought in benefits like visibility of its programmes to its different stakeholders, wider geographical reach in operations, expansion into new programmes grounds, economies of scale, learning from the experiences of partners, shared costs and risks. The context of the study was not on real estate companies.

Karuri (2012) did a study on the determinants of Strategic Alliances for Kenyan Airline Industry. The survey concludes that the key indicators of alliances for this sector are entrants to the market and motives which are associated with the market, motives which are relate to the utilization of assets, technical standards and the availability of latest technology. The research focused on horizontal alliances in the industry. The context of the study was strategic alliance in the airline industry in Kenya but not real estate companies.

Saebi (2011) in her study 'Successfully Managing Alliance Portfolio: An Alliance Capability View' investigated on how organizations would appropriately control their various alliances. Her findings were that, for the development of these associations ability to efficiently promote the leadership of the strategic alliance, they should create mechanisms which are able to transfer the knowhow, infrastructure of the alliance, procedures that are standardized have to consistently be promoted via the measures which are unique to the alliance. The focus of the study was did not focus on competitive of real estate. Wanjiru (2010) did a study on Strategic Alliances effects on competitive advantage context being Safaricom Limited. The study established that Safaricom limited had achieved a sustainable competitive edge as a result of alliances. This research will probe into Role of strategic Alliances in Real Estate firms in Mombasa County. The context of the research was Safaricom limited and not real estate companies.

Prashant Kale, Harbir Singh (2009) conducted a study on managing strategic alliances: What do we know now, and where do we go from here. They found out that while the phase of post formation continues, the level of success attained by the association is largely affected with the better utilization of mechanisms for coordination to manage the dependency of organizations on each other as well as the effective enhancement of loyalty among the parties as the during the evolution of the association. Ali et al. (2008) provide the latest review of concepts on the literature existing on Corporate Real Estate, reviewing the enhancement of the fields of research in CRE and the consequent evolution of its functions in the recent past. The latest effort in the research for CRE, as authors highlight, has been in the growing acknowledgement of CRE as being a tool of significance in evaluation of CRE in the context of strategic management.

Stanley (2007), also conducted a survey on Strategic Alliances among the Kenyan Money Transfer Industry. From the findings, it is evident and clear that goal congruency, increased trust, the right partner, increased commitment and a common strategy are the major factors leading to success of strategic alliances. The research incorporated strategic alliance and money transfer industry but did not focus on competitive advantage of real estate companies. Zineldin & Dodourova (2005) found out, managers who even had the thought of entering into partnerships within the global market should be specific on what their aims and goals were and also their expectations from the alliance are. For many instances the activities done by the staffs that aren't in conjunction with the leadership can be on disruptive nature, specifically for the times which organizations are competitive despite their strategic partnership.

Ireland (2002) notes that the leadership ability to balance between the firm's need to acquire knowledge from partner's vis a vis the efforts to ameliorate appropriation of its unique capacities if availed to partner company contribute to superior alliances. This highlights more its competitiveness. The context of the study was strategic alliance as a source of competitive advantage and not on real estate.

2.4 Summary of Literature Review and Knowledge Gaps

The study under literature review explored resource based view which describes that companies are involved in partnership while aiming at maximizing the value gotten through the application of the assets and knowhow so as to get access to other companies assets. The Transactional cost theory argues that companies focus on each other to lower the costs incurred during transactions production and the total fixed costs through the decision of ownership. The knowledge based review which posits that productivity relies upon the knowledge gained which interprets to mean the competitive edge on an organization is dependent on the generation and coordinating the acquired skills.

Mutuva (2014) and Gatoto (2013) in their studies established that there was a strong correlation between competitive edge and strategic alliances in companies. Ireland, Hitt & Vaidyanath (2002), in their research of partnership management as a key to achieving competitive edge finalized that in spite of the high levels of failure, organizations continuously create partnerships since they generate value. Consecutively, Chen et al., 2009, Nielsen, 2010; Lee, 2007 state that the partnerships offer lots of advantages including distribution of the key assets, reduced competition in the market, better creativity and learning processes and also managing the dynamisms of the surrounding. While, (Chen & Chen, 2002; Rai et al., 1996) argue that companies are engaging in strategic alliances to gain higher profitability visible through evolution of economies of scope and scale, through investment in adaptation and learning.

In conclusion, partnerships play a key role in the determination of policies, which could be emulated to enhance the strategic position of the firm within a complex changing business environment. Furthermore, the advantage of partnerships won't be realized if loyalty, trust, dedication and the distribution of knowhow are not present in that association. The major objective of setting the partnerships is to gather the assets among the parties, to fill the gaps of the concepts and also to realize their aim. Also, the distribution of knowhow among the parties can enhance creativity and technological advancements to enable the company venture into new markets.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This section has discussed some of the methods employed in the study so as to get the research objective stated in chapter one. The areas covered include research design, study's population, sample, data collection methods and data analysis. They have been outlines below.

3.2 Research Design

The design of a research is expected to indicate the features of the target population through the presentation of specific clear details for a given purpose correlation and any other positioning (Zikmund, 2003). It requires a more structured framework since it is less ambiguous. A descriptive research design was adopted. It mostly entails the use of either or both the quantitative and the qualitative approaches. Descriptive study improved the collection of information of the study population; the results from the survey method have been extrapolated to the whole population.

The reason for using this design was because information gathered about real estate firms was done at only one point in time. Descriptive research dictates and outlines the way things are (Cooper & Schindler, 2007). In addition, other researchers found this design applicable because conclusions about the variables were drawn without the interviewee being influenced and thus allowed the measurements to be fully guided. Besides, this method is time saving, and less costly.

3.3 Population of the Study

Population is the absolute cluster of firms or people which the researcher looks forward to examine (Sekaran & Bougie, 2010). It is usually defined on the basis of the availability of elements; the time allowed, physical boundaries as well as the topics that attract the researcher. Based on the Estate Agents Registration Board, there are approximately 368 registered real estate firms operating in Mombasa County, year 2018.

The target population of the study included real estate firms based in Mombasa County. The focus was the real estate firms which specialize in rental, management, building and sale of up-market residential and commercial properties. They should be registered with Estate Agents Registration Board and also be advanced in technology and have a website or be listed in major real estate websites. Population of this study was therefore 81 firms (property24/ estate-agencies-in-Mombasa, 2018).

3.4 Sample and Sampling Technique

Polit et al (2001) defines a sample as a proportion of the population. In this study purposive sampling approach was used to select a sample of 67 real estate companies. Purposive sampling basically entails the selection of respondents that understand or experience with the subject under investigation (Croswell & Clark, 2011).

In this research companies which are involved in strategic alliances were chosen from the population. The sample size was calculated using Yamane (1967) formula

$$n = \frac{N}{1 + N(e^2)}$$

Where

n = desired sample size

N = population size

e = desired level of precision. e = 0.05 based on the research condition.

This can be represented as below:

$$N = \frac{81}{1 + 81\,(0.05)^2} = 67.35 = 67$$

The sample size in this case aided to ascertain the number research instruments to the population.

3.5 Data Collection

Questionnaire in this research study considered both closed ended and open questions so as to get as much information from the targeted participants as possible and save on time. The questions which are close ended were aligned on the Likert type scale. The ratings were on a scale of 1(lowest meaning not at all) to 5 (highest meaning very great extent) some questionnaires were administered to the respondents through a face to face interaction for ease of clarification if need arise. Drop and pick approach of data collection was also applied; this left the room for respondents to fill the questionnaire at their own free time. A desk study was conducted by going through all the property magazines in Kenya, newspapers and real estate journals.

In a bid to fully satisfy the first aim of the study, a listing of the various possible sources of competitive advantage was given and the potential respondents were requested to mark where the correct level in which they have assimilated the sources of competitive advantage. To satisfy the second aim, the potential respondents were given performance indicators and were requested to tick on the five point scale in their group as far as performance was concerned.

3.6 Data Analysis

The questionnaires were corrected for precision, regularity as well as completeness. Before the concluding evaluation was done, information is tied up to get rid of inconsistencies and soon after, grouped on the basis of levels of similarity index and then soon after it was tabulated. The data gathered was analyzed through descriptive statistics. Particularly, the standard deviation, mean, frequency of distribution and also the percentages scores will be applied in doing the conclusion of the responses gathered and indicate the level of similarities as well as the differences.

The final results were tabulated and formed in charts. The statistics on the demographic characteristics were presented using frequencies and percentages. The results on competitive advantage of firms which deal with real estate, and the impact of these sources of competitive edge on the firm's overall performance was evaluated using SPSS version 23 through computation standard deviation and mean.

CHAPTER FOUR: DATA ANALYSIS, RESULTS AND DISCUSSION

4.1 Introduction

This chapter presents the results of study based on the collected data. The chapter therefore contains the response rate results, company characteristics results, the results on the role of strategic alliances and the results on the relationship between strategic alliances and competitiveness. The chapter also presents the results on the source of competitive advantage and the discussion of the results.

4.2 Response Rate

The sample of this study constituted 67 real estate firms in Mombasa. The study however managed to collect complete data from 59 real estate companies. The 59 real estate companies made a response rate of 88%, which was sufficient and excellent for the study in line with recommendation by Mugenda and Mugenda (2003) who purported that a 70% and over response rate is excellent. Table 4.1 show the response rate results

Table 4.1: Response Rate

Response	**Frequency**	**Percent**
Questionnaire returned	59	88.0
Unreturned questionnaires	8	12.0
Total	67	100.0

Source: Research data 2020

4.3 Company Characteristics

The section assessed the time frame in which the real estate firms had been in operation in Mombasa County and the employees they had. The results are indicated in section 4.3.1 and 4.3.2 respectively.

4.3.1: Period in Operation

The results of the period the firms had been operation are shown in Table 4.2

Table 4.2: Period in Operation

	Frequency	Percent
Under 5 years	9	15.3
6 - 10 years	12	20.3
11 - 15 years	22	37.3
16 - 20 years	9	15.3
Over 25 years	7	11.9
Total	59	100.0

Source: Researcher, 2020

The results in Table 4.2 shows that the firm had been in operation as follows; 15.3% of the real estate firms had been in operation for less than 5 years while 20.3% had been in operation for 6-10 years. The results also show that 15.3% had been in operation for a period of 11-15 years whereas 11.9% of the firms had been running for more than 25 years. This shows that most of the firms had been running for more than 5 years hence they were fully aware of the operations of the real estate business.

4.3.2 Number of Employees

The results of the number of employees the firm had are shown under Table 4.3

Table 4.3: Number of Employees

	Frequency	Percent
Less than 10	12	20.3
Between 11 – 20	30	50.8
Above 21 employees	17	28.9
Total	59	100.0

Source: Researcher, 2020

The results on Table 4.3 shows that 20.3% of the firms had less than 10 employees while 50.8% had employees 11-20 employees whereas 28.9% had more than 21 employees respectively. Hence majority of the firms had more than 10 employees. This implied that most of the real estate firms in Mombasa County are small and medium sized companies.

4.4 Role of Strategic Alliance

This section assessed the extent of a number of factors which influences the real estate firm's strategic alliance capability. The results are presented in Table 4.4

Table 4.4: Role of Strategic Alliance

	Mean	Std. Dev
The firms have complementary needs and skills and not similar strengths and weaknesses	4.03	1.066
Top and middle management of the firms have skills and knowledge to handle issues between alliance partners	4.07	1.201
Development of key success factors and frequency of portfolio performance assessment	3.34	1.092
Speed of decision making	3.59	1.002
Clarity of decisions making process	3.46	1.179
Information sharing and transparency	3.61	1.017
Trust among partners	4.92	.952
Management assists the integration of relevant knowledge through provision of face-to-face collaborations for transferring complex matters	3.61	1.218
The management in firms reconcile divergent objectives	3.47	1.318
Overall mean	3.79	

Source: Researcher, 2020

The results on Table 4.4 indicates that on the role of strategic alliance the mean value of the statement that the firms have complementary needs and skills and not similar strengths and weaknesses was 4.03 which equates to the scale value of 4 which stand for great extent. The results also show that top and middle management of the firms have skills and knowledge to handle issues between alliance partners to a great extent as construed the mean value of 4.07 which stands for great extent. From the results, the development of key success factors and frequency of portfolio performance assessment was 3.34 which stands for moderate extent while the mean value for speed of decision making was 3.59 which stands for moderate extent.

The results further indicate that clarity of decisions making process and information sharing and transparency had mean values of 3.46 and 3.61 which stand for moderate extend respectively. The mean values for trust among partners was 4.92 which stands for great extent while the statement that the Management assists to integrate relevant knowledge through provision of face-to-face collaborations for transfer of complex matters 3.61 which stands for moderate extent. The mean value for whether the management in firms reconciles divergent objectives was 3.47, which stands for moderate extent and the overall mean value of 3.79 indicates that real estate firms in Mombasa County used strategic alliances at a moderate extent respectively.

4.5 Strategic Alliance and Competitiveness

This section assessed the extent the adoption of strategic alliance had helped real estate firms to achieve competitiveness in various areas. The results are shown under Table 4.5

Table 4.5: Strategic Alliance and Competitiveness

	Mean	Std. Deviation
Improved quality of products-services	4.00	1.034
Increased customer loyalty	3.54	1.164
Offering technical support	4.12	.892
More product flexibility	3.54	1.119
Reliability of the firm by customers	3.83	.968
Quick delivery of services by customers	3.46	1.119
Lower-priced products	3.32	1.479
Faster service delivery to customers	4.22	1.052
Service and product innovation	3.68	.819
Overall Mean	3.75	

Source: Researcher, 2020

The results on Table 4.5 shows that strategic alliance alliances had improved quality of products-services and increased customer loyalty to a great and moderate extent as shown by the mean values of 4.00 and 3.54 respectively. The results also show that strategic alliances enhance the offering technical support and faster service delivery to customers to a great extent as denoted by mean values of 4.12 and 4.22 respectively. The results further shows that strategic alliances led to more product flexibility and reliability of the firm by customers to a moderate extent as shown by mean values of 3.54 and 3.83 respectively. Additionally, the results indicate that strategic alliances led to quick delivery of services by customers, lower-priced products and service and product innovation to a moderate extent as indicated by mean values of 3.46, 3.32 and 3.68 while the overall mean of 3.75 indicates that strategic alliances affects competitive advantage of real estate firms in Mombasa County at a moderate extent.

4.6 Sources of Competitive Advantage

The section assessed the extent to which the real estate firm performed under the various sources of competitive advantage. The section assessed product differentiation and cost leadership strategies. The results were discussed as follows

Table 4.6: Product Differentiation

Statement	Mean	Std. Deviation
Offer unique classic products in the low and up market	3.59	1.161
Improved the firm's reputation and of its quality products	4.17	.769
The firm usually offers different types of after sales benefits for different classes of construction products	2.97	1.245
The firm's products varies in quality from one another based on the intended market	4.25	.822
Overall Mean	3.75	

Source: Researcher, 2020

The outcome of the study on Table 4.6 established that product differentiation led to the offering of unique classic products in the market to a moderate extent as shown by the mean value of 3.59 and led to improved firm's reputation and of its products to a great degree as illustrated by the mean value of 4.17. The results also indicate that product differentiation enabled the firm to offer different types of after sales benefits for different construction products to a little extent as shown by the mean value of 2.97. The results also show that product differentiation enabled the firms to offer product vary in quality from each other riding on the intended market to a great extent as shown by the mean value of 4.25 and the overall mean of 3.75 indicates that product differentiation was a moderate source of competitive advantage of real estate firms in Mombasa County respectively.

Table 4.7: Cost Leadership

	Mean	Std. Deviation
More competitive property and land prices	3.93	1.158
Employ more exclusive technology and endless innovations	4.07	.907
Outsourcing some of the advanced company's activities	4.12	.911
Enjoying economies of scale generally	4.34	.710
Project location	3.61	.788
Exploring the linkages with customers/ suppliers in the company's long value chain.	3.98	1.306
Overall Mean	4.00	

Source: Researcher, 2020

The results on table 4.7 shows that the cost leadership strategy provides more competitive property and land prices and enables the exploring linkages with customers/ sellers in the firm's long value chain to a moderate extent as depicted by the mean values of 3.93 and 3.98 respectively. In addition, the results indicate that the cost leadership strategy allows the employment of more exclusive technology and endless innovations, outsourcing some of the firm's advanced activities and economies to great extent as indicated by the mean values of 4.07, 4.12 and 4.34 respectively. Finally, the results indicate that proximity to raw materials and labour by real estate firms to a moderate extent as indicated by the mean value of 3.61 and the overall mean of 4.000 indicate that cost leadership was a great source of competitive advantage of real estate firms in Mombasa County respectively.

4.7 Discussion of Findings

The results established that the real estate firms in Mombasa County used strategic alliances at a moderate extent. This finding indicates that the formation of strategic alliances by real estate companies in Mombasa County was at a moderate extent and that most real estate companies did not form partnership with their partners. A study by Chebet (2013) advocated that competency as well as enhanced image greatly impact on the level of success for the creation of associations. Mutuva (2014) established that firms affianced in strategic alliances in order to attain competitive advantage, to enhance their profits and strengthen the brand identity. Nzengya (2013) indicated that the main objective for engaging in business alliances were to intensify competitiveness, enlarge branch networks, maximize profits, expand regional presence and maximize revenues. Gatoto (2013) established that firms affianced in strategic alliances that are contractual in nature that have brought in benefits like widened geographical reach in operations, economies of scale, visibility of its programmes to its various stakeholders, enlargement into new programmes grounds, shared risks learning from partners' experiences and costs.

The results of the research also revealed that the formation of strategic alliances had affected competitive advantage of real estate firms in Mombasa County at a moderate extent. This means that formation of strategic alliances plays a moderate role towards enhancing the competitive advantage of real estate companies in Mombasa County. O'Dwyer, Gilmore & Carson (2011) explained that the utilization of these partnerships as a way of marketing is the most cherished innovation to any given firm. Wanjiru (2010) uncovered that firms had achieved a defensible competitive edge due to establishment of alliances. Yasir & Ahmad, (2013) argued that these associations are objective in terms of partnerships between the firms in collaboration to realize the aims for the benefit of both companies via distributing, more enhancement, distributing of assets and the abilities. Prashant & Singh (2009) found out that while the phase of post formation continues, the level of success attained by the association is largely affected with the better utilization of mechanisms for coordination to manage the dependency of organizations on each other as well as the effective enhancement of loyalty among the parties.

The study results also found that product and services differentiation was a moderate source of competitive advantage of real estate firms in Mombasa County. This indicates that the product and services differentiation as a strategy of competitive advantage was moderately employed by real estate companies in Mombasa County. Thompson (2005) indicated that the differentiation strategy is most optimal when the clients are able and enthusiastic to pay a higher price to acquire the product, where competition cannot replicate it and when the clients recognize the value of the differences.

The study finally established that the cost leadership was a great source of competitive advantage of real estate firms in Mombasa County. This finding means that cost leadership as a strategy of competitive advantage was employed by real estate companies in Mombasa County to a great extent. Ireland (2002) notes that the firms use the cost leadership to stabilize between a firms need to seek knowledge from partners versus the efforts employed to prevent loss of its special capabilities if snubbed by the partner firm result to superior alliances.

CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

The section provides a summary of the results, outlines the conclusions and makes recommendations in accordance with the results. The challenges experienced in conducting the study and suggestions for further studies are also outlined in the section.

5.2 Summary

This study aimed at examining the role of strategic alliance on competitive advantage on real estate companies in Mombasa County. This study was anchored on the transaction theory, knowledge-based view theory and resource-based view theory. The study adopted a descriptive research design and the population was made of 81 registered with Estate Agents Registration Board and also which had advanced in technology and had a website or be listed in major real estate websites in Mombasa County. The study using purposeful sampling technique selected a sample of 67 real estate companies and using questionnaires to collect data from the managers of the selected real estate firms. The data collected using the questionnaires was analyzed through descriptive statistics presented in tables. The study managed to collect complete data from 59 real estate companies. The 59 real estate companies made a response rate of 88%, which was sufficient and excellent for the study.

The findings the role of strategic alliance established that the real estate firms had complementary needs and skills and that top and middle management of the firms had skills and knowledge to handle issues between alliance partners to a great extent respectively.

The results also demonstrated that the development of key success factors and frequency of portfolio performance assessment was carried out at a moderate extent while speed of decision making moderate whereas the clarity of decisions making process and information sharing and transparency were carried out at a moderate extend respectively. The results also revealed that the management of firms reconciled divergent objectives at a moderate extent and the overall results revealed that real estate firms in Mombasa County used strategic alliances at a moderate extent respectively.

The findings on strategic alliance alliances and competitive advantage revealed that strategic alliances had improved quality of products-services and increased customer loyalty to a great and moderate extent respectively. The finding further revealed that strategic alliances enhance the offering technical support and faster service delivery to customers to a great extent and that strategic alliances led to more product flexibility and reliability of the firm by customers to a moderate level respectively. Furthermore, the findings established that strategic alliances led to quick delivery of services by customers, lower-priced products and service and product innovation to a moderate extent and the overall results established that strategic alliances affects competitive advantage of real estate firms in Mombasa County at a moderate extent respectively.

The results of the sources of competitive advantage revealed that product differentiation resulted to the offering of unique products in the market to a moderate extent and had enhanced the reputation of the firms and its products to a great extent respectively. The results also found that product differentiation enabled the firm to offer different after sales services for various construction products to a little extent enabled the firms to offer product varies in quality depending on the target market to a great extent respectively. The overall findings revealed that product differentiation was a moderate source of competitive advantage of real estate firms in Mombasa County.

The findings on cost leadership as a source of competitive advantage revealed that cost leadership strategy provides competitive property prices and enables the exploitation of linkages with customers/ sellers in the companies' value chain to a moderate extent respectively. Additionally, the findings revealed that the cost leadership strategy allows the employment of superior technology as well as continuous innovations, outsourcing some of the firm's activities to great extent respectively. Lastly, the results established that cost leadership enables the proximity to raw materials and labour by real estate firms to a moderate extent and the overall mean established that cost leadership was a great source of competitive advantage of real estate firms in Mombasa County respectively.

5.3 Conclusion

The study results revealed that real estate firms in Mombasa County used strategic alliances at a moderate extent. The study based on this finding concludes the formation of strategic alliances by real estate companies in Mombasa County was moderate which indicates that most companies had not reached conclusive agreements with their partners, in order to attain the set goals for the benefit of both firms.

The finding also established that the formation of strategic alliances affected competitive advantage of real estate firms in Mombasa County at a moderate extent. The study therefore based on this finding concludes that formation of strategic alliances plays a moderate role towards enhancing the competitive advantage of real estate companies in Mombasa County.

The results also established that that product and services differentiation was a moderate source of competitive advantage of real estate firms in Mombasa County. The study based on this result concludes that the product and services differentiation as a strategy of competitive advantage was moderately employed by real estate companies in Mombasa County.

Lastly, the findings established that the cost leadership was a great source of competitive advantage of real estate firms in Mombasa County. The finding therefore leads to the conclusion that cost leadership as a strategy of competitive advantage was employed by real estate companies in Mombasa County to a great extent.

5.4 Recommendations

The study's results led to the conclusion that the formation of strategic alliances by real estate companies in Mombasa County was moderate. The study thus recommends that the management of real estate companies in Mombasa County should embrace the concept of forming strategic alliances with their partners since strategic levels reduce the uncertainty levels associated the attainment of the strategic goals of both the firms and the partners.

The finding on strategic alliance and competitive advantage led to the conclusion that the formation of strategic alliances plays a moderate role towards enhancing the competitive advantage of real estate establishments in Mombasa County. The survey however recommends that the management of real estate companies in Mombasa should enter into meaningful strategic alliances since strategic partnership give the firm a degree of equal distribution of resources as well as information and the ability to develop together or share services or products.

Further, the study concluded that product and services differentiation as a strategy of competitive advantage was moderately employed by real estate firms in Mombasa County. The investigation therefore recommends that the management of real estate companies in Mombasa County should different their services and products which they offer to their clients. This is because differentiation is one of the strategies that businesses often use to set themselves apart from competitors.

Finally, the results of the research drew the conclusion that cost leadership as a strategy of competitive advantage was employed by real estate companies in Mombasa County to a great extent. The study therefore based on this conclusion recommends that the management of management of real estate companies in Mombasa County should enhance their cost leadership strategies to attain additional competitive advantage. This is because cost leadership arises when the company offers the same commodity at a lesser price compared to the competitors.

5.5 Limitations of the Study

The study's context was study was real estate companies in Mombasa County. The study findings, conclusions and recommendation are therefore limited to the sampled real estate companies in Mombasa County and may not be generalized to other real estate companies in other counties in Kenya. The study also collected data using questionnaire from one respondents from each real estate company. The survey therefore is based on the notion of individual respondents and not all the employees of the real estate companies in Mombasa County.

Some respondents were reserved to provide information due to confidentiality concerns. Others did not view strategic alliances as an interesting topic hence were non-committal. Furthermore, others participants perceived the information that the study was seeking to be of competitive importance hence hesitant to provide all the facts.

5.6 Suggestion for Further Research

The context of this research was the real estate companies in Mombasa County and the study did not consider other real estate companies in other counties in Kenya. The study therefore recommends a similar study, which would cover real estate companies in other counties in Kenya. The study also covered several real estate companies and collected data from a number of respondents in the companies. The study therefore recommends a case study on an individual real estate company to carry out an in-depth investigation on the role of strategic alliance on competitive advantage on real estate companies.

The study also focused on strategic alliance and competitive advantage, which was assessed through product differentiation and cost leadership. The study therefore recommends an additional research on effect of strategic alliances on other firm metrics like financial performance, strategy formulation, strategy implementation and organizational culture. The study also collected data from one respondent from the real estate companies. The study therefore did not obtain the views of other employees. The study recommends a similar study but which will cover all the employees of the real estate companies.

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APPENDIX

Appendix I: Questionnaire

Please answer all questions in the space provided or tick the appropriate box as required on the role of strategic alliance on the competitiveness of real estate firms in Mombasa County. The information is to be used for only be used for research purposes and treated in a very confidential manner.

Section A: Bio-Data of the Respondents

1. Name of the real estate firm (Optional)…………………………………….

2. How long has your real estate firm been in operation in Mombasa County?

a) Under 5 years ( )   c) 11 – 15 years ( )   e) Over 25 years ( )
b) 6 – 10 years ( )   d) 16 – 20 years ( )

3. How many employees are there in your real estate firm?

a) Less than 10 ( )   b) 11 – 20 ( )   c) Above 21 ( )

Section B: Role of Strategic Alliance

4. To what degree has the following aspects influenced your firm's strategic alliance capability?

Use a 5-point scale. Where; 1=Not at all, 2= Little extent, 3=Moderate extent, Great 4=extent 5= Very great extent: Tick in the appropriate column

	1	2	3	4	5
The firms have complementary needs and skills and not similar strengths and weaknesses					

Top and middle management of the firms have skills and knowledge to handle issues between alliance partners					
Development of key success factors and frequency of portfolio Performance assessment.					
Speed of decision making					
Clarity of decisions making process					
Information sharing and transparency					
Trust among partners					
The management in firms reconcile divergent objectives					

Section C: Strategic Alliances and Competitiveness

5. To what extent has the adoption of Strategic alliance helped your real estate firm achieve competitiveness in the following areas?

Use 1- Not at all, 2-Less extent, 3-Moderate extent, 4- Great extent, 5- Very great extent.

Competitiveness	**1**	**2**	**3**	**4**	**5**
Improved quality of products-services					
Increased customer loyalty					
Offering technical support					
More product flexibility					
Reliability of the firm by customers					
Quick delivery of services by customers					
Lower-priced products					
Faster service delivery to customers					
Service and product innovation					

Section D. Sources of Competitive Advantage

7. To what extent does your firm perform well in each of the following with the various sources of competitive advantage? Use a 5-point scale. Where; 1=Not at all, 2= Little extent, 3=Moderate extent, Great 4=extent 5= Very great extent: Tick in the appropriate column

Product differentiation	**1**	**2**	**3**	**4**	**5**
Offer unique classic products in the low and up market					
Improved the reputation of a firm and of its quality products					
The firm usually offers various types of after sales services for different classes of construction product					
The company's products differs in quality depending on the intended market					

Use a 5-point scale. Where; 1=Not at all, 2= Little extent, 3=Moderate extent, Great 4=extent 5= Very great extent: Tick in the appropriate column

Cost Leadership	**1**	**2**	**3**	**4**	**5**
More competitive property and land prices					
Employ more exclusive technology and endless innovations					
Outsourcing advanced firm's activities					
Enjoying economies of scale generally					
The location of the project for instance proximity to labour and raw materials					
Exploring linkages with customers and suppliers in the long value chain of the firm.					

Thank you

APPENDIX II: List of Some Real Estate Firms in Mombasa County

NO.	NAME	PO. BOX / LOCATION
1	Civicom Limited	86713 - 80100
2	Erated Properties Limited	81460-80100
3	Mzinyi Development Co	Bima Towers, Digo Rd
4	Solian Properties Ltd	P.O. Box 42327 - 80100
5	Kruss Properties Mombasa	Planet Complex, next to City Mall Nyali
6	Spectacular Group Of Companies	81756 - 80100
7	Eurotrust Real Estate	Nyali rd. / Kalaire Centre 8 Nyali,
8	Westcon Contractors Ltd	Old Malindi Rd, 87556-80100
9	Arkaan Properties	Nkruma road,
10	Chiba Properties Consultants	41670
11	Datoo Kithikii Ltd	87496-80100
12	Fort Properties Ltd	83565-80100
13	Benford Homes	Nyali,
14	Habo Agencies Ltd	80137-80100
15	Sheheena Marina Apartments	Nyali Bridge
16	Kenroid Ltd	Nyerere Ave
17	Euro Trust Real Estate	34389-80118
18	Fidelitas Investments	99400 - 80100
19	Nairobi Homes (Msa) Ltd	88343-80100
20	Boolmat E.A. Co. Ltd	774-80100

(https://www.property24.co.ke/estate-agencies-in-mombasa, 2018)