

**STRATEGIC RESPONSES ADOPTED BY THE NATION MEDIA
GROUP TO COUNTER DIGITAL DISRUPTION**

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**A RESEARCH PROJECT SUBMITTED IN PARTIAL FULFILMENT
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DECLARATION


I declare that this research project is my original work and has not been presented for an award in any other university or an institution of higher learning.

Sign  _____ Date: 31/10/2022

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D61/35019/2019

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

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DEDICATION

This is dedicated to God all powerful, my household for the immeasurable support accorded to me in the course of the study as well as my friends for their love, motivation and encouragement.

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I salute and honour the University of Nairobi and the faculty of business and management science at large for giving me the chance to undertake my graduate studies. I salute the university for being an oasis of academic excellence and knowledge. In this regard I specifically honour and acknowledge my supervisor Dr. Caren Angima for her enduring support during my study. I also extend sincere gratitude to the entire teaching fraternity.

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ABBREVIATIONS AND ACRONYMS

AI	Artificial Intelligence
COVID-19	Corona Virus Disease 2019
ICT	Information and Communications Technology
IoT	Internet of Things
NMG	Nation Media Group
SME	Small and Medium Enterprise

ABSTRACT

Organizations in the course of their operations are affected by external factors outside their control such as competitors' actions and digital disruptions. To enable a firm to deal with the competitive forces and disruptions emerging from the external environment, it requires to have effective strategic responses. The Strategic responses are a combination of activities and choices that lead to the design and execution of long-term plans aimed at enabling the firm to attain its objectives and competitive advantage. The media industry in Kenya has found itself in a space where these disruptions in the external environment are intrinsic in its affairs and affecting operations. This study aimed to unearth the strategic responses adopted by the Nation Media Group to counter digital disruption. The study found that the advent of social media, emergent of Artificial Intelligence and Internet of things as well as evolution of audience engagement channels were the main causes of disruptions to the media industry. Accelerated innovations and inventions in technology affected the business and prompt action was required to counter the impact. The study showed that NMG's business was greatly impacted by digital disruption and recommends strategic partnerships with digital media companies and specialists for speedy adoption of new ways of delivering content, accelerated and regular futuristic innovation to mitigate risks posed by emergent digital trends that are abrupt and proactively align with such disruptions. Finally, there is need for NMG to have digital champions in top management that will drive innovation and compliance with all digital media regulations. The champions should also help in benchmarking NMG's product offering with global standards to ensure quality.

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

Organizations operate as open systems that serve and in turn are affected by the external environment. In their operations, organizations are affected by dynamic and complex external factors outside their control such as competitors actions and digital disruptions (Chakrabarti, 2015). To enable a firm to deal with the competitive forces and disruptions emerging from the external environment, it requires to have effective strategic responses. Strategic responses, according to Pearce and Robinson (2005) are a combination of activities and choices that lead to the design and execution of long-term plans aimed at enabling the firm to attain its objectives and competitive advantage. Thompson and Strickland (2002) observe that when companies perceive their environment to be complicated, disruptive and competitive, they respond by aligning their strategies and actions to leverage on opportunities and counter threats from the environment, and thus enabling them to attain a competitive advantage over their peers.

This study was anchored on the dynamic capabilities theory and the chaos theory. The dynamic capabilities theory by Teece et al. (1997) specifies that a firm's competencies in resource reconfiguration and strategic flexibility can enable the firm to attain competitive advantage competitive advantage in rapidly changing environments. Conversely, the chaos theory by Peters (1987), hypothesizes that managers must be appropriately prepared for both technological and environmental disruptions. This theory emphasizes the unpredictable nature of events, behaviours and processes, leading to instabilities, and hence

corporate leaders must be able to revolutionize processes inside an organization to cope with the disruptions in the external environment and enable the organization to attain its objectives.

This study was conducted in the media industry which had experienced dynamism, and complexity in the external environment and also various disruptions (Rad & Nisar, 2017). The media sector ecosystem has experienced significant changes as a result of disruptive developments. In the media industry, incumbents with the ability to make essential strategic responses and possess dynamic organizational competence can exploit the disruptive technologies (Cacciatore, Scheufele, & Iyengar, 2016). From the turn of the 21st century, social media and other digital platforms have emerged and taken a central role that was played by traditional media houses. This ranges from disbursement of news and related activities, entertainment, corporate communication, to advertisement (Dwivedi et al., 2021). Among the major disruptors entail the introduction of social media platforms such as Instagram, Twitter, Facebook, and a live streaming platform called YouTube that is the biggest and actual threat to news broadcasting and consumption of entertainment content through the traditional broadcast media.

1.1.1 Strategic Responses

The strategic reaction of an organization to environmental turbulence, changes or disruptions, should determine how the organization's operations and resources will be combined to enable it to attain competitive edge. Pearce and Robinson (2005) posit that the ability of the organization to position and relate to the environment to assure continuing

success and have effective responses to protect itself from shocks brought about by the changing environment is vital. Thus, an organization's success, existence and continued sustainability are dependent on the formulation and execution of strategic responses that enable a match between its internal resources and capabilities, and its external environment. Thompson and Strickland (2002), further posited that the alternatives for strategy in terms of the strategy to pursue and the direction to drive the strategy are included in strategic responses.

In the dynamic and complex operating environment that is routinely disrupted by emerging technologies, the organization must formulate, adopt and implementing strategic responses for it to remain competitive. Activities and decisions aimed at achieving corporate objectives and goals are referred to as strategic responses. Peters (1987) indicated that organizations must modify their strategy to meet the environment and remodel their internal capacities to match the strategic responses. A strategy gap takes place when an organization's strategy is not aligned with its environment, while a capacity gap occurs when an organization's internal capabilities do not match its strategic response. To survive, thrive, and remain competitive, Fred (1997) asserts that organizations must be able to swiftly adjust their strategies in response to changes in the environment and adapt their capabilities to the chosen strategy.

1.1.2 Digital Disruption

Digital disruption is an impact created by or manifested through digital channels, technologies, capabilities, or assets that alters basic behaviours and expectations in a

process, market, culture, or industry (Ozalp, Cennamo, & Gawer, 2018). The disruption happens when new digital technologies and business models affect the value proposition of current products and services (Komla, 2020). These emerging technologies upset or affect the status quo, pushing firms to reassess and perhaps adapt their modes of operations and how they produce and deliver services and products in the market. Digital disruption caused by emerging technologies, has ideally changed the status quo in ways in which organizations operate and carry out their business. Chan et al. (2019) notes that disruptive technologies change the landscape of an established market, and thus markedly changing the way businesses have traditionally operated. According to Wu (2017), these disruptions can create new industries, and force existing organizations to change or become irrelevant.

Digital disruption opens the path for innovation, progress and evolution, and businesses who take advantage of it will profit from the new possibilities it brings. Some of the notable digital disruptions in the 21st century include smartphones, video steaming, big data analytics, hand-held devices and personal computers, internet of things, blockchain technology, digitization of business processes, and artificial intelligence among others (Komla, 2020). Disruption is not entirely a negative change as organizations that embrace it stand to benefit in the long term (Butler & Martin, 2016). Embracing the change entails application of strategies and tact that will ensure monetization of the disruption while at the same time enhancing organizational effectiveness and efficiency. According to Chakrabarti (2021), organizations that have embraced digital disruption have proven to be very cost effective and value adding in terms of operational efficiency, cost cutting, innovation, customer satisfaction and competitive advantage.

1.1.3 Nation Media Group

The media industry in Kenya is quite large, notable and contributes immensely to the media space in Africa. It comprises of approximately 91 FM radio stations, 64 free to view TV stations and several print publications, the leading ones being exclusively own by the Nation Media Group (Kibuacha, 2021). The five leading media houses that command a majority of viewership/ audience are the Royal Media Services, Media Max Limited, Radio Africa Group, Standard Group Limited and the Nation Media Group PLC (Media Council of Kenya, 2020). There are also multinational media houses that have bases in Kenya among them the British Broadcasting Corporation (BBC), China Global Television Network (CGTN), CNBC news and recently the CNN is trying to augment its presence through international correspondents who often operate from Kenya's capital city, Nairobi.

The media industry in Kenya is regulated by the Communications Authority of Kenya (CA) whose main role is to license and regulate telecommunications in Kenya. This responsibility specifically entails licensing operators, regulating tariffs, approving communications equipment, managing radio frequencies and assigning network to operators (Kibuacha, 2021). There are five main media houses that lead in market share and regional coverage and compete extensively for talent and market through a series of regular restructuring to remain ahead. Royal Media commands the highest viewership from its brand television station Citizen TV as well as the expansive radio stations which broadcast in vernacular languages (Media Council of Kenya, 2020). Only two of the media houses in Kenya were listed; Nation Media Group (NMG) and Standard Group.

This study was on NMG which has activities in print, television, and digital media, and is one of the biggest independent media organizations in East and Central Africa (Media Council of Kenya, 2020). The media organization attracts viewership and serves audiences in Kenya, Tanzania, Uganda and Rwanda. The organization was formed in 1959 and remained one of the largest media organizations in terms of viewership in Kenya but until mid-2010s when it was overtaken by Royal Media Group (Kibuacha, 2021). Over the years, NMG has faced competition from various media organizations in Kenya, and also experienced various disruptions brought about by advances in technology (Kibuacha, 2021). This study hence sought to establish the strategic responses that this media organization has adopted and implemented to counter these digital disruptions.

1.2 Research Problem

Organizations operate as open systems where they depend on the external environment and also act as environmental serving. However, to remain competitive, the organizations must adopt effective and timely strategic responses to the environmental turbulence, changes, or disruptions (Pearce & Robinson, 2005). According to Peters (1987), the organization's capacity to position and connect to the environment is critical in ensuring that it attains its objectives and attains a competitive advantage in its industry. Thus, Ansari, Garud, and Kumaraswamy (2016) posit that the formulation and implementation of strategic responses to the digital disruptions enable the organization to have a fit between its internal resources and skills and its external environment, which is vital for organizational success, are critical to its success, sustainability and attainment of competitive advantage.

The rate of digital disruption in the media industry is quickening. New technologies are transforming the industrial environment by modifying consumer behaviours and expectations, thus necessitating a change in how organizations in the media industry do business. More and more media companies are adopting a digital-first strategy. Emerging disruptions such as internet of things, business digitization, big data analytics, and artificial intelligence has changed how businesses approach consumer interactions, services and products. Machine learning has also aided businesses in automating processes, identifying patterns, and improving consumer personalization. Digital disruption is affecting the media sector and companies that take a customer-centric and digital-first strategy may gain a competitive edge (Komla, 2020). Digital disruption has changed the media landscape in Kenya. It is the single most affected industry by the digital disruption followed by banking (Mureithi, 2021). With the digital disruption in Kenya, media organizations need to act swiftly to adopt and execute strategic responses to take advantage of opportunities and address threats that emanate from digital disruption to enable them attain competitive advantage.

There have been various studies on strategic responses to digital disruptions globally, regionally and locally. A study by Högberg and Willermark (2022) in the hotel sector of Europe determined that hotels responded to digital disruption by translating strategy to practices, associating with the new digital business environment, and renegotiating value. This study however, left a contextual gap as it was conducted in the hotel sector and in a developed region. In China, a study by Chan et al. (2019) established that SMEs that were agile in responding to digital disruption attained high profitability compared to their

counterparts who did not have digital transformation strategies. This study left some contextual gaps as it was conducted in China amongst SMEs and assessed the influence of strategic responses on profitability, but not on competitive advantage. The study by Chan et al. (2019) also left a methodological gap as it was conducted using a questionnaire survey whilst an interview technique would have provided more in-depth information. In Kenya, a study by Mwaura (2020) indicated that Uber applied strategic responses to disruption such as business model reengineering, diversification of services and using artificial intelligence. This study left contextual and methodological gaps as it was conducted in the taxi hailing sector and used questionnaires while the current study will be on the media sector and will use interviews. The ongoing study filled these study gaps by answering the question, what are the strategic responses adopted by Nation Media Group to counter digital disruption?

1.3 Objective of the Study

The objective of this study was to explore the strategic responses adopted by Nation Media Group to counter digital disruption.

1.4 Value of the Study

This study provides findings on the disruptions that have affected the media industry in Kenya, and the strategic responses adopted by Nation Media Group to counter those disruptions. Besides, the study provides evidence on how the strategic responses adopted by Nation Media Group have influenced its competitive advantage. These findings will be vital to policy makers such as Communications Authority, The Kenya Film Classification

Board, and Media Council of Kenya. These policymakers will understand the disruptions that the media industry experience, the strategic responses they adopt to counter the disruptions and how these influence their competitive advantage. These will enable the policymakers to design new policies, or amend existing policies to enable the media industry effectively deal with disruptions and remain competitive. Besides, policymakers at NMG will get an insight into their strategic responses and their effectiveness and thus provide an avenue for improvements.

The findings from this study will unearth the strategic responses adopted by Nation Media Group to counter the disruptions experienced in the sector. These findings will inform the management of the organization on how effective the strategic responses have been in enabling the organization attain a competitive advantage. The management will use this evidence to refine the strategic responses to make them more effective. Besides, the findings will benefit other media organizations since they will be aware of the strategic responses that NMG has employed and as such, it can inform their strategic responses in the future.

Finally, the study will be vital for theory as it will add to the theoretical and empirical literature on strategic responses to disruptions in the media industry. Besides, the study will add to the existing literature on strategic responses and their influence on competitive industry in the media sector which has experienced massive disruptions in the 21st century. This will be vital for academicians, scholars and students in the field of strategic

management. Besides, the study will document areas for further research which future researchers in the field of strategic management can explore in future.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter provides the empirical and theoretical literature that was used to anchor the study. The chapter provides the theoretical foundations where the two theories, chaos theory and the dynamic capabilities theory, used as a base for the study are discussed. Besides, the chapter presents the concepts of strategic responses and digital disruption. Further, the empirical review on strategic responses to counter digital disruption are also provided, indicating the knowledge gaps that the current study sought to fill.

2.2 Theoretical Foundations

This study was anchored on the chaos theory and the dynamic capabilities theory. This section provides a discussion of the two theories.

2.2.1 The Chaos Theory

The chaos theory was developed by Peters (1987) and it specifies that managers must be appropriately prepared for both technological and environmental disruptions. This theory emphasizes the unpredictable nature of events, behaviours and processes, leading to instabilities, and hence corporate leaders must be able to revolutionize processes inside an organization to cope with the disruptions in the external environment and enable the organization to attain its objectives. From its inception, this theory has been enhanced by various scholars such as Butler and Martin (2016) and Fred (1997) who expounded on chaos to be a period of convergence and divergence, of stability and instability, and

development and revolution of processes inside and outside the organization. Besides, Pearce and Robinson (2005) supported the chaos theory and observed that organizations are subjected to non-linear processes and systems on a daily basis, which drive them towards chaos.

The theory has also faced criticism due to its ambiguity in defining what chaos are (Chakrabarti, 2021). Besides, the theory is challenged as just descriptive without the ability to provide prescriptive recommendations on the specific practices that management should adopt to respond to chaos (Kumaraswamy, Garud, & Ansari, 2018). However, despite these criticisms, the theory has been applied in various studies focussing on strategic management and responses. This theory was applied in this study as it highlights the importance of a company's ability to respond to changes in the external and internal environment through continuous organizational transformation and effective strategic responses. This theory, therefore, is particularly useful in the chaotic environment created by technological disruptions which have obligated organizations to adopt and implement effective strategic responses or perish.

2.2.2 Dynamic Capabilities Theory

The dynamic capabilities theory by Teece et al. (1997) indicates that a firm's competencies in resource reconfiguration and strategic flexibility can enable the firm to deal with complexities, dynamism, chaos and rapidly changing environments. The dynamic capabilities theory emphasizes that uncertain environments necessitate organizations to be flexible and quick in responding to changes and disruptions in the environment to enable

them attain and sustain a competitive edge. Generally, a firm's dynamic capabilities describes the tools that aid manipulation of the resource structure, technological resources, develop trust culture, learning strategic, and making the organizational culture and design more flexible (Eisenhardt & Martin, 2000). Later, Teece (2007) added to the theory and indicated that firms leverage dynamic capabilities to create and sustain competitive advantage while responding to changes in external environment.

Dynamic capabilities theory has been widely applied in strategic management, but various scholars have provided several critiques of the theory. For instance, some scholars have pointed out concerns on the vagueness (Winter, 2003), tautology and under specification of the constructs (Arend & Bromiley, 2009). Other criticisms dwell on difference of understandings (Eriksson, 2014), and post hoc identification of dynamic capacity, which basically refers to the assumption that change can always retrospectively be connected to improved performance (Zahra, Sapienza, & Davidsson, 2006). However, despite these criticisms, the dynamic capabilities are considered as a dynamic bundle of resources and competences of both unstable and stable elements that provide an organization with an edge over peers due to its capacity to quickly and effectively changes in line with the environment. In this study, this theory was applicable as capacity to effectively respond to technological disruption requires the organization to have dynamic capabilities that enable it to source, develop and reconfigure resources into capabilities to address disruptions effectively.

2.3 Strategic Responses to Digital Disruption

The accelerated digital transformation of the society has impacted almost every company, and disruptive digital advances have shaken the global economy. To stay relevant in a complex and dynamic environment, incumbent enterprises must respond strategically (Matt, Hess, & Benlian, 2015). Digital disruption is a change in fundamental behaviours and expectations in a process, market, culture, or sector caused by or exhibited through digital channels, technologies, capabilities, or assets (Kumaraswamy et al., 2018). When new digital technologies and business models alter the value proposition of existing products and services, disruption occurs. Karimi and Walter (2015) indicate that digital disruption paves the way for innovation, growth, and evolution, and firms who capitalize on it will reap the benefits of the new opportunities it provides. Hanelt, Bohnsack, Marz, & Antunes (2021) indicate that the phenomena of creation of digital business strategy and digital transformation in incumbent enterprises is becoming vital in today's operating environment for all organizations.

There are various ways that companies counter digital disruption. Högberg and Willermark (2022) determined that firms adopt three major strategic responses that include putting strategy into practice, adjusting to a new digital business environment, and renegotiating value. Translating strategy into practice entails tactics and decisions moving from the senior most employees down to the lower ranked employees. That is, strategic choices are implemented by employees, and staff carry out and understand such decisions in their everyday practices (Verhoef et al., 2021). The strategic response of relating to the new digital environment entails digital transformation that is driven by the changing business

environment and its increased digitization (Buhalis et al., 2019). Besides, the strategic response of renegotiating value entails reframing and renegotiate what the organization considers as value in order to adapt to the new customer behaviours brought by digital disruption (Högberg & Willermark, 2022). To effectively renegotiate and reframe value, Wessel, Baiyere, Ologeanu-Taddei, Cha, and Jensen (2021) posit that the organization must research and continually monitor what their customers value and align their offerings to that.

Digital disruption has affected all sectors and organizations are compelled to respond or lose their foothold in the market. The focus of incumbents is to adopt offensive as well as defensive responses to maximize the lifespan and competitiveness of the organization. Wade, Loucks, Shan, and Mcteaue (2016) discussed several strategic responses to digital disruption applicable for all organizations that comprised of harvest, retreat, disrupt, and occupy, while at the same time continually learning of the changing values. The harvest strategic response is a defensive response which entails thwarting disruptive risks and improving the performance of units of the organization that are adversely affected by the digital disruption. The key objective is to make the most of a poor situation by maximizing the profit margin that can be taken during the downturn (Bosler, Burr, & Ihring, 2021). Retreat is also a defensive strategic response which is aimed at strategic withdrawal from vulnerable business areas, which should only be used when the opportunity costs of running a business unit outweigh the advantages. According to Wade et al. (2016), retreat mostly entails market departure, but it may also include focusing on a market niche to service a limited group of current consumers with specific requirements.

The strategic response of disruption or digital transformation is on offensive responsive which entails taking advantage of a value vacuum. This incorporates an aggressive strategic response aimed at generating new markets or upsetting the core of the organization (Hanelt et al., 2021). The digital transformation strategic response entails employing existing business models, created new models and digital technology to create value for consumers. According to Verhoef et al. (2021), digital transformation is integration of mobile and computer-based technologies into an organization's processes, products, and strategy to enable the business to better serve and engage with its customers and employees, and thereby increase their competitiveness. A digital transformation, according to Buhalis et al. (2019) is often huge in scale and might need a thorough reinvention and review of all aspects of the organization from customer interactions, business processes, supply chains, employee skill sets and organizational charts, organizational culture and value propositions to stakeholders.

Occupy strategic response is another offensive strategic response to digital disruption that organizations can adopt (Wade et al., 2016). The goal of this offensive approach is to internalize the competitive advantages that are derived from digital disruption. It concentrates on prolonging a company's value vacancy occupancy and optimizing market possibilities (Hanelt et al., 2021). Often, an organization distinguishes its innovative service or product to provide consumers with more platform value, experience value, and cost value. Svahn, Mathiassen, and Lindgren (2017) observe that because this approach necessitates incumbents managing both rising and falling business units at the same time,

it introduces complexity difficulties, such as operating outside of the norm. Wessel et al. (2021) indicate that as the market evolves due to more disruptions, most occupy strategic responses eventually morph into harvest strategic responses.

2.4 Empirical Review and Knowledge Gaps

There have been numerous studies conducted on strategic responses that organizations in various contexts have adopted to counter digital disruption. A study by Högberg and Willermark (2022) investigated the strategic responses that hotels adopt to counter digital disruption. The study population was 14 international hotel chains in Europe. The study adopted a case study design, where data was gathered through interviews its analysis was through content analysis. The findings indicated that the strategic responses employed by the hotels to counter digital disruption included renegotiating value, formulating and executing a digital transformation strategy, and translating strategy to practices. This study left a contextual gap as it was undertaken in the hotel sector in Europe and hence its results may not be generalizable to the media industry in Kenya.

A case study of Ericsson by Khanagha, Ramezan Zadeh, Mihalache, and Volberda (2018) sought to understanding how multinationals adapt to the advent of disruptive technologies for survival in an era of digital disruption. The study assess how Ericsson dealt with the rise of Cloud computing across its operations in over 170 countries. The study was based on a questionnaire survey to country heads in its parent and country offices across the world. The data collected was analysed using descriptive statistics. The findings indicated that incumbents must use a complicated innovation process to accommodate divergent

consumer expectations in an era of digital disruption. For Ericsson, these included digital ecosystem development, varied approaches to trials and experimentation, and deployment strategy. The study further established that the capacity of the organization to respond relies on their misalignment capability, which enables them to handle the inconsistencies in resource configurations, structure, and strategic direction that come with a complicated innovation process. This study left methodological gaps as it used a questionnaire to gather data, which cannot collect in-depth information like interviews that were used in the current research.

A study in Nigeria by Ezeokoli, Okolie, Okoye, and Belonwu (2016) assessed how the construction industry in the country had responded to digital disruption. The data for the study was gathered using a questionnaire survey on a population of professionals in the construction sector. The study sample of 84 construction professionals in Anambra State, Nigeria was selected using simple random sampling. The study findings indicated that 69% perceived digital disruption as an opportunity whereas 12 percent perceived it as a threat, with 19 percent indicating it as both a threat and an opportunity. The respondents indicated that digital transformation, organizational agility and institutionalizing a digital culture were the key strategic responses adopted. This study has contextual gaps as it was undertaken in the construction sector while the current study was on the media industry.

A study in Ethiopia by Mascagni, Mengistu, and Woldeyes (2021) investigated the strategic responses that tax authorities in the country had adopted to deal with digital disruption and enhance tax compliance. The study was conducted on a population of small

and medium enterprises and data was gathered using a questionnaire. Descriptive statistics were used to analyze the data and the study results indicated that tax authorities had employed various strategic responses to address digital disruption and enhance tax collection. These strategic responses included adoption of digital culture, deployment of electronic sales registration devices, educating tax payers on digital innovations and adoption and implementation of a digital strategy. This study left a methodological and contextual gap as it was conducted in Ethiopia in a tax administration institution whereas the current study was on a media company in Kenya. Besides, the study applied questionnaires while the current study used interviews which can collect more in-depth information.

In Kenya, a study by Chege (2020) explored how three Kenyan newspapers were dealing with digital disruption. The study population was senior managers for the three Kenyan newspapers and data was gathered through in-depth interviews with 23 senior editors and top executives. The study established that in reaction to the digital disruption, the Kenyan newspapers under investigation implemented four primary strategic responses that comprised of finding alternate sources of income, maintaining existing business, aligning their processes and products to digital platforms and changing the organizational culture. The study results also determined that the Kenyan newspaper sector has yet to engage in digital transformation, and instead continues to battle with disruptive technology. The study left methodological and conceptual gaps as it focussed on newspapers while the current study focused on all products provided my media organizations.

Another study in Kenya by Mwaura (2020) examined the strategic responses applied by Uber counter disruption and attain competitive advantage. The study's target population was 225,000 participants which comprised of 219,000 Uber users and 6,000 Uber drivers in Nairobi. Data for the study was gathered using a questionnaire to 388 Uber passengers and 12 drivers. The study findings established that Uber responded to disruption through development of innovative products, diversification of services, personalized customer communications and interactions and agility. This study however, left a contextual gap as it was conducted in the taxi hailing sector and not in the media industry.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This section provides the discussion of the research methodology that was used in this study. The research design, and the data collection and analysis procedures are all covered in this chapter. The case study design used in the study is discussed in the research design section, where the choice of the case study design is justified. Part of the chapter on data gathering also explains the interview approach that was applied. Finally, the chapter includes a data analysis section that covers the content analysis approach that was utilized in the study.

3.2 Research Design

Research design denotes the approach that a researcher uses to organize the many components of a research study in a logical and chronological way so as to guarantee that the research question is appropriately answered and the research objectives are accomplished. Besides, Saunders et al. (2019) describe research design as the broad process used by a researcher to incorporate all components of a study so as to assure that the research question is thoroughly addressed. Chandra and Sharma (2019) indicate that the choice of a research design is heavily influenced by a variety of elements, including the complexity of required data, and the field of study, among others.

A case study design was used in this research. This is a technique for acquiring a complete understanding of a complex issue in its natural setting that focusses on one or a few units,

research participants, entities or organizations. The case study approach was suited for this research because it allowed for an in-depth investigation of strategic responses employed by Nation Media Group to counter digital disruption in the media industry. Furthermore, this study design enabled the study to focus on key employees of Nation Media Group, who provided in-depth information about the strategic responses adopted by the organization.

3.3 Data Collection

A researcher's choice of data collecting instruments is based on the sample size, target research participants, and kind of data needed to meet the study goals (Collis & Hussey, 2018). The qualitative data required for this study was collected using an interview guide that was directed to four senior management personnel at Nation Media Group. The target respondents were the Operations and Strategy Director, Editorial Director, Finance Director, and Head of External Affairs and Marketing. These four senior managers were selected because they are actively engaged in the development and execution of strategies in the organization.

The four senior managers targeted as respondents in this study were also expected to have in-depth information on the digital disruptions in the industry, how Nation Media Group has responded to the disruptions, and how these strategic responses have influenced the organization's competitive advantage. Setting up an appointment with the four senior managers and conducting an electronic or face-to-face interview, depending on each target respondent's preference, was part of the data gathering procedure. Following the

appointment, the interviews were undertaken using the specified method and recording was done with the agreement of the research participants. All COVID-19 health protocols and regulations where applicable were followed throughout the interview processes.

3.4 Data Analysis

Data analysis is the process of arranging, summarizing, interpreting, and presenting data into understandable form (Sharp, Peters, & Howard, 2017). It permits a researcher to draw broad generalizations about the study's findings based on the data gathered (Creswell & Creswell, 2017). The qualitative data gathered in this research was analyzed using the content analysis approach. According to Easterby-Smith et al. (2019), this is a data analysis technique that is applied to analyze data in text, video and audio recordings, and other qualitative media. Because the data gathered through the interviews was in text or audio recordings, the content analysis approach was applicable.

The research used content analysis to organize the qualitative data, extract meaning from the data gathered, and draw plausible conclusions. The content analysis method has 6 steps (Colomb, Williams, FitzGerald, Bizup, & Booth, 2016). The first step is turning the recorded audio files into text format and reading and rereading them. The second step is generating codes which is based on the key emerging aspects on the strategic responses and competitive advantage. The third step is generating themes that emerge from the gathered data, while the fourth step is reviewing and refining the themes (Tisdell & Merriam, 2019). The fifth step is naming and defining the key themes while the last step is

developing a report in narrative format. The report also had direct quotes from the interviews.

CHAPTER FOUR

DATA ANALYSIS, RESULTS, AND DISCUSSION

4.1 Introduction

The data analysis process, the research results, and a discussion of the findings in light of the reviewed theoretical and empirical literature are all included in this chapter. The research technique that was followed in this chapter is data analysis, and the study results were used to achieve the intended study objectives. The findings are intended to determine the strategic responses adopted by the Nation Media Group to counter digital disruption.

4.2 Key Findings

To collect primary data from senior management employees of Nation Media Group who were actively involved in the strategic planning process, the study used an unstructured interview guide. Face-to-face interviews were at the Nation Media Group headquarters at the Nation Centre, Nairobi Kenya. The four senior managers that were interviewed were Operations and Strategy Director, Editorial Director, Finance Director, and Head of External Affairs and Marketing. The four interviewees (Respondents) responded as planned and timeously. To ensure secrecy of the participants, the researcher took short notes during the interviews. The research data were analyzed by content analysis.

4.2.1 The Advent of Social Media

A key disruption that was mentioned is social media. One of the respondents indicated that *“social media has been one of the notable disruptions in the media sector”*. Another respondent also supported this by pointing out that the *“advent of social media and its*

evolution is both a challenge and an opportunity to the media industry". This was supported by the third respondent by indicating that though *"Facebook is currently the most popular social media network but it continues to lose subscribers to emerging rivals, especially younger users who are lured to "the next big thing."* The respondent further indicated that *"People are fast altering how they consume conventional media from networks like Nation because of social media 2.0"*. He further posited that currently, it is more likely that the material these producers create will be consumed in bite-sized chunks on platforms like YouTube or distributed on social media sites like Facebook and Twitter, where it may be actively reviewed and debated as opposed to passively absorbed. The respondents also noted that there has been a change in the way that such information is generated, with much focus now being placed on creating content that can be divided into manageable, transmittable bits.

4.2.2 Personalized and Community Driven Content Creation

The respondents observed that *"The more individualized, specialized, and community-driven media known as the creator economy has continued to gain ground on mainstream, conventional, and mass-market forms of entertainment and media"*. It was established that short-form videos and creator-driven platforms have become more and more popular, particularly those that enable viewers to engage on an individual basis with their favorite influencers or artists. Such interactions have fostered inclusivity through the interactions created and more viewers particularly the youth are inclined towards such platforms. Besides, advertisers have taken note of the audience in creator- driven platforms and are now running classifieds through them.

4.2.3 Emergence of Digital Media

Emergence of digital media was indicated to be among main disruptions in the media industry. The study noted that there have been at least four significant upheavals to the media environment which were brought about by digital media. It was established that print media is quickly being replaced by digital media, as seen through the progressive erasure of print media, including the print version of the newspaper. There was concurrence from another respondent who indicated that print media is fast becoming outdated because of the decline in price of digital media and the improvement in access to news and information provided by digital devices like mobile phones. He also said that as a result of digital technology, a profusion of media material has been produced by digital media entrepreneurs. With minimal entry hurdles and easy access to distribution channels, they have begun to eat into the market share of established media companies that have depended on internal production and innovation. Another respondent confirmed this by indicating that existing media companies will need to make decisions about how to compete with the surge of small and agile rivals, or better still, how to use their strengths as outsourced partners.

4.2.4 Emergence of Internet of Things

The study further determined that Internet of Things (IoT) is another major disruptor related to the digitization of media. The respondent indicated that IoT, which is transforming homes and offices into smart hubs with voice-activated technologies has affected how media delivers content. He pointed out that this revolution is expected to

continue because more than 64 billion IoT devices will have been deployed worldwide by 2026. The respondents further noted that consumers are forecasted to spend close to \$15 trillion on IoT products, services, and enabling infrastructure. They averred that IoT brings with it better production, new possibilities, and lower operating expenses. This allows the media houses to deliver content in more innovative and efficient ways than before.

4.2.5 Artificial Intelligence

Artificial intelligence (AI) was also mentioned as one of the disruptions in the media industry. The respondents noted that the media sector will continue to undergo major operational change as a result of AI. Speech recognition, recommendation, and media automation are the three key areas that AI has revolutionized in the media sector. It was denoted that every media company has been forced to invest in recommended technology as the advent of streaming services fundamentally changed how people consume and discover content and entertainment material. The respondent also observed that AI has made it necessary to invest in new technology so as to more effectively and precisely expose content with audiences who would find it worthwhile. He further observed that AI is also utilized in content automation, for instance to create previews and thumbnails for videos or any other graphic content that is most likely to appeal to audiences.

4.2.6 Evolution of Audience Engagement Channels

The study also established that evolution of audience engagement and creation of enabling channels was another disruption that has affected the media industry. The respondents indicated that people want material that is available whenever they need it, is tailored to

their interests, and is accessible from any location. To carry such material, media houses require to make such content and material accessible with minimal data usage as indicated by one of the respondents who also posited that technology is always developing to enhance the customer experience in the media industry, from improving search capabilities to offering highly individualized and customized content distribution. This necessitates media companies to keep monitoring the technology environment and responding effectively and timely.

4.3 Response Strategies to Digital Disruption by the Nation Media Group

To counter digital disruption and ensure the business remained competitive, relevant and profitable, the management of NMG undertook some measures and adopted new ways of doing business.

4.3.1 Establishment of New Consumer Niches

The study determined that creating new consumer niches was a key strategic response adopted by NMG to counter digital disruption. NMG concentrated on creating new client segments rather than protecting their current business lines through automation, cost reduction, or customer service enhancements. This was through content enhancement that ensure in-depth analysis of news as well as created new segments that gave experiences not experienced through social media platforms. The segments were further escalated and presented on all major social media platforms to ensure audience on those platforms was tapped. This revolutionized the way NMG previously created and distributed its content.

4.3.2 Business Restructuring

The study established that NMG implemented a new business model to counter digital disruption. The model aimed at testing out business concepts meant to challenge established tactics. The model focussed on enhancing reader and advertiser revenue for the company. Additionally, since print classified advertising started to decline, the company started cross listing its classified business to a free internet marketplace rather than stand by and let one of its most significant income sources erode. One of the respondents indicated that currently, commissions from sales made via the group's consumer e-commerce platform account for more than 40% of its advertising revenues.

4.3.3 Value Chain Re- evaluation

The study established that re-evaluating the value chain was another strategic response adopted by NMG. One of the respondents indicated that NMG had restated their mission to be *“to create value for its stakeholders and positively influence the community by providing content that entertains, educates and informs”*. He also indicated that NMG had focussed on enhancing the value of video and audio content with attention on their monetisation and growth. Further, he noted that NMG had focused on enhancing the value chain beyond the East African region to make the content available in the whole of Africa. Another respondent indicated that the organization had engaged in the development of an Africa wide digital brand. He pointed out that the company had a total rethink of its digital distribution. This entailed overhauling the distribution channels and formulating new digital channels fit for the new digital content.

4.3.4 Re – organization of Operational Structure

The study also determined that NMG focussed on having a responsive and agile organisation structure that focussed on skillset and talent. One of the respondents indicated that NMG actualized this by co-creating value with and for all of their stakeholders, while also being aware of the wealth of resources and possibilities at their disposal. He also indicated that NMG had created a network of empowered teams. The respondent intimated that NMG ensures that its employees are extremely engaged, take care of one another, come up with creative ideas, and produce remarkable outcomes when given clear authority and responsibility. This was supported by another respondent who indicated that since the world is always changing, and no-one can predict what the future entails, NMG ensures that its employees accept uncertainty and are the fastest and most effective when attempting new things. The respondent further said that NMG enables its leaders to encourage complete employee ownership, knowing that this enables the organization to achieve its goals and objectives. Besides, another respondent noted that in order to create value and allow rapid responses to business and stakeholder demands, technology is integrated into every part of the company.

The study also noted that NMG dealt with digital disruption by improving its operational efficiency. The organization had automated most time-consuming, and repetitive activities and phased out traditional procedures which often required more time. Currently, NMG has automated most of its back-office functions such as bookkeeping, accounting, administrative tasks and marketing, and thus enhanced operational efficiency. One of the respondents intimated that NMG had improved its operational efficiency by streamlining

its communications. The respondent explained that NMG undertook this by determining how the business interacts with its clients and streamlining all interactions for effectiveness and efficiency.

4.4 Digital Strategy and Digital innovation at NMG

The study sought to determine whether NMG had a digital strategy. All the respondents indicated that NMG had a digital strategy. One of the respondents noted that by 2013, NMG started adopting a new digital oriented strategic direction that assures the firm safeguarded its present business and position for the organization to succeed in the future. A second respondent indicated that the digital strategy was informed by the shifting trends in how people were consuming NMG products. He further noted that in keeping with the new digital reality, NMG restructured in order to develop the Group into a contemporary digital content firm of the twenty-first century and concluded by adding *“that the digital strategy has enabled NMG to embrace a digital/mobile first business model”*.

The study determined that the digitization of NMG enabled the broadcasting division of the company to be streamlined. This meant merging NMG’s two television stations into one potent, multilingual television channel that operated under the banner of the company’s flagship brand, NTV. One of the respondents alluded to sentiments by a former CEO, *“we winded down our conventional radio operations in Kenya (Nation FM and QFM) and Rwanda (KFM)”*. In keeping with the digital approach, another respondent indicated that, *“we always have a live signal and maintain an online presence in terms of newspapers, radio and TV”*. He further added that the emphasis of digital strategy is to leverage

technology to build the skills that NMG needs to become a digital business and is especially pertinent to changes in business models. Developing and executing a digital strategy is essential to the transformation process of NMG because it guarantees that technology will be used in a manner that advances business goals.

The study determined that digital strategy at NMG is focused on using technology to enhance corporate performance. This according to one of the respondents involves developing new products and completely redesigning existing procedures. He further stated that digital strategy at NMG, “*outlines the strategy the firm will use to develop new technological competitive advantages as well as the methods it will use to bring about these improvements*”. There was concurrence from another respondent who indicated that, “*new technology enables NMG to provide services that were not previously conceivable, and this often involves modifications to business processes, and structures*”. Another respondent added that ‘technology nowadays is more than just gear and software since it has linked with business strategy to ensure transformation of NMG into a digital company. He pointed out that digital strategy and business strategy are intertwined as digital technology and disruption spreads and businesses advance in their digital transformation journeys. These findings indicate that NMG had integrated digital technology into its strategy, processes and operations.

The study determined that NMG accelerated the implementation of digital strategy during the COVID-19 pandemic. In response to declining sales brought on by the coronavirus epidemic, the respondent indicated that “*NMG restructured its business model to quicken its digital transition and increase revenues*”. According to him, “*the pandemic's impact*

on business has taught the organization valuable lessons. The urgent necessity for fundamental and revolutionary transformation in its business strategy is one of them”.

Another respondent supported this by indicating that *“The business began a transition from its traditional model of reader income from physical reader copies and advertising to one of reader revenue from content provided digitally. This includes looking at potential new revenue sources in the events and technology sectors”.*

The study established that the biggest challenge to the implementation of the digital strategy was resources. One of the respondents noted that owing to the group's need to save cash and invest in its digital transformation activities in the aftermath of the pandemic's lower revenues, shareholders did get a final dividend for the previous financial year. NMG had paid an interim dividend of Sh1.50 per share in the previous year. This was supported by another respondent who added *that “Cash had to be saved during the COVID-19 pandemic since we were experiencing unheard-of times”.* However, he was of the view that this was because digital platforms will soon become the new standard and the business must likewise invest significantly in them.

The study determined that the execution of the digital strategy in the future seeks to be more proactive. According to a respondent, *“the firm will create from scratch a completely new business that creates high-quality, distinctive, and compelling content that can be monetized digitally on mobile devices”.* He reiterated this sentiment by saying that *“one of the greatest ways to turn around the situation at a time when the epidemic has harmed circulation and advertising income is to expand investment in premium digital content”.*

The respondent further said that *“NMG wants a larger portion of the Content Service Provision (CSP) market, which generates an estimated KES 10 billion in yearly income”*. To create new income streams, the firm has already launched an internal digital content service platform according to the respondent. Besides, another respondent indicated that, *“NMG opened TAG Brand Studio, an internal digital marketing firm, in August of 2021 with the goal of generating income from sources other than the traditional print and television channels”*.

The study sought to determine whether NMG had engaged in digital transformation. It was established that the digital strategy at NMG had enabled the organization to execute digital transformation. One of them noted that it is common to use the terms "digital transformation" and "digital strategy" interchangeably at NMG since one had enabled the firm to attain the other. However, because of digital transformation, the respondent said that operational procedures, customer experience, and business models are three areas that were changed as a result of digital transformation. Another respondent also indicated that changes to company culture are part of the digital transformation process, which calls for collaboration throughout the whole firm.

In its digital transformation, the respondents intimated that, *“Nation Media Group looks to its history for direction as it attempts to travel the new digital highway”*. A respondent noted that the group’s 1960 debut of the Daily Nation marked the beginning of its print adventure, which provided a road map for its more recent digital journey. The respondent added that the Daily Nation saw great success in providing the people a voice and, within

a decade, reached a circulation threshold of 45,000 daily readers. He further noted that NMG felt confident enough to purchase a rotary press as a result of its expansion, and that press proved crucial in enabling the Daily Nation to keep speaking out while Kenya went through turbulence in the 1980s, but NMG developed trust with its customers and audience. In the 2000s, as the "reality of digital" emerged, the corporation realized it needed to once again change and broaden its offers without alienating its present clientele.

"It became evident that there was no future until a digital business model could be developed", another respondent added. However, as noted by another one, the success of its digital channels has more to do with a dedication to the audience than it does with the product.

He also indicated that NMG has been able to reap benefits from its digital transformation. The respondent acknowledged that successful media companies like NMG need competent management but said that *"the reason we were able to generate audiences and downloads and be able to monetize off of them was fundamentally an internal strategy that is based on the interest and wishes and goals of the audience."* NMG was able to experiment in the digital sphere without worrying about alienating its audience. As one of the respondents put it, *"it gave us the ability to be able to try new things, to see what worked and discover why other things did not work."* It resulted in the development of chatbots, forays into the world of culinary content, and even the establishment of a record label. Another respondent also added that there were many of opportunities to discover what audiences cared about and numerous lessons to be learned. He said that *"Occasionally, the frenzy around the digital space might cause you to overlook the users who are already there. But our main*

priority is to make sure the heritage of our initial consumers is appropriately handled, even as we explore and build a firm to enable digital transformation”.

The transformation by NMG entailed total overhaul of its products to ensure they are in line with the needs of the digital age. NMG completely overhauled all its publications to ensure they are up to date to demonstrate how dedicated it is to newspaper readers. At the same time, it made audacious forays into digital space, including the August 2018 debut of the digital product Nation Africa. One of the respondents added to this by noting that, *“it soon became obvious that we had to upset ourselves if we were to pursue our success. Nation Africa provides us a new platform from which to communicate with the continent and explain it to the world”.*

The study determined that in its digital transformation, NMG put their customers first. It was determined that there is need to stop seeing the audience in generalities and work harder to get a much deeper understanding of the audience. The strategy of putting readers first has been successful for NMG. One of the respondents pointed out that, *“as of right now, the original newsroom in Kenya has grown to cover 15 cities, and we only expect that number to increase”.* The respondent added that the commitment to digital development has resulted in the creation of a new company-wide pledge. That pledge, the respondent continued, *“puts the audience at the centre. “We are devoted to keeping this commitment, and we want to see it fulfilled. That will serve as our steadfast north star going ahead as it directs us on our digital mission for Africa”.* The culture of putting customer first has

necessitated NMG to invest in AI, data analytics and new digital software and hardware according to the respondent.

NMG digital transformation also entails e-paper according to the study findings. NMG's strategy goal is to take control of the mobile publishing market in a way that mirrors our previous domination of the print industry in Kenya. In order to speed up its digital transformation path, the Group has launched a number of important initiatives. These include enhancing digital investments in both hardware and software, changing the company culture to put customers first and restructuring the organization to depict the new digital reality.

4.6 Discussion of Findings

NMG's management had noted the likely impact of emerging digital platforms to the business. Awareness had been developed overtime from industry observation and reaction by other players in countries where the disruption was accelerated. NMG had however not reacted timeously to the impending emergent disruptions. The advent of social media saturated ways in which media content could be consumed. AI and IoT changed the landscape that had been used to transmit and disseminate media content. Upon realization of the looming shake up to the business, the management was prompted to align the business with the digitization process to enhance relevance and profitability. This finding confirms the existing literature on organization's preparedness to an uncertain future (Peters,1987). The chaos theory emphasizes the unpredictable nature of events, behaviours and processes, leading to instabilities, and hence corporate leaders must be able to revolutionize processes inside an organization to cope with the disruptions in the external environment and enable the organization to attain its objectives.

NMG's management streamlined the business to enhance efficiency and adopted a model that synchronized the existing market realities to the focal point of the business. The company restructured to a content based digital company that is both data and content driven and shifted all revenue earners including classifieds and live broadcasting as well advertising to digital platforms. This ensured integration of the traditional model operations to the new operational structure. This measure confirms existing theory of the need for businesses to anchor their operations according to the environment (Teece 2007). The dynamic capabilities theory emphasizes that uncertain environments necessitate organizations to be flexible and quick in responding to changes and disruptions in the environment to enable them to attain and sustain a competitive edge. Generally, a firm's dynamic capabilities describe the tools that aid manipulation of the resource structure, technological resources, develop trust culture, learning strategic, and making the organizational culture and design more flexible.

CHAPTER FIVE

SUMMARY, CONCLUSION, AND RECOMMENDATIONS

5.1 Introduction

The research main results, suggestions based on the study, and conclusions are all presented in this chapter. The chapter also covers the recommendations and the study's limitations and recommendations for more research that will fill in the gaps the present study has left.

5.2 Summary of Findings

The study's objective was to examine the strategic responses adopted by the Nation Media Group to counter digital disruption. The study determined that the key technological disruption in the media industry was social media and was the most notable disruption. The advent of social media and its evolution is both a challenge and an opportunity for the media industry. The various platforms are fast altering how people consume conventional media content.

The second disruption that the media industry has experienced is data driven content creation avenues. This sector has continued to advance on mainstream, conventional, and mass-market forms of entertainment and media. Besides, short-form videos and creator-driven platforms have become more popular, especially those that enable viewers to interact individually with their favorite influencers or artists.

The study determined that disruptors occasioned by different way of consumerism in transforming homes and offices into smart hubs with voice-activated technologies has affected how media delivers content. The media sector will continue to experience persistent change due to the abrupt changes accelerated by artificial intelligence broken into speech recognition, recommendation, and media automation. The evolution of live audience interactions and transmission avenues was another disruption that has affected the industry. Consumers want material that is available whenever they need it, is tailored to their interests, and is accessible from any location. To convey such material, media houses require to make such content accessible with minimal data usage. This necessitates media companies to keep monitoring the technology environment and responding effectively and timely.

The study aimed at examining the strategic responses adopted by the NMG to counter the experienced digital disruption. Creating new consumption niches was one of the strategic responses adopted. The study determined that NMG concentrated on creating client consumer tailored segments rather than merely protecting their current business lines through automation, cost reduction, customer service enhancements and joining all major platforms like You Tube, Facebook Twitter and Instagram. Focus on these social media sites ensured that NMG had a fundamental content rethink, which revolutionized the way it created and distributed its content.

The study also established that NMG created a new operational structure augmented on the prevailing realities on content consumption. Additionally, NMG restated its mission to

focus on creating value for its stakeholders and positively influence the community by providing content that entertains, educates, and informs. Moreover, NMG had focused on enhancing the value chain beyond the East African region to make the content available in the whole of Africa. This entailed overhauling the distribution channels and formulating new digital channels fit for the new digital content. Finally, the study determined that NMG focussed on creating an employee oriented operational structure that laid emphasis on talent. NMG actualized this by co-creating value with and for all their stakeholders, while also being aware of the wealth of resources and possibilities at their disposal.

5.3 Conclusion

The study concludes that NMG has experienced various technological disruptions that included emergence and developments of social media, the production of customized and community-driven content, and the rise of digital media. Further disruptions encountered in the media industry include Internet of Things (IoT) which is a significant disruptor of the media's digitalization, and the development of audience involvement.

All these changes affected NMG's profitability and market. The company proceeded to swiftly implement ways and changes of ensuring business continuity and enhancing competitiveness by responding to the digital disruptions.

The research concludes that NMG adopted and executed various strategic responses. These include developing new client market segments as opposed to safeguarding their present business lines, signing up for all the main social media platforms, including YouTube,

Facebook, Twitter, and Instagram, and developing fresh business strategies to combat digital disruption. The study also concludes that NMG's reevaluation of the value chain is another tactical move. Additionally, the study also concludes that NMG has prioritized having a flexible organizational structure that focused on talent and skill sets, NMG had established a network of empowered teams and consistently made sure that its staff members were highly engaged and enhanced its operational efficiency as a response to digital disruption.

5.4 Recommendations

The study had several findings and conclusions that leads to the following recommendations. First, the rate of technological advancement is exponentially increasing. Therefore, organizations such as NMG should be proactive in their strategic responses to digital disruption. Radical innovation is what is required right now that is anchored on the company's values, not incremental innovation. NMG is actively engaged in innovation, but this only serves to counter market threats. The innovation needs to be futuristic and thus counter any anticipated or predictable disruptions. The management of the company should have likely scenarios of the next plausible disruptions and with readily available mechanisms to counter that.

The study also recommends that digital disruption requires an organization creating new and target groups by concentrating on creating new client segments rather than merely protecting their current business lines via, automation, cost reduction or customer service enhancements if they want to succeed. Besides, businesses in this era of digital disruption ought to present fresh business plans. Innovative businesses should test out business

concepts meant to challenge their own established tactics. This should start by the business accepting the new normal of digital disruption. NMG has focused on customer retention in the restructuring process. However, it ought to have explored appealing the youth by creating products that attract them to its brands and products.

Third, business must accept that digital disruption is inevitable, and thus must prepare for it. Those that do not are likely to experience a significant decline in earnings. On the other hand, those that react in a fashion that is completely integrated into their business strategy will be able to overtake the laggards in terms of earnings and will come out of the disruptions with enhanced income. This has not been holistically achieved as NMG does not currently lead the market despite having diversified products.

Further, the study recommends to organizations to make outstanding client experiences with data. Companies that cater to consumers, like NMG, utilize customer data to anticipate what customers will in advance. However, in order to turn that data into useful insights, companies need the technology and analytical know-how. Partnerships with digital specialists may help them bridge that gap as they help firms find possibilities buried in their data, apply analytical tools to create new business strategies and surpass consumer expectations by bringing new perspectives and ideas to the media sector.

The study also recommends to firms to make marginal improvements along the way. The capacity to swiftly pivot to new solutions when new ideas fail is essential for digital transformation. This sort of agility is difficult for most large organizations to adopt, but it may be facilitated when businesses form independent teams that operate on the periphery of the corporation. These independent teams are not subject to conventional KPIs or

bureaucracy, which gives them the freedom to see the future and nurture innovative ideas. The agile working style needs to integrate this perspective to achieve optimum results.

Lastly, the study recommends to organizations to have digital champions in top leadership positions to effectively adopt and implement strategic responses to digital disruption. To be successful in responding to digital disruption, companies must break down organizational silos, management must reconsider ingrained notions about how the business ought to run and workers must pick up new skills. No matter how advanced the technology of the firm is, the staff will still require a change management strategy led by leaders who can explain why change is necessary, offer training and advice to assist with adaptation, and motivate early adopters to spread the word about the advantages to the rest of the organization. NMG needs to have a role of a Chief innovation and digital officer whose role will solely focus on digital reinvention and engineering to keep the business relevant and afloat overtime.

5.5 Limitations of the Study

It is important to be aware of the limitations of the current study since they may inform future research. Firstly, NMG's management did not grant access to its financial records which would have been used to measure how digital disruption has affected its revenue and how the response has improved the situation. This would have helped in analyzing how the disruption is likely to edge companies out of business.

Secondly, the management did not share statistics on the level of receptiveness and use of the digital platforms by its customers after it joined the digital platforms including digital channels of broadcasting. This would have enabled easier and accurate assessment of the impact of the responses adopted to counter the disruption.

5.5 Implications for Policy and Practice

The study's findings have shed light on the strategic responses undertaken by NMG to respond to digital disruption and have important policy and practice-related ramifications. In regard to policy, the results might provide guidance to decision-makers at the national, county, and non-governmental levels on the crucial strategic responses for media companies to enable them to effectively and efficiently respond to digital disruption. This might then influence the policy and regulatory framework that is favorable. Additionally, the study findings may have given policymakers in the media industry proof of the worth of strategic responses, assisting them in developing or reforming regulations that support adoption and execution of effective strategic responses.

The study's findings have a number of important practical ramifications as well. The study offers NMG's senior management insights into the strategic responses that they have adopted to counter digital disruption and the effectiveness of such. The study also identifies any flaws in the adopted and implemented strategic responses that upper management would want to fix. The study provides implications for other media organizations leaders on the many strategic responses that they may utilize in their organizations to effectively

take advantage of opportunities and counter threats that are brought about by digital disruption.

5.6 Suggestions for Further Study

This study explored the strategic responses employed by NMG to deal with digital disruption. The study does, however, leave several information gaps that call for more investigation. There is need to study whether the sporadic changes in consumption patterns affected investor confidence and hence the decline in share price of NMG. Further, there is need to determine whether the change in business model changed public confidence in the going concern of NMG and hence the further shrinking of the share price. Therefore, it is recommended that some research be undertaken in these aspects to determine any correlation.

In addition, the study covered strategic responses to digital disruption and did not focus on whether alternative media has led to loss of credibility on traditional media. As a result, further research is recommended. Other studies should focus on how the adopted strategic responses have affected the competitive advantage or performance of the organizations amidst digital disruption.

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APPENDIX: INTERVIEW GUIDE

- 1) With the developments and disruptions brought about by advances in technology, which key developments have disrupted the media industry?
- 2) Which strategic responses have NMG adopted to counter digital disruption? How?
- 3) Does NMG have a digital strategy? What does it entail?
- 4) Have NMG engaged in any digital transformation? How did it conduct the process?
- 5) What other strategic responses is NMG planning to adopt in the future to counter digital disruption?
- 6) How has the applied strategic responses to digital disruption influenced competitiveness of NMG in the short term as well as in the long term?
- 7) What challenges have NMG experienced in adopting strategic responses to counter digital disruption?
- 8) What recommendations would you provide to enable NMG to effectively formulate and execute strategic responses to counter digital disruption in the future?