COMPETITIVE INTELLIGENCE PRACTICES BY ESSAR TELCOM (YU) (K) LTD

BY

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DECLARATION

This research proposal is my original work and has not been presented for award of any degree in any University.

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DEDICATION

To my dear mum Beatrice Nthoki Mutua, thank you for the sacrifice, guidance and support you have given me throughout my life. I hope this makes you proud because you always instilled in me the value of hard work and trusting in God.

ABSTRACT

As global economic competition increase globally, both public and private sector are faced with an increasing competitive environment where sustained competitive advantage is increasingly becoming difficult to maintain. Consequently, many organizations, whether public or private, are initiating their own competitive intelligence (CI) services to advise their decision makers. The purpose of this study was to determine the competitive intelligence practices used by Essar Telecom (YU) (K) Ltd.

The study adopted a case study design as it enables the researcher to have an in-depth understanding of the study. The study used primary data and the key instrument for data collection was interview guide and the sampling design was convenience sampling. An interview guide containing structured and unstructured questions were administered through face to face interviews with the senior employees who included the managers in sales, marketing, business development, and corporate relations department. Data analysis was done through several qualitative techniques such conceptual analysis, content analysis and pattern/ trends analysis as dictated by study themes.

The study major findings were, the study observed that Kenyan mobile market has been highly competitive (60%) more than ever before .The study further noted that the strategic actions adopted for market penetration include, new differentiated and innovative products for example data (93), mobile phone money transfers, cost reduction (87%), infrastructure development (66%) through availing cheap quality handsets and market segmentation so as to target the youths (11%). Study showed the existence of various level of competitive intelligence practices within the study organisation which included, gaining an understanding

of a competitor's future goals, analysis of competitor's current strategy, analysis of assumptions held about itself and the industry and capabilities, analysis of competitors price policies and the plans they have for changing the way in which they differentiate their products and finally defending company secrets from leaks to the competitors. Notably, the study also observed that competitive intelligence activities within the study organisation were spontaneous based on the competitor's activities.

Results illustrated that there were numerous sources of CI information which include, research and development, CI consultants carried the analysis of gathered competitive intelligence information from CCK and replication of parent company telecommunication solutions to local solutions. Majority (53%) of the interviewees in the discussion noted that competitive intelligent in their organisation was moderately effective in market penetration of their organisation. Although the study organisation had to some extent embraced CI as a tool for market penetration, the organisation to lacked budgetary allocation for CI activities in the organisation, trained personnel on CI planning, implementation and coordination.

The study recommends the need to fully internalize the competitive intelligence activities in the organisation structure and more specifically the organisation should be able to set objectives for the CI department and establish job descriptions for every responsibility center. Furthermore, CI activities objectives and aspirations should be incorporated into the overall strategic plan for the whole organisation, this would position the CI function as one of the top department.

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CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

As global economic competition increase globally, both public and private sector are faced with an increasing competitive environment where sustained competitive advantage is increasingly becoming difficult to maintain. Consequently, many organizations, whether public or private, are initiating their own competitive intelligence (CI) services to advise their decision makers. It is not uncommon for this to be seen as a driver of strategy and success of the organization in the marketplace (Lackman et al., 2000). Intelligence differs from data and information because it requires some form of analysis, whose purpose is to derive some meaning from the piles of data and information that bury every organization. CI is conceptualized as a process of monitoring the competitive environment, with a goal to provide actionable intelligence that will provide a competitive edge to the organization (Kahaner, 1998).

Competitive Intelligence, therefore encapsulates the action of gathering, analyzing, and applying information about products, domain constituents, customers, and competitors for the short term and long term planning needs of an organization (Blenkhorn and Fleisher, 2003). A more focused definition of CI regards it as the organizational function responsible for the early identification of risks and opportunities in the market before they become obvious (Comai and Joaquin, 2007). This definition focuses attention on the difference between dissemination of widely available factual information (such as market statistics, financial reports, newspaper clippings) performed by functions such as libraries

and information centers, and competitive intelligence which is a perspective on developments and events aimed at yielding a competitive edge.

CI has become a vital component of a company's strategic planning and management process. It pulls together data and information from a very large and strategic view, allowing a company to predict or forecast what is going to happen in its competitive environment. By analyzing the capabilities, vulnerabilities, intentions, and moves of the competitors, CI allows a company to anticipate market developments proactively – rather than merely react to them. This in turn allows a company to retain a competitive edge by improving its strategic decisions and leading to better performance against its competitors (Britt, 2006).

Whatever strategic framework the firm chooses to embrace for the management of its business, no one element remains more fundamental to competitive strategy than competitive intelligence. Competitive intelligence is more concerned with doing the right thing, than doing the thing right. The goal of a competitor analysis is to develop a profile of the nature of strategy changes each competitor might make, each competitor's possible response to the range of likely strategic moves other firms could make, and each competitor's likely reaction to industry changes and environmental shifts that might take place. Competitive intelligence should have a single-minded objective - to develop the strategies and tactics necessary to transfer market share profitably consistently from specific competitors to the company.

A firm which does not rigorously monitor and analyze key competitors is poorly-equipped to compose and deploy effective competitive strategy and this approach leaves the firm and its markets vulnerable to attack. The basis for CI revolves around decisions made by managers about the positioning of a business to maximize the value of the capabilities that distinguish it from its competitors. Failure to collect, analyze and act upon competitive information in an organized fashion can lead to the failure of the firm itself (MultiQuest, 2004)

1.1.1 Competitive Intelligence Practices

CI supports the information needs of organizations in a variety of ways. Purser and Passmore (1992) argue that because today's firms operate within a turbulent environment created by technological, economic, and social change, they must devote a more significant proportion of their resources to apprehending, thinking, learning, and innovating - the basic elements of knowledge work. One form of knowledge work is scanning the environment for threats and opportunities. Intelligence is therefore viewed as a process comprising a number of practices, combination/constructs that should follow one another without any of the steps of actions being overlooked (Kahaner, 1997). Major practices identified by various authors are; planning and focus that involve focusing on issues of highest importance to senior management (Daft et al., 1988; Herring, 1998) collection, that is the focused collection of information from a variety of sources internal or external to the company (Herring, 1998) analysis which involve converting information into "actionable intelligence" on which strategic and tactical decisions may be made (Calof and Miller, 1997); communication, packaging and communicating the

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results of the CI process or project to those with the authority and responsibility to act on the findings; process and structure this include those structures that ensure effective CI can be performed; and organisational awareness and culture, that is to ensure that CI is well executed and that all should participate, there must be the right competitive culture and information gathering (i.e. it should be on everyone's mind) (Kahaner, 1997). It can be generally noted that CI practices within an organization is a combination of independent activities that closely interact to shape the organizational competitive intelligence framework. As such this study will closely focus on such practices of CI in the mobile phone industry in Kenya.

In this study there are five independents variables which include: planning, competitor intelligence collection, investment in competitive intelligence activities, training and communication of competitive intelligence information these variables influence the dependent variable which is organizational competitive intelligence overall practice in a positive or negative way. Planning as a practice in CI will entail resource allocation and identification of necessary activities for effective CI execution. Competitor intelligence collection as a practice in CI entails keeping track/ regular monitoring of competitors activities. Although studies have shown that most organisation have not invested in CI activities, recognition and main streaming of CI activities in the organization investment plan is an important step in development of strategic CI framework in an organization. On the other hand regular training of CI team enlightens and updates the team on development in the CI leading to high efficiency. Finally the communication of CI activities to respective departments in an organization helps in smooth coordination of CI

activities with the organization. Effective CI in an organization is as a result of combination of as set of practices that are closely related.

1.1.2 Mobile Phone Industry

The Kenyan telecom market provides a vibrant example of how increased competition in the mobile market can spill over into all areas of the telecom sector by pushing operators to turn to bundled and converged services to improve their market positions. The Kenyan mobile market became dramatically more competitive in 2008, when two new operators, Orange Kenya (formerly Telkom Kenya) and Econet Wireless now under Essar (Yu), joined the incumbent Safaricom and Zain. This has led to a price war, with operators slashing tariffs and offering various airtime promotions. By 2008 Kenya had more than 15.0 million mobile subscribers, with a mobile penetration rate of 39 percent and with a subscriber base forecast of 29.28 million, or 66.7 percent penetration, by year-end 2013. Safaricom is the leading mobile operator, with a 79% market share (11.9m subscribers) as of year-end 2008, and indeed it dominates the whole telecom sector, earning 59% of total telecom revenue in 2008.

There is still room for growth in the pure-play mobile sector, as the mobile penetration rate in Kenya was only 39% at year-end 2008. But rather than fighting over a dwindling pool of increasingly poor mobile subscribers, Kenyan operators are looking toward convergence to increase their market shares and retain it. Major players like Safaricom for example have developed innovative products such as bundled services to corporate clients, broadband, video conferencing and voice, in order to boost their market share

among high-value subscribers. The effect of all the changes on the Kenyan market will be truly transformational. As recently as 2007, Kenya's fixed market was a monopoly, and its mobile market a duopoly. By 2013, Kenyans will be able to choose between four or five mobile operators and at least three large fixed operators. As a result, we expect mobile penetration to reach 67% and broadband penetration to reach 1% by the end of the forecast period.

1.1.3 Essar Telecom Kenya (Yu) (K) Ltd

Essar Telecom Kenya (Yu) launched its services on October 2008 as 4th GSM licensee in Kenya, offering a full suite of mobile services to a rapidly growing prepaid customer base. As a newcomer to Kenya mobile phone industry, Yu operates in a highly competitive market alongside three other mobile operators, and is planning to expand to neighboring African countries in the future. As of 2009, Yu had in excess of 600,000 subscribers on its network in Nairobi and Mombasa, but expects the number to grow significantly as it completes its rollout across Kenya by end of the year. Yu network is experiencing very positive steady subscriber growth which is as per organization's market growth forecast of 2 million subscribers by 2010 (www.cerillion.com) Yu's market strategy has been primarily to target the youthful segment with the launch of attractive tariffs as well as innovative products and services. To achieve this company has been successfully operating under a low-cost model that has revolutionized the Kenyan mobile market and enabled it to significantly reduce the cost of mobile communications. The market dominance of Kenyan mobile phone market by major rivals with larger

market share pose a major strategic decision to the new entrant market penetration for Essar Telecom. As such the need to understand the target, is therefore the priority of management the of Essar Telecom. To achieve the projected mobile subscriber's the company must understand the external environment so as to successfully formulate, and execute viable strategies for penetration. Adoption of competitive intelligence best practice is the only surest way for Essar Telecom management in overcoming turbulence posed by the rivals. An exploratory research is therefore important in assessing the CI practices available, for Essar's survival leading to market penetration.

1.2 Statement of the Problem

The relevance of monitoring, understanding and responding to competitors has long been recognized as a significant aspect of marketing activity. Yet analysis of the competitive environment seems often to be subordinated as greater emphasis is placed on understanding customers and consumers. Clearly important though customers are and should not dominate marketing strategy and planning for decision making. Critics of marketing management argue that it has lost its way by focusing too narrowly on customers at expense of other essential factors in overall organization strategy, one of these being competitors. With the right amount of information, organizations can avoid unpleasant surprises by anticipating competitors' moves and decreasing response time.

Competition in the industry continually work to drive down the rate of return on capital invested. The organizations have now resulted in making use of various competitive

intelligence practices to ensure increased profitability through informed strategic decisions. Studies on competitive intelligence are generally limited. In Kenya, studies have been done on competitive intelligence; Muiva, (2001) conducted a survey on the use of competitive intelligence systems in the Kenyan Pharmaceutical Industry, Kipkorir, (2001) researched on competitive intelligence practices by FM radio stations operating in Kenya while Gathumbi (2008) study focused on competitive intelligence practices adopted by commercial banks in Kenya. These studies were however done on different institutions other than mobile phone industry in Kenya. This is despite the fact that mobile phone sub sector in Kenya is growing very fast creating a highly competitive environment.

With the four licensed mobile phone service providers in Kenya there is scramble for the market share. There is therefore the need to investigate the competitive intelligence practices used by mobile phone service providers in market penetration, in a volatile environment. As it is evident from the past research studies no study has been conducted on competitive intelligent practices on telecommunication industry. This study is therefore set to fill in the existing knowledge gap through investigating the use competitive intelligent practices in telecommunication industry in Kenya. Given the exploratory nature of this research study, the study will attempt to answer the following questions, what competitive intelligence practices have been adopted by Essar telecom? To what extent have competitive intelligence practices affected market penetration by Essar telecom? And what challenges are encountered by Essar Telecom in use of competitive intelligence practices?

1.3 Objective of the Study

To determine the competitive intelligence practices used by Essar telecom (YU) (K) Ltd.

1.4 Value of the Study

This study will add value to the existing model of competitive intelligence practices in organization with the practical experience of mobile phone industry. The study will further identify areas of weakness in the existing model of CI practices and therefore offer recommendations for improvement for model efficiency.

The study will be of immense value to managers in the mobile phone industry aiming at effective competitive intelligence in their organization for competitiveness. The study will further help organization decision makers in understanding CI strategic practices in gathering and applying competitive intelligence for competitiveness.

The study will be important to both the researchers/ academicians and practitioners in the private and public sector by contributing to the existing body of knowledge in the area of competitive intelligence. Academicians may use findings for further research, while practitioners may apply lessons in planning and implementing future competitive intelligence.

The study will provide a platform for further research in the area of competitive intelligence practices that would contribute to successful strategic market penetration in mobile phone industry in Kenya.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This chapter presents the literature review relevant to this study. The chapter is subdivided into small sections with different subsections. The chapter contains information on, concept of competitive intelligence, theoretical review (strategic conflict/ game theory), adoption of competitive intelligence practices, competitive intelligence and strategic management, competitive intelligence practices and finally, importance of CI to organization.

2.2 Concept of Competitive Intelligence

The concept of competitive Intelligence has a rich heritage (Juhari and Stephens, 2006.) and can be traced back over 5,000 years of Chinese history (Qingjiu and Prescott, 2000). These and other authors point to examples in various religions and historical contexts which address intelligence concepts. Many Competitive Intelligence texts and articles refer to the work of Sun Tzu who, some 2,400 years ago, wrote ,the art of war, a seminal text which provides a detailed description of how to develop intelligence for military applications (Sun, 1988).

Whatever strategic framework the firm chooses to embrace for the management of its business, no one element remains more fundamental to competitive strategy than competitive intelligence. Competitive intelligence is more concerned with doing the right thing, than doing the thing right.

The goal of a competitor analysis in competitive intelligence is to develop a profile, of the nature of strategy changes each competitor might make, each competitor's possible response to the range of likely strategic moves other firms could make, and each competitor's likely reaction to industry changes and environmental shifts that might take place. Prescott (1995) Competitive intelligence should have a single-minded objective to develop the strategies and tactics necessary to transfer market share profitably and consistently, from specific competitors to the company.

Slater and Narver, (1995, 1998) a firm which does not rigorously monitor and analyze key competitors is poorly-equipped to compose and deploy effective competitive strategy and this approach leaves the firm and its markets vulnerable to attack. The foundation of CI revolves around decisions made by managers about the positioning of a business to maximize the value of the capabilities that distinguish it from its competitors. Failure to collect, analyze and act upon competitive information in an organized fashion can lead to the failure of the firm itself (Narver, 1998)

Although it seems obvious that Competitive intelligence is becoming more and more vital to a firm's survival in today's dynamic markets (McGonagle and Vella, 2004), a large number of companies still have no formal CI department. This is typically the result of cost cutting and competition from abroad perspective (Attaway, 1998), however, another reason might be the lack of formal education in CI (Fleisher, 2004). Evidence from USA confirms that more companies are beginning to recognize CI as a critical component of the best strategic and tactical decisions (Heath, 1996), and thus have organized formal CI units. Typically, these are major players include, Motorola, AT&T,

IBM, GE, Microsoft, Xerox, and HP. (Persidis, 2003) suggests that a larger number of smaller companies are also recognizing CI as an important part of their operations, and do practice it, possibly without realizing they are doing so.

2.3 Strategic Conflict /Game Theory

Carl Shapiro's 1989 article on 'The Theory of Business Strategy,' ushered the emergence of a new approach to business strategy. This approach utilizes the tools of game theory to analyze the nature of competitive interaction between rival firms. The main thrust of work in this tradition is to reveal how a firm can influence and analyze the behavior and actions of rival firms and thus the market environment. Examples of such moves are investment in capacity (Dixit, 1980) to be effective; these strategic moves require irreversible commitment. The moves in question will have no effect if they cannot be effectively executed. A key idea is that by analyzing and manipulating the market environment, a firm may be able to increase its profits as a result of competitiveness. This literature, together with the contestability literature (Baumol, Panzar, and Willig, 1982), has led to a greater appreciation of the role of sunk costs, as opposed to fixed costs, in determining competitive outcomes. Strategic moves can also be designed to influence rivals' behavior through signaling. Strategic signaling has been examined in a number of contexts, including predatory pricing and limit pricing (Milgrom and Roberts, 1982a). More recent treatments have emphasized the role of commitment and reputation and the benefits of firms simultaneously pursuing competition and cooperation. (Brandenburger and Nalebuff, 1995).

In many instances, game theory formalizes long-standing intuitive arguments about various types of business behavior, though in some instances it has induced a substantial change in the conventional wisdom. But by rationalizing observed behavior by reference to suitably designed games, in explaining everything these models also explain nothing, as they do not generate testable predictions (Sutton, 1992). Many specific game theoretic models admit to multiple equilibrium and a wide range of choices exist to the design of the appropriate game form to be used. Unfortunately, the results often depend on the precise specification chosen. The equilibrium in models of strategic behavior crucially depends on what one rival believes another rival will do in a particular situation. The analysis of strategic moves using game theory can be thought of as 'dynamic' in the sense that multi period analyses can be pursued both intuitively and formally.

Firms that have a tremendous cost or other competitive advantage *vis-a-vis* their rivals ought not to be transfixed by the moves and countermoves of their rivals. Their competitive fortunes will swing more on total demand conditions, not on how competitors deploy and redeploy their competitive assets. Put differently, when there are gross asymmetries in competitive advantage between firms, the results of game-theoretic analysis are likely to be obvious and uninteresting. The stronger competitor will generally advance, even if disadvantaged by certain information asymmetries. To be sure, incumbent firms can be undone by new entrants with a dramatic cost advantage, but no 'gaming' will overturn that outcome. On the other hand, if firms' competitive positions are more delicately balanced, as with Coke and Pepsi, and United Airlines and American Airlines, then strategic conflict is of interest to competitive outcomes.

2.4 Adoption of Competitive Intelligence Practices

Prescott (1995) has highlighted the fact that banks have not only embraced competitive intelligence but that senior management has gone a step further and implemented counter intelligence measures. He suggests that corporate intelligence staff needs to remain open minded and critical about the appropriateness of existing organizational intelligence systems, and liaise closely with marketing staff to devise industry specific intelligence systems. Corporate intelligence staff should consider reviewing the body of knowledge and experiment new methodological approaches to problem solving. This is necessary in order that the decision-making process can be improved through time. This has been recognized by Prescott (1995) and Serpa (2000), both of whom have encouraged those involved in competitive intelligence activities (and academic researchers) to engage in theory building. The commitment to theory building should result in new market focused competitive intelligence tools and techniques.

Competitive intelligence work involves analyzing and interpreting multi-faceted and complex business issues. As a result, corporate intelligence staff needs to have an appreciation of the various tools and techniques that are available for studying evolving intelligence problems/situations. It also means that corporate intelligence demand abstract thinking and this requires thinking "outside the box". This will help derive new solutions for solving the existing problems. Indeed, by thinking "outside the box", it is possible to solve the problems that are deemed not to have an immediate solution. It also means that corporate intelligence staff need to up-date their skill base and become more knowledgeable about a range of business areas/inter-functional activity (Serpa, 2000).

Competitive intelligence work is highly dependent on strategic information planning which requires that a link is made between critical success factors and operating success factors. This means that new strategic organizational frameworks need to be designed in order to accommodate the emerging communication processes and systems. A number of these communication processes and systems will be integrated into what is becoming an interactive organizational process. The interactive, organizational intelligence process facilitates intra- and inter-organizational activities. With regard to the latter, it can be stated that regarding the business continuity planning, closer relations need to be developed between the organizations and government agencies. Hussey and Jenster, (1999) firmer links also need to be made between the organizations and their respective trade associations, if relevant intelligence is to be shared with other organizations in the industry.

2.5 Competitive Intelligence and Strategic Market Relation

Marketing staff in particular are confronted with many issues and are at present confronting such issues as speed to market and shorter product life cycles. Aaker, (1998) observes that it is because of market turbulence that marketing staff need to think in terms of deploying the strategic marketing concept. This will provide senior management with a mechanism for assessing the organization's strategic position (Lackman et al., 2000), and should ensure that market driven strategies are formulated and implemented in order to deliver "superior customer value" (Cravens, 1998). Speed of change in the business environment, as well as risk and uncertainty; have been addressed by Drew

(2001). Drew has indicated that senior managers need to develop an appreciation of environmental issues, and to make sense of the issues. Marketing staff do have a fundamental role to play with respect to ensuring that market trends and new forms of business, such as electronic business, are identified (West, 2001). To achieve this both corporate intelligence and marketing staff need to be aware of a number of human resource management issues owing to the fact that new types of business relationships will have to be formed and managed. This should ensure that marketing intelligence and planning are integral aspects of the strategic planning process, and marketers are keen to develop competitive intelligence concepts and models. This will require that marketing staff and corporate intelligence staff work together on complex strategic problems and share sensitive data and information. Top management is largely obligated to select a competitive strategy that will enable the organization to meet its own corporate objectives and implement market-driven strategies (Day, 1990).

2.6 Competitive Intelligence practices

Initiatives in corporate intelligence will result in intelligence human resource being at the centre of the change process within the organization. An organization may restrict Competitive intelligence programmes in one of the following three functions in an organization: marketing, planning and Research and development (Prescott, 2001). Therefore it can be deduced that issues relating to new product development, launching a new product on the market, and using facilitative technology such as the Internet, need to be placed within a strategic marketing framework. This will ensure that managers remain innovative and market oriented, and embrace the benefits associated with organizational

intelligence (Slater and Narver, 1995, 1998). According to Aaker (1998) managers should straightforward implement a strategic marketing concept and also develop a sustainable competitive advantage for the organization. Furthermore, it should be possible to implement market driven strategies that are placed within a relationship enhancing context and this will result in the required positioning being achieved within the industry within which the organization competes (Cravens, 1998).

Competitive intelligence practices should be communicated to various stakeholders (Hussey, 1998). Literature has noted that top management within an organisation need to define what competitive intelligence involves. This is necessary if corporate intelligence staff is to have an input into the strategic decision-making process. Powell & Allgaier (1998) have made a useful observation by suggesting that in order for competitive intelligence output to be beneficial, those involved in competitive intelligence work need to make available the results of their intelligence analysis to decision makers both quickly and effectively (Allgaier et al 1998).

It is useful to reflect on the various contributions a number of competitive intelligence experts have made to the subject matter. For example, Prescott and Bhardwaj (1995) make reference to the fact that a competitive intelligence programme is composed of four interrelated components: administration, personnel, core project tasks, and outcomes. A key point to emerge from the work of Prescott and Bhardwaj (1995) is that senior managers need to think in terms of developing an organizational structure that meets the unique needs of the organization.

Competitive intelligence programmes strives to provide an understanding of the industry itself and the type of competitors operating in the industry. Identifying areas of vulnerability and the possible moves of competitors so as to understand how industry dynamics might change (Prescott, 1995). The relevance of a competitive intelligence industry specific approach has been highlighted by Marceau and Sawka (2001). Competitive intelligence programme should focus on the management special needs identification process. A number of companies have achieved this for example, Motorola, Merck and NutraSweet. Herring (1999) applied the key intelligence topics process in order to identify and prioritize the key intelligence needs of senior management and the organization itself. This ensured that intelligence operations were effective and appropriate intelligence was produced. Herring's (1999) approach is useful because it allows corporate intelligence staff to identify strategic issues and as a result senior management can ensure that actionable intelligence results. The other advantages are that an early warning system can be put in place and this will allow potential threats to be identified; and further, key players can be identified and monitored (Herring, 1999).

This type of approach can be regarded as both logical and necessary with respect to the international marketplace. For example, Tessun (2001) has outlined how staff at Benz Aerospace uses a scenario methodology to produce a strategic early warning system that underpins the production/modification of business plans and strategies. Corporate intelligence staff needs to be concerned with theory building. This view can be defended on the basis that senior managers within the organization are demanding informed/accurate intelligence, and are requesting that it is made available at the earliest opportunity.

2.7 Importance of CI to Organizations

The primary output of competitive intelligence is the ability to make forward-looking decisions. Therefore, it drives strategic decision-making and market leadership (Miller, 2001). Miller (2001) quotes the former Kellogg USA President Gary Costly as saying, "The big payoff for competitive intelligence is that it will point out weakness that you have internally because of the strength of your competitors. Companies that don't do this will fail." Executives at companies that carry out competitive intelligence programs state that they have a better understanding of the competitive landscape such as having a universal view of where competitive threats and opportunities lie (Vedder et al., 1999). That helps them to quickly understand and respond fast in devising strategies and plans to maximize competitive advantage (Wright and Calof, 2006). Competitive intelligence can help inform and strengthen the entire strategic decision making process as well as yielding sound strategic choices that are more in tune with competitive circumstances and better able to withstand external pressures (Walle, 1999).

It is useful to reflect on the various contributions a number of competitive intelligence experts have made to the subject matter. For example, Prescott and Bhardwaj (1995) make reference to the fact that a competitive intelligence programme is composed of four interrelated components: administration, personnel, core project tasks, and outcomes. A key point to emerge from the work of Prescott and Bhardwaj (1995) is that senior managers need to think in terms of developing an organizational structure that meets the unique needs of the organization.

Every strategic decision is typically made based on certain assumptions. Competitive intelligence can help a company test and validate these assumptions. Competitive intelligence can also fill in gaps, covering areas that a company failed to consider in its assumptions. In addition, it can help choose a strategy through an understanding of the company's industry, the company itself, and its competitors. The most common benefit of competitive intelligence however is its ability to build information profiles that help a company identify its competitor's strengths, weaknesses, strategies, objectives, market positioning and likely reaction patterns. These information profiles include data needed to effectively identify, classify and track competitors and their behavior. Using them, a company begins to look for points of comparison regarding its strengths and weaknesses versus its competitors thus making smart strategic choices (Ranjit, 2008).

Measurement of CI benefits is an important means of getting senior management support for CI function. In the case of insufficient top-level commitment, the strongest incentive for senior management to implement intelligence systems is seeing other companies doing it and achieving cost savings (Allgaier et al 1998). One of the most effective means of demonstrating potential cost savings seems to be exploring someone else's success in doing that first. Consequently, benchmarking CI activity of other companies may become an important means of internal CI marketing. Kahaner (1996) also stresses the importance of demonstrating the value-added as one of the most effective approaches for assuring top management commitment. In addition to top-level commitment, the development of a measurement process is critical to the existence of every CI unit. If the objective of the unit is growth or gaining a significant position in organizational decision-making, there have to be ways to justify the unit's existence and related benefits.

CI as a measurement process tool can also function as an important link between CI personnel, managers and other information customers. The defined objectives and expectations actually function as standards for evaluation of the CI personnel and the CI unit (Simon 1998). Users of information usually expect tangible benefits from using CI products or services. They want CI output that supports their personal objectives. Therefore, CI products and services should focus on real and identified business objectives – such as getting more customers, developing better products and introducing new products to the markets in a timely manner. One of the most effective means of demonstrating potential cost savings seems to be exploring someone else's success in doing that first.

2.8 Competitive Intelligence in Practice

In 1998, research by the Futures Group in 103 large, small and medium enterprises in the USA found that exactly three quarters had a formal CI department. Interestingly, exactly half said they did not believe that their competitors watched them (Groom and David, 2001). A survey of CI practice in 44 small US enterprises by Groom and David (2001), found out that 32 per cent tried to collect information on competitors, using techniques and methods of CI, 36 per cent and recognized the necessity. Their research also identified obstacles to implementation. Exactly half the sample reported that their companies had no formal process for making the information available in the company, creating a problem in the flow and exchange of information. More than a third had no formal CI function because the funding was unavailable or they believed that no one in

the organization was capable of analyzing the information. Almost two-thirds, 61 per cent, relied on their customers as sources of information. Kahaner (1997) provides evidence that, in other industrialized countries such as Japan, Germany, Sweden and France, large enterprises adopt CI strategies in order to acquire competitive advantage. In the UK, Wright et al. (1999, 2002) study found out that it is still in embryonic form, but gradually becoming part of the strategy of big companies.

The existence of intelligence as a business activity has previously been examined by studies involving CEOs and executives, planning and other managers, practitioners and small business owners (Tarraf and Molz, 2006). The study sampled executives as in previous studies (Wright and Calof, 2006).The previous studies have identified clear and distinct stages in the CI process and practice. The major CI process/ practices outlined by studies are as outlined in the following paragraphs.

According to Porter, (1980) effective intelligence processes do not attempt to collect all possible information or research everything related to a subject, but focusing on those issues of highest importance to senior management. This phase is needed to set required resources for the intelligence project or process as well as to establish the purpose and result of the findings. It is during this phase in which the assessment of what intelligence is required for the managerial decision which is under uncertainty. Herring (1998) emphasized the importance of planning and focus for the intelligence effort. Thus, it is expected when investigating the intelligence process that there will be found an active planning and focus phase.

Collection comes from a variety of different sources and acquisition methods including environmental scanning. Other subjects related to the collection stage are the information source (Porter and Millar, 1985) as well as information usage. Miller and Calof (1998), in their study of the intelligence process in Society of Competitive Intelligence members, found that roughly 25 percent of all intelligence time involved collection activities.

Analysis is where "real" intelligence is created, that is converting information into "actionable intelligence" on which strategic and tactical decisions may be made. Much work has been done in the areas of competitive analysis, strategic analysis, environmental, and competitive theory (Porter, 1980). The preceding authors have all proposed that analysis should be done as part of the intelligence effort.

The results of the intelligence process (or individual project) need to be communicated to those with the authority and responsibility to act on the findings. Previous studies have included the impact of environment on strategic planning (Gilad, 1989), study of marketing knowledge within the firm (Saxby *et al.*, 2002) and knowledge dissemination (Kahaner, 1996). Kahaner particularly emphasized the importance of proper communication of intelligence results to provide managerial decision support.

Intelligence requires appropriate policies, procedures, and a formal (or informal infrastructure) so that employees may contribute effectively to the intelligence system as well as gain the benefits from the intelligence process. Porter,(1980) notes that there is much support for a formal structure and a systematic approach to competitive intelligence. However, many firms' intelligence efforts are short-term projects and, thus, they do not have ongoing or formal processes in place, but still conduct intelligence

activities (Prescott and Smith, 1987). Thus, there has been debate within the literature about a full-time intelligence structure versus part-time. However, regardless of the structural debate all authors point towards the importance of an intelligence process for transforming data into intelligence.

For a firm to utilize its intelligence efforts successfully there need to be an appropriate organizational awareness of intelligence and a culture of competitiveness. There has been support for this awareness/culture construct in the area of market orientation (Slater and Narver, 2000). The heightened awareness of a firm's competitive environment (which the existence of intelligence within a firm may create) tends to be one of the bases for organizational learning theory (Slater and Narver, 2000).

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This chapter describes the methods used in collection of data necessary in answering the research questions. The chapter was divided into research design, data collection, data collection procedure, data analysis and interpretation.

3.2 Research Design

The research design for this study was a case study design. It sought to investigate the competitive intelligence practices that Essar telecom has adopted to respond to the competition in the industry.

Case study has been chosen as it enables the researcher to have an in-depth understanding of the study. A case study design is most appropriate where a detailed analysis of a single unit of study is desired as it provides focused and detailed insight to phenomenon that may otherwise be unclear. A case study is also a powerful form of qualitative analysis that involves a careful and complete observation of phenomenon. The study also used convenience sampling which Sekaran, (2003) notes is appropriate when qualitative studies are undertaken for exploratory purpose like the current study.

3.3 Data Collection

The study used primary data and the key instrument for data collection was done through interview guide. A qualitative study was undertaken for exploratory purpose, the sampling design used was convenience sampling and small sample sizes were used and

these studies are intensive in nature. An interview guide containing structured and unstructured questions was administered through face to face interviews with the senior employees who included the managers in sales, marketing, business development, and corporate relations department within the company.

The judgmentally sampled respondents were enlisted and then were later contacted by phone and a letter of introduction from the university then followed, and an appointment booked for the face to face interview. Personal interviews are preferred as they have potential to yield the highest quality data compared to other methods because supplementary information can be collected in the course of the interview. The unstructured questions were used to encourage the respondents to give an in depth view without holding back any information necessary for the study.

Once appointment was confirmed, the researcher then visited the respondents in the designated venue of choice and thereby administered the interview. Notes were taken in the process of interviews capturing the relevant information for the study , recording of the interviews was also carried out .

3.4 Data Analysis

Retrieved data from face to face interviews was qualitative in nature and therefore was qualitatively analyzed. The analysis was done through several qualitative techniques such conceptual analysis, content analysis and pattern/ trends analysis as dictated by study themes. Association was used in identifying and drawing relationship between research

data and the study themes. The results were then presented using prose and frequency tables, charts and graphs where necessary. The researcher used the data with an aim of presenting the research findings in respect to the competitive intelligence adopted by Essar Telecom.

4.1 Introduction

This chapter presents the data analysis, research   findings and interpretation of study data. Raw data retrieved from the field through face to face interviews with the respondents. The researcher took notes during interviews. content analysis was used to thematically analyses the themes arising from the interviews as   guided by the study interviews . The following   are analyzed outcome of the study.

4.1.2 Interviewee Information

This part of the interview sort to describe organization background information in the organisation under the study.

Figure 4.1 presents respondent's length of service within the study organisation.

Figure 4.1 Respondent's Length of service
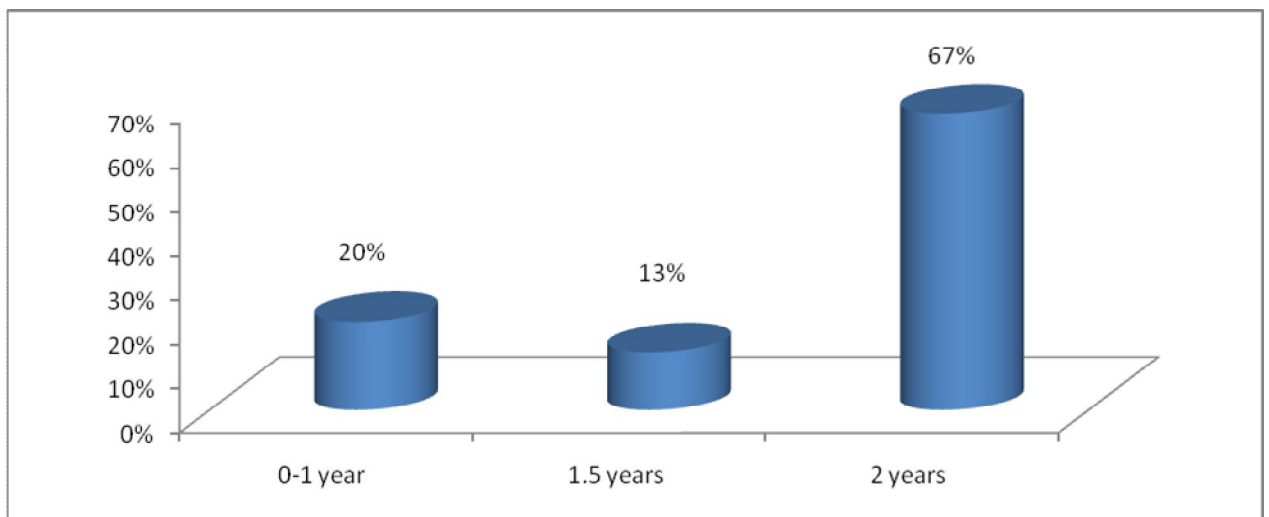
Source: Researcher (2010)

It is official that Essar Telecom launched its operation in Kenya since 2008 this means that the company was only two years in operation into Kenyan mobile phone market. The results observed that most (67%) of interviewees in the study had active operational experience within the organisation for 2 years. This means that such interviewee have been with the organisation since its launch in Kenya and therefore were more likely to give reliable information necessary for the study .

4.2 Interviewee Perspective on Kenyan Mobile Phone Industry

Under this section Interviewees were asked to comment on what they felt about Kenyan mobile phone industry .

Figure 4.2 presents respondent's perspective of Kenyan Mobile telephone industry.

Figure 4.2: Respondents Perspective of Kenyan Mobile Telephone Industry
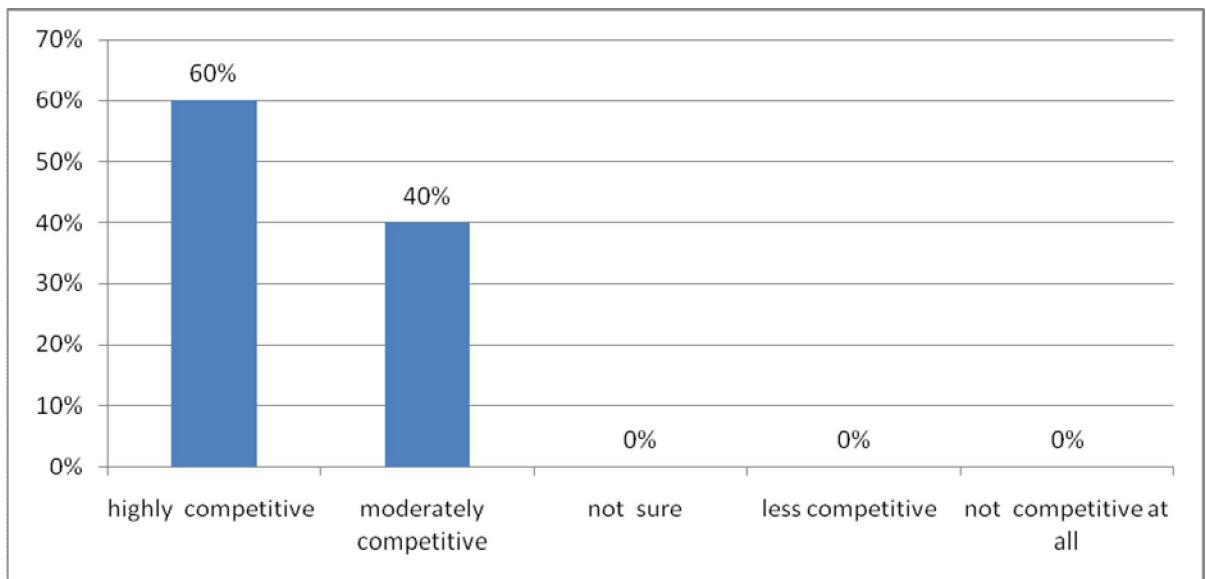
Source: Researcher (2010)

As illustrated in results presented in figure 4.2 respondents noted that Kenyan mobile market has been highly competitive (60%) than ever before. Respondents further noted that mobile phone subsector is now geared towards that of developed nations. More specifically interviewees attributed such competition to more entrants, some of whom they noted had more resources. They were however optimistic that Kenyan mobile phone industry is not yet saturated.

4.3 Strategy for Market   Penetration for New Entrants

The market entry tactics are essential as they shape the degree of the penetration into a given market. Respondents were asked to outline some market penetration strategies used by their organisation.

Table 4.1 presents market penetration strategy by the study organisation.

Table 4.1: Strategy for Market penetration.

|	**Distribution**	
	Frequency	**Percentage**
New differentiated and innovative products	14	93
Cost reduction	13	87
Infrastructure development	10	66
Market segmentation	11	73

Source: Researcher (2010)

Respondents were further asked comment on what is expected of the new entrants to strategically penetrate the highly volatile market. The most widely mentioned strategic actions for market penetration include, new differentiated and innovative products for example data (93), mobile phone money transfers, cost reduction (87%), infrastructure development(66%) through availing cheap quality handsets and market segmentation so as to target the youths (11%).

4.4 Understanding of Competitive Intelligence

This section of the study sought the interviewees understanding of the terms competitive intelligence. It was observed that some of the respondents did not fully understand the concept of competitive intelligence. Although the understanding of the term is highly subjective it can be observed that some interviewees understood CI as a continuous process of acquiring competitor's activities and that of the industry. Whereas CI is a multifaceted approach in understanding the competitor's activities, interviewers missed several aspects of CI. Further probe on existence of CI practices revealed that there lacked a clear frame of CI activities within the organisation. Altogether respondents were asked to comment on competitive intelligence at departmental levels within the organization.

Figure 4.3 presents the scope of CI in department within study organisation.

Figure 4.3: CI Restrictions in the Department within the Organisation
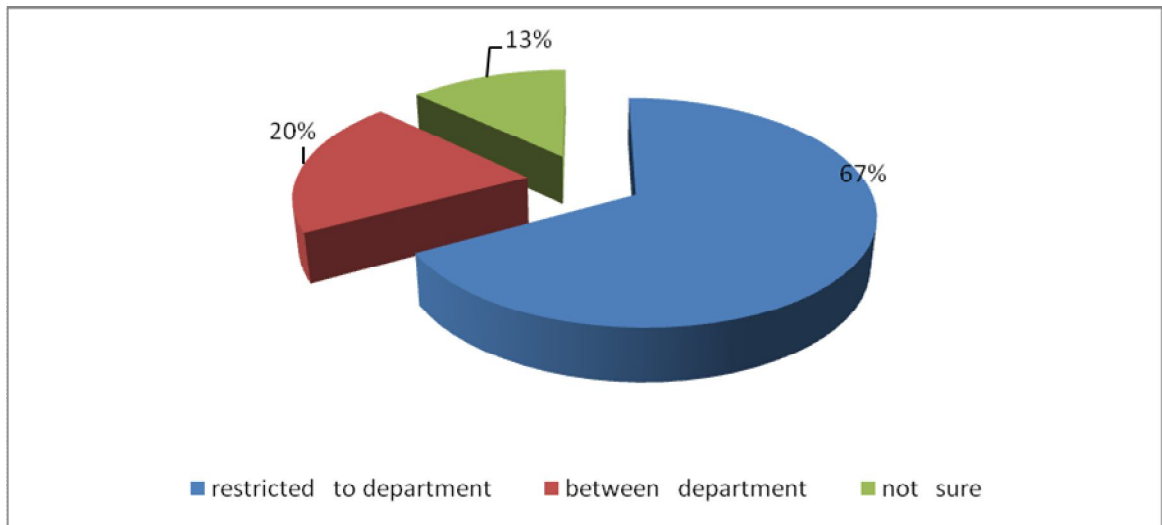
Source: Researcher (2010)

Results revealed that some CI activities were restricted to various departments in the organization (67%), such departments include, sales and marketing department and corporate communication department. Other interviewees noted that CI activities were between departments (20%). Finally a (13%) of the respondents were not sure of the integration of CI activities in the organisation. It can be concluded from the observation that there was a multi dimensional approach as far as CI activities are concerned.

4.5 Competitive Intelligence Practices for Market Penetration

This section of the interview sought to establish some of competitive intelligence activities under taken by Essar Telecom for market penetration.

Table 4.2 presents competitive intelligence practices used in market penetration.

Table 4.2: Competitive Intelligence Practices for Market Penetration

Competitive intelligent activity	Frequency	Percentage
Analysis of competitors future goals	12	80
Analysis of competitor's current strategy	13	87
Analysis of assumptions held about the organisation	10	67
Focusing on competitors prices, policies and plans	9	60
Defending companies company secrets, information and technology	7	47

Source: Researcher (2010)

The findings revealed that the existence of various level of competitive intelligence practices within the study organisation which include, gaining an understanding of a competitor's future goals (80%), analysis of competitor's current strategy (87%) , analysis of assumptions held about itself and the industry and capabilities (67%), analysis of competitors price policies and the plans they have for changing the way in which they differentiate their products(60%), Finally defending company secrets from leaks to the competitors (47%). These will involve security and information technology. It can be observed from the discussion that Essar Telecom had utilized the contemporary

competitive intelligence practices. Other activities included the security of organisational data from leaks to the competitors. This was ensured through ICT technology and ensuring employees' motivation and retention of best practices. It was observed that competitive intelligence activities within the study organisation were spontaneous based on the competitor activities.

4.6 Sources of competitive intelligence information

No organisation solely relies on single source of competitive intelligence source. Organisations therefore employ numerous sources in tapping the necessary activities defining an organisation competitive intelligence.

Figure 4.4 presents sources of competitive intelligence information in the study organisation.

Figure 4.4 Sources of Competitive Intelligence Information
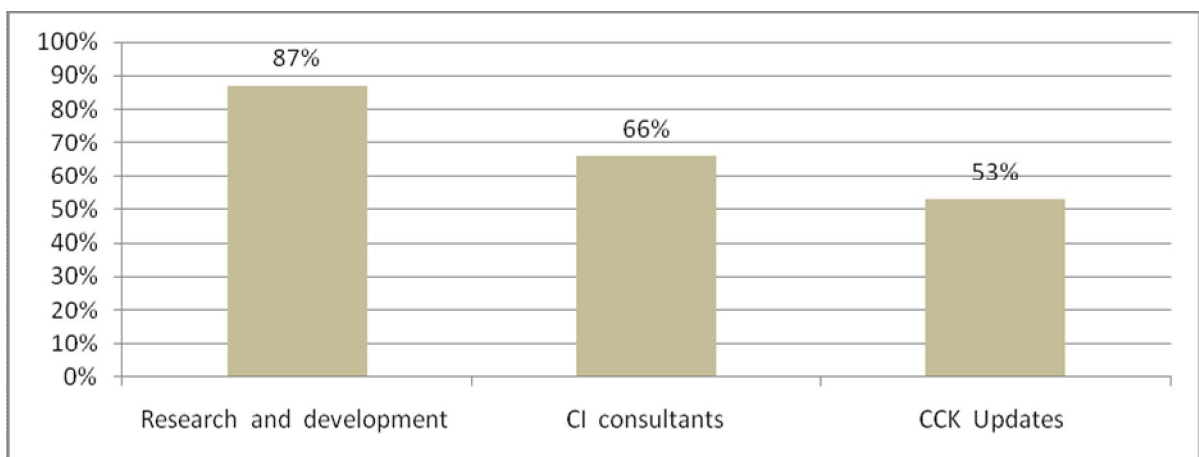
Source: Researcher (2010)

Results illustrated that there were numerous sources of CI information which include, heavy investment on research and development from independently contracted firms (87%). CI consultants (66%) carried the analysis of gathered competitive intelligence information and CCK updates (53%), replication of parent company telecommunication solutions to local solutions were some of the notable sources of CI information for the study organisation. Respondents were further asked to give details on how competitive intelligence information was communicated within the organisation, interviewees noted that only the managers in charge were informed of such information for implementation leading to actions. It was also noted that the sales and marketing team regularly collected information on marketing and distribution channels in the field for efficient deliveries.

4.7 Effectiveness of CI Practices in Market Penetration

Under this section of the interview discussion, the interviewer sought to establish the effectiveness of CI practices in market penetration. Following the discussion, it was noted that interviewees attributed their market penetration to CI practices undertaken by their organisation.

Figure 4.5 Presents effectiveness of CI practices in market penetration.

Figure 4.5: Effectiveness of CI Practices in Market Penetration
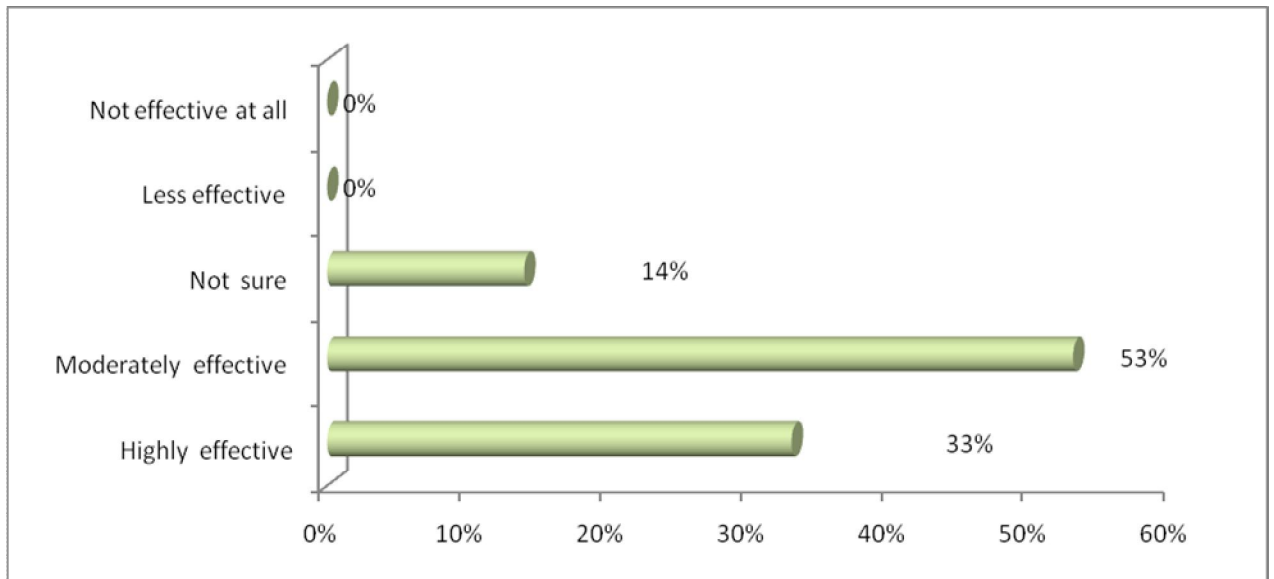
Source: Researcher (2010)

Results observed that majority (53%) of the interviewee in the discussion noted that competitive intelligent in their organisation was moderately effective in market penetration of their organisation, 33% indicated the CI was highly effective. However, 14% of the interviewees were not sure of effectiveness of the CI. From the discussion interviewees observed that through competitive intelligence practices their organisation had recognized the emerging revenue streams as well inventing new products , retention and development of constant growth of subscribers base, recognized consumer emerging needs and promptly adjust to such needs, informing the organization strategy in market adjustment and acquisition. The discussion generally

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observed that the study organisation had to some extent benefited from CI practices in the penetration of highly competitive mobile phone market.

4.8 Indicators of CI Adoption by the Organisation

For effective Competitive intelligence application within an organisation, there must be supportive organisational framework that accommodates the activities of CI. It is true that CI activities cannot be limited to a single department within an organisation. Therefore this section of the interview discussion aimed at establishing various indicators of CI adoption within the study organisation. The indicators of CI are embedded on various departments with the organisation, it was also established that CI influences organisation's decision making in the organisation management. Although the study organisation had to some extent embraced CI as a tool for market penetration, the organisation seemed to lack budgetary allocation for CI activities in the organisation, that is the trained personnel on CI planning, implementation and coordination .

4.9 Challenges Experienced Through Application of Competitive Intelligence Practices

Under this part of the interview discussion the interviewer aimed at establishing challenges faced by the organisation in application of competitive intelligence practices. Respondents acknowledged the existence of challenges in the application of CI within their organisation. In practice, the intelligence product is unlikely to be created from

perfect input. It therefore cannot truly and accurately predict the future, until events have already taken place and it's too late. The firm finds itself in a position where it can only react to the competitor's move. The following are some of the challenges experienced in application of CI practices.

Table 4.3 presents some challenges faced in application of competitive intelligence.

Table 4.3: Challenges Faced in Application of Competitive Intelligence.

	Distribution	
	Frequency	**Percentage**
Unpredictability nature of market	14	93
Cost of CI	14	93
Lack of skilled personnel	12	80
Managers huge responsibility	10	67
Unfair competition	13	87
Copying and imitation of strategies	12	80

Source: Researcher (2010)

Respondents noted the unpredictable nature of the future, (market dynamics) (93%) which posed a great challenge in making cutting edge decisions as a result of competitive intelligence practice. On the other hand (93%) of the respondents also noted that Competitive intelligence activities were an expensive undertaking especially for upcoming organisation in a highly volatile market. Respondents justified the current

system where CI activities were limited to departments so as to cut on costs. It was noted that the organisation's lack of skilled personnel (80%) on the CI posed a challenge to its full application. Altogether managers were entrusted with such roles as gathering information, interpretation, and dissemination and finally to decision making and this would be overload to such managers (67%) who also got other responsibilities in the organisation, this could mean that CI activities are accorded minimum attention for better efficiency. CI's real value is to provide managers with the organisational tools to learn what the competitor will do, not what the competitor has already done. 87% of the respondents indicated that unfair competition hindered the application of CI. Finally (80%) of the respondents noted imitation of strategies among competitors characterized competition in the industry and therefore making it impossible to effectively apply the CI.

CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter presents summary of findings of the study and conclusions emerging from the study findings. The chapter also presents the recommendations to the study conclusion.

5.2 Summary

The study objectives were to establish the competitive intelligences practices, practiced by Essar Telecom, how the CI had affected market penetration and what challenges were faced in using the CI practices.

The study observed that the Kenyan mobile market is highly competitive (60%) of the respondents said more than ever before. Respondents noted that the mobile phone subsector is now geared towards that of developed nations. It was however, noted that Kenyan mobile phone industry is not yet saturated. The study further noted that the strategic actions for market penetration include, new differentiated and innovative products for example data (93%) mobile phone money transfers, cost reduction (87%), infrastructure development (66%), through availing cheap quality handsets and market segmentation so as to target the youths (11%).

Findings revealed that some of the respondents did not fully understand the concept of competitive intelligence. However, it was acknowledged that some interviewee's understood CI as continuous process of acquiring competitors activities and that of

the industry. Results also revealed that some CI activities were restricted to various departments in the organisation (67%), such department include, sales and marketing department and corporate communication department. It was generally observed that there was a multi dimensional approach as far as CI activities was concerned.

Study showed the existence of various level of competitive intelligence practices within the study organisation which included, gaining an understanding of a competitor's future goals, analysis of competitor's current strategy, analysis of assumptions held about itself and the industry and capabilities, analysis of competitors price policies and the plans they have for changing the way in which they differentiate their products and finally defending company secrets from leaks to the competitors. Notably, the study also observed that competitive intelligence activities within the study organisation were spontaneous based on the competitor's activities.

Results illustrated that there were numerous sources of CI information they include, research and development from independently contracted firms (87%). CI consultants (66%) carried the analysis of gathered competitive intelligence information and CCK updates (53%), and replication of parent company telecommunication solutions to local solutions. It was also noted that only managers in charge were informed of such information for implementation leading to actions. Sales and marketing team regularly collect information on marketing and distribution channels in the field for efficient deliveries.

Majority (53%) of the interviewee in the discussion noted that competitive intelligent in their organisation was moderately effective in market penetration of their organization, (33%) indicated the CI was highly effective. However, (14%) of the interviewees were not sure of effectiveness of the CI. Discussions observed that through competitive intelligence practice their organisation had recognized the emerging revenue streams as well as inventing new products, retention and development of constant growth of subscribers base . The discussions also revealed that CI had enabled the company to recognize consumer emerging needs and promptly adjust to such needs, informing the organization strategy in market adjustment and acquisition. The indicators of CI are embedded on various departments within the organisation, it was also established that CI influenced organization's decision making in the organisation management. Although the study organisation had to some extent embraced CI as a tool for market penetration, the organisation seemed to lacks budgetary allocation for CI activities in the organisation, trained personnel on CI planning, implementation and coordination

The study finally identifies numerous challenges affecting the application of CI. Some of the challenges include unpredictable nature of the future (market dynamics). Competitive intelligence activities being expensive undertaking, lack of skilled personnel on the CI, various department managers being entrusted with the role gathering information and interpretation, unfair competition in the industry and imitation of strategies among competitors.

5.3 Conclusion

The following conclusions were made based on the study findings. The organisation under study has embraced competitive intelligence practices for market penetration. The CI activities had to a moderate extent affected the market penetration. However the understanding of what competitive intelligence is, among the managers within the organisation is a subject of concern.

Competitive intelligence activities were spontaneous in reaction to competitor's activities and no specific budget was set aside for CI activities. This could mean that competitive intelligence activities were not sufficiently funded for optimisation of CI benefits within the organization.

Although competitive intelligence was undertaken by most of the departments within the organization, it was limited to the managers who have other duties to perform and do not have all the technical knowhow of collecting the information and this has then hampered the effective implementation of competitive intelligence decisions.

5.4 Recommendations

There is need to fully internalize the competitive intelligence activities in the organisation structure and more specifically the organisation should be able to set objectives for the CI department and establish job descriptions for every responsibility center. To realize maximum benefits (market penetration) CI function must be guided by a plan of action that addresses the mandatory requirements for the operations. Furthermore, CI activities

objectives and aspirations should be incorporated into the overall strategic plan for the whole organisation, this would position the CI function as one of the top department.

5.5 Areas of further Research

The current study was on competitive intelligence practices at Essar telecom. The study suggests that additional research should be undertaken in the area of competitive intelligence regarding the factors that determine the success of competitive intelligence practices in mobile phone industry in Kenya. Other similar studies should carried out in the other mobile phone service providers so as to give a generalized view of competitive intelligence practices in the industry.

5.6 Limitation of the Study

Some levels of limitations were experienced in carrying out this study. The timelines scheduled for the study were not enough for this study as interviews took more than the initial time estimated. The researcher was faced with lack /scarcity of resources while undertaking this study. Some respondents did not respond to the interview appointment due to busy work schedules and this ultimately affected the response rate. The study was also limited to respondents understanding of competitive intelligence.

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APPENDICES

Appendix: I

AUTHORISATION LETTER
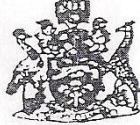
UNIVERSITY OF NAIROBI
SCHOOL OF BUSINESS
MBA PROGRAM – LOWER KABETE CAMPUS

Telephone: 020-2059162
Telegrams: "Varsity", Nairobi
Telex: 22095 Varsity

P.O. Box 30197
Nairobi, Kenya

DATE 28/9/2010

TO WHOM IT MAY CONCERN

The bearer of this letter ...Jane Mwende Mutwa...

Registration No: ...D61/P/7132/04...

is a Master of Business Administration (MBA) student of the University of Nairobi.

He/she is required to submit as part of his/her coursework assessment a research project report on a management problem. We would like the students to do their projects on real problems affecting firms in Kenya. We would, therefore, appreciate if you assist him/her by allowing him/her to collect data in your organization for the research.

The results of the report will be used solely for academic purposes and a copy of the same will be availed to the interviewed organizations on request.

Thank you.

DR. W.N. IRAKI
CO-ORDINATOR, MBA PROGRAM

UNIVERSITY OF NAIROBI
SCHOOL OF BUSINESS
MBA OFFICE
P. O. Box 30197
NAIROBI

LETTER OF INTRODUCTION

UNIVERSITY OF NAIROBI
SCHOOL OF BUSINESS

<u>TO WHOM IT MAY CONCERN</u>

RE: REQUEST FOR PARTICIPATION IN MY RESEARCH WORK

I am a postgraduate student in the University of Nairobi, school of business and pursuing masters in Business Administration (MBA) degree programme in strategic management. In order to fulfill the masters degree requirements I am undertaking a research project on Competitive intelligence practices by Essar Telecom (YU) limited.

The research is purely for academic purposes. All information given shall be kept strictly confidential. The study may bring out some suggestions, which could be useful to Essar Telekom. A copy of the final study may be availed to you on request once the study is complete. Thank you

Yours Sincerely,   UNIVERISITY   SUPERVISOR
MUTUA JANE MWENDE   DR. GATHUNGU.

Appendix: II Interview Guide

Interviewee Background Information

1. Respondent number

…………………………………………………………………………

2. Respondent   position

…………………………………………………………………………………………………

3. Respondent length of service…………years

4. How would you consider the Kenyan mobile phone industry as?

a) Highly competitive   (b) Moderately competitive   (c) Not sure   (d) Less competitive

e) Not competitive at all…...

5. Do you think Kenya mobile phone industry   is saturated?   Yes [ ]   No [ ]

If no what do you think new entrants must strategically do to penetrate the market? Explain

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

6. What do you understand about competitive intelligence? Explain

…………………………………………………………………………………………………

7. Looking at your organisation what are some of the competitive intelligence practices available for effective market penetration? Outline

…………………………………………………………………………………………………
…………………………………………………………………………………………………

8. Do you think that the competitive intelligence you have just mentioned has effectively helped your organisation in market penetration?   Yes [ ]   No [ ]

If yes to what extent would attribute market penetration to CI practices? Explain

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………

9. What are some indicators of CI adoption by your organisation? Explain?

………

………

10. Does your organisation experience challenges in application of CI practices? Yes [ ]

No [ ]

11. If yes what challenges are encountered by your organisation in application of CI practices?
Explain

………

………