COMPETITIVE STRATEGIES ADOPTED BY RENEWABLE ENERGY FIRMS IN KENYA

BY

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DECLARATION

This project is my original work and has not been presented for a degree in any other University.

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D61/72695/2012

SUPERVISOR'S DECLARATION

This research project has been submitted for examination with my approval as the University Supervisor.

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DEDICATION

I dedicate this work to my family and all those who supported me in the completion of this project. Thank you and May God bless you abundantly.

LIST OF ABREVIATIONS AND ACRONYMS

AIS	Accounting Information Systems
KNEP	Kenya National Energy Policy
NCBD	Nairobi Central Business District
SPSS	Statistical Package for Social Sciences
TQM	Total Quality Management
UON	University of Nairobi
VAT	Value Added Tax

ABSTRACT

One of the environmental influences to a business arises from competition following increased globalization and internationalization of firms. Increased competition threatens the attractiveness of an industry thereby reducing the profitability. Competition determines the appropriateness of a firm's activities that can contribute to its performance, such as innovations, a cohesive culture, or good implementation. The objective of this study was to investigate the competitive strategies adopted by renewable energy firms in Kenya in response to competition. This study used cross-sectional research design. The population of this study was the companies operating in the renewable energy sector in Kenya. This study conducted a census study collected both primary and secondary data. Data was collected by use of semi structured questionnaires which contained both open and closed ended questions. The questionnaires were issued to the Marketing Managers of the 36 companies operating. Quantitative data collected was analyzed by the use of descriptive statistics using SPSS and presented through percentages and frequencies. The findings of the study established that the competitive strategies adopted by renewable energy firms affected the competitiveness of a firm to a very great extent and included quality service delivery, employment of competent staff and application of cost saving. The following competitive strategies were used: strategic alliances, applied market segmentation strategy and strategic partnerships did not enhance the competitiveness of the companies. This study recommends that the government should invest in the renewable energy sector so as to contribute to its growth rather.

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CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

The demands and needs of the environment are constantly evolving. In order for organization to outperform the competition, management needs to adjust and align the company according to the needs and demands of the environment. One of the environmental influences to a business arises from competition following increased globalization and internationalization of firms. Increased competition threatens the attractiveness of an industry thereby reducing the profitability. It exerts pressure on firms to be proactive and to formulate successful strategies that facilitate proactive response to anticipated and actual changes in the competitive environment (Johnson and Scholes, 2002).

This study is anchored on two theories: open systems theory and organizational systems theory. An open system is one that interfaces and interacts with its environment, by receiving inputs from and delivering outputs to the outside (Emery, 1997). Open System Theory maintains that people and their organisations must have an open and actively adaptive relationship with the contextual environment over time to ensure viability. Organizational Development Theory, development is a necessary process that all organizations must undergo. The process of organizational development cause changes in the daily workplace routine and these changes causes success and productivity in the workplace (Britt and Jex, 2008).

The renewable energy sector has experienced several changes following the Government's intervention to advocate and promote its usage among its citizens. This included providing tax incentives on renewable energy equipment. In addition, following increased power blackouts resulting from reduced water levels in the electricity generating stations. This forced many firms and organizations to seek alternative sources of energy which drove them to renewable energy. With a ready market, more and more firms have been licensed to manufacture and distribute equipment in the renewable energy sector.

1.1.1 Competitive Strategies

Porter (1996) defines competitive strategy as deliberately choosing different set of activities to deliver a unique mix of value. These activities form the basis of competitive advantage. Strategy in itself can be defined as a game plan management has for positioning the company in its chosen market arena, competing successfully, pleasing customers and achieving good business performance (Thompson & Strickland, 2002). Strategy is also the commercial logic of a business that defines why a firm can have a competitive advantage.

Competitive strategy consists of all those moves and approaches that a firm has and is taking to attract buyers, withstand competitive pressure and improve its market position (Thompson & Strickland, 2002). It concerns what a firm is doing in order to gain a sustainable competitive advantage. Porter (1980) outlined the three approaches to competitive strategy these being striving to be the overall low cost producer, i.e. low cost leadership strategy, secondly seeking to differentiate one's product offering from that of its rivals, i.e. differentiation strategy and lastly focus on a narrow portion of the market, i.e. focus or niche strategy.

Porter (1998) described competitive strategy as "the search for a favorable competitive position in an industry, the fundamental arena in which competition occurs" and further explains that "competitive strategy aims to establish a profitable and sustainable position against the forces that determine industry competition." This involves identifying sources of competition in the ever changing environment then developing strategies that match organizational capabilities to the changes in the environment. According to Porter (1998), "competitive strategy is about being different". This means deliberately performing activities differently and in better ways than competitors.

1.1.2 Concept of Competition

Competition is a dynamic process through which industry structure itself changes through evolution and transformation (Porter, 1985). The essence of competition, then, is a dynamic process in which equilibrium is never reached and in the course of which industry structure are continually reformed (Grant, 1998). Competition is at the core of the success or failure of firms. Competition determines the appropriateness of a firm's activities that can contribute to its performance, such as innovations, a cohesive culture, or good implementation (Porter, 1985). Competition is most intense when there are many direct competitors and when industry growth is slow. Sometimes competition is high because the rivals have very different "personalities" and strategies. There are dramatically different ideas about how to compete and constantly find themselves in new battles with one another (Bateman & Zeithaml, 1989).

In the fight for the market share, competition is not manifested only in the other players. Rather, competition in an industry is rooted in its underlying economics, and existing competitive forces that go well beyond the established combatants in a particular industry (Porter, 1985). Customers, suppliers, potential entrants and substitute products are all competitors that may be more or less prominent or active depending on the industry (Porter, 1979). The state of competition in an industry depends on five basic forces. These are threat of new entrants, bargaining power of buyers, threat of substitute products or services, bargaining power of suppliers and rivalry among existing firms (Porter, 1980).

1.1.3 The Renewable Energy Sector in Kenya

Kenya is using several policy tools to stimulate renewable energy development and grow its national energy supply. These tools include feed-in tariffs, 0% import duties, and VAT exemption. A feed-in tariff is a policy tool that the Government uses to increase the renewable energy supply on the grid by stimulating investment. In 2011 the Government of Kenya introduced the Scaling-Up Renewable Energy Program which introduced a zero-rated (0%) import duty on renewable energy equipment and accessories. The same program scrapped out value-added tax on renewable energy materials, equipment, and accessories. With rapidly growing demand, the government has clearly identified renewable energy, such as solar, wind, and geothermal, as a reliable and sustainable way to increase energy supply. Kenya's National Energy Policy is designed "to facilitate provision of clean, sustainable, affordable, reliable and secure energy services at least cost while protecting the environment (Government Sessional Paper on Renewable Energy, 2011).

1.1.4 Renewable Energy Firms

Several firms have ventured into the renewable energy sector in Kenya aimed at taking advantage of the Government's policy on increasing the production and usage of renewable energy. As at end of July 2013, there were 36 companies in the production of renewable energy. Their products ranged from solar panels, solar water heating systems, solar street lighting, solar security lights, and solar pumps among others.

1.2 Research Problem

Today's business environment has become turbulent and very competitive to the extent that very few organizations are able to sustain their competitiveness in the long run due to the unpredictability of the environment. In order to survive and remain profitable in the competitive environment, it becomes necessary for the threatened companies to be aggressive in their search and development of response strategies that provide competitive advantage as they step up defensive strategies to protect their competitive advantages held (D'Aveni, 1994). Strategic deployment of competitive strategies is a fundamental function for every organization. Any organization that fails to adopt competitive strategies will continuously experience heavy financial losses because of the constantly changing external environment which brings about constraints to the firm.

The renewable energy sector in Kenya has become very competitive because of increased number of companies as more and more entrepreneurs enter the sector. The renewable energy sources equipment have become available from the various sources which are of different and charged differently (Government Sessional Paper on Renewable Energy, 2011). Majority of the equipment is sourced from China, India, and Middle East which have different ratings and are cheaper. The European sourced equipment is expensive and not easy to customize to local use. The competition has become stiff forcing companies to devise several strategies to ensure their survival.

Several scholars have reviewed the concept of competitive strategies among organizations. Kariuki (2007) did a study on the competitive strategies adopted by exhibition stalls in the Nairobi Central Business District. The study showed that there was strong competition in the exhibition stalls in the country and that the owners had taken strategic measures to respond to the challenges they face. Waithaka (2012) looked at strategies adopted by the University of Nairobi to achieve sustainable competitive advantage. Oludhe (2010) did a study on principles of renewable energy resources where it sought to understand the benefits of using renewable energy resources and understand the nature of the environmental problems associated with production and management of renewable energies. Dewees (2012) did a study on the renewable energy technologies in Kenya by looking at the framework for a market study of renewable energy technologies for small-scale irrigation in Kenya where it suggested a possible framework for a study of the market for renewable energy technologies in Kenya that could provide for a highly-valued end-use in a developmentally important sector. From the above studies, it is evident that limited studies if any have concentrated on the competitive strategies adopted by renewable energy firms in response to challenges in external environment in Kenya. This study therefore sought to fill this research gap by answering one question: what competitive strategies have been adopted by renewable energy firms in Kenya in response to competition?

1.3 Research Objective

The objective of this study was to investigate the competitive strategies adopted by renewable energy firms in Kenya in response to competition.

1.4 Value of the Study

This study would be valuable to different stakeholders including:

Future researchers and scholars would benefit from the findings of this study as it would act as a source of reference materials besides suggesting areas for further research that they can further knowledge on in the area of competitive strategic management.

The findings of this study would also be valuable to managers in the renewable energy sector as the findings would act as a guiding framework of their future strategies in their effort to outperform the competition.

The findings would also be valuable to policy makers in the area of renewable energy because through the findings of this study, the policy makers can learn the challenges and loopholes in their current regulatory framework and how it is affecting the operations of the firms involved.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter summarizes the information from other researchers who have carried out studies in the same field of competitive strategies. Materials have been drawn from several sources which are closely related to the theme and the objectives of the study. Specifically the chapter covers the theoretical foundation and competitive strategies adopted by organizations in response to changes in the operating environment.

2.2 Theoretical Foundation

An open system is one that interfaces and interacts with its environment, by receiving inputs from and delivering outputs to the outside (Emery, 1997). It possess permeable boundaries, that permits interaction across its boundary, through which new information or ideas are readily absorbed, permitting the incorporation and diffusion of viable, new ideas. Because of these open systems can adapt more quickly to changes in the external environment in which they operate (Emery, 2000). As the environment influences the system, the system also influences environment thereby allowing the open system to ultimately sustain growth and serve its parent environment, and so have a stronger probability for survival. With increased globalization and internationalization of organizations, the operating environment has become very competitive as organizations seek ways of outperforming their competitors (Emery, 1997). Open systems help explain how organizations relate with their operating environment. Open System Theory' maintains that people and their organisations must have an open and actively adaptive relationship with the contextual environment over time to ensure viability. A new approach is needed if organisations and communities are going to prosper in today's competitive environment. Open systems like organizations are multi-cephalous whereby many heads are present to receive information, make decisions, direct action (Emery, 2000). Individual and subgroups form and leave coalitions. Boundaries are amorphous, permeable, and ever changing. But the system must exchange resources with the environment to survive (Emery, 2000).

According to Organizational Development Theory, development is a necessary process that all organizations must undergo. There are many factors that make organizational development important for organizations to thrive and be successful. Organizational development is a complex process that is described as a "set of behavioral science-based theories, values, strategies, and technologies aimed at planned change of the organizational work setting for the purpose of enhancing individual development and improving organizational performance, through the alteration of organizational members' on-the-job behaviors" (Britt and Jex, 2008:15). The process of organizational development cause changes in the daily workplace routine and these changes causes success and productivity in the workplace. Organizational developments help an organization to improve and evolve into a more successful organization. Organizational development is necessary for any organization to survive and be successful. Many theories have helped organizations to understand and implement organizational developments. It is important that conditions be correct in an organization if changes are expected to be successful.

2.3 Concept of Competition

Competition is a dynamic process through which industry structure itself changes through evolution and transformation. The essence of competition, then, is a dynamic process in which equilibrium is never reached and in the course of which industry structure are continually reformed (Grant, 1998). Competition is at the core of the success or failure of firms. Competition determines the appropriateness of a firm's activities that can contribute to its performance, such as innovations, a cohesive culture, or good implementation (Porter, 1985). Competition is most intense when there are many direct competitors and when industry growth is slow. Sometimes competition is high because the rivals have very different "personalities" and strategies. There are dramatically different ideas about how to compete and constantly find themselves in new battles with one another (Bateman & Zeithaml, 1990).

The corporate strategist's goal is to find a position in the industry where his or her company can best defend itself against these competitive forces or can influence them in its favour. The collective strength of the forces may be painfully apparent to all the antagonists; but to cope with them, the strategists must delve below the surface and analyze the sources of each. For example, what makes the industry vulnerable to entry? What determines the bargaining power of suppliers? Knowledge of the underlying sources of competitive pressure provides the groundwork for a strategic agenda of action (Porter, 1979).

According to Kotler (2004), an industry is a group of firms that offer a product or class of products that are close substitutes for one another. Industries are classified according to number of sellers; degree of product differentiation; presence or absence of entry, mobility and exit barriers; cost structure; degree of vertical integration; and degree of globalization. One needs to specify on the number of sellers and if the product is homogeneous or highly differentiated. Kotler (2004) defines four industry structures as pure monopoly, oligopoly, monopolistic and pure competition.

Entry barriers include high capital requirements; economies of scale; patents and licensing requirements; scarce locations, raw materials, or distributors; and reputation requirements. Mobility barriers are in force when a firm tries to enter more attractive market segments. Exit barriers (Hurrian, 1980 in Kotler, 2004) include legal or moral obligations to customers, creditors and employees; government restrictions; low asset salvage value due to overspecialization or obsolescence; lack of alternative opportunities; high vertical integration; and emotional barriers.

Most firms find it in their advantage to integrate forward or backward. Vertical integration often lowers costs and the company gains a larger share of the value-added stream. In addition, vertically integrated firms can manipulate prices and costs in different parts of the value chain to earn profits where taxes are lowest. There can be disadvantages, such as high costs in certain parts of the value chain and a lack of flexibility. Companies are increasingly questioning how vertical they should be. Many are outsourcing more activities, especially those that can be done better and more cheaply by specialist firms (Kotler, 2004). The competitive advantage of an organization may be eroded because the competitive forces may change and/or competitors manage to overcome adverse forces. This process or erosion may be speeded up by changes in the macro environment such as new technologies, globalization or deregulation. The advantage may be temporary; though the speed at which erosion occurs will differ between sectors and over time. Organizations may then respond to this erosion of their competitive position, creating what has been called a cycle of competition (Johnson *et al,* 2005).

2.4 Competitive Advantage

When a firm sustains profits that exceed the average for its industry, the firm is said to possess a competitive advantage over its rivals (Porter, 1985). The goal of much of business strategy is to achieve a sustainable competitive advantage. An organization will gain competitive advantage over its competitors from an understanding of both markets and customers, and special competences that it possesses (Porter, 1985). A competitive advantage exists when the firm is able to deliver the same benefits as competitors but at a lower cost (cost advantage), or deliver benefits that exceed those of competing products (differentiation advantage). Thus a competitive advantage enables a firm to create superior value for its customers and superior profits for itself.

Cost and differentiation advantages are known as positional advantages since they describe the firm's position in the industry as a leader in either cost or differentiation (Porter, 1985). A firm utilizes its resources and capabilities to create a competitive advantage that ultimately results in superior value creation. Mc Lauren (2004) argues that resources are the sources of a firm's capabilities, while capabilities are the source of a firm's competitive advantage.

Porter (1980) provides a framework that models an industry as being influenced by five forces. The strategic manager seeking to develop an edge over rival firms can use this model to better understand the industry context in which the firm operates. The framework uses concepts developed in micro-economics to derive five forces that determine the attractiveness of a market. They consist of those forces close to a firm that affect its ability to serve its customers and make a profit. A change in any of the forces requires a firm to reassess its marketplace. These forces include, bargaining power of suppliers, bargaining power of buyers, threat of substitute product and threat of new entrants. The above four forces combine with other variables to influence a fifth force, the level of competition in an industry. The intensity of rivalry among firms varies across industries. If rivalry among firms in an industry is low, the industry is considered to be disciplined. This discipline may result from the industry's history of competition, the role of leading firm, or informal compliance with a generally understood code of conduct (Porter, 1980).

2.5 Competitive Strategies

Today's dynamic markets and technologies have called into question the sustainability of competitive advantage. Under pressure to improve productivity, quality, and speed, managers have embraced tools such as TQM, benchmarking, and re-engineering Safford (2005). Dramatic operational improvements have resulted, but rarely have these gains translated into sustainable profitability. And gradually, the tools have taken the place of strategy. Njau (2000) argues that as managers push to improve on all fronts, they move further away from viable competitive positions. Porter (1980) argues that operational effectiveness, although necessary to superior performance, is not sufficient, because its techniques are easy to imitate. In contrast, the essence of strategy is choosing a unique and valuable position rooted in systems of activities that are much more difficult to match.

Safford (2005) holds that a winning competitive strategy is always founded on consistently understanding and predicting changing market conditions and customer needs. The goal of much of business strategy is to achieve a sustainable competitive advantage. A competitive advantage exists when the firm is able to deliver the same benefits as competitors but at a lower cost (cost advantage), or deliver benefits that exceed those of competing products (differentiation advantage). Thus, a competitive advantage enables the firm to create superior value for its customers and superior profits for itself (Kombo, 1997). Cost and differentiation advantages are known as positional advantages since they describe the firm's position in the industry as a leader in either cost or differentiation. A resource-based view emphasizes that a firm utilizes its resources and capabilities to create a competitive advantage that ultimately results in superior value creation.

2.5.1 Cost Leadership Strategy

A cost leadership strategy is one in which a firm strives to have the lowest costs in the industry and offer its products or services in a broad market at the lowest prices. Characteristics of cost leadership include low level differentiation, aim for average customer, use of knowledge gained from past production to lower production costs, and the addition of new product features only after the market demands them. Cost leadership has advantages. The strategy protects the organization from new entrants. This is because a price reduction can be used to protect from new entrants. However, the risk of cost leadership is that competitors may leap from the technology, nullifying the firms accumulated cost reductions. Other competitors may imitate the technology leading to firm’s loss of its competitiveness.

Hambrick (1983) argues that the main dimension of the cost leadership strategy is efficiency, the degree to which inputs per unit of output are low. Efficiency can be subdivided into two categories: cost efficiency which measures the degree to which costs per unit of output are low, and asset parsimony which measures the degree to which assets per unit of output are low. Together, cost efficiency and asset parsimony, capture a firm’s cost leadership orientation to the extent that firms following an efficiency strategy succeed in deploying the minimum amount of operating costs and assets needed to achieve the desired sales, they would be able to improve their financial performance (Hambrick, 1983; Porter, 1980). Such firms pay great attention to asset use, employee productivity and discretionary overhead. Their customers buy their products primarily because they are priced below their competitors' equivalent products, an advantage achieved through minimizing costs and assets per unit of output (Hambrick, 1983).

In a study of competitive strategies applied by commercial banks Gathoga (2001) concludes that banks had adopted various competitive strategies, which included delivery of quality service at competitive prices and at appropriate locations. The banks also engaged in product differentiation by creating differentiated products for different market segments.

2.5.2 Differentiation Strategy

Differentiation strategy is one in which a firm offers products or services with unique features that customers value. Successful differentiation is based on a study of buyers' needs and behaviour in order to learn what they consider important and valuable. The desired features are then incorporated into the product to encourage buyer preference for the product. The basis for competitive advantage is a product whose attributes differ significantly from rivals' products. The value added by the uniqueness lets the firm command a premium price. The key characteristic of differentiation strategy is perceived quality (whether real or not). This may be through superior product design, technology, customer service, dealer network or other dimensions. The advantage of differentiation is that perceived quality and brand loyalty insulates company from threats from any of the five forces that determine the state of competition in an industry. Price increases from powerful suppliers can be passed on to customers who are willing to pay. Buyers have only one source of supply. Brand loyalty protects from substitutes. Brand loyalty is also a barrier to new entrants. The risks to differentiation strategy include limitation due to production technology. The 'shelf life' of differentiation advantage is getting shorter and shorter. Customer tastes may also change and wipe out the competitive advantage.

Through differentiation a customer is given reason to choose the brand and not any other service or product. Although all products or services can be differentiated not all brand differences are worthwhile or meaningful to the customers Kotler (2000), Porter (1980), Aaker (1984). The challenge is to establish a difference that is relevant to customers. An organization is also faced with a challenge of how many differences to promote Aaker (1984). This will help an organization to avoid the risks of over-positioning, under-positioning, confused positioning and doubtful positioning.

According to Sheikh (2007), computer technology is crucial to Accounting Information Systems (AIS) and to accountants for many reasons. One is that computer technology must be compatible with and support the other components of the AIS. Secondly, in trying to expand their services, audit firms are moving into provision of outsourced accounting and/or internal auditing services, which require mastery of computer accounting packages. Githae (2004) implies that in differentiating, audit firms have to broaden their services. They have to embrace various disciplines crucial to the world of business, charting what one may describe as new frontiers. They have to adopt such strategies as forensic services to remain competitive. Efforts to differentiate often result in higher costs. Profitable differentiation is achieved by either keeping the cost of differentiation below the price premium that the differentiating features command, or by offsetting the lower profit margins through more sales volumes.

A product can be differentiated in various ways. Unusual features, responsive customer service, rapid product innovations and technological leadership, perceived prestige and status, different tastes, engineering design and performance are examples of approaches to differentiation (Porter, 1980). Rather than cost reduction, a firm using the differentiation needs to concentrate on investing in and developing such things that are distinguishable and customers will perceive. Overall, the essential success factor of differentiation in terms of strategy implementation is to develop and maintain innovativeness, creativeness, and organizational learning within a firm (Ireland *et al.,* 2001; Dess and Davis, 1984; Porter, 1985).

2.5.3 Focus Strategy

Focus strategy involves targeting a particular market segment. This means serving the segment more efficiently and effectively than the competitors. Focus strategy can be either a cost leadership or differentiation strategy aimed towards a narrow, focused market. Advantages of focus strategy include having power over buyers since the firm may be the only source of supply. Customer loyalty also protects from new entrants and substitute products. The firm adopting focus strategy can easily stay close to customers and monitor their needs.

Kombo (1997), in a study on the motor industry notes that firms had to make substantial adjustments in their strategic variables in order to survive in the competitive environment. The firms introduced new techniques in product development, differentiated their products, segmented and targeted their customers more and improved customer service. Karanja (2002) observes in a study of real estate firms in Kenya that increase in the number of players has led to increased competition. The most popular type of competitive strategy was on the basis of focused differentiation. Firms tended to target certain levels of clients especially the middle and upper class who resided in certain targeted estates.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter presents the research methodology that was used to carry out the study. It covers the research design, population of the study, data collection and data analysis.

3.2 Research Paradigm

This study used cross-sectional research design. Cross sectional survey is a type of descriptive research design involving the collection of information from any given sample of the population element once (Ngechu, 2004). Mugenda and Mugenda (2003) noted that a survey attempts to collect data from members of a population and describes phenomenon by asking individuals about their perceptions, attitudes, behaviour or values.

Cross-sectional research design was chosen because it appeals for generalization within a particular parameter (Ngechu, 2004). The data obtained can be standardized to allow easy comparison. Moreover, it explored the existing status of two or more variables at a given point in time. This design enhanced a systematic description that was accurate, valid and reliable as possible regarding the competitive strategies adopted by renewable energy firms in Kenya in response to competition.

3.3 Population of the Study

Population in statistics is the specific population about which information is desired (Ngechu, 2004). According to Bryman and Bell (2003) a population is a well defined or set of people, services, elements, events, group of things or households that are being investigated. The population of the study was all the companies operating within the renewable energy sector. Following the small number of members of the population and their easy accessibility since they have representative offices within Nairobi, this study included all of the population members in the study hence a census. Currently there are 36 companies (as show in appendix I).

3.4 Data Collection and Measurements

The study collected both primary and secondary data. According to Mugenda and Mugenda (1999), primary data is data the researcher collects while secondary data refers to data from other sources. Primary data is considered more reliable and up to date. The main instrument for data collection was semi structured questionnaires containing both open and closed ended questions. Closed ended questions were used in order to allow for uniformity of responses to questions. A five point likert scale was used to allow for measurement of respondents' level of agreement with each statement. The questionnaire is a fast way of obtaining data as compared to others instruments (Mugenda & Mugenda, 1999). Questionnaires give the researcher comprehensive data on a wide range of factors. Questionnaires allow greater uniformity in the way questions are asked, ensuring greater compatibility in the responses.

The particular officers to participate in the study were the Marketing Managers of the 36 companies operating within the renewable energy sectors. These officers were selected upon because of their key role in the marketing of the products on behalf of their companies. In total, the study targeted 36 respondents using a questionnaire.

In developing the questionnaire two broad categories of questions were considered, namely: structured and unstructured questions. According to Field (2005), structured questions are usually accompanied by a list of all possible alternatives from which respondents select the answer that best describes their position. Questions were constructed so as to address specific objectives and provide a variety of possible responses. Unstructured questions give the respondent freedom of response which helps the researcher to gauge the feelings of the respondent. He/she can use his or her own words. These kinds of questions expose respondents' attitudes and views very well (Field, 2005).

3.5 Validity and Reliability

According to Joppe (2000), validity refers to the extent to which an instrument measures what is supposed to measure. Data need not only to be reliable but also true and accurate. Reliability refers to the consistence, stability, or dependability of the data (Cooper & Schindler, 2003). Cooper & Schindler further argues that whenever an investigator measures a variable, he or she wants to be sure that the measurement provides dependable and consistent results. A valid measurement is also reliable. Orodho (2003) observed that a pilot test helps to test the reliability and validity of data collection instruments.

In order to test the validity and the reliability of the research, a pilot study was conducted. The content of validity of the data collection instruments was determined through discussing the stated questions in the questionnaires with marketing managers involved in the pilot study. Validity was determined by the use of Content validity Index (C.V.I). as noted by Orodho (2003), C.V.I of between 0.7 and 1 shows the instruments to be valid for the study. To measure reliability of the data collection instruments, an internal consistency technique using Cronbach's alpha was applied to the gathered data. Cronbach's alpha is a coefficient of reliability that gives an unbiased estimate of data generalizability and an alpha coefficient of 0.60 or higher indicates that the gathered data is reliable as it has a relatively high internal consistency and can be generalized to reflect opinions of all respondents in the target population (Zinbarg, 2005).

3.6 Data Analysis

The completed questionnaires were first edited for completeness and consistency. Quantitative data collected was analyzed by the use of descriptive statistics using SPSS and presented through percentages, means, standard deviations and frequencies. The data was split down into different aspects of competitive strategies and organizational competitiveness. This offered a systematic and qualitative answer to the study objectives.

To help generalize the findings the collected data was grouped using percentages and measures of central tendency. Descriptive statistics including cross-tabulation, frequencies and percentages, mean and standard deviation were used for comparison.

CHAPTER FOUR

DATA ANALYSIS, FINDINGS AND DISCUSSION

4.1 Introduction

This chapter presents the findings of the study, analysis of data and presentations of major findings. The data is presented in the form of tables, frequencies and percentages where applicable. The study targeted 36 respondents from which 31 filled in and returned the questionnaires making a response rate of 86.1%. This response rate was excellent and representative as it conforms to Mugenda and Mugenda (1999) stipulation that a response rate of 50% is adequate for analysis and reporting; a rate of 60% is good and a response rate of 70% and over is excellent.

4.2 Demographic Information

4.2.1 Years Worked at the Organization

The study sought to find out the number of years the respondents had worked with the organization. The findings were as presented in the table 4.1 below.

Table 4.1: Years Worked at the Organization

	Frequency	Percent
Below 5 years	2	6.5%
6-10 years	5	16.1%
11-15 years	9	29.0%
above 16 years	15	48.4%
Total	31	100.0%

Source: Field Data

From the data findings of the study, majority (48.4%) of the respondents had worked with their organizations for more than 16 years. 29.0% of the respondents had worked with their organizations for 11-15 years. 16.1% of the respondents had worked in with their organizations for 6-10 years while 6.5% had worked with their organizations for less than 5 years. Majority of the Marketing Managers had been with been working with their organizations for over 16 years, it can be deduced that these managers had experience working with their organizations hence more suited to provide information on the competitive strategies their firms have employed to remain competitive.

4.2.2 Ownership

The study sought to find out the ownership of the organizations. The findings are presented in the table below.

Table 4.2: Ownership

	Frequency	Percent
Private	29	100.0%
Total	31	100.0%

Source: Field Data

From the findings of the study, all (100.0%) of the respondents indicated that their companies were privately owned. These findings show that all the investors in the renewable energy sector in Kenya are private firms and that the Kenyan government has not yet invested in the sector other than on a regulatory basis. As such, it is important that these firms develop their strategies well in order to remain competitive in an ever changing operating environment.

4.2.3 Number of Employees

The study sought to establish the number of employees in the companies. Presented in the table below are the findings.

Table 4.3: Number of Employees

Number of employees	Frequency	Percent
10-20 staff	2	6.5%
21-30 staff	4	12.9%
31-40staff	5	16.1%
41-50	8	25.8%
Above 51 staff	12	38.7%
Total	31	100.0%

Source: Field Data

From the findings of the study, 38.5% of the respondents indicated that their companies had over 51 staff members, 25.8% had 41-50 staff members, 16.1% had 31-40 staff members, 12.9% had 21-30 staff members while 6.5% of the respondents indicated that their companies had 10-20 staff members. Majority of the companies had more than 51 staff members. This shows that renewable energy sector has contributed to creation of employment opportunities in Kenya. Following wide distribution network across the country, it was important that these companies employ more staff to help distribute their products and services across different parts hence need to employ more staff.

4.2.4 Product Range

The study sought to find out the product range distribution of the companies. The data findings were as presented in the table below.

Table 4.4: Product Range

	Frequency	Percent
Solar Panels	11	35.5%
Power Storage Devices	4	12.9%
Solar water heating systems	6	19.4%
Solar bulbs	7	22.6%
Other please specify	3	9.7%
Total	31	100.0%

Source: Field Data

From the data findings, 35.5% of the respondents indicated that their companies were involved in the manufacture and distribution of solar panels. 22.6% of the respondents indicate that their companies manufactured bulbs. 19.4% of the respondents indicate that their companies manufactured solar water heating systems. 12.9% of the respondents indicate that their companies manufactured power storage devices while 9.7% of the respondents indicate that their companies manufactured and distributed other products. It can be deduced that majority of the companies have ventured into the production of solar panels.

4.3 Competitive Strategies

4.3.1 Strategic Alliances

The study inquired on whether the organization has used strategic alliances to improve their competitiveness in the renewable energy sector. The table below presents the data findings.

Table 4.5: Strategic Alliances

	Frequency	Percent
Disagree	8	25.8%
Neutral	13	41.9%
Agree	7	22.6%
Strongly agree	3	9.7%
Total	31	100.0%

Source: Field Data

From the data findings, 41.9% of the respondents indicated their level of agreement on whether their organization has used strategic alliances to improve their competitiveness in the renewable energy sector as neutral. 25.8% disagreed, 22.6%

agreed while 9.7% strongly agreed. This was an indication that the level on which companies formed strategic alliances to enhance competition was neutral.

4.3.2 Offer of Diversified Product

The study sought to establish the respondents' level of agreement on whether their organizations had used diversified product offerings strategy to improve its competitiveness in the renewable energy sector. The table below presents the data findings.

Table 4.6: Offer of Diversified Product

	Frequency	Percent
Neutral	6	19.4%
Agree	16	51.6%
Strongly agree	9	29.0%
Total	31	100.0%

Source: Field Data

The data findings established that the 51.6% of the respondents were in agreement that their organizations had used diversified product offerings strategy to improve its competitiveness in the renewable energy sector, 29.0% strongly agreed while 19.4% of the respondents level of agreement was neutral. This shows that the strategy of offering diversified products was critical for enhancement of competition.

4.3.3 Focused Market Strategy

The study sought to find out whether the companies had used focused market strategy to improve their competitiveness in the renewable energy sector. The findings are presented in the table below.

Table 4.7: Focused Market Strategy

	Frequency	Percent
Agree	21	67.7%
Strongly agree	10	32.3%
Total	31	100.0%

Source: Field Data

From the findings of the study, majority (67.7%) of the respondent agreed that their companies had used focused market strategy to improve their competitiveness in the renewable energy sector while 32.3% of the respondents strongly agreed. This is an implication that focused market strategy enhances the competitiveness of the company.

4.3.4 Market Segmentation

The study inquired on whether the organizations had applied market segmentation strategy to improve their competitiveness in the renewable energy sector. The findings are presented in the table below

Table 4.8: Market Segmentation

	Frequency	Percent
Neutral	18	58.1%
Agree	9	29.0%
Strongly agree	4	12.9%
Total	31	100.0%

Source: Field Data

From the findings of the study, 58.1% of the respondents indicated their level of agreement on whether their organizations had applied market segmentation strategy to improve their competitiveness in the renewable energy sector as neutral. 29.0% of the respondents agreed while 12.9% of the respondents strongly agreed.

4.3.5 Quality Service Delivery

The study sought to find out whether the organizations had employed quality service delivery as a means of improving their competitiveness in the renewable energy sector. The table below presents the findings.

Table 4.9: Quality Service Delivery

	Frequency	Percent
Agree	7	22.6%
Strongly agree	24	77.4%
Total	31	100.0%

Source: Field Data

From the findings of the study, majority (77.4%) of the respondents strongly agreed that their organizations had employed quality service delivery as a means of improving their competitiveness in the renewable energy sector, 22.6% agreed. It can be deduced that in order to enhance their competitiveness, the strategy of offering quality services had been adopted to a very great extent by the companies in the renewable energy sector.

4.3.6 Competent Staff

The study sought to establish whether the organizations had employed competent staff to improve their competitiveness in the renewable energy sector. The data findings are presented in the table below.

Table 4.10: Competent Staff

	Frequency	Percent
Agree	4	12.9%
Strongly agree	27	87.1%
Total	31	100.0%

Source: Field Data

From the data finding, majority (87.1%) of the respondents strongly agreed that their organizations had employed competent staff to improve their competitiveness in the renewable energy sector while 12.9% agreed. This shows that highly trained personnel were needed in order to run the renewable energy sector.

4.3.7 Strategic Partnerships with Customers

The study inquired on whether organizations had entered into strategic partnerships with their customer with the aim of improving their competitiveness in the renewable energy sector. The data findings are presented in the table below.

Table 4.11: Strategic Partnerships with Customers

	Frequency	Percent
Disagree	7	22.6%
Neutral	13	41.9%
Agree	8	25.8%
Strongly agree	3	9.7%
Total	31	100.0%

Source: Field Data

From the data finding, 41.9% of the respondents indicated their level of agreement on whether their organizations had entered into strategic partnerships with their customer with the aim of improving their competitiveness as neutral. 25.8% of the respondents agreed, 22.6% disagreed while 9.7% of the respondents strongly agreed.

4.3.8 Dealership Incentives

The study inquired on whether the organizations had dealership incentives for their suppliers to improve its competitiveness in the renewable energy sector. The table below presents the data findings.

Table 4.12: Dealership Incentives

	Frequency	Percent
Disagree	7	22.6%
Agree	15	48.4%
Strongly agree	9	29.0%
Total	31	100.0%

Source: Field Data

From the findings of the study, majority (48.4%) of the respondents agreed that their organizations had dealership incentives for their suppliers to improve its competitiveness in the renewable energy sector, 29.0% of the respondents strongly agreed while 22.6% of the respondents disagreed.

4.3.9 Refer to Customers

The study inquired on whether the organizations had encouraged customers to refer their customers. The data findings are presented in the table below.

Table 4.13: Refer to Customers

	Frequency	Percent
Disagree	14	45.2%
Agree	11	35.5%
Strongly agree	6	19.4%
Total	31	100.0%

Source: Field Data

From the findings of the study, 45.2% of the respondents disagreed that their organizations had encouraged customers to refer their customers, 35.5% agreed while 19.4% strongly agreed.

4.3.10 Cost Savings

The study sought to establish whether the organization had used cost savings to improve their competitiveness in the solar energy equipments market. The table below presents the data findings.

Table 4.14: Cost Savings

	Frequency	Percent
Agree	8	25.8%
Strongly agree	23	74.2%
Total	31	100.0%

Source: Field Data

From the findings of the study, majority (74.2%) of the respondents indicated that their organizations had used cost savings to improve their competitiveness in the solar energy equipments market while 25.8% of the respondents agreed. This is an implication that cost saving strategy enabled the companies to reduce their operational costs as well as gaining a competitive advantage.

4.3.11 Cost Leadership Strategy

The study sought to find out whether the cost leadership strategy had attracted many customers to the companies. The data findings are presented in the table below.

Table 4.15: Cost Leadership Strategy

	Frequency	Percent
Disagree	1	3.2%
Neutral	3	9.7%
Agree	18	58.1%
Strongly agree	9	29.0%
Total	31	100.0%

Source: Field Data

From the findings of the study, majority (58.1%) of the respondents agreed that cost leadership strategy had attracted many customers to their companies, 29.0% of the respondents strongly agreed, 9.7% were neutral while 3.2% disagreed.

4.3.12 High Quality Products Usage

The study inquired on whether the organizations had used high quality products to keep its customers satisfied. The table below presents the data findings.

Table 4.16: High Quality Products Usage

	Frequency	Percent
Agree	7	22.6%
Strongly agree	24	77.4%
Total	31	100.0%

Source: Field Data

From the findings of the study, 77.4% of the respondents strongly agreed that their organizations had used high quality products to keep its customers satisfied while 22.6% of the respondents agreed. As such, this showed that customer satisfaction was the overall aim of the companies.

4.3.13 Customers Satisfaction

The study inquired on whether the high quality products offered by the companies kept their customers satisfied. The data findings are presented in the table below.

Table 4.17: Customers Satisfaction

	Frequency	Percent
Agree	13	41.9%
Strongly agree	18	58.1%
Total	31	100.0%

Source: Field Data

From the findings of the study, majority (58.1%) of the respondents strongly agreed that high quality products offered by their companies kept their customers satisfied while 41.9% of the respondents agreed.

4.3.14 Customer Loyalty

The data sought to find out where high quality products offered by the companies had improved the customer loyalty. The table below presents the data findings.

Table 4.18: Customer Loyalty

	Frequency	Percent
Disagree	15	48.4%
Neutral	3	9.7%
Agree	11	35.5%
Strongly agree	2	6.5%
Total	31	100.0%

Source: Field Data

From the findings of the study, 48.4% of the respondents disagreed that high quality products offered by the companies had improved the customer loyalty, 35.5% agreed, 9.7% were neutral while 6.5% of the respondents strongly agreed. This is an implication that the offer of high quality products did not guarantee increase in customer loyalty but combination of many factors.

4.3.15 Effects of Strategies on Competitiveness

The data sought to find out the extent to which the strategies had affected the competitiveness of the firms. The table below presents the data findings.

Table 4.19: Effects of Strategies on Competitiveness

	Frequency	Percent
Moderate extent	1	3.2%
Great extent	23	74.2%
Very great extent	7	22.6%
Total	31	100.0%

Source: Field Data

From the findings of the study, majority (74.2%) of the respondents agreed to a great extent that the strategies had affected the competitiveness of their firms, 22.6% agreed to a very great extent while 3.2% agreed to a moderate extent. This shows that these strategies had a great impact on the competitiveness of the firms.

4.4 Discussion

The study established that firms in the renewable energy sector used several competitive strategies in their quest to outperform their competitors. These findings are consistent with that argument by Njau (2000) who argued that in order to remain competitive on the market, managers push to improve on all fronts. In order to attain this status, Njau argues that organization use an amalgamation of several viable competitive strategies. Safford (2007) argues that following dynamic market and technologies, organizations are under pressure to improve productivity, quality and speed which have forced managers to embrace tools such as TQM, benchmarking, and re-engineering.

The study established several strategies that were compatible with their operating environment. The findings showed that the organizations made use of strategic alliances where they entered into strategic alliances with some customers to promote the uptake of their products on the Kenyan market. These included estate developers, industries and individual customers. As Safford (2005) argues, a winning competitive strategy is always founded on consistently understanding and predicting changing market conditions and customer needs.

The study also found that the firms used differentiation strategy to offer differentiated products and services from those offered by their competitors. They attained this differentiation by developing and maintaining innovativeness, creativeness and organizational learning. These findings are consistent with those of Githae (2004) who argued that in differentiating, firms are able to offer broadened goods and services to their customers.

The study also established that renewable energy firms applied market segmentation strategy in improving their competitiveness. Market segmentation involved identifying markets with similar characteristics and developing products and services specifically tailored for that market segment (Gathoga, 2001). This boosted the uptake of renewable energy products on the Kenyan market.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter provides the summary of the findings from chapter four, the conclusions and recommendations of the study. The objective of the study was to investigate the competitive strategies adopted by renewable energy firms in Kenya in response to competition.

5.2 Summary of Findings

The study revealed that majority of the respondents had worked with their organizations for more than 16 years comprising 48.4 percent while 29.0 percent had worked with their organizations for 11-15 years. In addition, 93.5 percent of the respondents indicated that their companies were privately owned with 6.5 percent indicating that their firms were owned by the government. On the number of staff employed in the company, majority of the respondents indicated that their companies had over 51 staff members comprising 38.5 percent while 25.8 percent indicated 41-50 staff members. In addition, 35.5 percent of the respondents indicate that their companies were involved in the manufacture of solar panels while 22.6 percent indicated bulbs.

On the topic of strategies employed by the firms to enhance competitiveness, the study revealed that majority of the respondents' level of agreement on whether their organizations had used strategic alliances to improve their competitiveness in the renewable energy sector was neutral (41.9 percent). In addition, the study findings established that majority of the respondents were in agreement that their organizations had used diversified product offerings strategy to improve its competitiveness (51.6 percent). The study also established that 67.7 percent of the respondents were in agreement that agreed that their companies had used focused market strategy to improve their competitiveness. In addition, the study established that majority of the respondents' level of agreement on whether their organizations had applied market segmentation strategy to improve their competitiveness was neutral (58.1 percent). On whether the companies employed quality service delivery as a means of improving their competitiveness, 77.4 percent of the respondents strongly agreed while 22.6 percent agreed. The study findings established that organizations employed competent staff as indicated by 87.1 percent of the respondents who strongly agreed. 41.9 percent of the respondents' level of agreement on whether their organizations had entered into strategic partnerships with their customers was neutral. 25.8 percent of the respondents agreed. 48.4 percent of the respondents agreed that their organizations had dealership incentives for their Suppliers to improve its competitiveness.

In addition, 45.2 percent of the respondents disagreed that their organizations had encouraged customers to refer their customers. On the issue of cost saving, majority of the respondents indicated that their organizations had used cost savings to improve their competitiveness in the solar energy equipments market while 25.8 percent of the respondents agreed. In addition, the study further established that, majority of the respondents were in agreement cost leadership strategy had attracted many customers to their companies comprising 58.1 percent while 29.0 percent strongly agreed. On the issue of retaining customers, the study established that 77.4 percent of the respondents strongly agreed that their organizations had used high quality products to keep its customers satisfied. Further, the study revealed that majority of the respondents strongly agreed that high quality products offered by their companies kept their customers satisfied (58.1 percent). 48.4 percent of the respondents disagreed that high quality products offered by the companies had improved the customer loyalty. On the extent to which the strategies adopted affect competitiveness of the firms, majority of the respondents agreed to a great extent (74.2 percent) while 22.6 percent agreed to a very great extent.

5.3 Conclusion

The study concludes that the competitive strategies adopted by renewable energy firms affected the competitiveness of a firm to a very great extent. Quality service delivery, employment of competent staff and application of cost saving were among the strategies that highly enhanced the level of competition among the renewable energy firms.

The study concludes that diversified product offerings strategy, focused market strategy, dealership incentives, high quality products and cost leadership strategy impacted on the competitiveness of the companies to a great extend. The study further concludes that the strategies of strategic alliances, applied market segmentation strategy and strategic partnerships did not enhance the competitiveness of the companies. The study further concludes that customer loyalty was not enhanced through offering diversified products.

These findings imply that firms in the renewable energy industry used different competitive strategies to outperform their competitors. Some made use of quality service delivery combined with high quality of goods while other used cost leadership strategy and dealership incentives to attract and ensure customer satisfaction. These were various competitive strategies adopted by renewable energy firms in Kenya.

5.4 Recommendations for Policy and Practice

The study established that majority of the renewable firms in Kenya are owned by private sector. This study therefore recommends that the government should invest in the renewable energy sector. The study recommends that the policy makers should enact legislation which contributes to the growth of the renewable energy sectors in Kenya as well as safeguarding them from unhealthy competition. The study further recommends that the managers should apply more competitive enhancing strategies so as to ensure that enhanced survival in the sector.

5.5 Recommendation for Further Study

This study focused on investigating the competitive strategies adopted by renewable energy firms in Kenya. More research needs to be carried out on other sectors in Kenya so as to contribute to improving the sectors.

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APPENDICES

APPENDIX I: LIST OF RENEWABLE ENERGY FIRMS IN KENYA

	COMPANY	PRODUCTS
1)	Chloride Exide Kenya Limited	Solar PV
2)	Davis & Shirtliff Ltd	Solar PV, Solar Water heating systems, solar street lighting, solar security lights, solar pumps,
3)	Energy Alternatives Africa	Renewable Energy Consultant
4)	Kenital Solar Limited	PV sales, Solar water heaters, wind generators
5)	Neste Advanced Power Systems	Solar PV importers
6)	Sollatek Electronics (K) Ltd	Solar PV and Charge
7)	Solagen Limited	Solar PV, water heater installation
8)	Austral Ken Ltd	PV Solar and solar water system
9)	Telesales Ltd	Solar Systems
10)	Marathon Marketing Ltd	Solar PV
11)	Voltammeter Batteries	Batteries Manufacturers
12)	Wilken Telecommunications	PV and solar water heaters sales
13)	ASP Solar Kenya Limited	Solar PV & water heaters and solar pools
14)	Alpa Nguvu Solar System	Solar PV, water heaters
15)	Animatics Limited	Solar PV
16)	Associated Battery Manufacturers	Batteries manufacturers
17)	BP Solar East Africa Ltd	Solar PV importers
18)	Bob Harries Engineers	Kijito windmills and generators
19)	Amaercan Solar Technology	Solar PV sales and installation

20)	Allas Electronics	Solar PV sales
21)	Botto Solar	Solar systems, energy efficient cooking stoves
22)	Chintu Engineering Works	Solar PV
23)	Creative Innovations Ltd	Lamps, batteries
24)	Electronics and Telecom Lab	Solar PV and Charge Controllers assembly
25)	Happy Go Ltd	PV Systems
26)	Hensolex Ltd	Solar PV
27)	Industrial Robtoics	Solar PV
28)	Interlinks Solar Systems Ltd	Solar water heaters
29)	Kensolar Services	Solar water heaters
30)	Mitha & Company Ltd	Solar PV
31)	Ekero Jikos Sales	Stoves
32)	Kalyet Ltd	Solar Panels
33)	New Point Industries	Solar system
34)	Petro Solar Inc	Solar systems
35)	Retec Energy Centre	Solar Systems
36)	Solar World (EA) Ltd	Solar PV

Source: (Ministry of Energy, 2013)

APPENDIX II: QUESTIONNAIRE

COMPETITIVE STRATEGIES ADOPTED BY RENEWABLE ENERGY FIRMS IN KENYA IN RESPONSE TO COMPETITION

Section A: Demographics

1. Name of the organization ____

2. Your position in the organization ____________________________________

3. Number of years worked with the organization

   Below 5 years [ ] 6-10 years [ ]

   11-15 years [ ] above 16 years [ ]

4. What is the ownership of your company?

   Private [ ] Government [ ] Both [ ]

5. How many employees are there in your company?

   Below 10 staff [ ] 10-20 staff [ ]

   21-30 staff [ ] 31-40staff [ ]

   41-50 [ ] Above 51 staff [ ]

6. What is the product range of your company?

   Solar Panels [ ] Power Storage Devices [ ]

   Solar water heating systems [ ] Solar bulbs [ ]

   Other please specify [ ]

Section B: Competitive Strategies

7. Below is a list of competitive strategies used by organization to improve their competitiveness. Using a scale of 1-5 (where 1= strongly disagree, 2=disagree, 3= neutral, 4= agree and 5= strongly agree), please rate your level of agreement with

each of the following statements on competitive strategies.

	1	2	3	4	5
7.1 Our organization has used strategic alliances to improve its competitiveness in the renewable energy sector					
7.2 Our organization has used diversified product offerings to improve its competitiveness in the renewable energy sector					
7.3 Our organization has used focused market strategy to improve its competitiveness in the renewable energy sector					
7.4 Our organization has applied market segmentation strategy to improve its competitiveness in the renewable energy sector					
7.5 Our organization has employed quality service delivery to improve its competitiveness in the renewable energy sector					
7.6 Our organization has employed competent staff to improve its competitiveness in the renewable energy sector					
7.7 Our organization has entered into strategic partnerships with our customer to improve its competitiveness in the renewable energy sector					
7.8 Our organization has dealership incentives for its Suppliers to improve its competitiveness in the renewable energy sector					
7.9 Our organization has encouraged customers to refer their customers					
7.10 Our organization has used cost savings to improve its competitiveness in the solar energy equipments market					
7.12 The cost leadership strategy has attracted many customers to our					

company					
7.13 Our organization has used high quality products to keep its customers satisfied					
7.14 The high quality of our products have kept our customers satisfied					
7.15 The high quality of our products has improved our customer loyalty					

8 To what extent have these strategies affected the competitiveness of the firm

Very great extent [ ]

Great extent [ ]

Moderate extent [ ]

Little extent [ ]

No extent [ ]

THANK YOU FOR YOUR PARTICIPATION!!!