STRATEGIES ADOPTED BY ROYAL MEDIA SERVICES LTD IN KENYA TO DEVELOP COMPETITIVE ADVANTAGE

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DECLARATION

I declare that this project is my original work and has not been submitted for the award of degree in any other university.

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This project has been submitted to the University of Nairobi for examination with my approval as University supervisor.

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DEDICATION

This research project is dedicated to my family and close friends. Mum and dad, for the financial and moral support you gave me during this season. To Terry, Grace, Judy and Florence for your love and understanding. To my brother Jimmy, for your advice and courage that has kept me going. To my close friends Christa, Faith, Eric, Jacinta and Lorna, I will forever be indebted to you.

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ABBREVIATIONS AND ACRONYMS

CA: COMPETITIVE ADVANTAGE

CS: COMPETITIVE STRATEGIES

FM: FREQUENCY MODULATION

FS: FOCUS STRATEGY

LTD: LIMITED

KBC: KENYA BROADCASTING COPORATION

KBV: KNOWLEDGE BASED THEORY

KTN: KENYA TELEVISION NETWORK

NTV: NATION MEDIA GROUP

RBV: RESOURCE BASED VIEW

RMS: ROYAL MEDIA SERVICES

TV: TELEVISION

VOD: VIDEO ON DEMAND

ABSTRACT

The perpetually changing environment has given rise to issues like digitization which has prompted increased rivalry. Competition if not managed can cause loss of business and termination of operations by a firm. It is hence fundamental for a firm to comprehend the basic sources of competitive pressures in its industry so as to plan fitting techniques to react to the competitive forces in order to have an upper hand. Competitive Strategy determines the approach which the firm expects to use keeping in mind the end goal to prevail in each of the vital business territory it competes in. Competitive Strategy gives organization leverage over its opponent in drawing in clients and shielding against aggressive strengths. Competitive Advantage is a set of exclusive elements of a firm and its products that are seen by the target market as to be noteworthy and better than those of rivals. The objective of this study was to establish the strategies adopted by the Royal Media Services (RMS) to develop Competitive Advantage. The research gap was that not much has been studied about RMS Ltd after the digitization process. The researcher was motivated to research on RMS Ltd as it's the leading media company in the country and wanted to find out what strategies it has adopted especially after the digitization process. The supporting theories of the study are the resource based view, the knowledge based view and the strategic balancing theory. The researcher utilized the case study approach as the design of the study. Data was gathered utilizing an interview guide that took into account consistency of responses. In addition, secondary information was gathered from documentations of the organization. Information gathered was analyzed using Content analysis. The studies have supported the theories in that they show how resources, knowledge and strategic balancing can enable a firm develop competitive advantage and the researcher has also linked the findings with selected studies. The study found out that that the competitive strategies utilized by Royal Media Services spun around cost leadership, focus, differentiation, people development strategy and research and development. The strategies as indicated by the study discoveries have set the organizations in an ideal position with respect to the opposition. These techniques have additionally made the firm to gain and sustain Competitive Advantage. The study concluded that RMS LTD employed the use of cost leadership, differentiation and focus to manage rivalry. On the adequacy of the strategies utilized it was presumed that, there were effective. The study recommends that RMS LTD should consult with its competitors on programming so as to remain competitive.

CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

Firms exist as open systems which are always in constant interaction with the environment in which they operate in. A Firm gets its capital, labour, raw materials as inputs from the environment while its outputs include finished products and by-products. The firms' environments in are usually complex, unique and full of variables which makes it difficult to define the future. The ever changing environment continuously presents opportunities and threats to the Firms. These threats can lead to the loss of market shares and revenues by Firms. Firms must come up with relevant competitive strategies to overcome the threats from the environment while taking full advantage of the opportunities presented by it so as to remain competitive in the market. A Firm has to have a total understanding of the surroundings in which its' operating in and these calls for continuous scanning.

There are various theories that relates to how firms come up with strategies so as to develop Competitive Advantage (CA) in an industry; they include the Resource-based-theory (RBV), knowledge-based theory (KBV) and the strategic balancing theory. RBV advanced by scholars such as Wernerfelt (1984) argues that Strategies to deal with dynamic competitive surroundings are associated with the firm's ability-resources possessed by the firm. KBV values knowledge as the most strategically significant asset of an organization that will enable it to achieve CA. Strategic balancing theory is pinned on the principle that the strategy of a firm is partly equal to the strategy of an employee.

This is because the performance of organizations is impacted on by the employee behavior, including the system of leaders' values (Casley and Krishna, 2003).

Royal media services and other media firms in Kenya and internationally are experiencing stiff competition due to factors such as the compulsory digitization process and other government regulations which have led to challenges such as dwindling profits. It is a necessity for an organization to know the underlying sources and causes of competitive pressure in the market so as to come up with necessary techniques to react to the competitive forces Porter (1980). Through competitive strategies firms like RMS can develop CA so to justify their existence.

The motivation on carrying out this research on RMS was to find out the competitive strategies adopted to create competitive advantage and to create new knowledge which will be beneficial to the stakeholders in the media industry and also add more value to the theories used in the study. Due to the drastic changes in the media industry environment the researcher was keen to find out what competitive strategies RMS has adopted and how it has helped in developing CA.

1.1.1 Concept of Competitive Strategy

For an organization to have a competitive advantage in the market it must first adopt the use of competitive strategies (CS). Porter (1980) deduces CS as about being unique. He says that CS implies intentionally selecting an alternate arrangement of approaches to pass on an exceptional blend of significant worth. As per Porter (1980) CS is about vital situating, separating you in the eyes of the purchaser, it's about enhancing items through a blend of procedures that are unique in relation to the procedures utilized by contenders.

Porter embodies CS as a blend of the finishes for which the org is aspiring and the ways through which the firm is probing to get there. From such definitions Porter eludes strategy as position as well as a plan.

Mintzberg (1994) came up with different views about strategy in relation to how people use "strategy" in several different ways. He noted that strategy was used as a plan, position, pattern, and as a perspective. He contends that strategy of an org materializes after some time as aims conflict and oblige with the steadily changing evolving reality. Johnson, Scholes and Whittington (2005) imply CS as the foundation on which a firm, association or an organization may accomplish upper hand in the business. Firms accomplish upper hand by continually conveying to their shoppers what they require, in a superior or much more adequately and productively than its rivals and in ways which its opposition discover hard to duplicate. Mintzberg and Quinn (1991) consider strategy to be an example or an arrangement that conjoins Firm's real points, strategies and activities into a tenacious entirety.

Firms create competitive strategies to help them get a handle on key initiative and manage a competitive position in the market (Porter, 1985). Being competitive is an absolute necessity on the off chance that you need to best your rivals in the market. Utilizing competitive strategies empowers Firms to separate themselves from the rest. The focal point of an association’s aggressive technique comprises of its inner undertaking - asset based - to give better esteem than buyers, activities to move assets around in order to enhance the organization's long haul competitive edge and market position, and all around arranged endeavors appropriate to react to the present economic situations.

In a competitive market consumers of goods and services usually choose products which are unique, quality products and products which are seen as having `value for money` hence Firms need to always employ competitive strategies to stay abreast in the market. In Media industry, Firms must take into account their strengths and weaknesses of their competitors, opportunities brought about by the environment and the potential threats so as to come up with an effective CS.

1.1.2 Concept of Competitive Advantage

CA is as an arrangement of restrictive elements of a firm and its items that are seen by the objective populace as essential as and better than the adversary's items. A firm has an CA edge at whatever point it has an edge over its rivals in holding its clients and guarding against competitive forces (Thompson &Strickland, 2003).CA occurs always when a firm attains or develops a virtue or a mix of virtues that enables it to out-compete its rivals (Porter, 1985). Porter (1985) also eludes CA as the uniqueness of an organization in comparison to its competitors. It implies a distinct and ideally sustainable edge over its competitors in the long run.

Sustainable Competitive Advantage emerges out of key skills that offers ascend to the long run favorable circumstances to the organization. Prahaland and Hamel (1990) characterize a center capability as a range of specific ability that is the consequence of blending complex floods of innovation and work action. The more persistent the aggressive edge, the more hard it is for competitors to beat the advantage. Competitive Advantage can be made from specific assets, capacity and abilities that the firm claims that are not effortlessly accessible or inaccessible to available competitors in the market.

For a Firm to be competitive it must have competitive intelligence. Intelligence is a factor that determines success of a Firm. Competitive Intelligence is not restrained to researching and assessing other organizations and coming up with ways to outperform them Murphy (2005). Murphy (2005) argues that Competitor intelligence as merely 'keeping an eye on our competitors' is much too restrictive. So as to achieve the maximum potential of this discipline for maintaining and optimizing returns its view must be far much wider. He further notes that it encompasses all factors that could inhibit or promote Firms profits and revenues like technology and economic conditions.

CA is the strength to stay well ahead of existing or potential competition; it can be based on either Cost advantage, Differentiation advantage or Focus advantage (Porter, 1985). Differentiation strategy is a type of CA strategy where an organization strives to be exclusive in the market along some shapes or dimensions that are widely valued by its customers. Cost leadership strategy calls for being a low cost producer of a product in a market for a particular level of quality, (Porter, 1980). Focus strategy is CA strategy that seeks to target or reach a single part of a larger market.

1.1.3 Competitive Strategy and Competitive Advantage

CS aims at establishing a profit making and sustainable position against the forces that determine industry competition (Porter 1998).Without CS a firm cannot have CA. Various competitive strategic moves are used by firms depending on the type of CA they want to achieve. Principle competitive tactics must be developed therefore to develop various CAs. Firms develop strategies due to the changes in the environment.

The changes are like change in rules and regulations and digitization process that has occurred recently in Kenya.

The Generic strategies that may lead to development of CA by Porter (1980) are: cost leadership, differentiation and focus. These have provided the bases by which firms can develop CA in various ways. Through competitive strategies like differentiation and positioning firms can develop specific CAs. There are as many competitive strategies as there are competitors (Thompson & Strickland, 2002). The necessities of organizations CS constitutes of its internal resources to provide better value to consumers. It also includes tactical moves to oppose the maneuvering of competitors, actions to move its resources around so as to develop the organizations long-term competitive abilities and positioning in the market and all the tactical and strategic efforts to react to all the market pressures that prevail at the moment or may arise in the future (Thompson and Strickland 2003). Thomson and Strickland (2003) note that an organization has a competitive edge whenever it has or develops a competitive capability over its competitors in maintaining the hold of its customers and defending against prevailing or future competitive forces. A firm with a well formulated CS is able to enjoy CA.

A firm like RMS therefore can come up with specific competitive strategies which can match the environmental changes in the sector and also depending with the type of CA it wants to achieve. RMS can also employ proactive and reactive tactics to defend its market share or to create a sustainable CA.

1.1.4 Overview of the Kenya Media Industry

An industry is a body of firms that provide services or products that are close substitute of each other to a market (Grant, 2005). A media industry refers to a group of firms that are in the business of electronic media that Television and Radio among others or print media. A media house is an individual firm from the industry that is involved in either or both the electronic and print business.

The media in Kenya is a diverse, digital and vibrant growing industry. The inception of the media industry in Kenya dates back from the year 1895. The publication of the 1895 Taveta Chronicle by the Christian Missionary Society. From such religious dailies the industry grew and in 1901 the first secular daily newspaper was published known as the African Standard (now The Standard). Broadcast media in Kenya commenced in the year 1927 when Kenya's colonial masters established a radio station. During this time the programming only served the colonial interests. In 1961, Two years before Kenya gained its independence the Kenya Broadcasting Corporation was established by the colonial government.

Television Broadcast started in 1962 with KBC before being joined by Kenya Television Network, KTN in 1990. However the Kenyan media has continuously been facing challenges mainly from the government. During the state of emergency in Kenya in 1952, all African newspapers were banned. Other challenges facing the Kenyan media include; threats to journalists, harassment from the government and legal, policy and regulatory challenges.

The Kenyan media is one of the most respected media industries in Africa. Since its inception it has focused on developing the country as it's an important tool in driving development goals and it has also played a major role in championing democracy in the country. The industry has had a continuous and never ceasing growth since its independence. Kenya had only one broadcaster the Kenya Broadcasting Corporation before it gained its independence from England in 1963. After independence the media in Kenya grew in leaps and bounds albeit with some government interference to today where the country has over 386 FM radio frequencies, over 46 which are in Nairobi alone, and over 105 TV frequencies, due to the digitalization process and government regulations. Kenya had just a few publications at independence; the Kenyan media now publishes well over 19 daily newspapers and magazines and weekly newspapers and magazines across all counties in the republic.

1.1.5 Royal Media Services

Royal Media Services Limited is one of the largest electronic Media House in Kenya. It is the home to the most popular television and radio channels according to audience share. Royal Media Services have a total of 14 FM radio stations and 2 TV stations. The brands include Citizen TV, Inooro TV, Citizen Radio, Ramogi FM Radio, Inooro FM Radio, Musyi FM Radio, Chamgei FM Radio, Muuga FM Radio, Egesa FM Radio, Bahari FM Radio, Mulembe FM Radio, Wimwaro FM Radio, Sulwe FM Radio, Hot 96 and Vuuka Radio.

The giant media house has grown from strength to strength since its inception back in 1999 in commanding a huge audience of its brands. Its leading brand is Citizen TV.

Citizen TV has a total reach of over 45% of the market share which makes it the leading television station in terms of viewership in the country (Ipsos Karf Report, 2014). Citizen TV covers all socioeconomic grouping in the country and beyond, catering to all age groups and to both males and females. The Company has employed over 700 employees on permanent basis and an equal number of temporary employees. RMS has also set shop in the neighboring countries. Citizen TV is in Uganda. Citizen TV is also on DSTV channel 146 in Uganda, Tanzania republic, Democratic Republic of Congo, Rwanda, Burundi, and the newly formed South Sudan. It is also available on Talk Talk Plus TV on channel 561 in the Britain.

RMS has gone through years of growth and business development since its inception as the media house is carrying out its activities in a very dynamic and competitive market. RMS has employed the use of diversification and market positioning strategies among a variety of strategies in reacting to the changes in its external environment. RMS is the biggest player in the vernacular media. A number of the Kenyan consumers of media do not fluently converse in English or Swahili, Thus through vernacular TV and Radio stations RMS has been able to reach a larger audience compared to other media companies. RMS also boasts of having the best human personnel in the media industry ranging from the broadcasters to the management. Due to its transparency, un-biasness and un-favoritism and un-rivaled programming, many Kenyans always tune in to RMS stations.

In the Kenyan industry, consumer needs and wants are ever dynamic and the technologies and other instruments for serving the consumer requirement are continually changing thus media companies must develop capabilities for continuing streams of innovations.

The media industry demands for continuous development and implementation of competitive strategies. This is the rationale that motivates royal media services in its pursuit to conquer the market amid the dynamic environment.

1.2 Research Problem

For a firm to post significant performance it must achieve a position of CA. CA results from factors such as operational efficiency, diversification and organizational structures among others (King, 2007). So as to achieve a competitive edge that cannot only be the same as that of the existing and potential rivals but also beat the average performance in the industry, firms and other organizations must first establish the relationship between the internal capabilities of their firms and weaknesses therein, not forgetting the existing and potential effects on their firm's competitive edge in the market and performance. Pearce and Robinson (1997) noted that some firms change in response to external forces, while others change because they have to implement change. According to Porter (1985) organizational performance and CA can be achieved through some generic strategies that need different resources requirements, firms’ arrangements, control processes, leadership style, and the system of incentive.

RMS LTD, Kenya is one of the most dominant private owned media company and its operations are supported by advertising revenues. The ever-changing environment poses opportunities and threats to such a business due intense competition. This is the essence of environmental analysis. Environmental analysis is a way by which strategists watch the environment so as to determine opportunities and threats created by the environment to their firms so as to come up with relevant strategies to use (Glueck and Jauch, 1984).

In the Kenyan media industry there has been an upsurge in the number of media players. This upsurge has been caused by digitalization and government regulations in the country. Ever since the digitalization process was completed there has been an increase in both radio and Television stations in the country as it minimized cost of doing/ starting business in the media industry in Kenya and thus reducing revenue earned by established media companies like RMS as advertisers and consumers now have a large variety to choose from. The ease of getting a broadcasting license has also partly contributed to this upsurge of media companies and dwindling revenues. The competition has intensified with each firm aiming for a controlling stake in the media.

Several studies have been done both locally and internationally on the use of strategy by firms to gain CA. Internationally, Godes & Ofek (2009) carried out a research on the impact of competition in media firm strategy. Yilmaz (2009) looked at CA strategies for SMEs in the tourism sector. Baraskova (2010) researched on strategic positioning and sustainable CA in food industry. Beddowes (1994) looked at innovation as a CS that has led to an increased emphasis on the evaluation of return on investment.

Locally, Nyamweya (2008) conducted a research of the media consumer market segmentation practices used by television stations in Kenya. Kiraithe (2009) carried out Case study on Nation Media Group on competitive intelligence strategies adopted by the media firm in Kenya. Sereti (2010) carried out a study on the competitive strategies adopted by the Kenya Broadcasting Corporation in response to environmental challenges. Ekirapa (2007) carried out research on competitive strategies adopted by NMG.

None of these studies were carried out after the digitalization process was made compulsory and also none of them have researched on RMS on how it's strategizing so as to possess some advantage relative to their competitors. What strategies has RMS LTD adopted to develop CA?

1.3 Research Objective

The study was guided by the following objective. To establish the strategies adopted by Royal Media Services to develop Competitive Advantage.

1.4 Value of the Study

The findings of this study will be of value to the various stakeholders in the media industry. The first beneficiary of this research project will be the RMS. This is where the researcher of this study got information from and hence the recommendation made by the researcher in this study will be directly address issues that affect the firm. Through this study Scholars will expand their knowledge on strategic responses in Kenyan media.

The RMS management team will draw an insight on how successful their competitive strategies are and at the same time point onto areas of improvement. Policy makers will gain the much needed knowledge of the media dynamics and the responses that are appropriate.

The findings will also add more value to the theoretical understanding of the knowledge based view, resource based view and the theory of strategic balancing. This is because the findings will elaborate on how CA(s) acquired by RMS are linked with the resources, knowledge capabilities and the alignment of firms and individual strategies, hence add more value on to the theories used in the study.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This chapter represents the relevant literature review on the relevant topics under study. The study begins by discussing the theoretical foundations. Other areas covered are the concept of strategy, CA in organizations, CA strategies and the dimensions of CA strategies.

2.2 Theoretical Foundation

This study was guided by the following theories; the resource based view theory, knowledge based view theory, and strategic balancing theory, and these theories tried to explain factors that influence application of innovation strategies at royal media services.

2.2.1 Resource-Based View

A resource is everything that can be viewed as strength or a shortcoming of an organization in an industry. A company's resources at a specific minute could be said as those substantial and immaterial resources that are tied permanently semi-permanently to the organization which incorporate name of the brand, information of innovation by the firm internally, work of qualified or semi-qualified representatives, trade contacts, machinery, effective processes and procedures, capital (Wernerfelt, 1984).

RBV of Wernerfelt (1984) infers that competitiveness can be achieved by giving better value to buyers. Resource Based View advocates say that it is much less complex to exploit external opportunities utilizing current resources of a firm in another and unique technique as opposed to attempting to have new skills for each kind/type of opportunity.

In Resource Based View model, resources are given the significant part in empowering organizations to accomplish better and higher performance.

This literature pays attention on the strategic and tactical identification and the employment of resources by an organization for having a long-term CA (Borg and Gall, 2009). International business specialists additionally conclude the great performance and bad performance of an organization across boundaries by taking a look at the intensity of their business units or partnerships in developing markets. Local know-how given by business units and local partnerships get to be vital resources or assets for conceptualizing value according to the local prerequisites (Gupta et al., 2000).

RBV resources are inputs into an organizations production process and can be grouped into 3groups namely, physical, human and organizational capital (Currie, 2009). Being Capable is having the Capacity for a set of assets to conduct long activity or activities. Each individual firm is a combination of exemplary resources, efforts and capacities that gives the premise for its strategy and the essential source of its profits. Contrasts in firm's performances after some time are driven fundamentally by their elite resources and capacities as opposed to by an industry's basic qualities (Currie, 2009).

2.2.2 Knowledge-Based View

KBV of an organization takes into consideration knowledge as the vital and strategically helpful resource of the organization. Its champions set forward that since knowledge based resources are constantly difficult to imitate and socially complex, heterogeneous knowledge bases and capacities among firm are what makes and sustains CA over time.

The principle of this view is that an organization is an establishment for creating and utilizing different sorts of knowledge (Grant, 2005). While utilizing a significant part of the substance of the RBV, KBV gives detailed emphasis to the procedure or path by which specific organization strengths and abilities change and grow over a time-period. This sort of growth and improvement of knowledge through learning is viewed as a core ingredient in accomplishing an advantageous edge and better results (Moorman and Miner, 1998). Regardless of the way that the emphasis on knowledge and capacities has sustained in the later past it gives the idea that empirical research has still not accomplished development, and there are no all-around acknowledged tenets for studying strengths and capabilities (Moorman and Miner, 1998).

2.2.3 Theory of Strategic Balancing

Strategic balancing theory bases on the tenet that the strategy of an organization is mostly equivalent to the strategy of a worker of an organization or firm. The results of organizations are impacted by the representative's conduct, including the system of leaders' values (Casley and Krishna, 2003).

The strategic balancing theory utilizes models; these models are the deployment model, the symbiotic model and the relational model. Competition ends up being a part of the relational and deployment models. It can be obligated to variety between the two confining techniques, the one being overwhelmingly useful as used by the relational model and the other being transcendently competing as described by the deployment model. The firm can then take moments at grasping the two given frameworks in order to keep their cooperation balanced.

2.3 Concept of Strategy

Strategy is a very important concept not only in the business world, but also in other fields like military. The term is widely used in the business world in relation to plans designed by organizations to help them achieve their desired objectives at specified times. Strategy is the long term plan for an organization to remain in operation. It is the process of major goals, objectives and important procedures or plans for attaining the aims, put in a specific way as to clearly indicate what business the firm is in or is to be in and the nature of firm it is it will in the near future.

Various authors have defined what strategy is. Ansoff (1965) described Strategy as a group of leadership rules for direction of firm conduct. A decent strategy is one that has basic, consistent furthermore long haul objectives and is also made or conceptualized from a decent comprehension of the aggressive environment a firm is operating in through appreciating the dynamics and turbulence of the environment. Bateman and Zeithaml (1993) define strategy as a process of actions and resource allocations made in a way so as to attain the objectives of a firm. The strategy a firm employs is a way or method to equate the skills and resources of the firm to the opportunities in the external environment.

Porter (1985) defined strategy basing on CA which develops out of value a firm is able to provide for its consumers that is more than the organizations cost of developing the said value. Porter (1985) described value as what consumers are willing and able to pay, and better value arises from offering lower prices than that of rivals for the same advantages or giving exclusive benefits than those of competitors that more than break even a higher price charged by the firm.

Johnson, Scholes and Whittington (2005) put forward strategy as a bearing and extent of a firm over the long haul, which leads to creation of an edge in terms of competition for the firm through its utilization of assets inside the ever changing environment, keeping in mind the end goal to address the issues of the consumers in the market and to fulfill stakeholders desires. Strategy leads firms to better results and performances through as it establishes CA and acts as a medium of communication and coordination of activities and policies in the firm.

Thompson et al. (2007) define strategy as a top level plan of action for conducting the day to day business and carrying out operations and that the making of a strategy represents managerial endeavors and responsibility to seek after a specific arrangement of activities in developing the firm, drawing in new clients and satisfying old clients, contending effectively, doing operations and enhancing the company's financial related and marketing execution. The heart-beat of strategy are the activities and moves in the market that managers are utilizing to support the organizations' financial related performance, fortify its long haul competitive position and develop a competitive edge (Thompson et al., 2007).

Concept of strategy is important for businesses because it helps them determine the best ways of overcoming competition. Strategy formulation also makes it impossible for the firm to overcome its challenges. With an elaborate strategy at hand, both the management and the employees will be aware for what they ought to do when executing their mandate as well as the reasons why they do it. As such, everybody in the organization will be geared towards helping the company realize its goals by playing their part.

2.4 Competitive Advantage in Organizations

One of the real objectives of Media houses and different business associations is to accomplish better performance over opponents. Such performance can be accomplished by having CA. A firm has CA at whatever point it has an edge over its rivals in attracting new clients and safeguarding its share against aggressive powers (Thompson &Strickland, 2002). Porter (1985) defines CA as the uniqueness of a firm in contrast with its rivals. Managers of firms should always evaluate their firm’s competitive position, come up with organizational vision and strategies to achieve their vision.

The more sustainable the CA a firm has, the harder it is for competitors to neutralize the CA. Sustainable CA in a firm is made out of core competencies that thusly yield the long haul advantage to the firm. Prahaland and Hamel (1990) define a core competence as an area of specific ability that is the consequence of orchestrating complex streams of innovation and work action. Core competence has three qualities; it gives access to a more extensive assortment of markets, it increases perceived client advantages and it is hard for a rival to duplicate.

Accomplishing CA strengthens and positions a firm better the business environment. CA occurs when a firm secures or builds acquires or develops an attribute or combination of attributes that enables it to outperform its rivals (Porter, 1985). These attributes can incorporate access to exceptionally trained and skilled human resource, quality type of equipments or cheap power. CA can be developed from abilities and assets that the firm has that are not accessible to contenders.

Barth (2003) takes note of that the transformation of accessible assets and accessible abilities into a strategic position can just happen under conditions that give a client advantage, and typically require the change of numerous competitive methods. As indicated by Porter (1980), a firm builds up its business strategies with a specific end goal to achieve CA over its rivals in the business it's competing in. It does this by reacting to five market forces; the bargaining power of suppliers against the firm, the risk of new entrants in the market, rivalry among existing firms within the industry, the threat of substitute products/services in the market and the bargaining power of buyers. Firms more often than not evaluate the five forces in an industry before building CA where the forces are frail. If the firm is a low-cost producer, it may select strong buyers and sell them goods that are not prone to substitutes in the market. The firm positions itself in the market so as to be least vulnerable to competitive forces while employing its unique advantage.

A firm can likewise accomplish CA by changing the competitive forces in the market. Firms build up new boundaries to prevent new contestants from coming into an industry by developing one unique resource that new firms can't without much of a stretch duplicate or mirror. The five competitive forces model provides a base for coming up with strategies that generate CA.

As indicated by Porter (1980) the three generic strategies of cost Leadership, differentiation and focus can empower a firm to accomplish CA position. Organizations utilize cost leadership in order to have an upper hand as far as costs are concerned. Differentiation creates an advantage as a firm will make unique goods which are different to their competitors. Focus strategy involves concentrating on particular niche markets.

2.5 Competitive Advantage Strategies

CA is a predominance picked up by a firm through what it can give an indistinguishable value from its opposition yet at a lower cost, or can charge higher costs by giving better value by means of differentiation. It emerges from dissecting the business then matching a firm's core competency to the opportunities. As per Porter (1980) CA, sustainable or not, exists when an organization make financial rents, that is their profit surpass their expenses. (Tracey et al, 1999) recognizes that CA is the degree to which a firm can make an impervious position over its opponents.

There are two noteworthy types of CA as indicated by Porter (1980). They are cost and differentiation. At the point when the two types of CA are applied they bring about different sorts of CA strategies, which are; differentiation, cost leadership, and focus. Porter (1980) portrayed differentiation methodology as a sort of CA procedure where a firm tries to be exceptional or distinctive in its industry along a few measurements that are generally valued by its clients. Differentiation hopes to make a product more appealing by differentiating its novel qualities or capacities with other contending items or products. Effective product differentiation prompts CA for the firm, as purchasers view these products or items as being exceptional or prevalent. This methodology involves positioning which emerges after a firm chooses at least one criterion's utilized by the purchasers in the market. The positioning must be exceptionally to coordinate the criteria's chosen from the purchasers. Differentiation is generally accomplished through item quality and branding.

Cost leadership strategy is a sort of CA which calls for being an low cost producer in an industry for a given level of value, (Porter, 1980). Cost CA emerges when a firm can use its gifted workforce, through controlling expenses, by utilizing modest inexpensive materials and through lean production where superfluous procedures are discarded. Cost advantage can likewise be sourced through enhancing process efficiencies, getting a large source of low cost raw materials, abnormal amounts of profitability to save money on expenses, outsourcing efficiently and through economies of scale.

As indicated by Porter (1980) focus strategy is a sort of CA strategy that seeks to target or achieve a solitary part of a bigger market. This part or section can have the different characteristics a firm needs and can be founded on geographical zone, age, and gender orientation among others. This strategy involves having a narrow competitive scope in an industry so as to have CA in that area of a market so as to avoid over-positioning, and also not so narrow to avoid under-positioning. FS concentrates on cost focus and differentiation focus. In cost focus the firm might need to accomplish a cost advantage in the focused on market portions. In differentiation focus a firm might need to be the most aggressive in the focused on area(s) regarding differentiating its products.

Ansoff (1965) came up with a product market growth matrix to enable firms gain CA. Firms can create CA by employing the four types of growth strategies namely; product development, market penetration, market development and diversification. Through diversification a firm can conquer new markets and create CA in the market. New products and innovativeness can also create CA for firms.

2.6 Dimensions of Competitive Strategies

There are many factors that influence competitive strategies, they are varied and include competition, legislation and customer demand. Changes in laws and legislation usually affects the nature of an industry as it usually forces firms to abandon the norm of doing business and adopt new ways so as to abide to the new laws. Due to such changes, firms are usually forced to reassess their competitive strategies so as to remain competitive. Change in customer wants and demands usually forces firms to change the composition of their products so as to match customer wants and needs.

New participants to an industry can surge the market and raise the size of rivalry thus prompting a diminishment in its engaging quality as far as benefits. Threat of new entrants to a great extent relies on upon the necessities to enter an industry. The harder the necessities the harder it is to enter an industry. Key barriers to entry incorporates economies of scale, clients exchanging costs, capital speculation prerequisites, access to dispersion diverts in the business and the probability of countering from existing industry players (Grant, 2005).

The presence of substitute items can bring down industry allure and productivity as they point of confinement value levels. The danger of substitute items relies upon: readiness of the purchasers to substitute; the relative cost and execution of substitutes and the expenses of changing to substitutes (Grant, 2005). Suppliers additionally assume a noteworthy part in an industry. The cost of sourcing of crude materials from providers can affect an organization's benefit. On the off chance that providers have more prominent control over firms, then in principle, the industry is less alluring (Grant, 2005).

The haggling force of purchasers is more noteworthy when: there are couples of solid purchasers and numerous merchants in the business; items are more institutionalized; purchasers debilitate to incorporate in reverse into the business; providers don't undermine to coordinate forward into the purchaser's business and the business is not a key providing bunch for purchasers (Grant, 2005).

Being the minimal effort supplier of a decent or administration can be a brisk approach to increasing more business or piece of the pie than the opponents. Be that as it may, this methodology has genuine dangers. A lower labour, materials or overhead cost is vital. From the writing above, unmistakably the focused environment is consistently evolving. Such changes have prompted expanded rivalry constraining numerous organizations to react by receiving procedures to guarantee they accomplish practical CA.

2.7 Empirical Studies and Research Gaps

In recent past there has been an increased focus on identifying the competitive strategies adopted by firms. Previous studies have found that competitive strategies improve firms' performance. Ansari, Economides, and Ghosh, (2011) did a study on strategic positioning for sustainable CA among commercial banks in India. The research established that the banks were pursuing differentiation and repositioning strategy so as to improve performance. The aim of the firms to achieve CA is then realized through better positioning and differentiating products. Okara (2011) looked at strategic responses adopted by television and radio broadcasting stations in Kenya to counter competition and recommended that the firms should invest in staff training, benchmark and diversify so as to remain competitive.

Yilmaz (2009) looked at CA strategies for SMEs in the tourism sector, the researcher concluded that companies that do not have clear and precise strategies may achieve some success in the short run, but as soon as conditions stiffen or unforeseen threat arises they usually fold. Sereti (2010) carried out a study on the competitive strategies adopted by KBC in response to environmental challenges who found that even though the firm had strategies they found it hard to implement due to political interference and lack of funds.

With the presence of many media firms in Kenya today due to the digitalization process, competition has increased and thus media firms must come up with strategies so as to create advantages which are unique and distinct. RMS as its one of the leading media firms in Kenya today is conscious that it works in a dynamic environment that requires them to come up with competitive strategies to develop CA. It is as a result of this that the study seeks to find out the competitive strategies adopted by RMS to develop CA which none of the researchers has done especially after the digitalization process.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This section describes the modalities that were utilized as a part of the gathering of information significant in answering the research question. It additionally focused on the type of research design and sources of information, techniques and instruments of information gathering and strategies for analyzing the information.

3.2 Research Design

This study was completed utilizing case study analysis approach which was the most reasonable as it gave an inside and out comprehension on the competitive strategies adopted by RMS LTD to create CA. Young (1999) asserts that case study analysis is a strong type of subjective investigation that includes cautious and complete perception of a social unit, independent of what sort of unit is under study. Case study design answered the how and why inquiries and it for the most part covered contextual conditions that are applicable to the phenomenon under study. Case study analysis is an empirical inquiry that explores a phenomenon within its genuine setting. Case study research provides a systematic way of looking at events, collecting information, dissecting data, and reporting the outcomes.

As a result of utilizing case study analysis the researcher had the capacity to pick up an unmistakable comprehension of why the situation happened as it did, and what was essential to take into consideration in future research (Yin, 2003). Different researchers, for example, (Wachira 2015, Sereti 2010, and Kiraithe 2009) effectively adopted the case study approach.

3.3 Data Collection

The study relied heavily on primary data. Primary data was collected through the use of an interview guide, this being the preferred method as it allowed for accurate information. The researcher employed the use of telephone interview. The questions were standardized so that the same questions were asked to all the respondents. The researcher gathered information from top management staff of RMS as they are the ones aware of the competitive strategies adopted by royal media services to develop CA.

The questions were developed in line with the study objective and were divided into three sections. Section A consisted of general questions about the respondents' background. Section B consisted of various questions addressing the competitive strategies adopted by RMS Ltd in Kenya. Secondary data on the other hand was collected from the internet, this is for the information the organization had chosen to share with the public on their website as well as articles posted online on different blogs. More data was collected from the media, and Journals.

3.4 Data Analysis

Content analysis was used to do the analysis of the data collected in this research. Content analysis is the precise portrayal of the structure or materials of study which are either spoken or written. Content analysis empowered the researcher break down huge volumes of information effortlessly in a methodical way. It was a helpful method to find and depict the focus of individual, institutional, or social consideration.

Qualitative data analysis tries to put forth broad expressions on how classifications and topics are connected. Qualitative data analysis reveals patterns, topics, and classifications essential to a social reality. Qualitative research is in a general sense interpretive, and interpretation represents your personal and theoretical understanding of the phenomenon under study.

CHAPTER FOUR: DATA ANALYSIS, RESULTS AND DISCUSSION

4.1 Introduction

This section discuses the interpretation and presentation of the data gathered from the field. The information was gathered using an interview guide. The findings were on the strategies adopted by royal media services to develop CA. The chapter presents the background information of the respondents, findings of the analysis based on the objectives of the study. This chapter will focus on analysis of the primary data collected from six respondents drawn from the top and middle management and secondary data collected from internet sources. This group was preferred as they are the major contributors to the policy decisions and implementation. The data was collected in telephone interview sessions with the respondents. The data collected being of qualitative nature was analyzed using the content analysis method. The findings of the study have been discussed in details and the relationships to the literature reviews established.

4.2Background Information

The study sought to establish the background information of the respondents in terms of gender, position held in the organization, number of years worked in the organization and the department. The data was collected from an equal number of male and female managers at RMS Ltd in Kenya. All the respondents have worked at RMS LTD for over 5 years which implies that they were in a better position to give credible and valid information as they have experience of working in the organization.

Also from the research the respondents were either directors or managers of various departments at the RMS LTD, which include the likes of the Human Resource manager and Radio production manager among others in strategic positions of the firm.

4.3 Strategies Adopted By RMS to Develop Competitive Advantage

This section focused on the competitive strategies adopted by RMS LTD in Kenya to develop competitive advantage. From the research all respondents concurred that RMS Ltd has strategies, vision and mission statement which guides them. The respondents agreed that at RMS Ltd the strategies adopted are only well known by the top management. Mission and Vision statements are always formulated after a year while Strategy formulation was being done monthly. By formulating strategies regularly RMS LTD is able to act efficiently in case of any changes in the environment, which enables to gain an advantage.

On the question of whether RMS consults with other media organizations all respondents responded negatively. RMS Ltd Kenya does not consult with other organizations in the industry on programming. The organization has employed the use of differentiation, Focus, cost Leadership, Research and Development among other strategies to develop competitive advantage. The following is the discussion of the strategies adopted.

4.3.1 Differentiation Strategy

Royal Media Services Ltd in Kenya has utilized the use of differentiation strategy. Royal Media Services ltd in Kenya has diverse content that is well balanced and a customer tuning to any of their carefully tailored radio stations is guaranteed to have a good experience basing on the fact that their stations cover the major local dialects.

RMS Ltd in Kenya has 12 radio stations in Kenya and 2 TV stations presenting in different languages. By having this many stations presenting in different dialects RMS Ltd is able to have consumers who don't understand Kiswahili or English.

A customer is guaranteed of different programs when they tune in to their television station. This programs range from movies, local news, international news, inspirational programs, religious programs, music and sports. This measures depending on what the customer is willing to watch and what time. Citizen TV also has a online digital station where customers can watch past events and even current events.RMS ltd has also adopted the use of video on demand so as to satisfy customers who didn't watch some popular shows. Overtime RMS Kenya Ltd. has strived to satisfy its customers' needs by introducing new programs with fresh ideas. RMS Kenya Ltd. has strategically picked out its broadcasting content to ensure that there is something of interest to be watched by its clientele across all ages, races, genders and social statuses. The programs have been carefully selected and allocated specific times to be aired, this gives a little bit of everything to suit different lifestyles.

RMS ltd in Kenya has employed young, knowledgeable and sassy employees so as to be able to capture new customers and retain old clients. The presenters are able to deliver what the local viewers want. From their dressing style to their eloquence they are able to relate to the viewers. They are able to present the news in various styles that are different from their competitors. By having Knowledgeable employees RMS ltd Kenya is able to always come up with new firsts in the market like having many stations in different dialects and also through knowledge they are able to keep in touch with consumers and satisfy their changes in tastes.

RMS Ltd in Kenya has also differentiated itself from competitors by having news that is tailored for various regions in the country. This has been made possible by having many Radio and TV stations to cater for this need. They qualified have respondents or employees in different areas in the country who collect news which are relevant to the country as well as various regions. By having qualified and a large number of employees to collect news they are able to gather news that is up to standard in large quantities.RMS Ltd in Kenya has also adopted the use of outside broadcasting by all of its stations. These stations like Citizen TV, Inooro TV and Radio can present on-location. Through this they are able to cover news live as it happens, this enables them achieve their quest of having their customers informed.

RMS has also adopted differentiation by employing the use of the latest technology. This latest technology enables their programs to be of greater quality and clear. Through differentiation RMS ltd has achieve competitive advantage. This is because they have been able to get new customers and retain old ones. Through differentiation they have achieved a competitive edge in terms of.

RMS Ltd has developed competitive advantage through differentiation as they have been able to deal with several threats. These threats include threats of substitutes and threat of new entrants brought about by the digitization process. They are able to handle such threats by coming up with different products, stations and they have qualified and knowledgeable personnel to deal with such threats. By doing so they are able to withhold their competitive position in their area of operation.

4.3.2 Focus Strategy

The respondents said that at RMS LTD they have a many market segments. By having many market segments RMS LTD has a huge number of consumers as they provide specialized services to customers in different market segments. Through provision of specialized services and programs they develop a special bond with the consumers of their tailor made programs.

RMS Ltd in Kenya has adopted focus strategy in different ways. RMS ltd in Kenya has chosen to focus on different consumers of their products in the country. They have focused on local communities and have tailored products for these communities. Because not everybody in Kenya is able to watch TV and to talk in either English or Kiswahili RMS Ltd in Kenya decided on coming up with stations to focus on certain aspects of the market. Recently they have launched Inooro Tv which focuses on the Agikuyu speaking part of its market. They have 12 radio stations which target 12 different market segments in Kenya. There are also plans to launch more stations to focus on different communities.

In their programming RMS ltd in Kenya also focuses on different social classes, ages and gender. They have programs which target the youths like the musical Mseto East Africa show and also programs which target ladies and women. They also present news both in Swahili and English which focuses on different groups. By having international news in their news programs from International renowned news channels like Al Jazeera they also satisfy the part of the market of consumers who want international news.

RMS has employed Focus Strategy so as to limit the threats caused by new entrants by endearing itself with its customers. They are able to retain their customers and attract new ones as they have tailor made products for their consumers thus having a competitive advantage in the industry. Through focus RMS ltd is able to deal with the bargaining powers of the consumers in the market as the consumers are able to get want they want.

4.3.3 Cost Leadership Strategy

RMS Ltd in Kenya has tried to minimize the cost of acquiring news programs from abroad. For example choosing to have selected news content from Al Jazeera and CNN instead of having whole news programs from the international news channels which come at a cost. Through such ways RMS ltd is able to source quality international content but at a cheaper rate. This is also in family programs like Soap Operas, where they source Mexican soaps cheaply from Mexico producers.

RMS has also used outsourcing so as to reduce costs. Instead of producing its 8own programs RMS Ltd Kenya has chosen to outsource local programs from local producers so as to save on cost and time. This includes local shows, local soaps and talk shows. By the use of new technology RMS Ltd Kenya is also able to minimize costs.

So as to minimize costs RMS Ltd also has many suppliers of programs to choose from. By having many suppliers RMS Ltd is able to minimize supplier power and thus source cheaply. This enables them to achieve a competitive advantage as they are able to get quality products cheaply and efficiently and the costs saved are channeled to other developmental areas with an aim to develop a competitive edge.

4.3.4 People Development Strategy

Employees are a critical resource in the operations of the Organization. RMS ltd in Kenya has heavily invested in its employees to ensure that they have they have the right capacity to deliver and exceed customers expectation. The organization has put in place opportunities to get training both internally and externally which has ensured continuous professional development. The organization has also created a sense of ownership by adopting a strategy of hiring for vacant positions from within the organization before recruiting externally. This has helped the employees value their own professional development since it is what is used when considering employees for promotions.

The Human Resource Manager noted that indeed the ability and interest a candidate has in developing them is given weight during the interviewing process. This is because employees who are constantly developing themselves are in a better position to offer better service to clients since they are aware of good work methodologies and emerging market trends hence able to help clients solve their problems and create winning strategies. This has helped create a sense of ownership within the organization, creating a sense of belonging and Commitment.

Through People development strategy RMS has developed competitive advantage as they have been able to have qualified, knowledgeable and committed employees. Committed and loyal employees are easy to retain at this time after the digitization process where poaching of employees is rife. Through people development the employees are able to work and perform with total commitment and work with consumer satisfaction as their aim.

4.3.5 Research and Development

RMS LTD has fought off competition through Research and Development. Through the research the researcher established that the digitalization process affected RMS LTD in that it increased competition. It forced them to redo their operations and has also led them into introducing, Video on Demand, VOD.

Through Research and Development RMS Ltd in Kenya has developed competitive advantage as they are able to know the current trends in the Market, what the consumers want. Through this they have been able to come up with proper programming at a faster rate so as to have a competitive edge in the market and they have also employed employees who can match the current market trends and also who can perform in the future.

4.4Discussions

This section focuses on a detailed discussion from data collected in the study. It will entail comparing the findings to the guiding theories of this study and also to other studies.

4.4.1 Link to Theory

From the research the findings have concurred with the theories used in the study which are the RBV, KBV and the Strategic Balancing theory. Organizations use resources to develop CAs which can be sustainable (Wernefelt, 1984). From the findings RMS has used its available resources/ assets like all the 12 radio stations and 2 TV stations, technology, human resource E.g. presenters to develop CA. By the use of technology

RMS has employed it widely to reduce cost of production and in the presentation of news and other programs which has endeared it to the millions of viewers' country wide. RMS has employees and top news presenters. Due to training and having better qualified personnel RMS has been able to attract new fan-base to its side as viewers and listeners are attracted by the top notch presenters at RMS. Thus the findings support the RBV that an organization can develop CA by using its resources effectively and efficiently. By the use of their large number of resources like the 12 radio stations it create new knowledge that an organization can employ the use of different resources in several ways so as to develop competitive advantage.

The findings have supported the Knowledge Based View as a source of CA. RMS has generated and applied knowledge in several ways to develop Knowledge. Due to knowledge brought about through research and development about competition RMS decided to target many market segments. The principle of this view is that an organization is an establishment for creating and utilizing different sorts of knowledge (Grant, 2005).

Strategic balancing theory bases on the tenet that the strategy of an organization is mostly equivalent to the strategy of a worker of an organization or firm (Casley and Krishna, 2003). The findings have supported the theory of strategic balancing theory in that RMS LTD has employed like-minded individuals who share the same goal. Through having current crop of young, knowledgeable and sassy employees RMS Ltd is able to achieve its goals, missions and vision.

4.4.2 Link with other Studies

This study aligned its findings with other case studies on competitive strategies adopted by other studies. For Example study done Okara (2011) strategic responses by television broadcasting stations in Kenya to counter competition showed that research and development, differentiation and training of staff are some of the strategies that have been used to gain competitive advantage to varying extents. Sereti (2010) concluded that KBC adopted strategies like turn around strategies and research and development even though the results were not resounding due to lack of cash and political interference.

Another study by Ekirapa (2007) on competitive advantage adopted by NMG established that NMG possesses unique characteristics which are exhibited by the way the company is organized and structured. It revealed that the company has adopted number of strategies to cope with increasing competition including cost leadership strategy, concentric diversification strategy, and grant strategies of consortia and joint ventures. The researcher established that these strategies have made Nation Media Group achieve high levels of strategy and also gain sustainable competitive advantage. Yilmaz (2009) looked at CA strategies for SMEs in the tourism sector, the researcher concluded that companies that do not have clear and precise strategies may achieve some success in the short run, but as soon as conditions stiffen or unforeseen threat arises they usually fold.

Nyamweya (2008) carried out a research on media consumer market segmentation practices used by television stations in Kenya. The research found that television stations used various variables such as demographics, behavioral, living standards measure and psychographics in segmenting their consumer market which enabled positioning.

The study also found that most TV stations did survey in identifying their potential viewers and they also compiled their data in terms of who viewed the programs, what programs did they view and also why did they view those programs. This market segmentation criterion was found to be very effective as it helped the TV stations to know who their potential customers really are demographically, geographically, their behavior and also their psychographics. Baraskova (2010) carried out a study on Strategic Positioning and Sustainable Competitive Advantage in Food Industry. She concluded that whether strategic positioning contributed to the sustainable competitive advantage of companies discussed in cases study is difficult to say. More correctly would be to conclude that process of positioning the brands in the consumer minds in three cases started with the product itself

The above indicate that different players in management may use the same strategies but achieve varying level of success on account of how the strategies are deployed. Consequently, this also implies that not all strategies can work uniformly across different organizations because each organization has its uniqueness in terms of available resources and culture.

CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This section presents the summary of core findings, conclusions that emanated from the data findings and recommendation made there-to. The responses were based on the objective of the study. The study focused on strategies adopted by Royal Media Services in Kenya to develop CA.

5.2 Summary of the Findings

The objective of this study was to establish the competitive strategies adopted by Royal Media services to develop CA. The study employed Case study approach where it sought to get responses from the RMS LTD management. It emerged that most of the respondents have been at the organization for over 5 years hence they have valuable knowledge about the firm.

The study wanted to find the competitive strategies adopted by on RMS LTD to create CA. RMS LTD adopted various ways of developing CA by utilizing cost, differentiation, focus, human development and research and development strategies. On cost leadership RMS has adopted various methods to achieve CA in terms of cost. RMS has adopted technology, outsourcing and low price of acquiring international programs so as to be the market leader in terms of cost by a great extent.

Differentiation helped to deal with competition and develop a competitive edge in the market. RMS employed the use of outside broadcasting for most of its stations, having better presenters, have a unique style in presentation of news, have different programming, using technology in presentation to a great extent. In terms of regional content RMS LTD news and current affairs are different from competitors as well as the programming is different compared to competitors.

RMS LTD targets certain market segments, its services are cutout for customers of specific classes, they develop specific services for the target market segment and that RMS LTD enjoys consumer identification with its products and definite loyalty.RMS has also adopted the use of research and development so as to remain in touch with current changes in the market. Through the use of people development strategy RMS Ltd has been able to employ qualified personnel who can function in the present and future situations. The study also established how often they developed their competitive strategies. All respondents said monthly in addition to having many market segments.

5.3 Conclusions

The study found out Royal Media Services has employed the use of Cost Leadership strategy, differentiation strategy and focus strategy, Research and Development and human development to a great extent to develop CA. Thus study concludes that Royal Media Services in Kenya has used differentiation strategy, cost leadership focus, research and development and human development to create brand loyalty. RMS LTD has also developed a competitive edge by being aware and using strategy with the five forces.

Which are dealing with intensity of rivalry, bargaining power of buyers, threats of new entrants and threats of substitutes as they determine the dimensions of competitive strategies.

The study further concludes that by having many market segments RMS LTD has developed a competitive edge in the industry. This they have achieved a competitive edge diversifying their products, through active brand management and employing the use of research and development. It has introduced new products like VOD to counter competition in the market. By often formulating their strategies RMS is capable of keeping in touch with the current on goings in the market.

5.4 Recommendations

The researcher recommends that RMS LTD should enhance its efforts to formalize its strategic approach into a written strategy document and communicate the same to all staff to ensure unity of direction. The organization should also craft a common vision and mission statement.

The study found out that the company does not consult other media firms in programming. It is recommended that although the firm is a market leader they should consider other competitors programming as the customers are conscious about the programs offered by the firms. Consultation ensures that the company maintains its market share.

The study recommends for managers and owners of media firms, the need to develop strategies that would ensure their survival in the industry is vital.

The idea is to develop strategies that would create a competitive edge in the market and hence suit the needs of the industry.

5.5 Limitations of the Study

The researcher encountered various limitations during this study. The study sought to find out competitive strategies adopted by RMS LTD to develop CA. Due to the fact that the study sought to establish competitive strategies, the respondents were suspicious as they considered them to be trade secrets and sensitive information because of the possibility of that information ending up with competitors. The Interviewer was only able to use telephone interview due to time constraints and the reluctance of the management to offer face to face interview.

This study focused on Royal Media Services in Kenya. The findings may not be applicable to other organizations in other or same industry in Kenya. Royal Media Services also has operations in other countries in East Africa countries thus these findings may not apply to such. Such interpretations and conclusions should hence be adopted with caution.

This study relied so much on only one research design, case study, where data was gathered using one method. There are some issues that might not have been captured using this method and hence the study may have omitted some of the relevant issues on the competitive strategies adopted by Royal Media Services in Kenya to develop CA.

5.6 Suggestions for Further Research

Recently RMS Ltd has sacked a number of high profile presenters and a number of backroom staff. The researcher recommends similar studies in the near future should investigate the effects the retrenchment will have on RMS Ltd competitive advantage. Future studies should also focus on the reasons for the retrenchment process.

This study focused on Royal Media Services LTD, a media firm in Kenya with presence across East Africa and took the form of Case study so as to gain in depth knowledge on the subject of study. There is an opportunity to do similar studies on other media firms especially after the digitalization process commenced to investigate on the competitive strategies adopted.

There is also an opportunity to investigate the competitive strategies adopted media firms which also have other service lines such as print media. This is so as to provide more information on the strategies they have adopted to remain competitive at this moment when the internet seems to be the 'in-thing'.

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APPENDIX 1: INTRODUCTION LETTER

UNIVERSITY OF NAIROBI
SCHOOL OF BUSINESS

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Telegrams: "Varsity", Nairobi
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P.O. Box 30197
Nairobi, Kenya

DATE 26/09/2016

TO WHOM IT MAY CONCERN

The bearer of this letter MARINGA HEZROH KARIUKI

Registration No D61/77081/2015

is a bona fide continuing student in the Master of Business Administration (MBA) degree program in this University.

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 your assistance to enable him/her collect data in your organization.

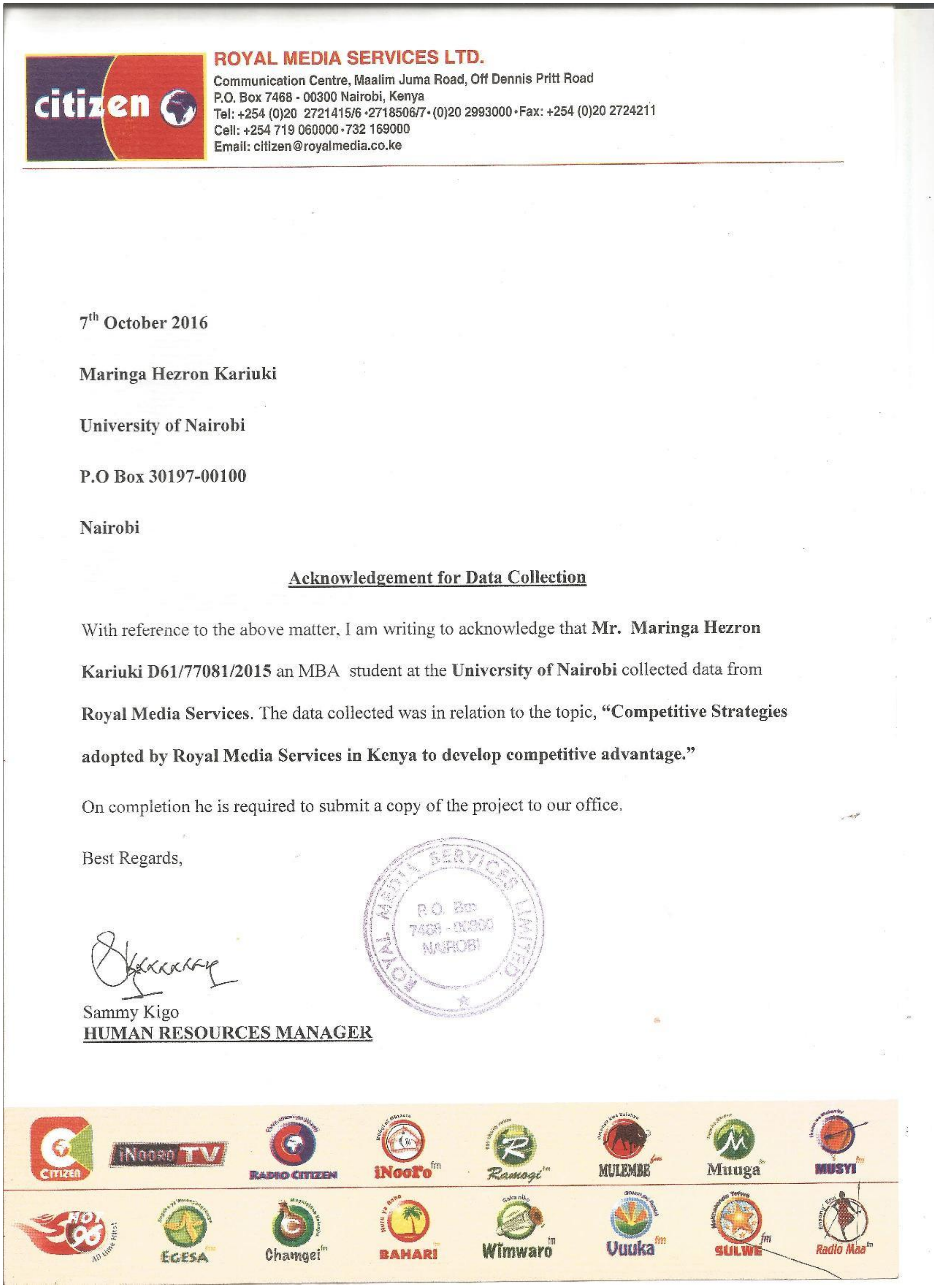
The results of the report will be used solely for academic purposes and a copy of the same will be availed to the interviewed organizations on request.

Thank you.

UNIVERSITY OF NAIROBI
SCHOOL OF BUSINESS
26 SEP 2016
P.O. Box 30197 – 00100, NAIROBI

PATRICK NYABUTO
SENIOR ADMINISTRATIVE ASSISTANT
SCHOOL OF BUSINESS

APPENDIX 2: ACKNOWLEDGEMENT FOR DATA COLLECTION



ROYAL MEDIA SERVICES LTD.
Communication Centre, Maalim Juma Road, Off Dennis Pritt Road
P.O. Box 7468 - 00300 Nairobi, Kenya
Tel: +254 (0)20 2721415/6 •2718506/7• (0)20 2993000 • Fax: +254 (0)20 2724211
Cell: +254 719 060000 • 732 169000
Email: citizen@royalmedia.co.ke

7th October 2016

Maringa Hezron Kariuki

University of Nairobi

P.O Box 30197-00100

Nairobi

Acknowledgement for Data Collection

With reference to the above matter, I am writing to acknowledge that **Mr. Maringa Hezron Kariuki D61/77081/2015** an MBA student at the **University of Nairobi** collected data from **Royal Media Services**. The data collected was in relation to the topic, **"Competitive Strategies adopted by Royal Media Services in Kenya to develop competitive advantage."**

On completion he is required to submit a copy of the project to our office.

Best Regards,

ROYAL MEDIA SERVICES LIMITED P.O. Box 7468 - 00300 NAIROBI

Sammy Kigo
HUMAN RESOURCES MANAGER

CITIZEN iNOORO TV RADIO CITIZEN iNooro fm Ramogi fm MULEMBE fm Muuga fm MUSYI fm HOT 96 EGESA fm Chamgei fm BAHARI fm Wimwaro fm Vuuka fm SULWE fm Radio Maa fm

APPENDIX 3: INTERVIEW GUIDE

This interview seeks to collect information on competitive strategies adopted by RMS to develop Competitive Advantage. All responses will be treated with utmost confidence and used only for academic purposes.

Section A: Background Information

1. Gender?
2. How long have you worked at Royal Media Services LTD?
3. What current position do you hold in the organization?
4. In which department or division do you work?

Section B: Information on Competitive Strategies.

5. Does Royal Media Services have strategies, vision and mission statements.
6. How often are they formulated?
7. Does your organization consult other media organizations on programming?
8. What Strategies has RMS Ltd adopted to develop competitive advantage?