

**INFLUENCE OF MARKETING STRATEGIES ON
COMPETITIVENESS OF PZ CUSSONS EAST AFRICA LIMITED**

OMWENGA ANITA MAGOMA

**A RESEARCH PROJECT SUBMITTED IN PARTIAL FULFILMENT FOR THE
AWARD OF DEGREE OF MASTER OF BUSINESS ADMINISTRATION, SCHOOL
OF BUSINESS, UNIVERSITY OF NAIROBI**

2019

DECLARATION

I declare this study project is my original work and has not been presented for educational purposes in University of Nairobi or any other higher learning institution.

Signature..... Date.....

ANITA MAGOMA OMWENGA

D61/ 79093/2015

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

Signature Date

PROFESSOR JUSTUS MUNYOKI

DEPARTMENT OF BUSINESS ADMINISTRATION

UNIVERSITY OF NAIROBI

ACKNOWLEDGEMENT

I would like to acknowledge my supervisor Professor Justus Munyoki, for his dedication and interest during the process of this entire research. His guidance, encouragement and constructive counsels made this research come to an end. I am also grateful to PZ Cussons East Africa Limited managers who created time to answer to my interview queries.

DEDICATION

I dedicate this research to my parents Mr and Mrs Omwenga for their unwavering love and support always. I dedicate this study to my siblings who have never failed to give me moral support. Last but not least, I dedicate this research to my beloved family. To them, I say
thank you.

ABBREVIATIONS & ACRONYMS

FMCG Fast Moving Consumer Goods

COMESA Common Market for East and Southern Africa

KPMG Klynveld Peat Marwick Goerdeler

PZ Paterson Zochonis

RBV Resource Based View

ABSTRACT

The objective of this research was to establish influence of marketing strategies on competitiveness of PZ Cussons East Africa Limited. The research sought to identify marketing strategies implemented by PZ Cussons East African Limited and establish its influence on competitiveness of PZ Cussons East Africa Limited. The study was based on Ansoffs' product- market model, Resource Based View and Marketing Mix strategies. A case study research design was adopted since it involved an in depth analysis of only one firm. This study used primary data to address the study's objective. Data was collected from four managers at PZ Cussons East African Limited using an interview guide. Content analysis was used to analyze the qualitative information to get research outcomes, conclusions and recommendations. The study concluded that marketing strategies have a positive influence on competitiveness of PZ Cussons East Africa Limited. Some of the positive influence include creating brand affinity, acquiring of new consumers, assist the firm to keep up with the changing shopping trend, maintaining loyal consumers and allowing the firm to play in different price points hence appealing to different market segment in FMCG sector. Further, this study revealed that PZ Cussons had adopted promotion strategy and product strategy to a greater extent compared to pricing and distribution strategy. The study recommended PZ Cussons East Africa Limited management to emphasize the use of pricing strategy to gain new market because it will increase the firm's competitiveness and revenue. In addition, the firm should increase its presence in digital online shopping platforms since that is the future of marketing and sales.

TABLE OF CONTENTS

DECLARATION	i
ACKNOWLEDGEMENT	ii
DEDICATION	iii
ABBREVIATIONS & ACRONYMS.....	iv
ABSTRACT.....	v
CHAPTER ONE: INTRODUCTION.....	1
1.1. Background of the Study.....	1
1.1.1 Marketing Strategy	3
1.1.2 Firm Competitiveness.....	4
1.1.3The Fast Moving Consumer Goods Sector in Kenya	6
1.1.4. PZ Cussons East Africa Limited	7
1.2 Research Problem.....	8
1.3 The Research Objective	10
1.4 Value of the Study.....	11
CHAPTER TWO: LITERATURE REVIEW	12
2. 1 Introduction.....	12
2.2 Theoretical Foundation	12
2.2.1 Ansoffs’ Product- Market Model	12
2.2.2 Resource Based View.....	13
2.3 Marketing Strategies and Firm Competitiveness	15
2.3.1 Product Differentiation Strategies and Competitiveness.....	16

2.3.2 Pricing Strategies and Competitiveness	17
2.3.3 Place/ Distribution Strategies and Competitiveness	18
2.3. 4 Promotion Strategies and Competitiveness	19
CHAPTER THREE: RESEARCH METHODOLOGY	21
3.1 Introduction	21
3.2 Research Design	21
3.3 Data Collection.....	21
3. 4 Data Analysis	22
CHAPTER FOUR: DATA ANAYSIS, RESULTS AND INTERPRETATION	23
4.1 Introduction	23
4. 2 Interview Guide Response Rate	23
4. 3 Background Information of the Interviewees.....	23
4.4 Marketing Strategies Adopted by PZ Cussons East Africa Limited	24
4.4.1 Product Strategy	24
4.4.2 Pricing Strategy	26
4.4.3 Place/ Distribution Strategy	27
4.4. 4 Promotion Strategy	28
4.5 Firm Competitiveness	29
CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS.....	33
5.1 Introduction	33
5.2 Summary of Findings	33

5.3 Conclusion.....	36
5.4 Recommendations of the Study.....	37
5.5 Limitations of the Study.....	37
5.6 Suggestions for Further Research	38
REFERENCES	40
APPENDIX I: INTERVIEW GUIDE.....	44

CHAPTER ONE: INTRODUCTION

1.1. Background of the Study

Marketing strategy in the context of a firm in relation to its environment, describes a process which a firm is intending to adopt so as to achieve the set marketing goals and have a competitive advantage in the market. It encompasses placing short and long term organizational objectives in marketing with vital aim of growing the overall performance of the firm and gaining justifiable competitive advantage in the industry (Lawrence & William, 2013). For a business to be successful, its marketing strategy should be in line with the organization's mission and vision. The Fast Moving Consumer Goods (FMCG) sector comprises of firms that are active users of marketing as a strategy to sell their products. These organizations come up with a strategic marketing plan to respond to the challenges and opportunities that pertain to the organizations environment (Brassington & Pettitt, 2006). The fundamental goal for marketing strategy for a firm's different product types is to stimulate repurchase due to liking or association with a product brand.

In any given environment, multiple firms are competing for the same customers. Fast moving consumer goods firms compete with firms that are producing substitute products. The challenge that befalls all competing organizations is to create and sustain a competitive advantage (Peter & Donnelly, 2012). Pressure from substitute products that perform the same functions as the industry products could force the firm to become more innovative. In the wake of remaining relevant in a competitive fast moving consumer goods industry, organizations need to effectively adopt with ever changing internal and external environment. It is very difficult for a firm to remain competitive in a dynamic market without injecting various marketing strategies to its operations. The impact that comes with the development of

digital technology, the need to increase shareholder value and diminish the reputation risk is amongst the forces fast moving consumer goods organizations need to overcome in an effort to sale their products to targeted markets in order to remain relevant in the marketplace (Kotler & Keller, 2015).

The study was guided by Ansoffs' Product- Market Model, Marketing Mix Strategies and Resource Based View. Ansoffs' product- market model holds that for firms to consistently enhance performance, the top administration needs to create item and market development systems that are in accordance with the business current natural turbulence, vital forcefulness, and administration responsiveness. They may embrace market development, market penetration, product diversification or product development strategy as marketing growth strategy (Kotler, 2005). The focal preface of Resource Based View discourses the basic query of why organizations are distinctive and how they accomplish and maintain upper hand conveying their assets (Campbell, 2004). Resource Based View is the utmost widespread theory describing the concept of sustainable competitive advantage. For a firm to attain competitive advantage according to resource based view, use of bundle of resources at the organization's disposal is a fundamental factor. The resources need provide financial value, scarce, not easy to emulate, not substitutable and not easily obtained in the market.

PZ Cussons East Africa limited is one of the key manufacturing firms in Kenya that deal with Fast Moving Consumer Good that range from personal care, beauty to home care. The East Africa market is serviced from their commercial and manufacturing base in Nairobi, Kenya. From Kenya they enhance the lives of consumers through innovative products created from in depth local knowledge of consumer needs. Key categories and brands include: Personal care products namely Imperial leather, Carex, Robb and Cussons baby; home care products namely Morning fresh and Ushindi. Marketing strategy is implemented to grow brands and increase customer loyalty which is important when a firm wants to sustain a competitive

market share. In the year 2015 for instance, the company re-launched Imperial leather Personal care range which entailed the unveiling of the new logo and the upgraded packaging of existing products.

1.1.1 Marketing Strategy

Marketing strategy focuses on the how a firm plan to reach and sell its products to consumers through avenues including but not limited to pricing, promotion, product differentiation and distribution of products. It defines how an organization classifies its activities that include detecting unmet needs, defining, determining and measuring market place, choosing target market and encouraging target market intervention (Josh & Bang, 2014). Marketing strategy entails a process that starts with market investigation and development. Here, the needs of the consumers are recognized and rivals' products analysed. After research has been done and a product innovation has been developed that outwits those that resemble the competitors, pricing, promotion and distribution to consumer follow in that order. Firms that choose to build their brand and remain relevant in the current competitive global market, marketing strategy has to be part and puzzle of their survival.

Marketing is a dynamic field when it comes to management and implementation because it is not a fixed system of concepts and axioms according to Kotler (2005). The turbulent internal and environment marketplace continuously throws out challenges and companies must counter with implementing the correct marketing strategies. Marketing practises and activities are geared towards establishing new and better attractive business opportunities where the firm can invest its resources and exploit other potential chances with the view of making better returns and hence profitability. With increment in competition in FMCG sector, for organizations to persistently accomplish set performance objective, there is requirement for them to get new market to sell their products other than depending completely on the present set of consumers.

According to Peter and Donnelly (2012) Marketing mix as an instrument used by an industry like FMCG and marketers, to facilitate and determine a product or brand contribution in a given market. They deduced the marketing mix into product, price, place and promotion. These elements are frequently considered to influence consumer buying and decision making process thus leading to profitable exchanges. Marketing mix involves a set of marketing decisions. These marketing decisions are made by the management by implementing marketing positioning strategies to realize organization aims (Doyle, 2006). In positioning strategy established on rivals, an implied setting of situation is added rivals. In various circumstances, indication of rivals is the prevailing characteristic of marketing positioning plan of a firm is either the use of comparable strategies implemented by competitors or use of an original strategy.

1.1.2 Firm Competitiveness

When a firm executes a value making strategy which is not being used or implemented simultaneously by a potential competitor then it is said to have competitive advantage. In addition, it is in a position to make more financial value in comparable to other firms. Competitive advantage is a basis of firm's profitability and survival. Competing in market place with a competitive advantage tends to be more profitable than with no advantage The fast moving consumer goods market has tremendously evolved with the introduction of innovative products and services. Growth of the fast moving consumer goods sector is predominantly volume driven and geared towards large scale market.

This sector is subjugated by multinational organizations that have robust distribution network presence and strong rivalry. Effective marketing is considered as a key ingredient when an organization wants to sustain competitive advantage in a given market. Fast moving consumer goods firms ought to improve and execute their marketing strategy in a manner that will attract and cause the purchase of their goods and services to sustain their competitive

edge in the market. Porter (1985) argues that for firms to retain competitive advantage, they need to examine their environment and respond accordingly. Consumer preferences and demographics are constantly evolving and organizations competitiveness is determined by how effectively and quickly it rolls out products to meet the changing customer needs. To generate growth and excellence in an organization which consequently leads to higher and sustainable performance, the success of the firm is manifested when it attains a competitive position. There are three consistent generic strategies which can be implemented solely or in combination for making competitive marketing position for a firm in the long haul. They comprise; differentiation, focus and low cost leadership. Differentiation of a product aims to offer products that are uniquely characterised using features such as, innovation, numerous features, suitability and value.

According to Porter (1985), when using focus strategy to gain competitive advantage, an organization will focus on a specific segment within a targeted market. Within that narrow segment, the organization will try to accomplish one or the other a price benefit or distinction of a product from its competitors. As a result, the firm can place itself to increase trademark loyalty and consumer satisfaction consequently protecting the organization from least price preservation agreement and effects on increasing prices. Low cost leadership is geared towards the broader mass market where the firm gives value to its targeted customers through lower priced products. Higher profits and cost advantage to charge lower prices can be enjoyed by a low cost leader in a given market (Pearce & Robinson, 2005). Low cost leadership is achieved through emphasis on perfecting the value chain in ways that are difficult for rivals to imitate.

1.1.3 The Fast Moving Consumer Goods Sector in Kenya

Fast Moving Consumer Goods (FMCG) sector is one of the largest industry in Kenyan economy which comprises of firms that deal mainly in household care, personal care, food and beverages. It includes products such as; toiletries, cosmetics, soap, packed food products, skin care, hair care, dairy products, bakery products, soft drinks, snack food etc. It been a key driver of manufacturing development, profiting from principally robust demand for food and beverage and personal care products. FMCG are products that are consumed and bought often and of low unit value. As a result of organizations operating in this sector seeing margins that are usually rather slim, they will opt to implement a marketing strategy that is focused on achieving top line sales.

Price competition between rivalry retailers can be intense because products are often near identical. Therefore, to enable an organization to charge higher prices and boost profitability, there is need to use marketing strategies that will encourage repurchase of their products. (Peter & Donnelly, 2012) The FMCG sector in Kenya is characterized by numerous players, heightened rivalry, regulatory changes, varying buyer styles and expectations, obtainability of a wide selection of substitutes. Main multinationals dealing with FMCG have in one way or another established their presence in Kenya as foreign organizations or entered into joint ventures with Kenyan shareholdings to supply the domestic neighbouring markets. These include PZ Cussons East Africa, Nestle, Unilever, Coca-Cola, East Africa Breweries Limited, Cadbury and Wrigley. Food and beverages make up over half of Kenyans export mainly to the neighbouring countries.

Local subsidiaries of Uniliver, Procter and Gamblers, PZ Cussons East Africa are among firms which have revamped their toilet soap products categories and took on marketing strategies like promotions to increase their market segment. Fuelled by the growth and rising population of the middle class, the toilet soap segment has been rising steadily. Almost all

players in the toilet soap segment, PZ Cussons East Africa being one of them, have resolved to promotional strategies comprising give away of additional products, sending off consumers with an added value after purchase. Another marketing strategy employed by fast moving consumer goods organization is the introduction of new products to broaden their reach to their target audience and reduce independence on single brands.

According to an editorial published by KPMG on FMCG in Africa in 2016, Kenya is one of ten African nations with a predominantly high potential for FMCG growth, because of flowing demand in food and beverage and personal care sections. Both private and public manufacturing firms play a major role in the Kenyan economy by providing employment opportunities to Kenyans thus improved gross domestic product. Manufacturing firms in Kenya have contributed to economic growth by 13% and created employment by 18% (KPMG, 2016). In addition, products by large and small manufacturing firms in Kenya play a major role in the Kenya economy through levies charged by the government. This is why there is need to do a study in this sector because of its importance and relevance to the Kenyan economy.

1.1.4. PZ Cussons East Africa Limited

PZ Cussons East Africa's mantra is enhancing lives of consumers through quality, value and innovation. PZ Cussons East Africa Limited operates in Kenyan and COMESA region from their base in Nairobi, Kenya where the firm has established a manufacturing facility for personal care and homebased products. From Kenya they enhance the lives of consumers through innovative products created from in depth local knowledge of consumer needs. Key categories and brands include; Personal care & Beauty products namely Imperial leather, Carex, Robb, Cussons baby, Venus and Joy; Home care products namely morning fresh and

Ushindi. PZ Cussons East Africa Limited has a sales office in Kisumu that serves Western area of Kenya and a depot in Mombasa that servers Coastal region. They have established partnership with distribution partners with a network of resale outlets within Kenya and their export market which constitutes Common Market for Eastern and Southern Africa (COMESA) region.

PZ Cussons East Africa's 2019 strategic mission is to leverage on their signature master perfumes to build Imperial Leathers potion as a luxury lifestyle brand. In February 2019, they launched a fresh marketing bid as it targets to capture a bigger market share in the competitive Kenyan toilet soap segment market. The company managing director said that the firm will ride on the new male grooming marketing campaign at a coat of 30 million to boost sales of the imperial leather brand. Majority of FMCG manufacturers have turned to promotions, encompassing give away of extra items, leaving buyers with additional value. In the recent years, almost all players in the toilet soaps market, PZ Cussons being one of them, have presented new products in the market to widen their segment and lessen independence on exclusive brands.

1.2 Research Problem

Marketing strategies adopted by FMCG manufacturers affects consumption of their products and brand image of their products as a whole. Marketers need to use diverse marketing strategies to position their products in the market which ultimately will help to attract the customer to purchase the products leading to increase sales. The FMCG manufacturer sector is expected to sustain a competitive advantage amidst competition at both global and local level. In addition, technological progress and the ever changing consumer needs that constantly shift the competitive paradigms. The manufacturers of FMCG in Kenya have faced stiff competition over the years. This is because it is dependent on the environment.

The Kenyan economy was liberalized in the early 1990's. During this era, the several industries that had monopolized the market suddenly came to realization that there were new entries of similar industries in the market that sparked unexpected competition. There is reduction of market shares of companies and profits due to several players in the market competing for the same consumers. Numerous studies have been done in the area of fast moving consumer goods. However, a few issues have not been addressed. Zott and Amit (2008), did a study to determine the relationship between an organizations product strategy and correspondence business approach. The research analysed and used the data collected to conclude that product strategies that emphasized on product differentiation, early market entry or cost leadership strategy can boost the organizations performance. The study fell short however, when it failed to address how enterprises models develop, particularly how they co develop with product strategy of an organization.

Kagure (2010) sought to find out the efficiency of sales promotion marketing strategy and the challenges met in implementation in the fast moving consumer goods sector in Kenya. The study objectives were; to establish how FMCG firms allocate marketing budgets, the effectiveness of sales promotion marketing strategy and whether or not FMCG firms evaluated effectiveness and challenges faced while implementing the sales promotion strategy. The study concluded that evaluation of the efficiency of sales advertising marketing strategy was conducted in fast moving consumer goods firm. However, while all businesses claimed to be assessing effectiveness of their sales promotion, the assessment process looked superficial or less than impartial since the firms did not possess tools and systems for carrying out satisfactory detailed examination.

Wasonga (2012) study to determine what factors affect consumer perception with regards to Kenyan fast moving consumer goods in the East African Community: A case of laundry detergent products established that consumers are keen with regards to quality and price of the products. However, this study did not tackle the subject of marketing strategies used by FMCG manufacturers in Kenya in particular to influence the consumers' buying perception. Research conducted by Ong'ong'a (2014) titled Effect of marketing strategies in gaining market share by insurance companies in Kenya established that the firms marketing strategy is all about the 4ps; place, price, promotion and product which lead a firm to gain or grow on market share of insurance companies in Kenya.

The main issue in this study is the variables concepts and the context. The concepts do not seem to have been studied in a single organization. That the current researcher has not come across studies in the fast moving consumer goods sector focusing on marketing strategies and organizational competitiveness in a specific firm. The concepts don't seem to have been studied in an organization like PZ Cussons East Africa limited. And therefore concerning the importance of this in the organization, there is need to try and understand how they do their things. This study therefore, sought to determine the influence of marketing strategies on competitiveness of PZ Cussons East Africa limited. It was guided by the following question: What is the influence of marketing strategies on competitiveness of PZ Cussons East Africa Limited?

1.3 The Research Objective

The objective of the study was to assess the influence of marketing strategies on competitiveness of PZ Cussons East Africa Limited.

1.4 Value of the Study

On a theoretical level, the findings contribute to the literature on marketing and how marketing strategies can enhance the competitiveness and presentation of fast moving consumer goods manufacturers. The research assists scholars and academicians have knowledgeable information on marketing strategies to implement to counter and match the changes in the turbulent external business environs. This know how consequently adds to the current information in the field of marketing strategies used to combat competition and form foundation for further studies on marketing strategies and its influence to a firm's competitive advantage.

In policy development, the findings of the study provide backstopping to policy makers with regards to enhancing firm and national competitiveness as a result of marketing economies of scale. The study provides value to policy creators in both FMCG manufactures and the government. The study guides marketers and decision makers in policy making undertakings that can materialize to marketing strategies that gives firms a competitive edge in the FMCG manufacturing sector. The findings inform manufacturers of fast moving consumer goods on improvements and corrections to policies and strategies that can assist them attain competitive advantage over similar players in the industry.

In managerial Practises, the study provides managers in charge of marketing strategy implementation of PZ Cussons East Africa ltd with vital insight and valuable information in the process of planning and formulating their marketing strategies to combat competition in the FMCG manufacturing sector. Practitioners in the sector of FMCG will have an improved comprehension of the surroundings they work in. In addition, the study reveals how the prevailing marketing practises implemented by PZ Cussons are aligned with the dynamic marketing strategies instituting level and compliance of noble managerial practises.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This chapter presents literature review of previous studies done that are related to this research. Areas covered in this section include theoretical review informed by the theoretical foundation, marketing mix strategies upon which competitive advantage can be achieved and the empirical review.

2.2 Theoretical Foundation

This section presents applicable theoretical foundation related to marketing strategies and competitive advantage. For a firm to survive and remain competitive in a dynamic market without injecting various marketing strategies to its operations is very difficult. In this study we focus on Ansoffs' Product –Market model, Marketing Mix strategies and Resource Based View.

2.2.1 Ansoffs' Product- Market Model

Ansoffs' Product- Market model provides a matrix of creating four alternative directions for marketing strategic development. It points out that for an organization to increase its performance, it needs to achieve product and market growth through four different market strategies which depend on whether or not an organization or product is already present in the market. He considered two dimensions; one dimension is based on the product being either new or existing while the other dimension consider market as new or existing. (Ansoff, 1987)

The growth strategies pose different levels of risks and need for investment. Market penetration involves selling more of existing products in already existing market possess the lowest risk. This strategy is aimed at achieving market dominance through gaining competitor's customers, attracting non- users and having the current users buy more.

Market penetration can be realized through two probable strategic objectives: To increase consumers' awareness using substantial promotions, extensive sales force, widespread introductory sales promotions and free test offers. Secondly, to increase buyers' capacity to buy by use of penetration pricing, prolonged credit conditions, trade promotions and offering of engineering, connection and teaching amenities. Organizations could also opt to introduce new products in an already existing market by developing products that are closely related to the existing products, developing totally new products to match to match existing needs of customers, or a product that rejuvenates the usage of existing products as a product development strategy.

Through product innovation, organizations' can develop by innovating new product ranges or new product offerings. New products are also referred to as innovations. One of the key decisions in marketing is the development and launch of new products by an organization. To withstand development and sustain profitability over time in a competitive market, FMCG organizations need to continuously develop streams of innovative products (Kotler & Keller, 2015). Due to the ever rapid changes in consumer tastes, competition and technology, innovation and new product development are particularly important in any organization. Diversification strategy, encompasses developing a totally new product and selling it in a different market that the organization as not operating in, while market growth entails selling the present product into a new market. Both diversification and product development pose the highest risk and are the least employed growth strategies.

2.2.2 Resource Based View

A firm's ability to implement any strategy that it has formulated is solely dependent on the pool of resources it has at its disposal. Any marketing strategy formulated should be compatible to the organizations resources and capabilities in reaction to external environment opportunities. Due to the external environment being turbulent in the fast moving consumer

goods sector, there is more emphasis on the role of assets and competences as the base of marketing strategy formulation. Resource Based View uses organizations distinct combination of capabilities, assets, skills, intangible and tangible resources as a process of assessing and classifying an organizations strategic advantage. According to Barney (2010), a firm could achieve a competitive advantage only if its resources have attributes which have the following characteristics; valued, rare, hard to imitate and not easily interchangeable. For a resource to offer competitive benefit to an organization, it must enable the organization to respond to environment threats and /or opportunities in a manner that gains advantage or protects the firm from threats.

RBV theory is the utmost widespread theory describing the concept of sustainable competitive advantage. The core principle behind resource based view theory is that the bases of competitive advantage of an organization is dependant mainly in the use of the buddle of resources at the firm's disposal. The theory maintains that, for an organization to achieve competitive advantage, a resources must provide economic value, be presently scarce, difficult to imitate, non-substitutable, and not readily obtained in the industry. To that end, an organizations marketing strategy selection is based on the careful evaluation of its resources and capability portfolios and competences to adopt to the changing environment(Barney, 2010) .If the competitive strategic direction adopted by an organization is Resource based View based, it means that the firm must identify and evaluate its resources to find those that provide competitive advantage and then leverage these internal resources and capabilities to achieve competitive advantage.

2.3 Marketing Strategies and Firm Competitiveness

Marketing strategies are considered to be the key to creating competitive advantage (Ng'oo, 2016). To attain sustainable competitive advantage and boost sales as a fast moving consumer goods manufacturer, you need to concentrate your resources on the greatest opportunities. Understanding competition, internal and external environment forces is key in the formulation of a marketing strategy. FMCG manufacturer need to more and more market oriented following the changes in the market environment due to factors like globalization, information technology, digital media and increased importance of service. In her study titled marketing strategies adopted by manufacturers of FMCG in Kenya, Saronge (2004) came to the conclusion that implied that several new FMCG items fall by the edge. This is because these enterprises are confronted with heightened competition, consumers who are brand conscious and less brand loyal, declining life cycles and increasingly proficient dealers.

Omari, (2013) study on Response marketing strategies adopted by Chase bank Kenya to counter stiff competition in the banking industry observed several things. For a firm to survive and remain competitive in a dynamic market without injecting various marketing strategies to its operations is very difficult. The study established that managers perceive response marketing as a useful tool in the management of marketing activities and had positively impacted on the cost, operations and timely completion of marketing projects. The study also established that Chase bank has adopted response marketing strategies that are broken down into four strategies: product, service, penetration and functional strategies. Study findings found that services designed by the bank had an element of class and service excellence with an emphasis to personalized services.

2.3.1 Product Differentiation Strategies and Competitiveness

Kotler and Keller (2015) describes product strategy as strategies that reflection the nature of business a firm is in and the firm's mission as a whole. It involves placing a product brand in the market place where it will have positive reception compared to competing brands. The goal of product differentiation strategies is to position a product so that it tells consumers what the firm stands for separated from contending brands, what they are and how they would like consumers to evaluate you. It also depicts that product strategy identify market needs that may be served by diverse product offering. Kotler and Keller (2015) explains that consumers will favour and repurchase fast moving consumer goods products that present the most value, performance, and features as a whole. Management in these product oriented FMCG firm focus their resources on creating innovative products and refining them over time. Product differentiation strategy put emphasis on the value of the product and the benefits as whole that the customer will receive after buying the products.

The focal point of product orientation according to King'uyu (2013) is on ever changing/ improved or new product development using technological knowhow and product differentiation. FMCG organizations adopt this orientation when it believes that consumers admire and purchase products that are superior in value. FMCG firms still struggle with new innovative product development, quality control of product, pace and suitability of the product that will cause impact in FMCG sector. A study done by Wawira (2016) describes a successful product differentiation strategy as strategy that poses attributes that demand superior cost for the product, rises sales profits and earns consumer's loyalty by their unique product features.

2.3.2 Pricing Strategies and Competitiveness

Pricing of products frequently control whether consumers of a certain product will pay for them at all and if so, which economical offering is selected. Kotler (2005), denotes that the scope of pricing strategy includes price listing of the product, discounts and allowances being offered and last but not least payment and credit terms of the products. Fast moving consumer goods outlets which are professed charging the least costs on their products draw numerous buyers established on named detail alone. Though, superior costs of products necessarily might not discourage consumption for some products. This is due to some buyer's belief that goods of a superior value are of superior quality. Peter and Donnelly (2012), opine that many of today's buyers are price aware and can purchase products on bases of price as regards to other product aspects. Pricing strategy has become the fundamental point among the FMCG retail outlets since there is want to contend in standings of pricing for consumer's attention.

The fast moving consumer goods sector is coupled with an extremely competitive market place. Marketers in this sector have to contend with this type of environment. The price charged on the various products in relations to its competitors is a powerful tool that can be used to survive in this turbulent market. A minor difference in price of a competing product can at times, cause a consumer to switch brands. In some instances, local rival responds to escalating price competition by participating in selective cost change. A study by King'uyu (2013), show that while dealing with non-durable products and goods, there is not a disparity in price and promotional marketing disparities since relevant literature review show that noteworthy consideration has been offered to buyer perception regarding price and value of goods.

2.3.3 Place/ Distribution Strategies and Competitiveness

Kotler (2005) opine that place strategy and organizational competitiveness in the FMCG sector include channels used by the organizations, coverage of the market share, variety of products produced, inventory, position and transport logistics. The sole purpose of producing goods is for them to be sold to the consumers. The FMCG goods and products need to be accessible to the final consumer at a convenient place where they can purchase them. Place strategies as a process includes a sequence of individual and organizations that comprise the channel of distribution. An organization distribution network typically comprises of distributors, wholesalers and lastly retailers. Fast moving consumer goods must be extensively circulated in order to sustain brand loyalty and repeat since they are easily substituted by consumers when their preferred brand is not obtainable. Distribution role therefore is to place a product within effortless reach of the consumers (Doyle, 2006). Traditional methods of distribution are still upheld by numerous fast moving consumer goods manufactures in Kenya. This is where products are sourced from the manufacturer, then to wholesaler then to retailer and finally to the consumer.

In their study, Dominic and Warnaby (2014) indicate that place strategy and distribution channel are a critical part in persuading a buyer's intention on buy goods and products. It draws attention to the benefits of shopping in city centre. Usually high circulation products are placed near retail store counters while the opposite paces at distant locations. One of the ways in which a marketer's plan for product distribution can impact buyers purchasing choice includes products that are well situated. Well-located products for sale in various range of outlets, raise the odds of customers to locate and purchase them. Buyers are not likely to involve themselves in an extensive search when looking for low involvement goods. Another way is proposing products by non- outlet approaches like internet and catalogues.

2.3. 4 Promotion Strategies and Competitiveness

Kotler and Keller (2005) describe promotion strategy as a short period enticement to promote acquisition or sale of manufactured goods. In fast moving consumer goods industry, it entails combination of promotional undertakings that organizations use to market their products to the targeted audience. They include price cutbacks on short-term basis, advertising promotional campaigns, a campaign offering at no cost samples, free of charge gifts or trading stamps, to name but a few. Promotional strategy activities are intended to increase sales of the products that an organization is selling to the market to boost its competitiveness. (Peter & Donnelly, 2012) state that advertising is an answer to marketing trade procedure that connects current and prospective shareholders, and community as a whole. To that end, FMCG manufacturers need to cast themselves into the part of conversationalist and advertiser. Various promotional strategies elicit what buyers reason about a product, the sentiments they undergo through while they buy a product and use it, and their behavioural mannerism when shopping in meticulous outlets and purchasing explicit brands.

Two types of promotional strategies are important in fast moving consumer goods marketing. Above the line and below the line promotional strategy. Above the line strategy makes use of conventional media as a method of promoting products while below the line use non-traditional promotional activities such as short term incentives. An exploratory survey study by Kagure (2010) on assessment of the value of sales advertising in the FMCG firms in Kenya was to establish how fast moving consumer goods firms in Kenya allocate marketing budgets, their sales promotions objectives and how they assessed efficiency of sales advertising as an advertising strategy. Study revealed that 89% of all FMCG companies in Kenya employ sales promotional strategy. The overall buyer clusters that advertisements are directed for include prospective buyers, rival customers, brand changers and dedicated

buyers. Potential customers are presently not using the products and can be convinced to buy them through promotion strategies. The findings also showed organizations recognized significance of and truly executed out promotional activities frequently as part of organization marketing strategy to give it a competitive advantage. Promotional strategies seek to explore the promotion policy that would govern the organization such as personal selling, and publicity, advertising and sales promotion. The promotion mix for a company should be designed to accomplish the overall organization objectives.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

Chapter three entails the research methodology used in this study. It entails; research design, data collection tool and an analysis of the data. It explains the research design that was employed, how information was gathered and analysed in order to write a report and provide findings.

3.2 Research Design

This research adopted a case study design which is a comprehensive study of a single individual, a cluster, an occasion or a community that a researcher is intending to study (Mugenda & Mugenda, 2013). The aim of using a case learning was to assist the researcher meet the objectives of the study by providing her with in depth information. A case study type of research design is commonly used when research data is qualitative in nature. The case study data collection method made it possible for the researcher to describe the distinctiveness of the context and content of the variables of study of influence of marketing strategies on competitiveness of PZ Cussons East Africa limited.

3.3 Data Collection

The research used primary data gathering method to gather information. Primary data was gathered by the researcher personally by use of an interview guide with open ended questions. Kothari (2011) opines that a research design method should give in the highest information and present a chance for bearing in mind various different aspects of the study problem or objective. The interviewees were five managers who are involved in formulation of the product, implementation, monitoring and evaluation of marketing strategies used PZ Cussons East Africa Limited to attain competitive advantage in the market.

The interviewees included marketing manager, head of supply chain, research and development manager, brand manager and quality control manager. Oral administration of the questions was done face to face amongst researcher and interviewees to facilitate in depth data collection of influence of marketing strategies on competitiveness of PZ Cussons East Africa Limited.

3. 4 Data Analysis

Data analysis was carried out by means of Content analysis. Creswell (2014) describes content analysis as a tool for making deduction by categorically and impartially recognizing specific characteristic of messages. In addition, to relate the contents to make trends. It entails analysing content of written material like books and newspapers and content of all verbal materials which are uttered (Kothari,2011). This analysis method can be used as a tool for handling open ended questions as it measures the semantic content of a message.

Content analysis has successfully been used as an effective technique for qualitative data analysis by researchers such as Muhura (2012), Ngumo (2012) and Kamaamia (2015) in their case study research. It will therefore be effective for use in this case because it presents a similar framework of analysis of the relationships between the data collected. The research was capitulating qualitative information from the interview guide and was analysed using content analysis since the study inquires about information whose nature was qualitative. Analysed information gathered was compared to hypothetical point of view and documentation cited in the literature review. Content analysis was used in this study to enable the researcher describe and interpret the context and the content of the subject study which was to determine the influence of marketing strategies on competitiveness of PZ Cussons East Africa Limited.

CHAPTER FOUR: DATA ANALYSIS, RESULTS AND INTERPRETATION

4.1 Introduction

Chapter four comprises of data analysis, findings and interpretations of research project. The goal of this research was to find out the influence of marketing strategies on competitiveness of PZ Cussons East Africa Limited. The study was done by use of interview guide and quantity content analysis was applied to analyse information.

4.2 Interview Guide Response Rate

To attain the objective of the research, the study was conducted through an interview guide. The researcher had targeted to conduct 5 interviews. It was only possible to reach 4 interviewees out of the 5. It was not possible to reach Research and Development Manager of PZ Cussons East Africa limited because he had prior commitments.

4.3 Background Information of the Interviewees

Researcher first sought to establish the department under which the interviewees work for. The results showed that the informants came from marketing department, technical department and supply chain and distribution department. The study sought to establish their position in PZ Cussons East Africa Limited. The results revealed that the key respondents held managerial positions in their respective departments such as brand manager, quality control manager, marketing manager and head of supply chain manager. This study sought to find out the period of time interviewees had served in their present positions. Results revealed that interviewees had served in their present positions for a period of between two and ten years. This is an indication that the respondents were better placed to give relevant information

4.4 Marketing Strategies Adopted by PZ Cussons East Africa Limited

The study sought to establish marketing strategies used by PZ Cussons East Africa Limited and its influence on firm competitiveness. The interviewees were asked to comment and elaborate how the firm uses marketing strategies to gain competitive advantage in the FMCG sector.

4.4.1 Product Strategy

The research sought to determine the product strategy which PZ Cussons East Africa Limited has adopted and its influence on the firm's competitiveness. The feedback from the interviewees revealed that PZ Cussons main product is Imperial Leather classics bathing soap. The firm produces a variety of fast moving consumer goods ranging from personal care, household products, beauty products and toiletries. From Kenya they enhance the lives of consumers through innovative products created from in depth local knowledge of consumer needs. The firm's key brands include; Imperial leather, Carex, Cussons baby, Venus, Morning fresh and Ushindi. The second product strategy that the firm uses according to the feedback is product quality. According to the Quality Control manager, the firm does not compromise on quality when it comes to their products development. "Our products are always up to standard and are approved by the Kenya Bureau of Standards (KEBS)".

The research sought to establish the extent to which PZ Cussons East Africa Limited has adopted product differentiation strategy in marketing. Product differentiation is modification of a creation to make it more attractive to the target audience. An existing product can be modified by improving its features, without alternating the benefits to be gained, in order to attract new users or to increase its users. The feedback from the informants revealed that PZ Cussons has adopted product differentiation strategies in marketing to a great extent. The

results revealed that the firm had come up with diverse ways to market their products. According to the Brand manager, PZ Cussons East Africa differentiates its products from its competitors in the market in terms of packaging. The organization packages their products using bright colours and unique packaging. Their main product which is Imperial Leather bathing soap is packed in a skilnet. A skilnet is a generic term for a carton board box with glued or tab locked ends. Packaging of products using bright colours like red, purple and yellow helps to attract buyers to their range of products.

New product improvement entails alteration of current product or formation of a new but associated product to be sold to the existing consumers via the existing networks. When asked whether PZ Cussons East Africa Limited adopted new product development strategy, all the interviews, from the findings, indicated that PZ Cussons East Africa Limited has continuously developed new products to encounter the wants of their buyers. They do so at a cycle of every three years by analysing market needs and determining the opportunities available in the industry. Examples of new products and modification include imperial leather body spray and lotion for men, Venus platinum hair shampoo, conditioner and treatment and imperial leather classic soap for men.

When asked if product strategy had an influence on PZ Cussons East Africa competitiveness in the fast moving consumer goods sector, all respondents stated that there was a positive influence created by the various product strategies adopted by the firm. Some of the positive influence outcomes include acquiring of new customers to the brand, helping the firm to keep up with the changing shopping trend, maintaining loyal consumers and allowing the organization to play in different price points hence appealing to different market segment in the fast moving consumer sector.

4.4.2 Pricing Strategy

The study sought to find out if PZ Cussons East Africa Limited had adopted pricing strategy and its influence on the firm's competitiveness. The findings revealed that PZ Cussons East Africa Limited had adopted various pricing strategies in the quest of remaining competitive in the industry. The study also revealed that pricing strategies have a positive influence on the firm's competitiveness. According to a key respondent, prices of the products are set keeping in mind factors such as profit margin, cost of production, competitors' prices and on the basis of demand. If the product is unique, PZ Cussons East Africa Limited set prices on the basis of that differentiation. The finding revealed that the pricing strategies used often include market based pricing, marginal pricing and full cost pricing. In market based pricing, the firm sets prices on the basis of costs of production plus a fixed margin of profit.

The findings revealed that PZ Cussons uses temporary price reduction as a pricing strategy. Temporary price reduction is a pricing strategy where PZ Cussons East Africa Limited temporarily reduces prices of its products with the intention to drive sales for a short-term period to increase traffic and new customers. This in turn cause sales of its products to increase and triggers customer traffic enough to boost overall revenue for the firm. The study wanted to establish effect of pricing strategy on competitiveness of PZ Cussons East Africa Limited. The key informants who are managers at the firm stated that there is a positive influence created by pricing strategies used by PZ Cussons Limited. Influence of pricing strategies according to one of key informant is that it has helped the firm widen its revenue streams and consequently consumer base. Secondly, pricing strategies have influenced diverse price points to suit different market segments. Third, Temporary Price Reduction causes a positive influence on the firm's competitiveness as it increases customer traffic and causes brand awareness for the PZ Cussons East Africa products.

4.4.3 Place/ Distribution Strategy

When asked whether PZ Cussons East Africa Limited adopted distribution strategy, all the interviewees said yes and were in the view that distribution networks have helped the firm reach out to the customers in various regions within and outside the country. The findings from the responded revealed that PZ Cussons East Africa Limited uses producer –distributor- wholesaler- retailer- consumer” distribution channel. The findings revealed that PZ Cussons East Africa Limited does not have dedicated distributors. Instead, the firm has distributor organizations who they collaborate with to sell their products like Jumra Limited Kenya which is one of the distributors and stocklists organizations in Kenya. Through its distributors who in turn sell to wholesaler and retailers, all of their customers have been able to get access to products manufactured by PZ Cussons East Africa Limited.

The second distribution strategy adopted by PZ Cussons which is “producer- retailer- consumer” distribution channel entails where the firm distributes and sale directly to retail outlets which then are tasked in distributing the products to the consumers. PZ Cussons East Africa sales to retailers like Naivas Limited and Tuskys Limited, who in turn have their own distribution retail store outlets that sell directly to the customers. This distribution channel strategy ensures the firms products are distributed across the market. According to a key informant, this type of distribution strategy is greatly used to a great extent by the firm.

According to the findings, the third distribution strategy used by PZ Cussons East Africa Limited is “producer- consumer” distribution channel. This type of distribution strategy is where the producers of products sale directly to their customers. In PZ Cussons this is done through the use of van sales. This entails selling of all company products at the recommended firm prices by means of firm’s van’s. The goods are not ordered in advance but are simply

loaded onto a van in the hope of selling them. This strategy is used to counter competition and to reach where the general stores and hypermarket fall short in selling to consumers. It also causes a positive influence to firm competitiveness as it increases customer base and improves sales turnover. According to the findings, distribution and sale of products is done through online shopping platform like Jumia online shop. This strategy causes a positive influence on the firms competitive as it increases the firm presence in the digital market space.

4.4. 4 Promotion Strategy

This study sought to establish promotion and advertising strategies adopted by PZ Cussons East Africa Limited as a marketing strategy to influence the firms' competitiveness in the fast moving consumer goods sector. Findings revealed PZ Cussons Limited Kenya adopted promotional strategy to a great extent. According to the firm's Brand manager, in today's competitive market where buyers have various ranges of brands to choose from, the buyer is very particular while choosing an explicit product or brand and therefore the firm uses promotion strategy as one of the main strategies to remain competitive.

According to all respondents, the types of promotion and adverting strategies the firm uses range from traditional to non-traditional methods of advertising. The main channels include, television, radio, billboards and digital media across social media channels especially facebook. The firm runs promotions and does consumer education to ensure that all their consumers are aware of their new products. They ensure that customers participate in the roadmap towards the launch of new product or promotion release by ways of interviews, opinion, roadside shows and pre-test launches. Examples of promotions run by PZ Cussons East Africa Limited include "Ngara na Imperial Leather", Meta Meta na Mita", and Cussons Baby Banda Fare.

PZ Cussons East Africa promotion strategy also include in store promotion/ activations. This type of promotion is applicable in the present market. According to Marketing manager, in store promotion strategy is intended to bring buyers into a retail store and buy particular products being sold at the store. In store promotion entails various assortments of enticement methods, commonly short term, aimed to motivate quicker or greater purchase of certain products by buyers. It generates a positive effect on customer buying objective and form long-term association with a buyer consequently creating brand image in buyer's mind. Examples of in store promotions used by PZ Cussons East African Limited include special discounts offers, instant gifts, free items and vouchers/coupons in specific retail outlets like Naivas limited and Tuskys limited.

The findings established that promotional strategies used by PZ Cussons East Africa Limited have a positive influence on the firms' competitiveness as it helps in creating brand affiliation. These promotional strategies influence PZ Cussons competitiveness as it creates a brand image in minds of buyer's hence accumulative profit margin for the firm. In addition, promotional strategies are used as tools to motivate consumers and create customer's intention to buy PZ Cussons product brands that eventually aids in attracting buyers to buy their products leading to increased sales. Secondly, "promotional strategy is used to introduce new products into the market" stated the marketing manager. These strategies assist in driving traffic into retail outlets and stores that sell PZ Cussons East Africa varied product ranges to reduce stock or to generate extra revenues for the firm.

4.5 Firm Competitiveness

The study sought to find the effect of marketing strategies on competitiveness of PZ Cussons East Africa Limited. The interviewees were requested to provide their view on the influence of marketing strategies on competitiveness of PZ Cussons East African Limited. All the interviewees stated that there is a positive influence created by the marketing strategies

implemented by the firm in general. It was unanimously indicated that adoption and implementation of marketing strategies is the key to PZ Cussons Limited competitiveness in the fast moving consumer goods sector. The respondents indicated that PZ Cussons limited had adopted different marketing strategies in different areas based on the challenges or opportunities the firm is faced with. These marketing strategies included product strategy, pricing strategy, distribution strategy and promotion strategy.

The findings established the marketing strategies used by PZ Cussons East Africa Limited have a positive influence on the firms' competitiveness as it helps in creating brand affiliation thus increasing profit margin for the firm. When asked if product strategy had an influence on PZ Cussons East Africa competitiveness in the FMCG industry, all respondents stated that there was a positive influence created by the various product strategies adopted by the firm. Some of the positive outcomes include acquiring of new customers to the brand, helping the firm to keep up with the changing shopping trend, maintaining loyal consumers and allowing the organization to play in different price points hence appealing to different market segment in the fast moving consumer sector.

PZ Cussons East Africa Limited has developed a strong brand name in the industry which has seen it become one of the dominant players in the Kenyan market offering different range of products which consumers can choose from. For example, according to a key respondent, the firm's main product Imperial Leather bathing bar has been handed down to generations and a lot of people identify to it because of its excellent quality. Marketing is main link to the consumers and marketing strategies help in development of quality of the product and features because it gives marketing insight and from the insights products are developed. Some of PZ Cussons East Africa Limited main competitors in Kenya include Unilever, Haco Industries Kenya Limited, Canon Chemicals Limited and Johnson and Johnson.

4.6 Discussions of Findings

The objective of this research was to find out the influence of marketing strategies on competitiveness of PZ Cussons East Africa Limited. The study wanted to determine marketing strategies implemented by PZ Cussons East Africa. The study revealed that PZ Cussons East Africa had adopted various marketing strategies. These marketing strategies included product, pricing, place and promotion strategies. PZ Cussons Limited has been in the fore front to ensure new and improved products are availed to their consumers by reviewing existing products and introducing more value added benefits. Product differentiation is the modification of a product to make it more attractive to the target audience. An existing product can be modified by improving its features, without alternating the benefits to be gained, in order to attract new users or to increase its users.

From the findings, the interviewees affirmed that PZ Cussons East Africa Limited has invested greatly on invention and development of new products in the quest to remain competitive in the industry. The firm ensures they come up with products that give their consumers continuous satisfaction though varied product range that they manufacture. In-store promotion strategy is mostly implemented by manufacturers of fast moving consumer goods since these products are consumed regularly by customers. Furthermore, in FMCG industry, wide variety of products is offered which give marketers the opportunity to implement such promotional strategies that can influence buyers purchase of their products. Hence, marketers have begun using in store promotion to meet buyer's needs.

Secondly, the research sought to establish the influence of marketing strategies on competitiveness of PZ Cussons East Africa Limited. The findings showed that marketing strategies have a positive influence on the firm's competitiveness. All the interviewees stated that there is a positive influence created by the strategies implemented by the firm in overall.

It was indicated that adoption and implementation of marketing strategies is the key to PZ Cussons East Africa's competitiveness in the fast moving consumer goods sector. These findings are consistent with the study conclusions of Marjanova and Stojanovski (2012) that marketing is a critical issue in business performance and firm competitiveness as a whole as it impacts on a firm competitiveness in its respective industry. In addition, they concluded that good marketing facilitates sales and expansion and significantly contributes to market share in competitive market environment.

This study also concurs with that of Taiwo (2010) who concluded that strategic marketing practices have a strong effect on an organizations competitive advantage in the industry that it operates. The findings established that product strategy had an influence on PZ Cussons East Africa Limited competitiveness in the fast moving consumer goods sector. All the respondents stated that there was a positive influence created by various marketing strategies implemented by the firm. Some of the positive influence outcomes include acquiring of new customers to the brand, helping the firm to keep up with the changing shopping trend, maintaining loyal consumers and allowing the organization to play in different price points hence appealing to different market segment in the fast moving consumer goods sector.

The findings established that marketing strategies used by PZ Cussons East Africa Limited have a positive influence on the firms' competitiveness as it helps in creating brand affiliation. Marketing strategies influence PZ Cussons competitiveness as it creates a brand image in the minds of consumer's consequently growing profit margin for firm. Customers do not think much before buying fast moving consumer goods if they are appealed by the way a product is packaged. Hence, FMCG manufacturers use attractive product demonstration, distinctive product discount deals and promotional methods to attract buyers towards a product.

CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This section outlines summary of the key data findings, conclusions drawn from research findings and recommendations of the study. This was established in line with the objective of the research which was to determine the influence of marketing strategies on competitiveness of PZ Cussons East Africa Limited.

5.2 Summary of Findings

The study revealed that for any firm to survive in a turbulent and uncertain business environment, it has to come up with marketing strategies that give it a competitive advantage in the industry. In addition, the research revealed PZ Cussons East Africa Limited faces stiff competition from local and international competitors like Unilever, Haco Industries Kenya Limited, Canon Chemicals Limited and Johnson and Johnson. The study findings indicate that PZ Cussons East Africa Limited has adopted various marketing strategies to enhance its competitiveness and survive in the market. The results of the findings established that marketing strategies implemented had a positive influence on competitiveness of PZ Cussons East Africa Limited.

The interviewees comprised of managers at PZ Cussons East Africa Limited. A total of 4 out of the 5 targeted respondents provided feedback. The interviewees were able to provide reliable and credible information since all of them had between two to ten years of experience in their fields of work. Individual interviewees were interviewed and their perception of marketing strategies on the influence of competitiveness of PZ Cussons East Africa Limited was recorded. The results of the study revealed that PZ Cussons East Africa Limited had adopted marketing strategies to a great extent. These marketing strategies included product strategy, promotion strategy, pricing strategy and distribution strategy. The specific product

strategies included variety product range where the firm produces a variety of fast moving consumer goods ranging from personal care, household products, beauty products and toiletries. The second product strategy was product differentiation.

Product differentiation was achieved through new product development and innovation and product packaging. According to a key respondent, PZ Cussons East Africa Limited differentiates its products from its competitors in the market in terms of product packaging. The organization packages their products using bright colours and unique packaging. Their main product which is Imperial leather bathing soap is packed in a skilnet. A skilnet is a generic term for a carton board box with glued or tab locked ends. Packaging of products using bright colours like red, purple and yellow helps to attract buyers to their range of products.

The specific pricing strategy includes market based pricing, marginal pricing and full cost pricing. In market based pricing, the firm sets prices on the basis of costs of production plus a fixed margin of profit. The findings revealed that PZ Cussons uses temporary price reduction as a pricing strategy. Temporary price reduction is a pricing strategy where PZ Cussons East Africa Limited temporarily reduces prices of its products with the intention to drive sales for a short-term period to increase traffic and new customers. This in turn causes sales of its products to increase and triggers enough customer traffic to boost overall revenue for the firm.

The findings revealed that PZ Cussons East Africa Limited does not have dedicated distributors. Instead, the firm has distributor organizations who they collaborate with to sell their products like Jumra Limited Kenya, which is one of the distributors and stocklists organizations in Kenya. Through its distributors, all of their customers have been able to have access to products manufactured by PZ Cussons East Africa Limited. The study revealed that

distribution strategy adopted by PZ Cussons East Africa Limited which is “Producer-Retailer- Consumer “distribution channel entails where the firm distributes and sale directly to retail outlets like Naivas Limited and Tuskys Limited retail stores, who in turn have their own distribution outlets hence their products are distributed across the market. According to a key informant, this type of distribution strategy is greatly used to a great extent by the firm.

According to the respondents, the types of promotion and adverting strategies the firm uses range from traditional to non-traditional methods of advertising. The main channels include, television, radio, billboards, digital media across social media channels especially facebook and store promotion/ activations. In addition, promotional strategies are used as tools to motivate consumers and creates customer’s intention to buy PZ Cussons product brands that eventually aids the buyers to buy their products resulting to greater than before sales.

The results of the findings established that marketing strategies adopted had a positive influence on competitiveness of PZ Cussons East Africa Limited. The findings established that promotional strategies used by PZ Cussons East Africa Limited have a positive influence on the firms’ competiveness as it helps in creating brand affiliation thus increasing profit margin for the firm. When asked if product strategy had an influence on PZ Cussons East Africa competitiveness in the FMCG sector, all the respondents stated that there was a positive influence created by the various product strategies adopted by the firm. Some of the positive outcomes include acquiring of new customers to the brand, helping the firm to keep up with the changing shopping trend, maintaining loyal consumers and allowing the organization to play in different price points hence appealing to different market segment in the fast moving consumer goods sector.

The research sought to establish the influence of pricing strategy on competitiveness of PZ Cussons East Africa Limited. The key informants who were managers at the firm stated that there is a positive influence created by pricing strategies used by PZ Cussons East Africa Limited. Influence of pricing strategies according to one of key informant is that it has helped the firm widen its revenue streams and consequently consumer base. Secondly, pricing strategies have influenced diverse price points to suit different market segments. Third, temporary price reduction causes a positive influence on the firm's competitiveness as it increases customer traffic and causes brand awareness for PZ Cussons products.

5.3 Conclusion

The study concluded that PZ Cussons East Africa Limited had adopted marketing strategies. These marketing strategies include product differentiation strategy, pricing strategy, promotion strategy and place/ distribution strategy. Success of a firm is dependent on the marketing strategies formulated and implemented. The study also established there being a positive influence created by the marketing strategies on competitiveness of PZ Cussons East Africa Limited. Some of the positive influences include creating brand affinity, acquiring of new customers to the brand, helping the firm to keep up with the changing shopping trend, maintaining loyal consumers and allowing the organization to play in different price points hence appealing to different market segment in the FMCG sector.

A significant objective of marketing strategy for almost every FMCG manufacturer is to retain old consumers and attract new ones by generating a brand liking or relationship. Marketing strategies aid organizations create brand image which assist a firm in the long haul and motives buyers to re purchase a product. In this age of globalization, the market saturated with FMCG firms trying to sale their products by creating a brand image in the minds of buyers. Currently, FMCG industry encompasses of huge portion of consumer's income as their products are bought frequently and are essential for buyers. Consumers prefer to obtain

FMCG products when need arises and gives PZ Cussons East Africa Limited an excellent opportunity to entice buyers using numerous marketing strategies so that buyers purchase four or five products instead of one product they truly needed to buy.

5.4 Recommendations of the Study

Recommendations were made after carrying out the study on the influence of marketing strategies on competitiveness of PZ Cussons East Africa Limited. The researcher recommends that management of PZ Cussons East Africa Limited should enhance the use of pricing strategy since it a key strategy in gaining new market which will in turn lead to increase income revenue. The study recommends that PZ Cussons East Africa should invest heavily on marketing strategy formulation and regularly review and update their marketing strategies to ensure they are using the most efficient marketing strategies in the market to gain and sustain competitive advantage. The firm should also increase its presence in digital online shopping platforms since that is the future of marketing and sales. In addition, with the increasing number of competitors entering the market, the researcher recommends that PZ Cussons East Africa Limited needs to be more aggressive in its innovation, production and marketing of its products.

5.5 Limitations of the Study

The researcher did a case study restricted to PZ Cussons East Africa Limited and as a result, the findings cannot be used to make generalizations on the fast moving consumer goods industry in Kenya and neither can it be generalized to other PZ Cussons's subsidiaries since they operate in different countries with different environments. The researcher faced limitation especially in securing an appointment for an interview with the respondents given the fact that the respondents were managers with very busy schedules.

There was also insufficient interview period availed by those who were accessible for the exercise as a result of prior commitments. Conducting interviews were difficult due to the stringent firm's policy and the fear of information being shared with competitors or misrepresentation. Human resource management took time in giving a go ahead on conducting the interviews since it deemed the firms' marketing strategic information as sensitive. Also respondents were very cautious in releasing marketing strategic information and therefore ended up giving limited responses in a view of protecting the privacy of their business.

5.6 Suggestions for Further Research

The study focused was on influence of marketing strategies on competitiveness of PZ Cussons East Africa Limited. The gathering of primary information through face to face interviews involved four managers who were regarded responsible for marketing strategies formulation, planning, monitoring and implementation. Further research can be done to include interviews with middle level managers and support staff to acquire their opinions on marketing strategies implemented by PZ Cussons East Africa Limited. This would provide additional information on influence of marketing strategies on competitiveness of PZ Cussons East Africa Limited.

The study also suggests that a study seeking to establish influence of marketing strategies on other aspects of a firm like financial, corporate social responsibility and environmental sustainability be conducted. Being that the study was qualitative in nature, the study suggests that a quantitative study be conducted so as to measure the magnitude of the influence of various marketing strategies on performance and competitiveness. This would be of great help to identify which marketing strategy has a greater impact and thus create awareness on which marketing strategy should be prioritizes by PZ Cussons East Africa Limited.

Also suggestion for further study be carried out on the influence of the extended 7Ps of the marketing mix that comprise people strategy, processes and physical evidence marketing strategies should be done to determine their influence on firm's competitiveness. A suggestion for further research is on long term marketing strategies that fast moving consumer goods manufactures can implement to continue being competitive in the industry. This is because change in technology, ease of regulations, globalization and change in consumer taste is changing the dynamics of the FMCG sector and therefore creating more competition.

REFERENCES

- Ansoff, I. (1987). Concept of Strategy, in Corporate Strategy, London: Penguin Books, pp. 100-116.
- Barney, J. B. (2007). *Gaining and Sustaining Competitive Advantage*. New Jersey: Prentice Hall.
- Barney, J.B. (1991). *Firm Resources and Sustained Competitive Advantage*. Journal of Management, Vol 17(1) 4.
- Borden, N. H (1984); The Concept of Marketing Mix. *Journal of Advertising Research*, Vol 1 (9), 2-7.
- Brassington, F & Pettitt, S. (2006). *Principles of Marketing* (4th Ed). Harlow: Prentice Hall.
- Campbell, B. (2004). *Value- based business strategy*. Journal of Economics and Management Strategy. vol 5, pp 5-24.
- Creswell, J. (2014). Mixed methods research. University on Nebraska. Lincoln, USA: Sage Publishers
- Doyle, P. (2006). *Marketing Management and Strategy*. (4th Ed). United Kingdom: Prentice Hall.
- Dominic, M &Warnaby, G. (2014). *What's in a Name? Placing Branding and Toponymic Commodification*, Sage Journals, 46(1)153-167.
- Duncan, T. (2005) *Principles of Advertising & IMC* (2nd Ed.). New York: McGraw- Hill.
- Johnson, G & Scholes, K. (2001). *Exploring Corporate Strategy*. (4th Edition) Prentice Hall International.
- Joshi, S. L. & Bang, V. (2014). Conceptualization of Market Expansion Strategies in Developing Economies: Academy of Marketing Science Review, 2014. 1.

- Kagure, A. (2010) An analysis of evaluating sales promotions effectiveness in the fast moving consumer goods (FMCG) industry, Kenya. Unpublished MBA project. Strathmore University
- Kamaamia, Y. (2015). Marketing Strategies and Performance of Media max Network Limited. Unpublished MBA project. University of Nairobi.
- King'uyu, I. (2013). Sales Promotion Practices and Sales Performance: The case of Fast Moving Consumer Goods Manufacturers in Nairobi. Unpublished MBA Thesis: University of Nairobi.
- Kotler, P & Keller K.L. (2015). *Marketing Management* (15th Ed). India: Pearson Prentice Hall.
- Kotler, P. (2005). *Marketing Management- Analysis, Planning, Implementation and Control*. (12th Edition). USA: Prentice- Hall.
- Kothari, C. R. (2011). *Research Methodology: Methods and Techniques* (4th ed). New Delhi: New Age International Publishers.
- KPMG. (2016). Sector Report- Fast Moving Consumer Goods in Africa. Accessed from www.kpmg.com/Africa.
- Lawrence, R. J and William, F. G. (2013). *Strategic Management and Business Policy* (3rd Edition) U.S.A.: McGraw- Hill Inc.
- Marjanova, I & Stojanorski, R. (2012). *International Marketing Strategy: Analysis, Development and Implementation*. London: Cengage Learning.
- McCarthy, E. J (1996). *Basic Marketing: A Managerial Approach*. (12th Edition). Cape Town: ABC Press.
- Mohankumar, T. P. & Shivaraj, B. (2010). Product Mix Strategies: FMCG in Indian Market. *Journal of Indian Management*. April- June 2010.

- Mugenda, O. M & Mugenda, A. G. (2013). *Research Methods: Qualitative and Quantitative Approaches*. Nairobi: Acts Press.
- Muhura, S. W. (2012). *Organizational Capabilities as a Source of Competitive Advantage at Airtel Kenya*. Unpublished MBA Project: University of Nairobi.
- Ngumo, A. N. (2012). *Response Strategies to the Competitive Environment by British American Insurance*. Unpublished MBA Project: University of Nairobi.
- Ng'oo, T. (2016). *The influence of Positioning Strategies on Competitive Advantage of the Insurance firms in Kenya*. Unpublished MBA project: University of Nairobi.
- Omari, M. (2013) Response marketing strategies adopted by Chase bank Kenya to counter stiff competition in the banking industry in Kenya. Unpublished MBA project: University of Nairobi.
- Ong'ong' a, N. (2014). Effect of marketing strategies in gaining market share by insurance Companies in Kenya. Unpublished MBA project: University of Nairobi
- Ojwang, J. (2014). Influence of Promotion Strategies on Performance of Fast Moving Consumer Good Industry in Nairobi County Kenya. Unpublished MBA project: University of Nairobi.
- Pearce, J. A. & Robinson, R. B (2005). *Formulation, Implementation and Control of Competitive Advantage*, (9th Ed). New Delhi: McGraw Hill.
- Peter, P. J. & Donnelly, J. H. (2012) Marketing Management: Knowledge and Skills (11th Ed) McGraw-Hill Education
- Poter, M. E. (1985). *Competitive Advantage*. New York: Free Press.
- Poter, M. E. (2004). *Competitive Advantage: Creating and Sustaining Superior Performance*. New York: Free Press.
- PZ Cussons East Africa (2019) website; <https://www.pzcussons.co.ke>

- Saronge, F. (2004). *Marketing Strategies used by Manufacturers of Fast Moving Consumer goods in Kenya*. Unpublished MBA project: University of Nairobi.
- Soderbom, M. (2001). *Constraints and Opportunities in Kenyan Manufacturing Enterprises Survey 2000*. Nairobi: Oxford University Press.
- Taiwo, A. (2010). Strategic Marketing Strategies on the Performance of Firms in Nigerian Oil and Gas Industry. *Journal of Emerging Trends in Economics and Management Science*, 1 (1). 23-36.
- Thompson, A. A, Strickland, A. J. & Gamble, J. E. (2008). *Crafting and Executing Strategy -The Quest for Competitive Advantage Concepts and Cases*. New York: McGraw Hill.
- Wasonga, A. (2012). Factors affecting consumer perception with regards to Kenyan fast moving consumer goods in the East African Community: A case of laundry detergent products. Unpublished MBA thesis. University of Nairobi.
- Wawira, P. (2016). Marketing Strategies and Performance of Large Hotels in Nairobi. Unpublished MBA Thesis: University of Nairobi.
- Zott, C and Amit, R. (2008). The Fit Between Product Market Strategy and Business Model: Implications for Firm Performance: *Strategic Management Journal*, 29(1),1-26.

APPENDIX I: INTERVIEW GUIDE

The interview guide will act as a plan to seek information on the influence of marketing strategies on competitiveness of PZ Cussons East Africa. All the information you give will be treated as confidential and for academic purposes only.

SECTION A. RESPONDENTS BACKGROUND INFORMATION

1. Name of Department. _____
2. How long have you worked with PZ Cussons East Africa Limited? _____
3. Position held in the organization _____

SECTION B: MARKETING STRATEGIES

I) Product Strategy

4. What do you consider as your organizations main product?
5. What is the main product strategy that the organization uses to give it a competitive edge over its competitors in the market?
6. Have you developed a new product during the last? What were the reasons for the new product development?
7. In what ways has product strategy influenced competitiveness of PZ Cussons East Africa the FMCG sector?
8. How does PZ Cussons East Africa differentiate its products from its competitors in the market? Does this strategy provide a high customer loyalty?
9. In what ways does your organisation package their products to attract buyers?

ii) Promotion Strategies

10. Which types of advertising strategy does PZ Cussons East Africa use to promote products?

11. What are the main channels that your organization uses to communicate with your customers? Do you use social media?

12. What is the organization's main promotional strategy? Does the organization participate in trade fairs?

iii) Pricing strategy

13. What do you consider as your organisations main pricing strategy?

14. In your own view, how has price strategy influenced competitiveness of PZ Cussons East Africa in the FMCG Sector?

iv) Place/ Distribution Strategy

15. Who is PZ Cussons East Africa's main distributor? Does the organization also distribute their products?

16. What are the organization's distribution channels that exist when marketing your products?

17. What is the company doing to retain market share through the place/ distribution strategy?

SECTION C: FIRM COMPETITIVENESS

18. Who are PZ Cussons East Africa's three main competitors?
19. In what ways has promotional strategy influenced competitiveness of PZ Cussons East Africa in the FMCG sector?
20. In what ways has distribution strategy influenced competitiveness of PZ Cussons East Africa in the FMCG Sector?
21. Please comment on the price differentiation strategy that the organization uses to gain competitive advantage in the market.
22. In your own view has marketing strategies impacted on competitiveness of PZ Cussons East Africa in the FMCG Sector?