

**EFFECT OF STRATEGIC POSITIONING ON SUSTAINABLE
COMPETITIVE ADVANTAGE AT SAFARICOM PLC**

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DECLARATION AND APPROVAL

I, Nima Abdi Yunis, hereby declare that this MBA research project titled “Effect of strategic positioning on sustainable competitive advantage at Safaricom plc” is my original work and has not been presented to any other college, institution or university for award of any certificate, diploma or degree.



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SUPERVISOR’S APPROVAL

This MBA research project prepared by Nima Abdi Yunis has been submitted for examination with my approval as the appointed University Supervisor.



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DEDICATION

This research is dedicated to my ever supportive and loving parents, Yaroy Elmi and Abdi Yunis whose words of encouragement and push for tenacity ring in my ears.

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LIST OF ABBREVIATIONS

CAK : Communications Authority of Kenya

RBV : Resource Based View

SPSS : Statistical Package for Social Science

SMS : Short Messaging Service

ABSTRACT

Strategic positioning in today's organizations is paramount to the successful and profitable services delivery in those organizations and enhancement of customer retention. The aim of this study was to establish the effect of strategic positioning on sustainable competitive advantage at Safaricom PLC. The study was based on the resource-based view, contingency theory and theory of competitive advantage. The research design was a case study which used primary data. The research instrument used to collect the data was an interview guide. The data obtained from the interviewees was analyzed qualitatively by the use of content analysis. The study found that Safaricom PLC had adopted several strategic positioning such as state of the art technology, resource capacity, digital experience, segmentation, differentiation and cost differentiation. State of the art technology had eased the access of service to the customers, offered quality services and products to the customers and also offered speedy access of the internet through the company having excellent network performance. The study also established resource capacity helped Safaricom achieve sustainable competitive advantage through financial resources and assets, human resources, technological resources and knowledge resource. Segmentation and differentiation offered competitive advantage through Safaricom offering different services and products targeting the different market segments. Digital experience contributed to competitive advantages by giving customers an excellent experience while accessing services online. The study concluded that strategic positioning contributed to the sustainable competitive advantage of Safaricom PLC. The study recommended Safaricom to continue investing in the state-of-the-art technology for better improvement of the customers services. The study also recommended that Safaricom PLC to incorporate data protection in its state-of-the-art technology. Lastly, the study also recommended the government to offer support to telecommunication companies especially in the issue of unfair competition

CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

Strategic positioning relates to the process in which a firm fully distinguishes itself in comparison to its opponents plus provides value to specific clientele division (Wickham, 2011). Establishments which employ strategic positioning thrives extremely well as compared to the one who do not practice. Nevertheless, strategic positioning as unveiled by the survey can be very risky where non-success is the frequently suffered repercussion (Stanley, 2013). As Siregar and Toha (2012) postulated, benefits arising from strategic positioning differs and not all of them that may accrue. Moreover, Cooper and Brentani (2010) posit that the correlation between strategic positioning and competitive advantage can be Ushaped which means that higher levels of strategic positioning led to competitive advantage while low levels can actually have a negative influence.

The anchor of the current probe was the Resource Based View (RBV) by Barney (1991) and supported by contingency theory by Fiedler (1967) and theory of competitive advantage by Porter (1980). RBV theory pays attention to the wealth of an entity, its utilization of resources along with competencies being tools of remaining competitive (Barney, 2001). When elaborating the success of strategic plan practicing, the theory is very crucial in addition it is part and parcel of the bigger family of strategic management theory. Fiedler (1967) proposed the contingency theory, which states that firms should efficiently align their entire strategy to external environmental situations. The theory is based on the idea that predefined criteria do not exist that direct how to react to changes in the external environment. As Porter (1980, 1985) explains, for entities to remain competitive as compared to their opponents, they ought to develop concrete business

strategies. This is possible on conquering the following primary threats; threat of substitute commodities/services, bargaining power of buyers, rivalry amid existing entities within a sector, the bargaining power of suppliers besides threat of new entrants.

The Kenyan telecommunications industry has flourished over the last few years. The market has attracted a number of mobile operators, resulting to dramatic rise in competition (CAK, 2017). Technological growth in the industry for instance; mobile internet access, mobile money transfers has caused the number of users to increase. The low cost of handsets has caused a rise in demand for mobile phones. Safaricom Plc, Kenya's largest telecommunications company, has been competing with Airtel Kenya and Telkom Kenya. The basis of competition for these companies are products and services, where most of them providing related offerings. Markets that were once distinct, vertical plus discrete have amalgamated over their previous borders, resulting in huge capital investment, mostly from private sector actors. This survey ought to uncover the effects of strategic positioning on sustainable competitive advantage of Safaricom Plc.

1.1.1 Concept of Strategic Positioning

Strategic positioning refers to the moves and techniques developed by management to promote effective organization performance. As a result, strategic positioning is a corporate management game plan (Kugun, Wanyonyi, & Sangoro, 2016). During determination of a firm's strategic position, these elements should be considered; the effect of the external atmosphere on strategy, stakeholder's expectations and impact also internal resources plus potentialities. An assessment of the surrounding, expectations, strategic capabilities, besides aiming in the cultural plus political framework of the entity, as per Janiszewska (2012), serves as the background for comprehending an

organization's strategic position. Strategic positioning as Tamirisa, Johnson, Kochhar, and Mitton (2013) posits, is a mechanism where institutional focus is established along with being a set-up where resource-allocation drawbacks are addressed. Moreover, once an enterprise announces its perceptual location, there is a huge reduction in challenges that accrue due to such decisions.

The key role of positioning is locating the brand in the minds of clientele aiming at optimizing the potential profits of the institution (Kotler & Keller, 2006). Having built plus retained a distinct position in the market for itself and its products only then is an institution said to be successfully positioned. According to Hassan, George, and Craft (2005), positioning ought to determine a distinctive position for the company product in clients' mind, offer a single message consistently also distinguish the product/enterprise from opponents. It is important to remember that it is impractical for a firm to serve everyone with everything, as a result it needs to pay attention. To be long-term successful, a company's activities must be totally distinguishable from those of its traditional competitors.

Strategic positioning has been operationalized differently by previous researchers. According to Porter (2001), two generic positioning strategies exist: differentiation as well as cost leadership. Aulakh and Kotabe (2013) measured strategic positioning in terms of access-based positioning, variety-based positioning need-based positioning and brand positioning. Odede (2016) operationalized strategic positioning into differentiation, focus plus cost strategy. The current surveillance will operationalize strategic positioning in terms of cost, differentiation, focus and brand positioning.

1.1.2 Sustainable Competitive Advantage

Porter (1985) defined sustainable competitive advantage to having a service, company beside commodity with unique traits in the market which clients prefer. Competitive advantage is the driving force behind a company's profitability in its industry. Thompson and Strickland (1998) definition of strategy is an organization's course of action in stationing itself in the market. In this sense, strategy refers to how an entity 'fits' into its surrounding. Nevertheless, strategy alone fails to entirely elaborate an organization's performance. Strategy, according to Johnson and Scholes (2002), is distribution of an organization's resources including competencies with the goal of meeting stakeholder's expectations. A company's capability to distinguish itself from its competitors is defined as a sustainable competitive advantage (Porter, 1996).

Appropriate creative strategies should be employed in order for businesses to survive and adapt to changing circumstances and gain a lasting competitive edge. The continuing benefit of adopting specialized different strategies generated via distinctive blending of internal institutional resources plus competencies which are not easy to imitate can be termed as sustainable competitive advantage. This allows a company to gain a long-term success over its opponents. Competitive advantage refers to “gradual developments that allows the present generation in meeting their needs without necessarily exploiting the possibility of future generation in fulfilling their requirements” (Kihumba, 2008). If a corporation has a better position in terms of competing against competitive forces, it is considered to have a competitive advantage (Damanpour, 1996). If a company has mastered the art of earning long-term gains, it is said to have a competitive advantage.

When a company can administer identical benefits as its opponents at a cheaper cost or offer services or goods that are far superior to those of competitors, it gains a sustainable competitive advantage. Competitive advantage allows a company to make more profit and provide more value to its clients (Barney, 1991). According to Oliver (1997), for a company to have a competitive advantage, buyers must perceive specific differences among the products it offers. Businesses can get a competitive edge by developing a distinctive competitive strategy that allows for a proper industry orientation that can be used to enhance firm capabilities resources, which can be achieved via higher levels of innovation (Porter, 2006).

1.1.3 Mobile Telecommunication Firms in Kenya

Mobile telecommunication firms within Kenya are governed by the Communication Authority of Kenya. Due to the worldwide crisis and intense competition among the major companies, the mobile communication sector is quite active and has significantly risen in the previous years. In terms of service delivery, communication, and service quality, the industry has seen significant transformations. Mobile device service providers provide a broad variety of goods and services, including mobile money transfer, text messaging, email, the internet, video conferencing, and telephone services. Safaricom, Airtel Kenya, and Telkom Kenya hold the majority of the Kenyan telecom market's share and domination. Despite the fact that it has been called the Silicon Valley of East Africa, Kenya's industry plays an essential part in the country's development and transformation, as outlined by Kenya's Vision 2030. Prices have dropped by more than 70% in the past four years due to fair playing field and market regulation mandated by Kenya's Communications Authority (CA, 2020).

Mobile money transfers and mobile internet access are two examples of industry technological innovation that have resulted to a rise in the number of customers. The demand for mobile phones has risen as a result of the availability of inexpensive smartphones. Safaricom, Airtel Kenya, and Telkom are Kenya's three major mobile phone service providers. They're in a product and service arms race, with several of them providing identical goods and services. Prior to the large infusion of money by private sector players, markets that were separate, discrete, and vertical had merged over their previous borders (CA, 2020). Research in Kenya's telecommunications sector is being conducted to examine how location affects a company's ability to compete.

1.1.4 Safaricom Plc.

Safaricom limited, is a mobile network operator that is listed under the Nairobi securities exchange and which is a public limited company. It has its headquarters in Nairobi, Kenya and is the largest and leading telecommunication company in Kenya. It is also rated as among the most East and Central African region profitable companies (Wafula, 2018). The services offered by Safaricom include, money transfer, telephony, consumer electronics, cloud computing, ecommerce, streaming of music, fibre optic and data. It is also the renowned owner of MPESA, a mobile banking SMS-based service. As of December 2018, Safaricom limited accounted to about 64.2% of the Kenyan Market Furthermore, according to Riaga (2016), the Safaricom's subscriber base is approximated at 25.7 million subscribers.

Among the notable positioning strategies instituted by Safaricom over the years entails ensuring wider coverage compared to competitors, enhancing their internet speeds, improved network connectivity making it easy for customers to qualify and developing

products tailor made to the different classes of customers available. Some of these products include selling airtime from as low as denominations of 10 shillings commonly referred to as Bamba 10. The company has also diversified into financial services by partnering with institutions such as CBA to provide mobile loans to customers and helping them reach those individuals that are normally excluded from the traditional banking system. Recently Safaricom partnered with both KCB and CBA to offer a product named Fuliza that aims to provide mobile loans to customers (Safaricom, 2017).

1.2 Research Problem

Organizational survival is getting more challenging due to a growing propensity in a competitive marketplace (Wickam, 2011). Strategic solutions are being sought by organizations in order to maintain and enhance company efficiency (Stanley, 2013). They are re-engineering and restructuring procedures in order to become a more capable and enthusiastic leader. Enterprises are altering their business models (Siregar & Toha, 2012). Theoretically, strategic positioning is applied in enhancing competitive advantage but how these aspects are perceived by managers is critical. For a competitive advantage, businesses position their products based on how customers perceive and behave in order to gain and retain an edge over their rivals. Product positioning strategies are widely regarded as a powerful and effective method for improving a company's image and progress. This leads to competition (Kugun, Wanyonyi, & Sangoro, 2016). Competitive advantage in the mobile telecommunications industry requires strategic positioning. In today's competitive sectors, strategic positioning is critical for company success, since it leads to a better market position and a competitive advantage (Kugun et al., 2006).

Although the Kenyan telecommunication industry has proved to be one of the fastest growing sectors, the sector has also been experiencing a very huge competition in Africa in (World Bank Report, 2019). The sector has been growing since the 1980's when the market had only one operator to four currently who have a customer base of over 34M in the year 2017 as per the Communications Authority of Kenya (2016-2017). Moreover, the customers have been enlightened demanding better services and at a lower price. The Communication Authority of Kenya (CAK) also has heightened the problem as it requires the players to reduce the interconnectivity charges and also port the number of customers. Furthermore, change in technology has made many customers resort to cheaper means of communication such as the voice over internet protocol and the internet. As such, since the market is unpredictable, Managers of businesses must identify new opportunities through new markets entry or expansion of existing ones into new areas. In the face of such fierce competition, positioning strategies may be a preferable option, as proven by companies like Safaricom, which have consistently increased their sales and profits.

This field have been under surveillance before which have resulted to contextual, methodological along with conceptual gaps. A study conducted by Kim, Song, and Koo (2008) looked at the impact of airline strategic positioning on Korean performance globally. According to the study's findings, competitive advantage may be derived from cost advantages in production and service, pricing competitiveness, and operating costs. According to It has been shown in the research by Farhiya (2015) that organizations that adopt positioning strategies have a basis from which to build and coordinate the execution of their mission's goals and objectives. Marketers may differentiate between

groups based on how they respond to market factors, as noted by Abeck (2017). Although these studies were performed in various contexts, their conclusions cannot be applied to the Kenyan telecommunications sector as a whole because of the differences in methodology.

Locally, a study by Onyango (2014) indicated improved performance due to adoption of strategic positioning practices. The study focused on commercial banks whose operations are different from telecommunication firms and therefore a contextual gap. Njiru (2014) found a link between effective strategic positioning strategies and business outcomes. However, the study operationalized strategic positioning in terms of need, access, and diversity leaving a conceptual gap on other types of strategic positioning such as differentiation and cost. As a result, the results reflect the proxies used. This research focuses on the performance of firms rather than competitive advantage, which is a completely distinct notion. Odede (2016) discovered a link between strategic posture and results. Due to the research's qualitative character and emphasis on a single case study, there is a methodological gap that prevents its results from being extrapolated to other contexts.

The competition in the telecommunication industry has heightened. Firms in the industry have adopted strategic positioning to remain competitive. There is however no empirical evidence to suggest that the positioning strategies have been effective. Strategic positioning and competitive advantage research in Kenya have concentrated on industries other than telecommunications. Therefore, this research will help close the information gap on how positioning tactics influence a company's potential of remaining competitive.

The survey intended to respond to the research question; what is the influence of strategic positioning on the sustainable competitive advantage of Safaricom Plc?

1.3 Research Objective

The current study's main goal is finding out how sustainable competitive advantage of Safaricom Plc is impacted by strategic positioning.

1.4 Value of the Study

The conclusions of the research will be beneficial to other academicians, researchers plus scholars, in the future by forming the basis for undertaking further researches concerning the same topic. Researchers and scholars will utilize the conclusions to discover other research opportunities on closely-related themes concerning similar issue by doing an evaluation of the existing literature in order to locate research gaps.

This investigation will be valuable to both potential and existing investors in the telecommunications industry in their investment endeavors. They will be able to assess their investment targets and/or portfolios more accurately, allowing them to make more informed decisions. Fund managers as well as financial analysts may benefit from the findings for the same reasons as investors, in addition to providing suitable consumer advice or recommendations.

The research will help economic policymakers acquire insight into the operations of telecommunication firms and provide a concrete reference for the creation of new broad-based policies to improve telecommunication entities' performance in Kenya. This will assist them in definition or policy regulation and guidelines determination for telecommunication firms in Kenya.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

The segment portrays an analysis of the works from scholars on strategic positioning and sustainable competitive advantage. To begin with, the chapter analyses theories on strategic positioning followed by a discussion on previous empirical studies on the on the topic. A critique of the investigations is carried out, where survey gaps are uncovered.

2.2 Theoretical Foundation

A theory aids in the explanation of a theoretical fact regarding a topic (Zikmund, Quinlan, Griffin, Babin & Carr, 2019). This research is anchored on the theory of RBV which was propounded by Penrose (1959) and supported by Competitive Advantage Theory and the Contingency Theory.

2.2.1 Resource Based View Theory

Penrose (1959), Barney (1991) and Wernerfelt (1984) are the pioneers of this theory. After Barney's (2001) evaluation study on effective business management, the Resource Based View theory rose to prominence in the early 1990s. He looked at how a company may make use of its resources to get a competitive advantage. When it comes to establishing organizational capacity, according to Barney (2001), the resource-based strategy was a significant aspect that contributed to the enhancement of the organization's capability of surviving in a highly competitive market. The Resource Based View (RBV) gave rise to the Resource Based Theory, which is critical in assessing business capability and effective management of resources in order to increase competitiveness (Armstrong & Taylor, 2014).

The RBV Theory has recognized firm's resources that contribute to the formation of a valuable element that allows a corporation to continue to increase transactions and attract new investments. Pertaining to the manner of facilitation of entity's business functionalities, Terziovski (2010) highlighted those organizational strategies have a crucial role in determining how organizational resources are used and allocated. The resource based view theory classifies the resources of an enterprise as tangible and intangible. All organizational resources, according to Ray et al., (2004), make a significant contribution to an organization's efficiencies plus effectiveness in general. An enterprise or firm as Per West (2012) postulates, is more likely to carry out successful operations once it learns to optimize on using plus applying the resources available effectively.

All corporate establishments seek to attain growth by utilizing the most effective operational resources and implementing comprehensive strategies that help in meeting their key mandate and agendas (Rosemann & Brocke, 2015). As per the theory of RBV, all institutional resources exhibit an attribute of competition and are thus significant because they facilitate the conduction of entity's activities aimed at achieving operational goals. The firm's ability of efficiently utilizing the available resources according to Ray et al., (2004), is the starting phase which results to gaining competitiveness alongside corporate growth

The debate relating to strategic positioning is compatible with the Resource Based View Theory, which the current survey is focusing on. In implementing the strategic positioning practices a comprehensive physical system is required to be integrated alongside anchored by a supportive group that is skilled, competent also adequately

trained (McKinney, 2015). The potentiality of mobile telecommunication firms for carrying out their day to-day activities is highly dependent on resource availability regarding physical plus human resource. One of the challenges in strategic positioning at the firms is satisfactory addressed by the RBV Theory. Considering the theory in context, mobile telecommunication establishments are in a position to attain competitive advantage and outperform their opponents by fully utilizing the various strategic positioning techniques.

2.2.2 Competitive Advantage Theory

Porter (1980) pioneered the competitive advantage theory. The theory suggests that five forces are the determinant of the industry nature of competition: the threat of industry attracting new entries, the jockeying amongst current contenders, buyers' bargaining power, the threat of having mutually exclusive commodities plus the suppliers' bargaining power. Pearce and Robinson (2007) argue that collectively, the 5 threats has potential of influencing prospective profitability of any sector. When major players compete on grounds of product innovations, prices, increase in guarantees offered to consumers plus new advertising mechanisms it results to rivalry.

The urge of one or more participants to advance their position in the sector lead to competition. Presence of substitute commodities accrues to a lot of pressure because they hinder possibility of returns in the market by dictating the prices to be charged by entities in that sector (Porter, 1985). Decrease in commodities or increase in prices it the suppliers' technique of influencing the players' bargaining power. Other entities making new entries into the sector results to rivalry for substantial portion in the market plus it adds extra resources that have effects on the prices either upwards or downwards. On the

other hand, prices can be swayed by buyers who can bargain for reduced prices, or demand for products with high quality besides extra variety of services, or create collusion amidst competing players at the expense of industrial profitability (Tanwar, 2013). Other factors considered in the model include the economic environment and the competitive structure of the industry such as the suppliers' bargaining power, threat of substitutability of products, buyers' bargaining power including threat of newly entries in the industry. Ideally, this seeks determine how these factors increase the level of competition in the industry.

The more the forces are stronger the higher the competition gets while rivalry reduces with the weakening of forces. An industry's competitive environment affects how a business performs in that industry. The porter's model determines the attractiveness of any industry from the company's perspective (Dirisu, Oluwole & Ibidunni, 2013). This theory is applicable to this research since it is able to identify the factors that has bearing on competition in a given industry. An understanding of the sources of competition will help Safaricom Plc in coming up with strategies geared towards gaining competitive advantage.

2.2.3 Contingency Theory

This refers to an institutional theory which validates absence of one-size-fits-all method to organizing an institution, leading it, or making decisions. However, both internal besides external occurrences lays the best course of action (Daft, 2010). Arising scenarios enables a contingent leader to successfully apply their own leadership style accordingly. Contingency leadership is a concept developed in the 1960s by Fred Fiedler.

Each company faces unique opportunities and threats based on its strong holds along with weak areas. Organizations, as per Daft (2010), can never have similar game plans, no matter how much scientific management concepts try to show that they are similar. Not appreciating individual firms' unique capabilities may lead to wrong strategic choices and subsequently failure. This is therefore the foundation of contingency theory. Contingency theory is a methodology that states that companies must adjust their overall strategy to external environmental variables as efficiently as possible. The theory is based on the idea of lacking any predefined criteria for reacting to alterations in the external environment. Almost every enterprise operates in extremely dynamic surroundings and is thus involved in huge transactions in which the company's actions must be sensitive to daily environmental changes (Carlisle, 1976).

In context, the contingency theory allows to innovation of new products and services within the mobile telecommunication firms to meet the demands of the ever-dynamic surrounding. For instance, mobile telecommunication firms are able to develop a variety of products that suit the standards of the customers and satisfy the requirements of the market. With the introduction of Mobile money transfer service, (i.e. M-PESA by Safaricom), the firms are able to develop an application that could connect the customer savings with M-PESA. Therefore, contingency theory remains relevant in ensuring that the mobile telecommunication firms remain flexible and have potential of fulfilling the demands of the environment.

2.3 Strategic Positioning and Competitive Advantage

Currently, strategic responsiveness has progressively acquired growth which has perfectly been suitable for the volatile external atmosphere. In addition, concrete decisions which

causes action plans to be formulated and applied that assist the institution in attaining its agendas are determined by strategic responses (Powell, 2012). The manner in which an enterprise is used to carry out its activities is usually interrupted by turbulence of the trading environment and therefore, an organization ought to embrace an effective strategic response. According to the literature on strategic management the only time a strategy enhances competitive advantage is when it is made compatible with the external surrounding (Hrebiniak & Snow, 2016).

Resource based view theory holds that innovations performed by firm in form of creation of new markets, improving the existing products by adding value or creating a totally new market by destroying the existing market, as a result the characteristics of resources regarded to have a sustainable competitive advantage over the others accrues (Kirui, 2014). Contingency theory is a tactic to the organizational behavior study since it explains how external factors such as covid-19 pandemic and the external environment affect the nature and functioning of organizations. According to strategic leadership theory, the efforts of management towards the entity influences its success and values. For instance, the strategic decisions of senior leaders can affect the success of the institution in the long run (Oppong, 2014).

To be successful, an institution must choose a strategic behavior that suits the dynamics in an environment, and formulate a resource capability that can cope with the mode chosen (Acur & Englyst, 2016). Aboryge-Debrah (2017) recognized three types of strategic behavior. The first containing organizations that are influenced by their environment, the second is pre-emptive and involves anticipating events in the future and preparing for them and the third shows an aggressive position; they seek to identify both

future events and work towards accomplishing them. Strategic behavior classification has the support of a number of theories like resource dependence theory, the institutional theory and several theories related to the two. Following these theories, it is possible to identify contexts that require strategic responses.

2.4 Review of Empirical Studies and Research Gaps

Chang, Fernando, and Tripathy (2015) looked at the correlation between an entity's strategic positioning besides its production performance in another study. According to the results, companies that pursued either a cost leadership or a differentiation approach outperformed their competitors. These two studies focused on other dependent variables and therefore they are not conclusive when it comes to cost leadership strategy and competitive advantage.

Zekiri and Nedelea (2011) did a study that focused on tactics for gaining competitive advantage in Romania. As per the study, if a company wants to pursue a cost leadership game plan; it ought to produce at a low cost. Furthermore, it is proposed that a firm will benefit in economies of scale, production costs resulting from patented technologies, plus low-cost raw materials, among other things. In the same way, it is mentioned that the aim of the cost management plan is enabling the company in producing at a cheaper cost comparison to its rivals. This emphasizes the significance of productivity in the workplace. This study concludes that achieving low-cost leadership leads to competitive advantage.

Tharamba, Rotich and Anyango (2018) conducted a research to investigate strategic positioning impact relating to performance of Kenya's mobile telecommunication enterprises, in consideration to entity's multiple products plus resource availability,

marketing, research & development being the measurement items. To conduct a Descriptive Research, the study utilized Census method. The management personnel in the marketing and research & development departments at Kenya's Safaricom Limited's headquarters formed the target population, where Safaricom top, middle plus operational managers formed the sampling frame. The datum was processed and presented in graphs, charts including tables via the SPSS version 18. There existed a positive impact from marketing, research & development, resource availability also multiple products on institutional performance in Kenya's telecommunications sector, according to the research.

Riasat et al. (2015) conducted a study to probe correlation between strategic positioning, strategic consumer association management in addition to firm's performance. Strategic positioning alongside strategic client relationship exhibit a strongly positive plus significant linkage with organizational performance, according to the literature study and conclusions. To increase organizational performance and create a lasting competitive advantage, strategic positioning and strategic customer relationship management act as strategic driving factors.

Munene (2013) researched on how entity performance of Kenya's top five oil firms is influenced by strategic positioning. A cross-sectional research model was adopted during that probe. The survey found that the top oil enterprises do position themselves in the market while employing several positioning strategies, explicitly considering that petroleum prices are curbed, with the aim of gaining a competitive advantage over rivals also generate high profitability, despite the energy sector's average profitability.

As shown by the study conducted by Rose (2012) on the positioning strategies used by Kenyan large audit establishments, ownership plays a significant effect in the decision to pursue a particular positioning strategy. She mentioned that Kenyan audit firms have used a variety of positioning methods to gain a dominant position. In the competitive audit market, audit companies focus on product qualities, time and location pricing positioning, according to the research.

Mokaya et al. (2012) concluded market positioning strategies have a substantial relationship with organizational performance in the airline sector. Innovation, cost strategies, firm's performance besides perceived service quality are all influenced by pricing methods. Positioning is important in marketing strategies, and marketing strategies allow the organization to reduce competition pressure and improve performance.

Ansari, Economides and Ghosh (2011) study on strategic positioning for sustainable competitive advantage among commercial banks in India established that the banks were pursuing differentiation, hybrid strategy, head-to-head strategy, attribute or benefit strategy, quality/pricing strategy, strengthening current position and repositioning strategy. The customer's and competitors' needs have effects on the differentiation strategy. The establishment's goal of gaining a competitive advantage is then fulfilled by delivering better goods and services to the targeted consumers than those provided by competitors, either at the same price or at a slightly higher price to increase margins.

The study by Baraskova (2010) was conducted in the food industry to assess strategic positioning and competitive advantage. The research indicated that the food industry organizations depended on strategic positioning and an aggressive lead that is sustainable

in order to have success in their complex structure. The study concluded that a company achieved strategic positioning success when it had strong associations with the product by having a competitive edge. Therefore, a company achieves that competitive advantage by having a strategic positioning strategy in the customers mind which becomes the organization's asset.

According to Farhiya's (2015) research on strategic positioning as a source of long-term competitive advantage, the entity's positioning strategies provide a framework on which to develop and coordinate the implementation of the NGOs goal. As per Abeck (2017), an efficient adaptive positioning strategy enables marketers to differentiate segments based on their responses to market variables. These researches were however performed in different contextual settings and thus their conclusions cannot be generalized in the telecommunication industry in Kenya.

2.5 Summary of Empirical Studies and Research Gaps

The literature review identified conceptual, contextual besides methodological research gaps which this survey seeks to fill. Partaking keen interest on these gaps, this enquiry will therefore pursue to appraise the influence of strategic positioning regarding the sustainable competitive advantage of Safaricom Plc.

Table 2.1: Summary of Empirical Studies and Research Gaps

Study	Methodology	Key Results/ Findings	Research Gaps	Focus of current study
<p>Impact of strategic positioning on the performance of mobile telecommunication firms in Kenya</p> <p>(Tharamba, Rotich & Anyango, 2018)</p>	<p>Descriptive study technique utilizing a census.</p>	<p>Marketing, research plus development, diverse products also resource availability all showed a positive impact on institutional performance in Kenya's telecommunications sector, as per the research.</p>	<p>The survey was conducted on the strategic positioning influence relating to performance of Kenya's mobile telecommunication entities while the current study focuses on effect of strategic positioning and competitive advantage of Safaricom Plc.</p>	<p>Effect of strategic positioning on sustainable competitive advantage of Safaricom Plc.</p>
<p>Association amidst strategic positioning ,strategic client relationship management including organizational performance</p> <p>(Riasat et al., 2018)</p>	<p>Evaluation of empirical literature</p>	<p>The probe results uncovered that strategic positioning along with strategic consumer association possess a strong positive plus significant link with institutional performance.</p>	<p>The study was conducted on association amidst strategic positioning, strategic client relationship management also firm's performance</p>	<p>The current study will not only focus on strategic positioning but also sustainable competitive advantage.</p>
<p>Strategic positioning besides entity's performance of Kenya's top oil</p>	<p>Cross sectional survey research methodology</p>	<p>By placing themselves in the market, the top oil institutions utilize variety positioning strategies</p>	<p>The investigation was undertaken on oil industry</p>	<p>This survey will focus on strategic positioning and sustainable</p>

establishments (Munene, 2013)				competitive advantage of Safaricom Plc
Case study on ways strategic positioning lead to remaining competitive in safaricom limited. (Kasyoka, 2011)	Case study	The research concluded RBV within Safaricom limited was extremely affecting competitive advantage attainment.	The surveillance took place only in Safaricom limited The study also used qualitative data	The current study will be conducted at Safaricom Plc and will be qualitative in nature
Establishing the influence of strategic positioning for sustainable competitive advantage between commercial banks in India. (Ansari, Economides & Ghosh, 2011)	Case study	The survey established that banks were pursuing differentiation, hybrid strategy, strengthening current position and repositioning strategy.	The investigation was carried out in the banking sector and in different continent context	This surveillance will be conducted in the telecommunications industry based in Kenya

Source: Researcher (2022)

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

An overview of the current research's methodologies applied is discussed in this section. The chapter includes details on data collecting, datum analyses, alongside presentation methods that will be utilized in the research. The chapter begins by presenting the research approach that will be used in studying the connection between strategic positioning and sustainable competitive advantage at Safaricom Plc.

3.2 Research Design

A research design is a mechanism meticulously acquired by the academician and helps him/her/them in responding to the inquiries alongside providing answers effectively, correctly, impartially plus inexpensively. A research design as reported by Khan (2008), purposes at ensuring that the survey capacity is improved for formulating an operational game plan aiming at embarking on multiple existing mechanisms plus tasks required to complete the survey while guaranteeing the adoption of techniques are adequate in providing impartial, valid also exact answers to survey concerns. To ensure the validity, accuracy, objectivity, and economy of research, you should use a rigorous study design. When conducting a research study, one should strive to design a study to better conceptualize an operational plan and enable the researcher to utilize a number of different techniques. It is equally important to make sure the procedures utilized are satisfactory enough to obtain accurate and objective answers to the study research questions.

The current surveillance employed a case study research model. Where a case study refers to a probe of an individual, establishment or phenomena (Cooper & Schindler,

2014). It perfectly fitted the current investigation which discussed only one organization that required a thorough assessment which is all what it does, depth analysis instead of broad analysis. It was suitable in case a certain study unit required a comprehensive plus thorough review. As Yin (2018) reported, the social units of the case study were rigorously also thoroughly monitored. A theme with attributes that are not well recognized or familiar, a case study is suitable since it will offer firsthand review. Almost everyone in the unit is evaluated for unearthed patterns of behavior during a case study.

3.3 Data Collection

This survey made use of primary datum. Appendix I provides an interview guide which aided in sourcing for the data. The main purpose of preferring interview guide for this case study was due to its ability in collating statistics from the interviewees along with giving the scholar a better comprehension of the conclusions of the study. In addition, the academician was able to acquire more up-to-date information alongside extra statistics that the prior data collating techniques failed to capture.

Four top-level managers at Safaricom Plc namely; the head of ICT, head of strategy, head of risk and head of marketing were the earmarked participants during this study. The interview guide was sub-divided into some sections. The participant's demographic information was covered in the first section, while the goals of the survey were covered in the remaining sections. The scholar asked open inquiries which gives rise to extra inquiries if the prior question did not have an obvious answer, this aims at ensuring that the investigative apparatus assembled statistics from interviewees as anticipated. The academician carried out the interviews in person who later maintained a file containing all the questions posed along with their respective answers.

3.4 Operationalization of Study Variables

Variable	Operational indicators	Measurement scale	Data Collection Tool	Data Analysis
Strategic positioning	Differentiation positioning Cost positioning Focus positioning	Nominal	Interview guide	<ul style="list-style-type: none"> • Content analysis
Competitive advantage	Market share Customer retention	Nominal	Interview guide	<ul style="list-style-type: none"> • Content analysis

Source: Researcher (2022)

3.5 Data Analysis

All the datum that was collected using the interview guide underwent qualitative analysis to help realize how all the responses are connected. Qualitative analysis was adopted since it helped the researcher interpret, describe and criticize the subject which can be impossible to perform in the case of quantitative analysis. Content analysis was utilized to perform the qualitative analysis.

Content analysis aided in assessing the responses, arriving at the researcher's conclusions and also drawing suggestions from the collected information. The entire exercise of content analysis entail acquainting the responses, describing the data, analyzing the data patterns from the different interviews, and eventually drawing the necessary conclusions from the findings obtained from the research

CHAPTER FOUR: DATA ANALYSIS, RESULTS AND DISCUSSION

4.1 Introduction

The segment elaborates extensively on the outcomes of the interview guide that the researcher collected from Safaricom PLC and summarizes the interview guide findings. The research' agenda was to determine the effect of strategic positioning on sustainable competitive advantage of Safaricom Plc. The chapter has been divided into two sections, interviewees' profile and strategic positioning alongside sustainable competitive advantage. The academician will be looking at how strategic positioning had led to sustainable competitive advantage at Safaricom PLC.

4.2 Response Rate

The research interviewed the head of ICT, head of strategy, head of risk and head of marketing. The manager for Information communication technology at Safaricom PLC has worked for a span of nine years and three months in that firm. The head of corporate strategy at Safaricom has worked for a span of twenty-two years and four months in the same institution, as the head of strategy he has occupied the position for seven years and three months while the other years he has worked in different departments within the organization. The head of enterprise risk has worked for Safaricom for nine years and seven months, as the head of enterprise risk he has worked for the company for four years and four months. Lastly, the head of brand and marketing communication has served in Safaricom for four years and eight months. The interviewees have worked for Safaricom PLC for a good period and thus able to provide the correct information about strategic positioning and sustainable competitive advantage at Safaricom PLC. All the interviewees stated being fully involved in the strategic planning for Safaricom PLC.

4.3 Strategic position adopted by Safaricom PLC

Safaricom has adopted several strategic positions that have had an effect on the sustainable competitive advantage of Safaricom PLC. The strategic positions include; state of the art technology, resource capability, segmentation, differentiation, digital experience and cost differentiation.

4.3.1 State of the art technology

The interviewees agreed that state of the art technology has contributed largely to Safaricom accomplishing a sustainable competitive advantage. The ICT manager stated that in 2008, Safaricom launched 3G technology and was the first telecommunication company in Kenya to do so. In addition, the manager noted that Safaricom was also the first company to start M-PESA services for transferring money through mobile phones. The company also launched Mshwari in November 2012 which offers savings and loan services to clients. In 2014 Safaricom became the first telecommunication company in Kenya to launch 4G network. In 2018 Safaricom launched the home fibre. In 2019 the company launched Fuliza in collaboration with NCBA bank, the service makes it possible for Safaricom clients to carry out M-PESA transactions till the end despite their M-PESA account having insufficient funds. While In October 2022 Safaricom launched 5G network.

The interviewees stated that the company also offers integrated voice and data for organizations which facilitates exchange of information between computers in the organization and also outside the organization. Hence, the firm is in a position of communicating with its customers along with suppliers. The head of corporate strategy stated that the company offers cloud services to clients which act as servers and back up

storage for organizations data. In addition, the company does domain and website hosting services for clients. Here an organization can pay Safaricom to host their websites on its server for a small fee. The brand and marketing communication manager stated that Safaricom also offers private Automatic Branch Exchange services to corporate clients which supports the use of telephone extensions for communication within the organization. This has placed Safaricom as an exceptional leader in the communication market. The company launched a customer care at Mlolongo which handles customer problems through automated voice machines prompts. The technology has enabled the handling of customer complaints more efficiently. The outcomes concede with an investigation by Chang, Fernando, and Tripathy (2015) who found out that companies that pursued either a cost leadership or a differentiation approach outperformed their competitors.

4.3.2 Resource Capability

The interviewees collectively stated that resource capability has greatly contributed to the competitive advantage of the company. The head of the enterprise risk stated that Safaricom has the following resource capability; financial resources and assets, human resources, technological resources and knowledge resources. Besides, the head of corporate strategy asserted that Safaricom has achieved success in its business due to developing and implementation of unique resources that its competitors don't have. The interviewees stated that human resource is the pillar of Safaricom success. The company has employed employees with the right skills and they whole heartedly contribute to the vision and mission of the company. The head of enterprise risk stated that Safaricom values its employees and appreciates them for the effort they put in daily into their jobs.

The company has set up a gym center for its employees, an in-house medical service, a children's creche and swimming pool for its employees.

The ICT manager stated that Safaricom has set up a knowledge resource center throughout the country. The company has partnered with Huawei and local universities to setup a training facility. The training facility will be used to prepare student's through building the relevant technological capacity needed by the telecommunication industry. The company also has set up an academy for training students interested in technological courses. Safaricom has built its financial muscle and assets which makes it possible for the company to invest heavily in infrastructure that is better than its competitors. The financial muscles for Safaricom gave the company a competitive edge as it could develop products and services that require huge capital investments while its competitors were not able as a result of limited capital.

4.3.3 Segmentation and Differentiation

The head of brand and marketing communication stated that Safaricom has achieved strategic positioning through segmentations. The company has invested in offering quality services to consumers, they have also invested in the network to guarantee excellently performance hence, differentiating the customer experience. The ICT manager noted that the company has adopted data analytics which helps them to predict and personalize offers for customers. The head of corporate strategy noted that Safaricom has developed different products for different segment of the market such as; all in one monthly bundles, tunukiwa, blaze, flex and Safaricom platinum.

The all-in-one monthly bundles is a service available for both postpaid and prepaid customers. The customer has been given the option to decide the amount of money to

spend monthly. The company developed the all-in-one bundles in order to give the consumer the best choice to maximize their purchase. The tunukiwa product was designed to reward customers based on their usage, capacity availability, network utilization and device type. Blaze was developed to target the youth who are the largest demographic. The product empowers the youth by allowing them to control how much they spend on SMS, voice and data every moment they buy airtime. Safaricom flex gives the consumer the power to allocate how they want to spend their airtime on mobile data services, voice and SMS. Lastly platinum is available to all customers and offers them an integrated package for SMS, data and voice. The results are in concession with a surveillance by Tharamba, Rotich and Anyango (2018) who conducted a research to investigate strategic positioning impact relating to performance of Kenya's mobile telecommunication enterprises, in consideration to entity's multiple products plus resource availability, marketing, research & development being the measurement items. The researchers found out that there existed a positive impact from marketing, research & development, resource availability also multiple products on institutional performance in Kenya's telecommunications sector, according to the research.

4.3.4 Digital Experience

The ICT manager stated that Safaricom has invested in digital experience in order to offer personalized services to the customers. Through metrics such as NPS and brand consideration, the company hope of making its products & services better and thus improve client perception. In FY20, key developments that Safaricom came up with include digital marketing initiatives that use analytics to target advertisements, the implementation of an electronic queue management system besides deploying of a new

generation of point of sale in all the stores. The company has been creating a single view of the customer to improve experience by the use of data lake consolidation.

The ICT manager noted that the company Electronic KYC instruments were rapidly being used to utilize biometrics, making security tighter along with giving subscribers a faster plus more seamless registration process. The manager stated that currently, mySafaricom app had more than 1.3 million daily users, and the company Contact Centre Interactive Voice Response (IVR) self-service handled 100K daily users with a success rate of 91%. The head of strategy stated that Safaricom was continuing on their aggressive push to increase Zuri chat BOT penetration, with the goal of reaching 70% of the company's network's 6.8 million customers.

4.3.5 Cost differentiation

The interviewees stated that the company had adopted low-cost strategy but not to a large extent. The company has not adopted this strategy to a large extent due to the stiff competition from its competitors. The competitors had adopted the strategy of reducing their calling rates to zero which was not sustainable for Safaricom. The head of brand and marketing communications stated the company had adopted the low differentiation by; minimization of operating expenses, tight control of labor costs, close control of costs and overhead, lower distribution costs and reduction of inputs costs.

Safaricom has employed several methods for cost differentiation. Some of the methods the company has employed to accomplish this include gradually discontinuing scratch card top-ups but encourage customers to use M-PESA instead, as well as restructuring the organizational structure to minimize overlapping of roles. The low-cost manager has a

competitive edge by lowering its distribution or production costs relative to the other firms in its market. Despite the fact that the mobile service products are the same, the company is forced to offer them at an industry level in order to realize returns on investment. The last strategy adopted by the company to achieve cost differentiation is through strategic sourcing. This is in line with Abeck (2017), who asserted that an efficient adaptive cost differentiation strategy enables marketers to differentiate segments based on their responses to market variables.

4.4 Sustainable competitive advantage

The interviewees stated that Safaricom has achieved competitive advantage caused by strategic positioning. First, the deployment of the state-of-the-art technology has enabled Safaricom to serve more customers irrespective of where they are located within Kenya. The technology has also enabled the company to offer quality services to its customers and continuously improve on those services. In addition, the technology has also enabled the company to handle customer complains more efficiently thus leading to customer satisfaction. Secondly, resource capability has greatly contributed to the competitive advantage of the company. The head of the enterprise risk stated that Safaricom has the following resource capabilities; financial resources and assets, human resources, technological resources and knowledge resources. All these resource capabilities have together worked in harmony and contributed to the competitive advantage of Safaricom PLC.

Safaricom has also achieved competitive advantage through segmentation and differentiation. The company has developed different products for different market

segments. Hence, providing a unique service to everyone in Kenya. The company has invested in offering quality services to consumers, they have also invested in the network to guarantee excellence performance hence, differentiating the customer experience. The head of corporate strategy noted that Safaricom has developed different products for different segment of the market such as; all in one monthly bundles, tunukiwa, blaze, flex and Safaricom platinum. The company has also achieved competitive advantage through digital experience. Safaricom has invested in myapp, zuri chat box and interactive voice response to improve the experience of the customer in receiving services. The different platforms have made it easy for customers to experience services without them having to call the company. the strategic positioning that Safaricom adopted have enabled the company to achieve competitive advantage, consequently, achieving increased customer retention and higher market share. The findings are supported by Zekiri and Nedelea (2011) did a study that focused on tactics for gaining competitive advantage in Romania. The authors concluded that strategic positioning plays a vital role to the competitive advantage of any organization.

4.5 Discussion of Results

Safaricom has adopted several strategic positioning with the aim of accomplishing sustainable competitive advantage. The strategic positioning adopted by Safaricom include; state of the art technology, resource capability, digital experience and cost differentiation. The researcher established that Safaricom uses modern technology which has contributed greatly to the company achieving competitive advantage. The company has improved its network technology since 2008 when it launched 3G technology to its 5G technology that was launched recently. Safaricom was also the first company to start

M-PESA services for transferring money through mobile phones in Kenya. The company also launched Mshwari which offers savings and loan services to clients and thereafter launched Fuliza product. Safaricom investments in the state-of-the-art technology has made the company strategically position itself in market. The research's outcomes are in concession with Tharamba, Rotich and Anyango (2018) study on strategic positioning impact relating to performance of Kenya's mobile telecommunication enterprises, in consideration to entity's multiple products plus resource availability, marketing, research & development being the measurement items. The study found out that technology plays a vital role to the success of telecommunication companies in Kenya.

The company has also invested in resource capability such as; financial resources and assets, human resources, technological in addition to knowledge resources. The researcher found out that Safaricom has achieved success in its business due to developing and implementation of unique resources that its competitors don't have. The researcher found out that human resource is the pillar of Safaricom success. The company has employed employees with the right skills and they whole heartedly contribute to the vision and mission of the company. The company has also partnered with universities and Huawei in setting up a training facility. The training facility will be used to prepare student's through building the relevant technological capacity needed by the telecommunication industry. The results concede with Riasat et al. (2015) study that focused on probing correlation between strategic positioning, strategic consumer association management in addition to the performance of the entity. The discovery during the study was that strategic positioning along client's relationship has a positive impact on organization performance. Furthermore, the survey revealed that

organizational resources such as human resource, technological and financial resource significantly contribute to the performance of an organization.

The company has adopted segmentation and differentiation as a strategic positioning. Through segmentation the company has developed different products and services targeting different segments of markets. Some of the products developed for segmentation encompass; blaze, Safaricom platinum, flex, tunukiwa besides all in one monthly bundles. The all-in-one monthly bundles is a service available for both postpaid and prepaid customers. The customer has been given the option to decide the amount of money to spend monthly. Blaze was developed to target the youth who are the largest demographic. The product empowers the youth by allowing them to control how much they spend on SMS, voice and data every moment they buy airtime. Safaricom flex gives the consumer the power to allocate how they want to spend their airtime on mobile data services, voice and SMS. Lastly platinum is available to all customers and offers them an integrated package for SMS, data and voice. This is in line with Abeck (2017), who asserted that an efficient adaptive cost differentiation strategy enables marketers to differentiate segments based on their responses to market variables.

The company also developed digital experience to offer personalized services to the customers as a strategic positioning. Safaricom came up with digital marketing initiatives that use analytics to target advertisements, the implementation of an electronic queue management system besides deploying of a new generation of POS in all the stores. The company has been creating a single view of the customer to improve experience by the

use of data lake consolidation. Electronic KYC apparatus were rapidly being used to utilize biometrics, making security tighter along with giving subscribers a faster, more seamless registration process. Other digital experience platforms are mySafaricom app, Contact Centre Interactive Voice Response (IVR) and Zuri chat BOT. The study also resonates with the Porter's theory of competitive advantage which states that for organizations to achieve competitive advantage they have to understand the five forces and how each force affects it (Porter, 1980). Safaricom operates in an environment that is influenced by the five forces of porter. Safaricom considered the forces while developing its strategic positioning. RBV theory pays attention to an entity's possession alongside resources application plus competencies as a competitive advantage. Safaricom has developed unique and uncopied resources that aid the company in achieving competitive advantage.

CHAPTER FIVE: SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

The segment portrays the effect of strategic positioning on sustainable competitive advantage at Safaricom PLC. With the help of interview guide, statistics were assembled content analysis aided with their analyses. This chapter summarizes the outcomes as discussed in chapter four. The section also discusses the conclusions, shortcomings encountered during the research plus suggested areas for additional studies. The findings of the surveillance have been summarized alongside the objective of the research.

5.2 Summary of the Study

The study's intention was in determining the extent at which sustainable competitive advantage at Safaricom PLC is swayed by strategic positioning. The study uncovered that

Safaricom had adopted several strategic positioning with intentions of attaining sustainable competitive advantage. The game plans adopted by Safaricom included: state of the art technology, digital experience, segmentation, differentiation, resource capacity and cost differentiation. These strategies were adopted with the aim of helping Safaricom PLC serve its customers in the simplest way as possible, take the services closer to the customers and provide easy access of the company services to its customers.

The state-of-the-art technology has significantly helped Safaricom differentiated itself from the competitors in the market. The company has invested heavily in technology with the aim of serving customers well and offering them products of high quality. The company has invested in its network technology and has improved the network from 3G in 2008 to 5G in 2022. The company had also adopted mobile money transfer services (M-PESA) and savings and loan services (Mshwari) and there after developed the Fuliza product. Mshwari product provided services of savings and borrowing loans from the company. While Fuliza service made it possible for Safaricom clients to carry out M-PESA transactions to the end despite their M-PESA account having insufficient funds. The company had also set up integrated voice and data for organizations which facilitated exchange of information between computers in the organization and also outside the organization. Lastly, Safaricom offered domain and website hosting services for its clients.

The study found out that resource capability had significantly contributed to the competitive advantage of the company. The researcher found out that Safaricom had the following resource capability: financial resources and assets, human resources, technological resources and knowledge resources. The company has unique resources

than its competitors thus placing it at a competitive edge. According to the surveillance Safaricom employees were the pillar of success for the company. The company employs employees with the right skills and appreciates and, values them for the contribution to the organization. The company has set up a gym center for its employees, an in-house medical service, a children's creche and swimming pool for its employees. The study also found out that Safaricom has set up knowledge resource centers through partnership with universities and Huawei. the training facility will be used to prepare student's by building the relevant technological capacity needed in the telecommunication industry

Segmentation and differentiation have helped the company to achieve strategic positioning. The study found out that Safaricom has segmented its products based on the different segments in the market such as; all in one monthly bundles, tunukiwa, blaze, flex and Safaricom platinum. The researcher also found out that digital experience has offered clients personalized services. The study found that Safaricom came up with digital marketing initiatives that use analytics tools to target advertisements, the implementation of an online queue management system along with deploying a new generation of POS in all the stores. The company has been creating a single view of the customer to improve experience by the use of data lake consolidation. The company also developed other digital experience platforms such as mySafaricom app, Contact Centre Interactive Voice Response (IVR) and Zuri chat BOT. Lastly, the study found out that Safaricom had adopted cost differentiation strategy through; minimization of operating expenses, tight control of labor costs, close control of costs and overhead, lower distribution costs and reduction of inputs costs.

5.3 Conclusion of the Study

The modern customers are well informed in terms of the kind of services and products and the level of quality they expect to get from an organization. The scholar according to the analyses can conclude that strategic positioning contributed to the sustainable competitive advantage of Safaricom PLC. State of the art technology has eased the access of services by the customers, improved the quality of the services and products being offered and created customer loyalty. The introduction of excellent network services by Safaricom from the 3G to the 5G has improved the speed at which the customers access the internet.

Resource capability such as; financial resources and assets, human resources, technological resources and knowledge resources have significantly contributed to the competitive advantage of the company. In addition, Safaricom has partnered with universities and Huawei to provide a training facility which will be used to prepare student's by building the relevant technological capacity needed in the telecommunication industry. Segmentation and differentiation have helped the company to achieve strategic positioning. Safaricom has segmented its products based on the different segments in the market such as; all in one monthly bundles, tunukiwa, blaze, flex and Safaricom platinum. Lastly, the company has developed digital experience platforms such as mySafaricom app, Contact Centre Interactive Voice Response (IVR) and Zuri chat BOT to offer a better expericne to customers online.

5.4 Recommendations of the Study

Strategic positioning drives the world today and gives businesses sustainable competitive advantage. The survey discovered that state of the art technology contributed to

Safaricom achieving sustainable competitive advantage. The study first recommends Safaricom to continue investing in the state-of-the-art technology for better improvement of the customers services.

Secondly, the study also recommends that Safaricom PLC to incorporate data protection in its state-of-the-art technology. In today's century a lot of data is collected through the innovations and technologies that organizations acquire or develop. It's important to have measures in place that protects client's data from unauthorized access. Furthermore, clients want privacy which is the responsibility of the organization to give them.

Thirdly, the study also recommends the government to offer support to telecommunication companies especially in the issue of unfair competition. The government should offer support in areas like data protection, developing policies that guide telecommunication companies in pricing their products and services. Lastly the communications authority of Kenya should encourage all telecommunication companies to adopt such technologies in order to improve on the services and products they deliver to their clientele.

5.5 Implications of the Study

The research's aim was in determining the degree at which strategic positioning sways the sustainable competitive advantage at Safaricom PLC. The study established that the research will be beneficial to other academicians, researchers plus scholars, in the future by forming the basis for undertaking further researches concerning the same topic. Researchers and scholars will utilize the conclusions to discover other research opportunities on closely-related themes discussing similar issue by doing an assessment of present literature with the intent of identifying research gaps.

The study also established that the research will be valuable to both potential and existing investors in the telecommunications industry in their investment endeavors. They will be able to assess their investment targets and/or portfolios more accurately, allowing them to make more informed decisions. Fund managers as well as financial analysts may benefit from the findings for the same reasons as investors, in addition to providing suitable consumer advice or recommendations.

Lastly, the study established that the research will help economic policymakers acquire insight into the operations of telecommunication firms and provide a concrete reference for the creation of new broad-based policies to improve telecommunication industry's performance in Kenya. This will assist them in definition or policy regulation and guidelines determination for telecommunication firms in Kenya.

5.6 Limitations of the Study

A more elaborative survey than the current one is required in order to fully comprehend the bearing strategic positioning has on sustainable competitive advantage. As a result, extra resources namely time plus workforce will be necessary to aid clients, employees, suppliers besides managers in undertaking more detailed interview with aim of identifying the several strategic positioning plans which have been put in place since the previous study. The research was limited on the number of interviews that were conducted, as the researcher only focused on interviewing four managers only. With only four managers being interviewed the information availed might have been limited to infer conclusion from.

The researcher also faced the limitation of exercising discretion of data obtained from the interviewees so as not to disclose information that they may consider proprietary and

confidential. To mitigate this limitation, the researcher provided the interviewees with introduction information which assured them of the confidentiality of the data that would be obtained. The researcher also provided them with letter of introduction that had been issued by the university which guaranteed them that the statistics gathered would be solely used for academic research only.

The surveillance focused only on Safaricom PLC, Kenya, the results from this research may not be applicable to other telecommunications or organizations. To fully understand the importance or effect of strategic positioning on sustainable competitive advantage then one would need to do a research with a wider target sample from different telecommunication firms.

5.7 Areas suggested for Further Research

The academician commends a study be carried out on Safaricom PLC investigating to what extent the adopted strategic positioning influence sustainable competitive advantage of the telecommunication companies. Secondly a closely related investigation can be undertaken with a wider sample to collect data from. This study only focused on four managers. The study can also include employees to get their views. To be able to undertake an in-depth interview with multiple stakeholders at Safaricom PLC, additional staff along with time are necessary.

Other researchers can adopt this study and use other methodologies such as the use of customers as the respondents for purposes of establishing the perception of the customers on the strategic positioning of Safaricom PLC. This will be beneficial to the pool of knowledge on Safaricom PLC because it will give an all-rounded understanding on the strategic positioning adopted by the company.

This study was done in Kenya while Safaricom PLC has a branch outside Kenya. The scholar suggests that a survey can be carried out on the strategic positioning of Safaricom PLC in other contexts such as Ethiopia. This will give a better understanding on whether Safaricom PLC has adopted the same strategic positioning in Ethiopia or whether the strategic positioning used in Ethiopia is different.

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APPENDICES

Appendix I: Introduction Letter

Nima Abdi Yunis

P.O. BOX 30197-00100

NAIROBI, KENYA

LETTER OF INTRODUCTION

This to inform you that the above-named student is a Master of Business Administration Reg Number D61/9956/2018. She is in her final year of studies and is therefore required to undertake research in her field of study specialization. The goal of this letter is to ask for your assistance so that she can administer her data collection instrument in your organization and compile a report that will be strictly be used for academic purposes only.

Yours Faithfully

Nima Abdi Yunis

Appendix II: Interview Guide

This interview guide is designed to collect data that will help in better understanding strategic positioning and sustainable competitive advantage at Safaricom Plc. The data collected by this interview guide will be held with strict confidentiality.

PART A: RESPONDENT PROFILE

- 1) What is your current position in the firm?
- 2) For how long have you been with the firm overseeing this function?
- 3) Are you involved in strategic planning of the firm?

PART B: STRATEGIC POSITIONING ADOPTED BY SAFARICOM PLC

- 4) How has Safaricom Plc adopted cost as a strategy to enhance their competitive advantage?
- 5) How has Safaricom Plc differentiated its products to gain competitive advantage?
- 6) Does Safaricom Plc tailor make products for specific market segments?
- 7) How has Safaricom Plc adopted branding as a strategy to gain competitive advantage?

PART C: SUSTAINABLE COMPETITIVE ADVANTAGE AT SAFARICOM PLC

- 8) In your view, how has the competitive advantage been as a result of Safaricom limited strategic positioning practices?
- 9) Has Safaricom Limited achieved a higher market share as a result of the application of appropriate strategic positioning practices?
- 10) Have strategic positioning in the firm resulted in increased customer retention?

Appendix III: Letter of Introduction by Dean



UNIVERSITY OF NAIROBI
FACULTY OF BUSINESS AND MANAGEMENT SCIENCES
OFFICE OF THE DEAN

Telegrams: "Varsity",
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VOIP: 9007/9008
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Website: business.uonbi.ac.ke

Our Ref: **D61/9956/2018**

October 21, 2022

TO WHOM IT MAY CONCERN

RE: INTRODUCTION LETTER: NIMA ABDI YUNIS

The above named is a registered Master of Business Administration Student at the

Faculty of Business and Management Sciences, University of Nairobi. She is conducting research on: **"Effect of Strategic positioning on Sustainable Competitive Advantage at Safaricom Plc."**

The purpose of this letter is to kindly request you to assist and facilitate the student with necessary data which forms an integral part of the Project.

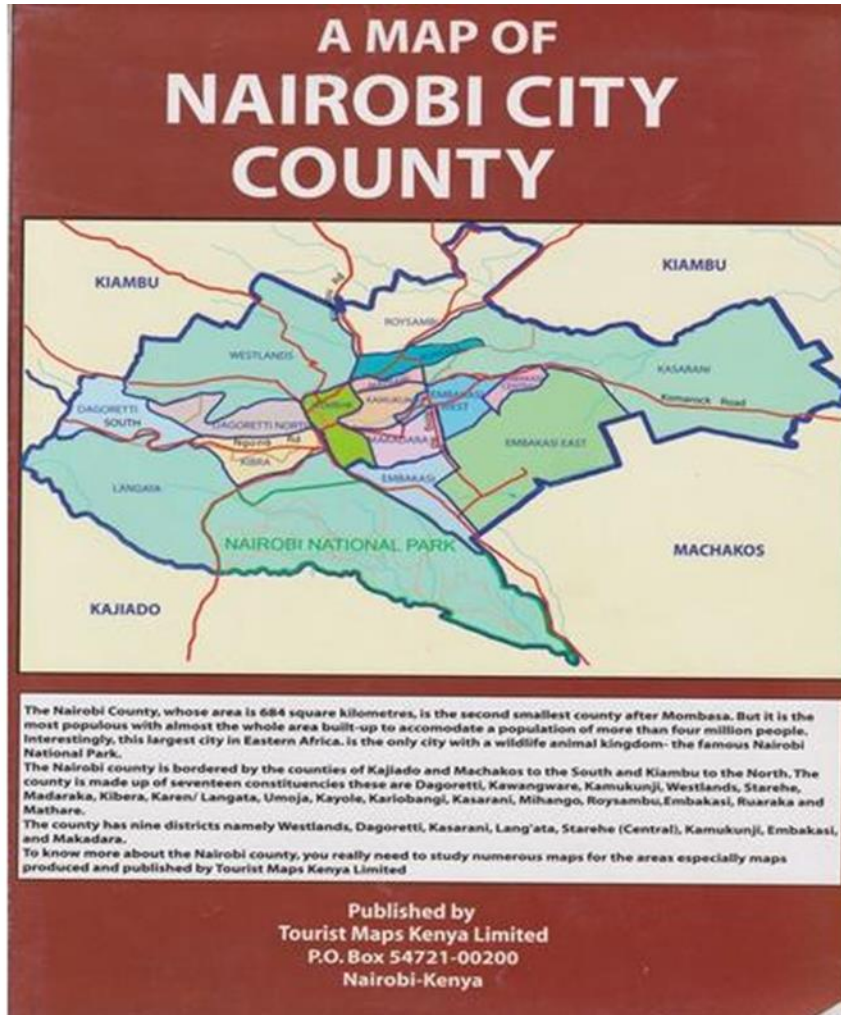
The information and data required is needed for academic purposes only and will be treated in **Strict-Confidence**.

Your co-operation will be highly appreciated.

A handwritten signature in black ink, appearing to read 'Philip Mukola'.

PHILIP MUKOLA (MR.)
FOR: ASSOCIATE DEAN, GBS & R
FACULTY OF BUSINESS AND MANAGEMENT SCIENCES

Appendix IV: Map of Study Area



Appendix V: Turnitin Report.



21ST NOVEMBER 2022.

EFFECT OF STRATEGIC POSITIONING ON SUSTAINABLE COMPETITIVE ADVANTAGE AT SAFARICOM PLC

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