

**CONTRIBUTION OF FOOTBALL GAMES TO
INTERNATIONAL BUSINESS IN KENYA**

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DECLARATION

This research project is my original work and has not been submitted for a degree in any other university.

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

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DEDICATION

This work is dedicated to my parents: Mr. Alfayo Atebe Raini and Mrs Annah Moraa Atebe for their continuous prayers and time commitment. To my siblings: Irene Moragia, Walter Raini, Adrian Meshack, Asenath Sinantei and Daniel Mwaura.

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ABSTRACT

Football carries a very strong image, with a mass international audience, and appeals to all classes. It is perceived as a powerful means of enabling the organisation to raise the brand profile and that of the corporate brand. The objective of this study is to determine the contribution of football games to international business in Kenya. The study adopted a case study where data was collected using an interview guide and analysed through content analysis. The edited data was presented in prose form. The study established that the sponsors provided financial support, increased public awareness of football in Kenya. Player representatives or agents were wide as they ranged from protecting the interests of the players through well negotiated contracts, providing advice, disciplining the player, and ensuring that the player is well taken care off. On the Contributions of Football Transfers to International Business, football transfers, clubs and the players are offered a chance to improve their market worth. On the effects of management accountability local football attract international sponsors, the study established that accountability of allocated funds by Football Association brings a positive effect, international business will partner once more with the football clubs since they will see how accountable the football club is with the funds. On how local football games earn foreign income, the interviewees indicated that the various teams taking part in the KPL are under the overall management of FIFA. On the challenges that the organisation is facing in trying to market local football to the international markets, the interviewees noted that: hiring top talent was the biggest challenge in football as the process of finding the perfect person could take months or more. On the strategies being used by FKF to promote local Football in the international market, seeking football game sponsorships and well-wishers who could assist with technical skills and resource to promote football talent growth in the country. The study concludes football games played an important role in promoting international business in Kenya. The study also concludes that football games promoted good corporate citizenship where various corporations engaged themselves to promote and sponsor various teams taking part in the Kenya premier league. The study also concludes that FKF faces a number of challenges in the management of football games in Kenya. The study further concludes that there are various strategies that the football game organization can adopt to promote local Football in the international market including transparent accountability among the management of the FKF. This study therefore recommends that football game be upheld and guarded for continued interaction of the Kenyan economy with the international world. This study recommends that the level of transparency and accountability be improved by observing good governance and electing individuals with clean track records. This study therefore recommends that the Federation continuously seek for football game sponsorship and well-wishers who could assist with technical skills and resource to promote football talent growth in the country.

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ABBREVIATIONS AND ACRONYMS

CECAFA	Confederation of East and Central Africa Football Association
FA	Football Association
FIFA	International Federation of Association football
FKL	Football Kenya Limited
FKF	Football Kenya Federation
MNCs	Multinational Corporations
OLI	Ownership, Location and Internationalization
UEFA	Union of European Football Associations

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

Football is one of the major sports that has overwhelming global appeal which transcends national, cultural, religious, and gender boundaries, as well as socio-economic class (Kassay, 2009)

Football's popularity continues to grow with an ever-expanding audience throughout the world in both industrialized and developing countries. In recent years, the world of football is seen to have similar traits like those showed by the firms in the service or the entertainment business; globally people may choose whether to go to the cinema, to an amusement park or the stadium to watch a match. Today, football is seen as a business activity, it is promoted as a national sport. In most countries, it represents a significant proportion of a nation's GDP, because football events are driven by a considerable number of other sectors such as media. The globalization of the football industry has provoked a concentration of resources in the hands of a few big European and South American clubs, which have had the ability and, most of all, the economic resources to face enlarged competition from foreign clubs and other businesses in the entertainment industry (Horne & Manzenreiter, 2015).

This study will be anchored on two theories: the Internationalization Theory and Eclectic Paradigm. The Internationalization Theory is based on the premise that when firms perceive the benefits to exceed the costs they prefer to go global and do their business internationally to gain from these benefits (Rugman, 1981). Internationalization focus on ways in which the firm can exploit research and development as a tool to innovate superior products and services that meet the evolving needs of the customers

to remain competitive in the market place. This theory suggests that the firm should seek new ideas and concepts to outsource services from global firms that have excelled in order to compete with its rivals (Markusen, 1995). The Eclectic Paradigm also referred to as the OLI-model or OLI-framework. OLI stands for Ownership advantages, Location advantages and Internationalization advantages. The theory argues that transactions are made within the firm if the transaction costs on the free market are higher than the internal costs. Ownership specific advantages refer to the competitive advantages of the firms seeking Foreign Direct Investment (FDI). The greater the competitiveness of the investing firm the more likely it is to participate in foreign production. Internationalization of football can result into many benefits for example attracting international sponsors to promote local football clubs, marketing of local football players to the international markets, creating networks for local football representatives (football custodians) to negotiate for better deals with sponsors in the global market.

The quality of football in Kenya has been going down at an alarming rate with international ranking dropping one time after another according to the latest FIFA rankings. By 2008, Kenya was ranked 68 in the world when the national soccer team, Harambee Stars, was sponsored and managed by the Kenya Premier League. As a sport, football is taken seriously by Kenyans and other international lovers. The sport has suffered from poor management which has hindered its ability to attract international sponsors and many tourists.

1.1.1 International Business

International business has been defined by several scholars as follows Broda (2010) defines international business as all monetary activities and transactions both in

private and in government, between parties of intention to benefit from the deal. Bhagwati (2007) posits that global events and competition impact on both small and large businesses. The global environment is complex and diverse as compared to the firm's domestic environment. Bartlett and Ghoshal (2009) contend that international business involves a wide range of business activities which are undertaken across national borders. International attracts business executives', government officials and academicians because of its nature unlike domestic business (Broda & Weinstein, 2010).

International business comprises of economies of several governments of other nations. This is because it utilizes financial resources from one nation and labour and infrastructure from other countries.

International business dealings are highly dominated by developed countries and especially through Multinational Corporations (MNCs). Currently, MNCs from United States, Europe and Japan dominate foreign trade because they are highly endowed with financial and other resources (Bartlett et al., 2009).

The firms have highly invested in modern technology and research and development also, they have a team of skilled managers and employees who provide them with high salaries and other benefits that enables these countries to be able to produce superior products and services at a cheaper price and thus helping them to remain competitive in the international market. International business is beneficial to all the participating countries. However, the developed countries get maximum benefits. The developing nations benefit from foreign capital, technology, employment

opportunities which contribute positively towards economic development (Broda et al., 2010).

1.1.2 Contribution of sports to business

Sporting activities play a key role in the economic development of nations across the world. Sporting activities generate income for several households whose family members are employed in the industry. It also helps create an avenue for economic linkages as apart from players, there are other professionals employed in this industry including: managers, trainers, coaches, nutritionist, medical practitioners, sport administrator, ground men, hotel, vendors, designers/ manufacturers of sporting gear, psychologists, physiotherapists and transport. In some countries, sporting activities have been used as tourist attraction activities.

1.1.3 Sports Organizations in Kenya

Sporting activities in Kenya are associated with the Kenyan communities' culture. Several indigenous traditional sports have prevailed in Kenya as elements of culture and a way of life since the history of mankind. Some traditional games and sports that are predominant in Kenya since the ancient time include but not limited to, wrestling, racing exercises, stick fights, hunting (using spears and arrows), board games, bull fights, and dances. Modern sports in Kenya owe credit to the British colonisation. Professional teams in form of clubs had been formed by colonial British settlers and Asian Contractors as early as 1922 before the establishment of formal schools. Sports were first introduced in 1925. The syllabus for teaching sport was done through physical training in schools (extracurricular activity). The sports were mainly Football and athletics (track and field) respectively which were the first sports to be professionally organized (Wanderi, 2006).

In Kenya today, many sports activities are played both as a profession and as leisure physical activities. Main Sporting activities in Kenya are athletics: marathon, cross country, field events, Football, Rugby: 7s and 15s teams, volleyball, basketball, and swimming. Other sports activities in the country include: handball, Safari Rally, netball, shooting, cycling, martial arts (boxing, Karate, kickboxing, judo, and taekwondo), Lawn Tennis, Horse riding, Golf, Polo, Archery, Squash, Badminton, Chess, Weightlifting, Wrestling and Mountain Sports-Kenya (Olobulu, 2011).

Football is the most known of the sports in Kenyan population. The game's popularity cuts across ethnic and social class; both KPL and international federations' matches are watched on television, online and in the stadiums. The Football World Cup is the most watched international competition in the country. Foreign leagues are also popular, especially the English Premier League which is more popular as compared to local football. Kenya Premier League has been seeking to create worldwide sponsorship agreements that will encourage and reward investment in the league to benefit the individual clubs and the investors. Products within the football industry in Kenya will then be utilized to attract powerful global brands, such as Nike, Samsung, Intel, Budweiser, Coca Cola and McDonald (Nyaga, 2011).

1.1.4 Kenya Football Federation

Football Kenya Federation (FKF) was established in 1960 and joined FIFA ranks that same year. Before formation of the FKF, football in Kenya was run by the football Association. The Football Association (FA) organised the Remington Cup that featured leading clubs in the country then. The national team on the other hand took part in the Gossage Cup which pitted it against Tanzania and Uganda. Immediately after it was established, FKF officials proposed the idea of starting a countrywide

league. However, this idea was interrupted by the F.A and it was not until 1960 that the league kicked off where ten teams participated. The Football Kenya Federation is the governing body of football in Kenya. It was founded in 2011 and was recognized by FIFA, CAF and CECAFA in 2012, it replaced Football Kenya Limited. FKF organises and manages the Kenyan Premier League, the Kenyan Women's Premier League, FKF Division One and the Kenya national football team (Olobulu, 2011). The Football Kenya Federation is current being led by Nick Mwendwa who was successfully elected into office in 2015.

In 2011, Football Kenya Limited was dispersed since it wanted to stop from being a limited company. The Football Kenya Federation replaced FKL however; the management positions were retained by their former occupants of FKL. Between 2011 and 2015, FKF was headed by Sam Nyamweya between. Under his leadership, he was linked to misappropriation of federation funds. This period was seen as a dark period by the Kenyan public as a result of lack of funds for use by the national team, this extended into international based players such as Victor Wanyama who catered for their own flights to and from international matches. In February, 2016 Nick Mwendwa took over from Nyamweya. In April 2016, the ladies national team, the Harambee Starlets qualifies for the first ever Africa Cup of Nations that will be hosted in Cameroon later this 2016. In June, 2016, FKF moved its offices to FIFA goal project at Kasarani stadium. Apparently, FKF and a betting company SportPesa signed a 5-year partnership this was part of the promotion plans to grow football in Kenya (Gacharira, 2016).

1.2 Research Problem

Football is such a popular sport, with a huge worldwide fan base, and appeals to all social classes. Chajet (2009) posit that sponsorship plays a critical role in accessing the foreign markets. It is perceived as a powerful means of enabling the organisation to raise the brand profile and that of the corporate brand (Dolphin 2003). In Kenya, sports management in Kenya has received growing attention from both the corporate and government sectors. It is emerging as one key frontier that allows countries to meet economic and social needs. Gacharira (2016) argues that if football is managed well, it can be used as a strategic tool to shape and promote the image of this country; this can create a window of opportunities including international business.

Studies have been done globally and locally in relation to the contribution of football as a marketing tool, challenges of managing football and the role of strategic planning and responses by football clubs and associations: Harris & Jenkins (2011) studied the role of football as a marketing tool in the United Kingdom; the findings concluded that football played a critical role in marketing the Football clubs products and services this led to an increase in revenue by the football club. Hunt, Bristol & Bashaw (2010) found that football brought countries together and this promoted trade ties and relationships between countries. Johanson & Vahlne, (2008) concluded that football played an important role in promoting the image of a country through investors and foreign trade.

In Kenya, Mwangi (2013) studied the management challenges facing Football Kenya. It was found that misappropriation of funds and inadequate management skills were the major challenges. Omondi (2011) examined the role of strategic planning of football clubs in the Kenya Premier League the results found that football clubs in the

Kenya Premier League practiced. However, the formal strategic planning was still at its formative stage. Njakai (2013) did a study on strategic responses to changes in macro Environment in the Kenya Premier League. The results found club sponsorship structure influenced the response strategy adapted to changes in the external environment.

Little concentration has been given in relation to the contribution of football to international business. This study therefore sought to bridge this gap by finding an answer to the question: What is the contribution of football games to international business in Kenya?

1.3 Research Objective

The objective of this study was to determine the contributions of football games to international business in Kenya.

1.4 Value of the Study

Football stakeholders would benefit from this study since they will understand the role played by football in enhancing international business. They would learn more on how football can be used as a tool to promote the club products and services and ways of marketing football to the international market.

Football Kenya Federation might find the results of the study worthwhile in formulating policies that would create a platform to promote football to the international markets. This might attract foreign investors; promote football players and club products and services.

The study would append on the existing body of knowledge. Students would understand the how football can be used as a marketing tool to enhance international

business. Researchers and academicians would understand the relevance and application of the theories that support this study and how they relate to the study variables (football and international business). The findings obtained in this study might be used as point of reference for further research.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter provides theoretical and conceptual discussion of the study in relation to the study variables namely football and international business. The chapter covers the theoretical basis for the study and the factors that attract football development at an international level.

2.2 Theoretical Foundation

This section consists of the theories that support the concept of international business and the contribution of football in developing its own market globally. These theories include Internationalization Theory and eclectic Paradigm.

2.2.1 Internationalization Theory

Internalization is based on the premise that when organizations see that the benefits are more than costs they prefer going global and doing their business internationally to gain from these benefits (Rugman, 1981). When internationalization leads to foreign investment the firm might incur political and commercial risks as a result of unfamiliarity with foreign environment. These are known as ‘costs of doing business abroad’ that arise from the liability of foreignness. If such costs are high the firm may outsource production from an independent firm or opt to produce at home and export to the country instead. Williams (1997) explains that firms that lack special knowledge or modern technologies to produce quality products and services might opt to go internationally to outsource unique products or service that can serve the growing needs of customers through guaranteeing them quality and consistent supply

of tax advantages from transfer pricing. Dunning (1979) posits that firms internalize in order to broaden their markets, market their products, gain an international exposure and compete with other firms in the international markets. This helps the firm to market its products and services and to boost its sales (Buckley, 2009).

Internalization focus on ways in which the firm can exploit research and development as a tool to innovate superior products and services that meet the evolving needs of the customers to remain competitive in the market place. This theory suggests that the firm should seek new ideas and concepts to outsource services from global firms that have excelled in order to compete with its rivals (Markusen, 1995). A firm can opt to outsource products and services that add value to its customers unlike producing similar products and services at a more expensive cost.

Internalization theory focuses on the links between Research and Development and production. Firms that are seeking to develop their own markets have to do a cost benefit analysis and find out the benefits versus the costs involved. Internalization is a form of vertical integration that brings about new operations and activities, formerly carried out by intermediate markets, under the ownership and governance of the firm especially when natural markets are imperfect (Rugman & Collinson, 2012).

A firm should gather information and assess the market before deciding to venture into it. Multinational corporations do business globally where they seek for new markets for their products and services however, the establishments of the costs involved is critical. One of the ways that the firm might use to determine whether they will enter a market or not is by gathering and assessing information on the costs involved in venturing into a certain market and the benefits that might accrue from such a business. In line with this study, the football sponsors must outweigh the costs

involved in marketing football in the international markets versus the revenue that will be realized from hosting a football match from promotions and advertisements. If the benefits are more as compared to the marketing costs then a sponsor such as SuperSport might opt to market a football club to enjoy such benefits.

2.2.2 Eclectic Paradigm

This theory is also referred to as the OLI-model or OLI-framework. OLI stands for Ownership advantages, Location advantages and Internationalization advantages. The theory argues that transactions are made within the firm if the transaction costs on the free market are higher than the internal costs. Not only is the structure of the firm important. He indicated that three more factors of the theory are important; they include ownership advantages (trademark, production technique, entrepreneurial skills and returns to scale). Ownership specific advantages refer to the competitive advantages of the firms seeking Foreign Direct Investment (FDI). The greater the competitiveness of the investing firm the more likely it is to participate in foreign production. Location advantages include existence of raw materials, low wages; special taxes or tariffs (Dunning, 1979). Multinational Corporation seek foreign locations benefit from untapped resources (natural resources) in order to gain competitive advantages in terms of producing superior products and services that serve the ever-changing customer needs (Twomey, 2000).

Location advantages enable the firm to produce on its own rather than producing through a partnership arrangement such as licensing or joint venture (Stopford, Susan & John, 1991). Firms might organize the creation and exploitation of their core competencies. Internalization advantages, the greater the net benefits of internationalizing cross-border intermediate products and markets the more likely the

firm considers participating in foreign production rather than licensing the right to do so (Gray, 2003).

In line with this study, internationalization of football can result into many benefits for example attracting international sponsors to promote local football clubs, marketing of local football players to the international markets, creating networks for local football representatives (football custodians) to negotiate for better deals with sponsors in the global market. This may bring about sponsorship of local players to international football clubs such as the English Premier League. This promotes local football players, a source of foreign income and fame for the country. This might act as a platform for global firms to learn more about the Kenyan markets especially product and services, culture and hence promote trade dealings.

2.3 Factors that Attract the development of Football at International Level

The factors that are associated with the development of football at this level are creating new markets, revenue sources and brand marketing activities. Football teams are expected to develop football and compete an international level however difficult it may be. Top football teams stand to lose out on huge sums cash when they fail to make the prestigious UEFA Champions League or the equally profitable Europa League, which are among the important in season tournaments in Europe other than the domestic Leagues. Deloitte & Touche estimates that Italy's first-league clubs collectively lost US\$485 million in the 2002 season on sales of US\$1.4 billion and probably lost at least US\$360 million in 2003 (Ewing 2010).

Fowler & Curwen (2008) argue that the postmodern view is that football has a mighty focus and interest because it is seen as a form of entertainment globally. It brings

about new audiences, new “global fans” however, presently this is found mainly in the US and Asia, where football enjoys increasing popularity with most appeal for young adults and children. In creating new markets, nothing seems to be impossible in the football business.

The other factor is increasing levels of revenue, the revenue streams in the football business are changing; richer clubs observe decreasing ticket revenues and increase dependence on media and sponsors. The cost-revenue analysis is available only in ticketing. Media revenues (mainly from TV) become are treated as a residual and can rarely be predetermined. The media business transfers the money when the season is over, and qualification for the UEFA pan-European tournaments generates extra revenues (about US\$ 26 million for the top teams). However, there are only a few top teams that always qualify in most cases, such as Juventus Turin, AC Milan, Real Madrid, Bayern Munich or Manchester United. Since the insolvency of the KirchGruppe, which had purchased the exclusive rights to live transmission of the German first and second Bundesliga, less money was transferred around Europe for TV rights (Fowler & Curwen 2002).

More than six clubs in Europe (Manchester United, Chelsea FC, Juventus Turin, AC Milan, Internazionale Milan, FC Barcelona) possess their own TV channels. They offer chances for worldwide distribution; however, the likelihood to outdo the main channels in the home country is limited. The increasing revenue streams are generated from sponsors and merchandise. Several European clubs launched magazines available to members in general retail trade. Chelsea FC’s publication has a circulation of 50-60,000 (including members’ subscription) and will soon be

distributed globally in various languages. Other trends include building up hotels and leisure complexes and upgrade the stadiums (Mortimer, 2011).

The other factor that attracts development of football globally is how active the brand is in marketing. Without local brand supporters and local income sources, a team may not make it and prosper beyond its local scene. Identification of other markets across the globe and selling the brand in it is important. Brand perspective can help a football club to develop a formidable brand that can help it to build a viable plan. Any football team should try to transform their supporters into customers who can consume the product hence increasing their financial muscle that could increase the level of competitiveness on and off the field of play. Once the club supporters are more connected with the club, they will be more interested in the products sold to them through their team. Different groups of fans think of the brand differently from time to time. This translates into brand consumption in the long run and will end up spending more money on products being pushed by the club. Manchester United among other top ranked clubs in Europe, dress in different match day outfit depending on if they are playing at the home ground or away. For example if they are playing at home, the traditional red, white and black outfit feature. This is why Manchester United is associated with a wide range of premium Multinational partners, both profit and non-profit making (Ewing, 2010).

Dolphin (2009) posits that international business research ensures club awareness; this is a case of how well and easily a new supporter can be attracted to join the fan base. This will depend on how the club has been performing in recent past, how they are doing now and the plans they have for future success. This is a result of wealth

creation at several important stakeholder stages; the club be able to build the brand to increase its market share then be able to sell their products in order to increase revenue levels from different global sources; for the club supporters within which is the physical location of the club's playing ground and hold it in their community values; and finally, for the corporate sponsors who depend on the strength of the brand created in order to push their sales hence realising value for their effort and money.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter provides an outline of the research methodology that will be used to address the research problem. It consists of the following sub-headings the research design, data collection instruments and procedures, and data analysis.

3.2 Research Design

The research design adopted in this study was a case study. This research design was used in this study because it enables the researcher to conduct an in-depth investigation of the object under investigation. Maxwell (2005) contends that a case study is not characterized by the approaches that are utilized to collect and analyse data but rather it focuses on a single unit of analysis such as a case study.

Case studies present data that is collected using several means which including, but not limited to interviews, observations, audio and video data. The main objective of collecting data through various means is to enhance the theory generating capabilities of the case as well as provide additional validity to assertions made by either the participants in the case or the researcher.

3.3 Data Collection

An interview guide was used to collect data targeting the influential stakeholders in the Kenyan Football. Primary data was collected by interviewing four key leaders/managers: FKF president, Marketing director, Football Captains (Gor Mahia and AFC Leopards) and Football supporters' representative. These categories of

respondents were considered to be well-versed with matters of managing football and thus understand how it related to international business.

The interview guide was guided by the main objective of the study which is to the contribution of football towards enhancing international business at Football Kenya Federation. The interview guide covered three sections; section A will elicit questions on the general profile of the organisation and the interviewees. Section B will elicit questions on the influence of football on international business by Football Kenya Federation.

Face-to-face interviews were carried out with heads of departments. Prior arrangements were made with the heads of department to ensure that the interview sessions are done at their convenient time which ensured adequate time allocation for the interview sessions to enable the interviewees to respond to all the questions from the interviewer without a hurry. Secondary data was used for purposes of historical information, environmental trends and regulations. This data was obtained from company records, weekly bulletin and archives.

3.4 Data Analysis

Data was analysed using content analysis which is a systematic qualitative description of the composition of objects. Content analysis is a method for summarizing any form of content by counting various aspects of the content. This enables a more objective evaluation than comparing content based on the impressions of a listener. This technique enables the researcher to obtain detailed information about the organization especially on the study variables (Neundorf, 2009).

The study used content analysis. This method of analysis focuses on distinct themes that illustrate a broad range of meanings of a phenomenon rather than the statistical significance of the occurrence of specific concepts. Maxwell (2005) indicates that content analysis is appropriate in providing details about the firm in particular on the study variables.

CHAPTER FOUR

DATA ANALYSIS AND INTERPRETATION OF RESULTS

4.1 Introduction

This chapter presents findings and analysis of the study as set out in the research methodology. The findings were presented to determine the contribution of football games to international business in Kenya. The data was entirely collected from an interview guide as the research instrument. The study objective guided the interview guide design. The research findings were presented in narrative form for ease of understanding.

4.2 General Information on Interviewees

4.2.1 Position in the Organization

The interviewees were requested to clarify their stakeholder roles they played at Football Kenya Federation and their various positions. From the findings, the responses indicated that the interviewees held varied positions including: Marketing director, Football Captains for various football clubs including: Gor Mahia, Sofapaka FC, Mathare United, AFC Leopards, Tusker and Football supporters' representative. These findings show that the respondents were from different backgrounds and hence the responses provided were more representative of the various contributions of football to international business.

4.2.2 Highest Level of Education Achieved

The interviewees were requested to give their highest level of education attained. From the responses, the interviewees held varied academic qualifications including Certificate, Diploma and first degree. These findings indicated that the interviewees

were learned and hence could understand the questions asked in the interview. This further goes to indicate that the data collected is more relevant and valid for the study.

4.2.3 Period worked for the organization

The study further sought to establish the period of time that the interviewees had worked with their various organizations and supported their clubs so as to establish how well they understood issues concerning football and international business. From the responses, the interviewees had worked with their organizations for a period ranging from two to ten years. These findings confirmed that the interviewees had good understanding of the study subjects hence the validity of the data collected.

On the period worked in the current position, the responses indicated that the interviewees had been in their current positions for between one to six years. This period was long enough to understand their tasks and how they contributed to international business.

4.3 Current Sponsors of Kenya Premier League

The respondents were requested to identify some of the current sponsors of Kenya Premier League. From the responses, a number of organizations were identified including: East African Breweries through their Tusker brand that held the naming rights to the league from 21st August 2012 to 6th August 2015. Their role involved sponsoring football events and other activities managed by the KPL in return for a sponsorship fee. Other sponsors included SportPesa who took over from East African Breweries for four years; their role was to help the country qualify for 2022 World Cup by identifying and nurturing talent at this level.

Several sponsors identified included: Mumias Sugar Company which sponsored teams like the AFC Leopards, Brookside Dairy, East African Breweries through their brand Tusker, Nakumatt Supermarket chain through their team, Kenya Revenue Authority through their team, East African Portland Cement through their Brand Blue Triangle, Nzoia Sugar Company Limited, Sony Sugar among others. These corporates sponsored KPL together with their teams to different magnitudes.

4.3.1 The role of the sponsors in promoting football in Kenya

The study sought to establish the role of different sponsors in promoting football in Kenya. From the responses, the interviewee indicated that the sponsors played various roles including: providing financial support, increasing public awareness of football in Kenya; altering or reinforcing public perception of football in Kenya; involving Kenyan football in the community. They also helped in instilling discipline among players and fans to ensure that the football game was held in high esteem.

4.3.2 Role of Player Representatives or Agents in Promoting Football in Kenya

The interviewees were requested to identify different roles that player representatives played in football. From the responses, the interviewees noted that Player representatives or agents were wide as they ranged from protecting the interests of the players through well negotiated contracts, providing advice, disciplining the player, and ensuring that the player was well taken care off.

They helped the players by providing experience, negotiating ability and an eye for opportunity. They also helped in recruiting the right soccer client where the player could ply their trade. They helped bring about commercialization of the football as a skill and a profession. They created a professional network in football profession

where players could meet and share experiences constructively for their own future wellbeing. They also helped promote a football player to a potential club by marketing them and negotiating on their behalf. They utilized the media to promote a client.

4.3.3 Contributions of Football Transfers to International Business

The study sought to establish how football transfers contributed to international business. The interviewees noted that through football transfers, clubs and the players were offered a chance to improve their market worth. They helped players enter into contractual agreement with teams and spell the terms of engagement. They also provided an opportunity for football clubs to sign new players and at the same time sold off others for better performance. It basically helped the clubs balance their operations by selling off some players whom they deemed were well placed for other teams and at the same time, it enabled them to bring on board new players.

In order to promote the level of integrity, accountability and innovation in football players transferred as per the article 5 of the FIFA Statutes. These helped settle down disputes among clubs and players for a stronger football industry. Players could register to a football club only during one of the two annual registration periods which were determined by the relevant football association. By introducing transfer periods, teams were able to plan their seasons well and at the same time, players were able to plan their profession accordingly.

Clubs had invested in alternative and more cost-effective means of acquiring talent by investing in players, clubs had opted to take a risk on a number of players from these regions in the hope that they returned a significant profit and also clubs vied for new

talent with agents ready to benefit financially. Through transfers, they were able to recoup their investment.

The interviewees were further requested to indicate whether football contributed to international business or not. From the responses, the interviewees indicated that football contributed greatly to international business. Many businesses took risks on a number of players from regions in the hope that they returned a significant profit and also businesses vied for new talent with agents ready to benefit financially. The interviewees indicated that the football profession involved several international suppliers who would run out of business if football industry did not thrive. For instance, the games kits used by players on the field were supplied by various firms across the world. There were a number of well-known and reputable companies producing different attires like boots, knee caps, knee shields, T-shirts and shorts, balls and other equipment. This was a big international market and hence the role of football in promoting international economy.

On other ways that football contributed to international business, the interviewees identified the role played by associated industries such as media, sportswear, advertising among others had seen football as an attractive business and thus many off-the-field developments had sped up their expansion as they invested colossal sums of money entering in business. Football games promoted other related economic activities of nations thus positively contributing to economic growth. Football games helped in advertising brands as many brands sought to increase their awareness among football game lovers.

Football had utilization of sport marketing experts as the most important item and creating sports marketing professional agencies. Football helped in developing

strategic and operational plans for sports marketing. There was transparency of economic and financial information of sports clubs giving Awareness to industrial companies about the benefits of sport sponsorship. Football had a good number of spectators at sport events which was the most important item and used famous players and coaches in sport teams. Spectators' commitment to consume goods and services of the sponsors and Creating Fan Clubs by sport teams was the less important item.

4.4 Effects of management accountability in local football to attract international sponsors

The interviewees were requested to provide information on the effects of management accountability of local football on attracting international sponsors. From the responses, the interviewees indicated that football games in Kenya were governed by FIFA which is an international body. Efforts by local government to bring order and accountability in the football game had faced challenges because of several centres of power in the management of football. In some instances, the decisions by government of Kenya were over-ruled by FIFA leaving the FKF management protected despite mismanagement of resources allocated to them. The respondents noted that accountability of allocated funds by Football Association brought a positive effect, international business would partner once more with the football clubs since they would see how accountable the football club was with the funds.

On how local football games earned foreign income, the interviewees indicated that the various teams taking part in the KPL were under the overall management of FIFA. The international body sent in some cash to support the running of the game. In addition, several tourists came into the country to watch the games hence earning

foreign income. In addition, the players in the local football were identified and transferred to teams outside the country thus brought foreign income to Kenya.

On the role of local clubs or teams in attracting international business, the interviewees indicated that local teams attracted international business by nurturing football talent which was then identified on international scene as players transferred to international teams to play professional football.

The interviewees noted that lack of exposure of local football talent affected international business to a great extent as the international teams did not identify the talent that Kenya had thus local players missed chances to join teams outside the country to play professional football.

On the benefits that a country got when local football team participated in the international league, the respondents indicated that the country gained increased awareness and other economic activities got activated. For instance, tourism would flourish following the local team playing on the international level hence earned foreign exchange and income.

On the challenges that the organisation was facing in trying to market local football to the international markets, the interviewees noted that: hiring top talent was the biggest challenge in football as the process of finding the perfect person could take months or more. In addition, finding more uses for sports facilities to justify the first costs and to gain more support for public funding was difficult. There was poor sustained fan engagement. Whether at the live game or at home, teams needed to keep their fans involved and engaged. They also identified corruption as the most important factor ailing football in Kenya. Leadership, there was moribund leadership that increasingly

appeared to be out of touch with reality. The funds available to manage football games in the country were also not enough.

On the strategies being used by FKF to promote local Football in the international market, the interviewees noted seeking for football game sponsorship and well-wishers who could assist with technical skills and resource to promote football talent growth in the country. Other strategies included: Planning, developing, and maintaining football facilities that best provided for the society, and helped football to produce facilitated benefits. Ensured that all stakeholders knew the importance and role of football and the services they provided. Supporting all football clubs to function and operate soundly in order to achieve profitability. To be useful and having the respect and acceptance from all football clubs. Supporting football clubs more to be involved and well represented at Federation level.

On whether hiring of an international coach to train local football teams helped in enhancing International business in any way, the interviewees answered yes. They argued that through international coaches, the quality of skills possessed by local players improved thus improving their abilities of joining international clubs outside the country. The system of international coaches was high and they had a lot of experience since they had coached other international teams so the performance would be good.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter presents the summary of the study findings in section 5.2, conclusion in 5.3, recommendations in 5.4, limitations of the study in 5.5, and suggestions for further research in 5.6

5.2 Summary of Study Findings

The objective of this study was to determine the contribution of football games to international business in Kenya. The study adopted a case study design as the unit of study was FKF. An interview guide was used to collect data which was analysed using content analysis. From the findings, the study established that the highest Level of Education Achieved varied from Certificate, Diploma and first degree whereas on the period worked with their organizations ranged from two years to ten years. The current sponsors of Kenya Premier League included East African Breweries through their Tusker brand; SportsPesa, among other corporate that sponsored various teams taking part in the Kenya premier league.

On the role of different sponsors in promoting football in Kenya, the study established that the sponsors provided financial support, increased public awareness of football in Kenya; altering or reinforcing public perception of football in Kenya; involving Kenyan football in the community. Player representatives or agents were wide as they ranged from protecting the interests of the players through well negotiated contracts, providing advice, disciplining the player, and ensuring that the player was well taken

care of. They created a professional network in football profession where players could meet and share experiences constructively for their own future wellbeing.

On the Contributions of Football Transfers to International Business, football transfers, clubs and the players were offered a chance to improve their market worth. They helped players enter into contractual agreement with a team and spelt the terms of engagement. Football contributed greatly to international business. Many businesses took risks on a number of players from regions in the hope that they returned a significant profit and also Businesses vied for new talent with agents ready to benefit financially. Football games promoted other related economic activities of nations thus positively contributing to economic growth. Football games helped in advertising brands as many brands sought to increase their awareness among football game lovers.

On the effects of management accountability local football attracted international sponsors, the study established that accountability of allocated funds by Football Association brought a positive effect, international business would partner once more with the football clubs since they would see how accountable the football club was with the funds.

In order to promote the level of integrity, accountability and innovation in football player transfers as per the article 5 of the FIFA Statutes. These helped settle down disputes among clubs and players for a stronger football industry. Football had a good number of spectators at sport event which was the most important item and using famous players and coaches in sport teams. Spectators' commitment to consume goods and services of the sponsors and Creating Fan Clubs of sport teams helped promote football further. As the interviewees indicated, football games in Kenya were

governed by FIFA which is an international body. Efforts by local government to bring order and accountability in the football game had faced challenges because of several centres of power in the management of football.

On how local football games earned foreign income, the interviewees indicated that the various teams taking part in the KPL were under the overall management of FIFA. The international body sent in some cash to support the running of the game. In addition, several tourists came into the country to watch the game hence earning foreign income. In addition, the players in the local football were identified and transferred to teams outside the country thus bringing foreign income to Kenya.

On the challenges that the organisation was facing in trying to market local football to the international markets, the interviewees noted that: hiring top talent was the biggest challenge in football as the process of finding the perfect person could take months or more. In addition, finding more uses for sports facilities to justify the first costs and to gain more support for public funding was difficult. Lack of exposure of local football talent affected international business to a great extent as the international teams did not identify the talent that Kenya had thus local players missed chances to join teams outside the country to play professional football.

On the strategies being used by FKF to promote local Football in the international market: seeking for football game sponsorship and well-wishers who could assist with technical skills and resource to promote football talent growth in the country was suggested. Other strategies included: Planning for, and developing, a soccer 'entities' infrastructure that best served our communities, and assisted Soccer to best deliver facilitated benefit. Ensuring all clubs could identify and know the value and role of Soccer and the services we endeavoured to provide. On whether hiring of an

international coach to train local football teams helped in enhancing International business in any way, the interviewees answered yes. They argued that through international coaches, the quality of skills possessed by local players improved thus improving their abilities of joining international clubs outside the country.

5.3 Conclusion

The study concluded that football games played an important role in promoting international business in Kenya. It first availed an opportunity to suppliers of various goods and services to the industry including media houses and garment manufacturers across the world. It also enhanced the engagement of international experts to coach local players besides local players transferring to teams outside Kenya for professional football.

The study also concluded that football games promoted good corporate citizenship where various corporations engaged themselves to promote and sponsor various teams taking part in the Kenya premier league.

The study also concluded that FKF faced a number of challenges in the management of football games in Kenya. Key among the challenges was limited funding which limits their activities. Other challenges included corruption and mismanagement of resources.

The study further concluded that there were various strategies that the football game organization could adopt to promote local Football in the international market including transparent accountability among the management of the FKF.

5.4 Recommendations for Policy

Based on the findings of this study and the conclusions thereof, the study makes a number of recommendations. First, football game plays an important role in the promotion of international business in Kenya. It provides an opportunity for international firms to supply their goods and services to Kenyan firms and at the same time offering local experts to export their goods and services to other nations. This study therefore recommends that football game be upheld and guarded for continued interaction of the Kenyan economy with the international world.

The study also established that the Kenya Football Federation faced a number of challenges which hampered their administration of the football game in the country. This study recommends that the level of transparency and accountability be improved by observing good governance and electing individuals with clean track records.

The study also established that there were a number of strategies that the Federation could adopt to improve the administration and status of football game in the country to promote international trade. This study therefore recommends that the Federation continuously seek for football game sponsorship and well wishers who could assist with technical skills and resource to promote football talent growth in the country

5.5 Limitations of the Study

The study focused a case of football games and international business in Kenya. This limited the applicability of study findings to other sports doing very well in the country like athletics and Rugby. The study is also specific to Kenya. This means that the study suffers from the limitations of country specific studies as it cannot be

generalized to other countries as they have different operating environment from that of Kenya.

5.6 Suggestions for Further Research

The study suggests that future studies should cover other sporting activities in the country to allow overall generalization of study findings. The current study was limited to football games thus may not apply to other sporting activities.

The current study also concentrated on Kenya Premier League yet football played in other countries and leagues have a huge following among Kenyan fans. This study therefore recommends that another study be conducted focusing on the contributions of international games on international business in Kenya.

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APPENDICES

APPENDIX I: INTRODUCTION LETTER

Dear Sir/Madam

RE: DATA COLLECTION

I am a post graduate student at the University of Nairobi, undertaking a master of business administration. As part of my course I am required to carry out a research project on contribution of football to international business: A case of Football Kenya Federation. You have been selected to form part of the study and are kindly requested to assist me collect the data by agreeing to respond to this interview guide. I hereby confirm that the information obtained shall be used solely for academic purposes.

Your assistance will be highly appreciated.

Yours faithfully

APPENDIX II: INTERVIEW GUIDE

Goal of the Interview Process

To determine the contribution of football to international business in Kenya: Football Kenya Federation.

Section A: Respondent Background interview

1. Which position are you in?
2. What is the highest level of education you have achieved?
3. How long have you worked for the organization?
4. How long have you worked in your current position?

Section B. The Contribution of Football to International Business

1. Who are the current sponsors of Kenya Premier League? What role does these sponsors play in marketing local football in Kenya?
2. What is the role of the sponsors in promoting football in Kenya?
3. What is the role of player representatives or agents in promoting football in Kenya?
4. How do football transfers contribute to international business?
5. Does football contribute to international business? If yes, please explain how in details
6. Explain other ways that football contributes to international business?
7. Does accountability in management of our local football attract international sponsors? Please explain in details?
8. How does local football earns foreign income? Please explain in details
9. What is the role of local clubs or teams in attracting international business?
10. How does accountability of allocated funds by Football Association affect international business? Please explain in details

11. Does lack of exposure of local football talent affect international business? If yes, please explain in details.
12. Outline some of the benefits that a country gets when local football team participate in the international league?
13. Please mention the challenges that the organisation is facing in trying to market local football to the international markets?
14. What do you think are the main challenges currently facing local football?
15. What are the strategies being used by your organisation to promote local Football in the international market?
16. Does hiring of an international coach to train local football teams enhance? International business in any way? Yes or No
17. If yes, please explain how