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Influence of Competitive Strategies on Marketing Performance of Animal Feeds Industry in Nairobi County, Kenya

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Abstract: **The majority of feed manufacturing firms are concentrated in the major towns in Kenya and the current market allows for free entry and exit into the industry, this gives rise to heavy investment in marketing by many firms in the country so as to grow and maintain their market share. The study thus aimed at finding out the effect of competitive strategies on the marketing performance of animal feeds in Nairobi County, guided by specific objectives; To determine the influence of cost leadership on marketing performance of the Animal feed industry in Nairobi County, Kenya; to establish the influence of product differentiation strategy on marketing performance of Animal feed industry in Nairobi County, Kenya; to evaluate the influence of market focus strategy on the marketing performance of Animal feed industry in Nairobi County, Kenya. The study adopted a descriptive research design, with a population of all the 38 registered animal feeds firms in Nairobi County, the study thus targeted sales and marketing management teams from each of the companies. The study employed stratified random sampling where the 38 firms were made into units then targeted 3 respondents from each unit; Sales and marketing manager, operations manager and sales representative giving a total of 114 respondents. The study used questionnaire as the main primary tool for data collection and SPSS 24.0 for data analysis. The presentation was in form of tables and charts. The results of the data analysis were presented and conclusions were drawn. From the results it was concluded that all the four competitive strategies of Cost leadership, Focus, differentiation and lock-in effect have a positive and significant relationship to performance. This study recommends that animal feeds manufacturers in Kenya should use more of the cost leadership strategy since it has the biggest significant relationship to performance.**

Keywords: **Cost Leadership Strategy, Market Focus Strategy, Product Differentiation Strategy, lock-in effect strategy, Marketing Performance.**

1. INTRODUCTION

1.1 Background of the Study

In the world today, the prosperity of any organization or business unit in a competitive international environment needs effective strategies and that can lead an organization to move from one level to another as far as the productivity of the organization is concerned. Most business entities are on the verge of collapsing since they lack good strategy and a plan for the cut-throat competition existing in the business world. This calls for a business strategist to come up with better Competitive strategies which is a vital tool for most organizations' prosperity in the world today (Reibstein, & Gunther, 1997).

Dogan (2015) asserted that strategy is a plan of action considered by organizations aspiring and being propelled towards achieving their goals of maximizing wealth. A strategy is deemed as one of the most vital tools used in achieving the organizational goals and the organization lacking the strategic plan is a sinking organization. A strategy is the totality of actions and efforts the organization has to implement while achieving long-term goals and perpetual existence in the competitive world. It is a very crucial element for the profitability of the firm and the satisfaction of the employees in that particular organization. It also helps the company to monitor its business environment with a view of putting a plan in place to cope with the existing environment. Most companies lack strategies in place and they are deemed to fail. Apart from competitors' financial prowess, a good strategy is critical as it will cause them to expand their capacity and capability of trading. A strategy is normally seen as a way of putting resources and activities of an organization in a well-coordinated manner to accommodate the environment upon which the organization operates (Johnson & Scholes, 2002).

Competitive strategy and marketing performance are congruent and marketing sector cannot perform without a good strategy and when the two variables are in harmony, organization achieve its goals in a long run basis. For the realization of a long term plan and for the organization to gain competitive advantage over its competitors in the industry, organizations must have a good strategy aimed at creating a defensive position in an industry upon which it operates and generating more superior return on investment in this case the animal feeds products. Porter (1985) asserts that by resourcefully pursuing cost leadership in a given product or service, differentiation or focus as generic strategies, a company is likely to realize long-term competitive advantage over its rivals.

According to Madsen and Walker (2015), an organization failing to adopt a generic strategy normally fails to realize any of its objectives and is said to be stuck in the middle. he further asserts that competitive advantage is only realized when an organization is capable of delivering similar benefits as competitors but then at a lower cost, thus a competitive advantage aids the firm to produce superior products at any given time when it is in demand, and consequently, a competitive advantage leads a company in creating superior value for its customers and superior profits for itself during the time in operation. Marketing is considered as the process upon which companies develop value for its customers and build strong customer relationships on a long run basis and this is done to capture value from customers in return (Madsen, & Walker 2015).

1.1.1 Competitive Strategy

For firms to sail through in an environment that is globally competitive, they must have sound strategies. A good competitive strategy is a precursor to business success given the competitive challenges that firms may encounter. For firms to remain relevant in the market and gain a competitive advantage, competitive strategy is key. If a firm lacks suitable strategies it cannot leverage the existing opportunities and it's destined to fail.

A company that has an edge over its competitors in defending against competitive forces is said to have a competitive advantage (Thompson & Strickland, 2002). Dogan (2015) while observing competitive strategies from a business level perspective believes that it is the realization of competitive advantage by a business entity in its specific market. Simon, (2012) on the flip side perceives competitive strategies as skill-based and it encompasses innovation, positioning, critical thinking, execution, strategic thinking and the art of warfare. According to Porter (2004), competitive strategies mainly advanced explicitly through a planning process or implicitly through approaches set by a firm's professional alignment and the incentives of its directors.

The strength of strategies adopted by various organizations is hinged on some important dimensions that can lead the company to greater performance levels in the present and future competitive market conditions. Cost controls, Product differentiation and market focus strategies have turned out to be a crucial source of competitive advantage (Malburg, 2007). Over the years, organizations have adopted these strategies and have enabled them to manage the increasing complexities in the internal and external business environment. According to Barney (2007), for a firm to be considered to have a competitive advantage, it is when the firm is able to execute value-creating strategy that is not simultaneously being implemented by any existing or potential business actor. According to Porter (1985), the theory of competitive advantage is a business concept describing qualities that permit an organization to outstrip its competitors. The qualities could be access to new technology, entry barrier, access to natural resources, geographic location and highly skilled personnel. Porter (1985) outlined the two types of competitive advantage that a firm can achieve relative to its rival: differentiation or low cost. This advantage arises from characteristics that allow an organization to outshine its competitors. The theory also expresses business strategy as the tool that manipulates the resources and creates competitive advantage henceforth viable business strategy might not be sufficient unless it possesses control over unique resources that can create such unique advantage. This study on competitive strategies seek to find out whether different competitive strategies undertaken by the animal feeds firms had any effect on the marketing performance of animal feed industry in Nairobi County, Kenya.

1.1.2 Marketing Performance

Kotler and Keller (2008) defined marketing as a management function whose key aim is to ensure product or service reaches the consumer, satisfy their demands, putting into consideration their purchasing power while at the same time achieving the goal of the company. In Marketing, two-way communication is of importance between the buyer and the seller. There has to be a two-way communication flow between the seller and the buyer in the existing dynamic market environment which is a result of the continuously changing market forces. It's the mindset of thoughts which involves defining the needs of capable and real customers by pointing out their goals and constantly servicing and satisfying desires and needs at a profit (Wendy, 2010).

According to Homburg (2007) marketing performance is defined as the efficiency and effectiveness of an organization's marketing activities regarding market-related goals such as growth, revenues and market share. Even though there is little consensus on how marketing performance is to be measured, some universal trends may be recognized from studies of marketing performance.

The initial effort on how to measure marketing performance concentrated mostly on the financial measures of profit, sales (unit and value), and cash flow (Bonoma & Clark 1988; Feder 1965; Sevin 1965). According to (Eccles 1991) there exist apprehension on the use of financial measures to assess business performance since it does not take into consideration the long-term after-effects. (Clark 1999) noted that newer nonfinancial measures of output such as customer satisfaction, customer loyalty and brand equity have attracted considerable research interest. Davidson (1999) likewise recognized the increasing significance of non-financial performance measures. Intangible assets such as technology, brand, customer loyalty and competence have gradually become more important measures of corporate performance.

From this viewpoint, marketing performance may seem to work well when both financial and non-financial measures are incorporated since there exists no universal tool for quantifying marketing performance. Clark (1999) submitted that there ought to be a better use of the existing measures rather than devising new ones. Judging from this, three dimensions of the measurement of marketing performance are fundamental, sales growth, market share and brand equity.

1.1.3 Animal Feeds Industry in Kenya

There are 77 registered animal feeds manufacturing firms in Kenya (Association of Kenya Feed Manufacturers (AKEFEMA), 2014) which manufactures approximately 60% of the demand while the unregistered firms-manufactures the remaining 40% (United States Department of Agriculture (USDA), 2014). Animal feeds manufacturers operate mostly in Nairobi and Central Kenya regions due to the high number of commercial poultry and dairy enterprises in the areas; poultry and dairy feeds account for 41.23% and 39% respectively of all animal feed manufactured in Kenya (International Feed Industry Federation (IFIF), 2013). Most animal feeds' manufacturers are small scale; those manufacturing less than 1000tons per month form 88.9%, those producing 1000 to 6000 tons per month form 7.24% while those manufacturing more than 6000tons per month comprise 3.28%. Firms producing the bulk of the feeds are based in Nairobi and neighboring counties. Wheat, maize, and their byproducts are the main raw materials used for feed manufacture (KMT, 2017)**.** In Nairobi County, there are 38 registered animal feeds manufacturing firms (AKEFEMA, 2018) and majoring are engaged in the manufacture of feeds for poultry, pigs, and cattle. These manufacturing companies also manufacture mineral supplements. Animal feeds are distributed directly to consumers or through agents such as wholesalers, retailers, farmer cooperative societies, chick hatcheries, Agrovet shops and hardware shops (AKEFEMA, 2018).

1.2 Statement of the Problem

The majority of animal feeds manufacturing firms are centralized within the key towns in Kenya and the market permits free entry and exit into the industry and products offered are likely substitutable making the market highly competitive. The scarcity of raw material tied with swelling wheat prices at the world market proving unfavorable therefore distressing the operations in the industry (Dogan, 2015). These factors bundled together present a hostile environment in the industry and this calls for the best strategic practices coupled with sound marketing techniques in order for the firms to grow and maintain their market share. This can also make it easy for the firms to penetrate to other towns which will consequently reduce the degree of competition in the marketplace. The level of competition that exists within the industry is extremely keen. The success of each company is hinged on its ability to gain market share and this has made the industry players go to various lengths to increase capacity and to manage their costs. The firm overcomes competitive market forces by adopting effective competitive marketing strategy that enables it to compete favorably to remain relevant and maintain customer loyalty to improve performance, outperform competitors and gain superior performance (Anetra, Martin & Akridge., 2006). This has stimulated the actors within the industry to embrace various innovative competitive strategies in their management system. When adopting competitive marketing strategies, a firm should consider the market forces in the industry as well as its resource base and dynamic capabilities (Rainbird 2004).

Regarding competitive strategies, numerous studies have been conducted on and how they either influence or affect organizational performance. For instance, Gituku (2015), studied on effects of competitive strategies on the performance of middle-level colleges in Thika sub-County. The study found out that there is a positive correlation between market focus, pricing strategies, collaborations and adoption of technology all of which affect the performance of middle-level colleges in Thika Sub-County. The study focused on the higher learning institutions which are not players in the animal feeds industries thus the findings may not apply in the case of animal feeds. Munyiri (2014) also studied competitive strategy and focused customer retention among commercial banks in Kenya, the study found out that banks adopt differentiation strategies through solving dissonance among their customers, however, these findings may not work well with the feeds industry for the product in question is different. Baraza and Araza (2017) on the other hand, in their study on effects of competitive strategies on performance of manufacturing firms in Kenya a case study of East Africa breweries limited, found that differentiation and cost leadership to be having a negative influence on performance which implies minimal implication on the firm. The study thus recommended that management should develop and maintain innovativeness, creativeness, and organizational learning within a firm and also to engage in cost reduction strategies to enhance successful differentiation and cost leadership strategies.

From the studies reviewed above, none has examined the implication of competitive strategies on marketing performance, focusing on animal feeds in Nairobi County. There exist a clear knowledge gap which this study seeks out to fill by examining the effects of competitive strategies on the marketing performance of the animal feeds industry in Nairobi County.

1.3 Research objective of the Study

The study was guided by the following objectives;

1.3.1 General objective of the Study

To determine the influence of competitive strategies on the marketing performance of the Animal feed industry in Nairobi County, Kenya

1.3.2 Specific objectives of the Study

1. To determine the influence of cost leadership strategy on marketing performance of the Animal feed industry in Nairobi County, Kenya

2. To establish the influence of product differentiation strategy on marketing performance of the Animal feed industry in Nairobi County, Kenya

3. To evaluate the influence of market focus strategy on the marketing performance of the Animal feed industry in Nairobi County, Kenya

4. To determine the effects of lock-in effect strategy on marketing performance of Animal feed industry in Nairobi County.

1.4 Research questions of the Study

The research will be guided by the following questions.

1. What is the influence of cost leadership strategy on the marketing performance of the Animal feed industry in Nairobi County, Kenya?

2. What is the influence of product differentiation strategy on the marketing performance of the Animal feed industry in Nairobi County, Kenya?

3. What is the influence of market focus strategy on the marketing performance of the Animal feed industry in Nairobi County, Kenya?

4. How does lock-in effect strategy affects marketing performance of Animal feed industry in Nairobi County?

1.5 Significance of the study

The study will benefit the following

1.5.1 Stakeholders

This study will be of importance to the actors in the Animal Feeds Industry as it will help in making the most out of the competitive strategies set out to be undertaken. Knowledge gained in this study will assist animal feed manufactures in Nairobi County adopt competitive marketing strategies to improve marketing performance hence occasion desired business outcomes. It will help the managers make decisions that help increase and sustain their market share for enhanced profitability. The knowledge will also help upcoming entrepreneurs in the industry get insights before venturing. Additionally, the study will be of great importance to the marketing agencies that provide marketing services to such organizations. This will come in handy in helping design and embark on marketing practices that enhance the performance of businesses.

1.5.2 Government

To the government, the flour milling industry is critical to the economy due to heavy reliance on maize and wheat consumption as well as farming. The findings of the study will be crucial to the government as it will help in formulating marketing related policies that protect both the industry players and the citizens. The government will be in a better position to ensure the availability and affordability of animal feeds to enhance farm productivity and consequently improving food reserves.

1.5.2 Scholars

Researchers may employ the findings from this study for benchmarking purposes as they undertake further research as well as stimulate further research in this area. The study will occasion substantial contribution to the developing body of research on competitive strategies through creating more knowledge on the symbiotic relationship between adopted strategies and marketing performance

2. LITERATURE REVIEW

2.1 Theoretical Framework

Mathooko *et al.* (2011) define a theoretical framework as a logical set of prepositions derived and supported by data or evidence and is used to explain a phenomenon. This study was supported by two theories namely Porter's five forces model and resource-based view theory to evaluate impact of competitive strategy on marketing performance.

2.1.1 Porter's Generic strategies Model

Most business all over the world uses Porter's model tool to analyze business competitiveness. The model is comprised of five forces that communicate well how a company can perform in a competitive environment. The forces include fierce rivalry, the threat to entry, the threat to substitutes, the power of suppliers and the power of buyers (Porter, 2008). According to Porter (2008), businesses can develop an outstanding strategy using forces that shape business competition.

Generally, strategies directly correlate with organizational performance while putting into consideration key strategic practices. However, Porter (2008) cites that there is a need to be cautious when employing the model. In case the forces are extreme, chances are a business may lose it in the game, and consequently, the wise use of the forces would result in an excellent performance. The implementation of the forces differs with industry. Therefore, it is in an organization's mandate to study its nature of business and select appropriate forces that enhance competitiveness. The commonly used strategies are low-cost strategy, focus strategy, differentiation and combined strategies (Dobbs, 2014). These forces are the basis for strategies and if they are well implemented, they would let a company walk through the raging competition in a particular industry (Dobbs, 2014). Dobbs (2014) asserts that most companies are concerned with the competition in their respective industries. Equally, Porter (1985) states that a low-cost strategy and differentiation strategy have discrete ends and are not related to one another; this has impelled theoretical debate and empirical research.

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Fournier (2008), on the other hand, suggested that low-cost strategy and differentiation strategy are different and very independent to an extent and hence should be pursued simultaneously. The basic strategy framework could be enriched by considering differentiation, focus, and low cost as three strategic positioning dimensions other than as three discrete strategies (Miller and Dess, 2010). White (2008) supports that the gist of considering several sources of competitive advantage is both desirable and viable. Porter's model is a powerful instrument for systematically analyzing the main competitive pressures in a market and evaluating each force. Kitoto (2005) observed that the best way to profitably compete in a competitive market is to have a correct analysis of the five forces that would lead to the right generic strategies. Consequently, corporate leaders would have an insight into choosing the perfect strategy that best fits the organization. They would first conduct an assessment and identify competitive pressures, weighing the strength of each and hence having the gist of the sector's competitive strategy. Managers are at a better place to develop and improve the competitiveness of a company, through the knowledge of the power and intensity of competitive forces. Porter's model further suggests that the survival of organizations is dependent on the adoption of strategies that best suit the busy market place. Consequently, to win a firm has to be very selective on strategies that will impact competitive forces. However, Bresnahan and Reiss, (2010) contrarily suggest that most companies pursue low cost and differentiation simultaneously may not make it to survive in a busy market. However, there are pieces of evidence that some organizations have performed perfectly well by pursuing both advantages.

2.1.2 Resource-Based View (RBV) theory

Understanding resource-based view theory would require dissection of an organization's internal environment, with a deep look at company resources (Wernerfelt, 1984). Centrally, RBV is concerned with the primary subject of the different firms and how they strive to realize and sustain competitive advantage by positioning their resources (Kostopoulos et al, 2002). Kay (2000) cites that RBV is based on the concept of economic charter and the potential of an organization. Normally, strategic tools focus on the external competitive environment of the organization, the RBV emphasizes the necessity for a relationship between the external environment and internal environment. Therefore, this perspective asserts that the internal factors such as capabilities and resources are the vital determinants of strategic action (Hint et al., 2004). Initially, the idea of firms viewed as a package of resources can be traced back to 1959. Penrose (1959) noted that "the heterogeneity, not the homogeneity, of the productive services available from its resources that give each company its unique character." Perceiving companies in terms of disposable resources would expose a different concept from the traditional concepts that explains competitive advantage as an external paradigm. Andrews (1987) and Porter (1985) asserts that the associations of a company to its external environmental factors are the main determinants to good returns. Barney (1991) came up with a model to classify features of company resources required for the generation of sustainable competitive advantage. The features of the resources would be valuable, unique, immutable, and cannot be substituted. A resource with such a description is considered a strategic asset. Amit & Schoemaker, (2010) further expanded the concept of features of resources and added non-traceability, idiosyncratic, and durability. RBV outlines the concept of the inside out process of developing strategy. "A central thrust is the contribution of core competencies as strategic assets, which will be the continuing source of new products and services through whatever future developments may take place in the market, which by their nature, are not known" (Connor, 2002). RBV is concerned with strategic management and decision-making as the basis of superiority of an organization rather than providing a guideline to environmental compatibility. Resources in this case can be defined as the human and organizational assets that are used to implement value-creating strategies. According to Collis (1994), "capabilities are always vulnerable to be competed away by a competitor's higher-order capability, amongst other limitations such as erosion or substitution." The core RBV approach is Intangible assets for they cannot be simply bought or duplicated compared to the tangible assets. Hall (1992) suggested that product reputation, organizational culture, know-how, and networks are the major contributing factors to the general performance of a company. Therefore, "the asymmetric performances between heterogeneous companies are very much driven by the intangible strategic assets" (Hall, 1992). Consequently, Lovas and Goshal (2000) concluded that "organizations can realize synergy during exploitation and creation of human and social capital as intangible assets to obtain better performances in the long run." "Differentiation helps to sustain competitive advantage, but conformity to institutional pressures provides legitimacy, resources, and competitive advantage." "In contexts where institutional and competitive pressures exert strong influences, the strategic decisions of managers result both in conformity to institutional pressures, which leads to isomorphism and legitimacy and in differentiation following the resource-based view of the firm, can increase the possibility of creating a competitive advantage through heterogeneity in resources and capabilities" (Ogbonna & Harris, 2003). "Differentiation tends to reduce rivalry, increasing the possibility of building competitive advantages, whereas conformity improves stakeholders' social support and therefore, the legitimacy of the firm" (Ogbonna & Harris, 2003). "Differentiation reduces competitiveness and the fight for scarce resources, thereby improving company' performance; on the other hand, conformity makes all organizations similar and therefore, the competitive pressures are stronger"(Ogbonna & Harris, 2003).

2.2 Conceptual Framework

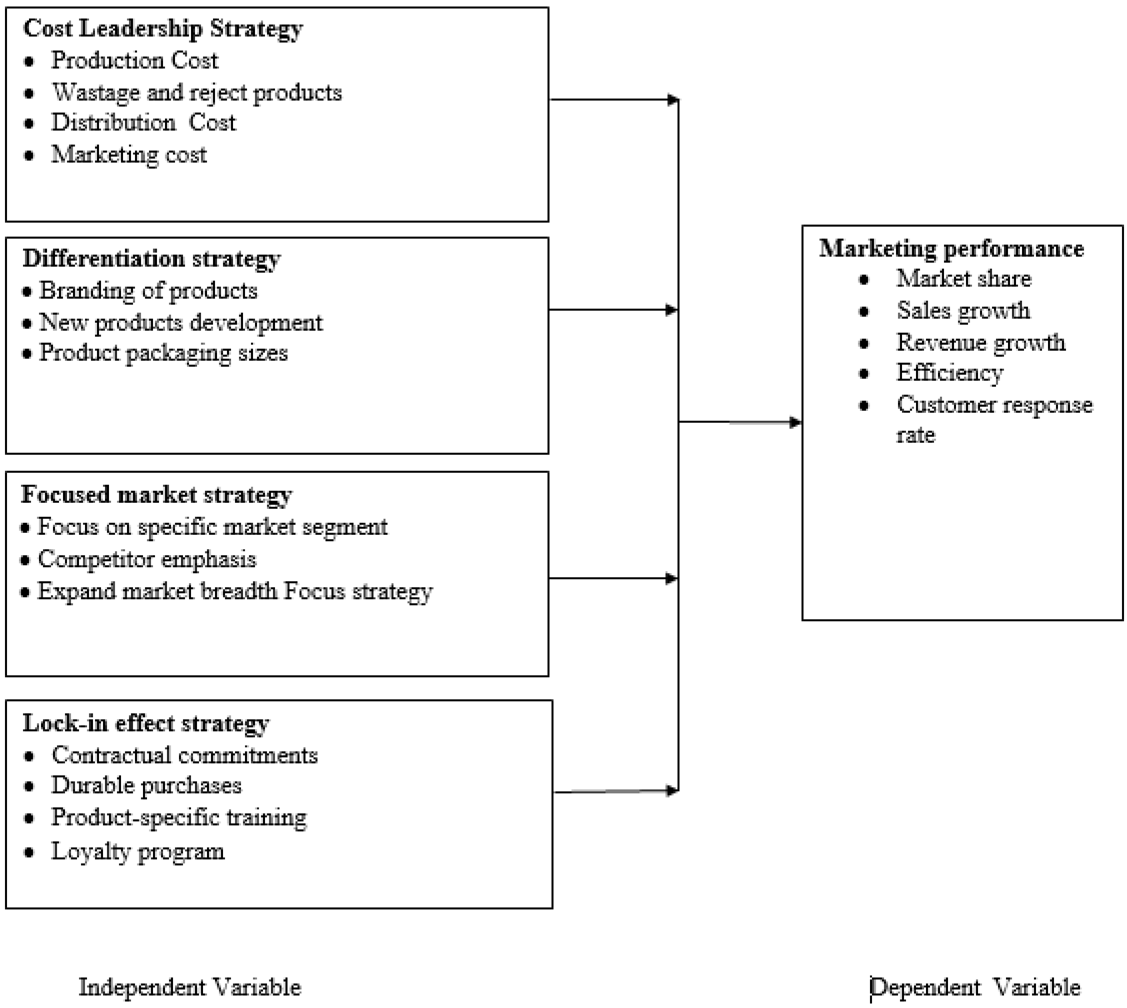

Figure 2.1 Conceptual Framework

2.3 Low-Cost Leadership Strategy

"Cost leadership is a cohesive set of actions intended to deliver or produce services or goods with acceptable aspects to clients at the lowest cost pertinent to competitors" (Malburg, 2000). The cost leadership concept entails cost advantages and when a firm makes use of this strategy it becomes a cost leader in the industry. A firm that takes a low-cost advantage would enjoy economies of scale that is by producing large volumes of products and selling at a lower price. The idea of lowering prices would attract many customers hence great sales return (Akan et al., 2006). Lowering prices can enable a firm to achieve a competitive advantage since it will be a market leader. "Cost leadership strategy focuses on increasing profits by reducing costs while charging industry-average prices and increasing market share by charging lower prices while still making a reasonable profit"(Akan et al., 2006).Porter's generic strategy cost leadership, focuses on the achievement of competitive advantage by making a firm become a cost leader in the industry (Malburg, 2014). To realize a low-cost advantage animal feeds companies have to consider all forms of costs incurred, that is, operational cost. A firm embracing a low-cost strategy has to commit to achieving a positive outcome. At this point, a firm would have to discontinue any operation that has not cost advantage and perhaps consider factors like outsourcing certain services to minimize the cost of production and maximize profit. However, a firm can benefit from a cost leadership strategy only if it has a large market share. Cost leadership can be achieved through; mass production, technology, economies of scale, service and product design, mass distribution and resource utilization. Porter (1998) asserts that one firm at a time can be a cost leader. For an animal feed firm to outperform its competitors it has to win a cost leadership role (Malburg, 2014). "Lower costs and cost advantages result from process innovations, learning curve benefits, and economics of scale, services, and product designs, reducing operations time and costs and reengineering activities" (Madsen & Walker 2015). Cost leadership strategy can be effective when a company produces more than its competitors. Consequently, when the business design and products are compatible with the market. "Lower prices lead to higher demand and therefore, leads to a larger market share. As a low-cost leader, the animal feed industry can present barriers against new market entrants who would need large amounts of capital to enter the market" (Madsen & Walker 2015). Malburg, (2014), asserts that price leaders are rather protected from industry-wide price reductions. Lowering prices attracts more customers; however, if it goes below standard it may lower revenues hence, poor financial performance. "The firm sells its services and products either at average industry prices to earn a profit higher than that of rivals, or below the average industry prices to gain market share" (David, 2011). In the case of price wars, a firm employing a low-cost strategy would enjoy profits and the competitors would suffer losses. "The cost leadership strategy usually targets a broad market" (David, 2011). A company embracing a cost leadership strategy would mean they offer low prices compared to their competitors. "A firm opens up a sustainable cost advantage over competitors and uses that lower cost as a basis for either underpricing the competitors and gaining a larger market share at their expense or earning a higher profit margin by selling at the going price"

(Brooks, 2010). "Successful low-cost producers achieve cost advantages by exhaustively pursuing cost savings throughout the activity cost chain. A cost leadership strategy is designed to produce goods or services more cheaply than competitors by stressing efficient scale of operation" (Lestor (2009). One appropriate way of determining if a company's cost leadership strategy is working out is when its product design is outstanding, with massive production, and sells similar products and services more efficiently than its competitors. It equally must have shown a record of good market share compared to its competitors (Brooks, 2010). In this, an animal feeds firm would have proved successful in the use of a cost leadership strategy. According to Porters (1998) firms would manage to drive a low-cost strategy through investing in efficient scale facilities, having a controlled overhead cost and cost minimization strategy by considering areas such as service delivery, selling, and advertising. Consequently, Lestor (2009) suggests that the main element of cost leadership strategy is efficiency, and the extent to which inputs per unit of output are low. According to Lestor (2009), efficiency can be subdivided into two categories: cost efficiency which measures the degree to which costs per unit of output are low, and asset parsimony which measures the degree to which assets per unit of output are low. Together, cost efficiency and asset frugality capture a firm's cost leadership orientation.

2.3.1 Differentiation Strategy

Grundy (2006) considers differentiation strategy as one of the greatest marketing techniques adopted by the majority of firms seeking a strong identity in a particular market. Considering this strategy would mean a firm introduces a variety of products and services under the same name; or by having a variety of products and services that serve a similar purpose to support market coverage (Grundy, 2006). Davison (2011) defines differentiation strategy as the positioning of a brand in a way that it appears unique from competitors or serves a unique purpose that realizes value for money to a consumer. The approach of differentiation strategy places a firm at a point it serves uniquely to its target market, hence stands out among its competitors. Dobbs (2014) asserts that a differentiation strategy can be adopted when a company has the potential to sustain a costly advertising program and have clarity of competitive advantage. Differentiation strategy is one of the generic marketing strategies that can support a company's strategic advantage efficiently. This strategy demands resilient research and development abilities, outstanding products and service production skills, high profiled creativity skills and well-established distribution channels. Consequently, a firm has to have outstanding marketing skills and poses innovative, highly-skilled, and creative individuals. David and David (2016) affirms that "a differentiation strategy calls for the development of services and products or service that offers unique attributes that are valued by customers and that customers perceive to be better than or different from the services and products of the competition. The value added by the uniqueness of the services and products may allow the animal feeds firms to charge a premium price for it." Firms occasionally hope that the cost of offering unique products and services are covered by the high price of the resultant product. However, the challenge is that customers who cannot find a substitute product and service would spend an extra coin since the unique attributes of the products and service would attract suppliers to raise prices (Porter, 1998). Companies that realize success with differentiation strategy have a strong research and development department that produces highly unique products and services (Rothaermel, 2016). Evaluation of differentiation strategy is to take a study on buyer's behavior and their response to the products and services. Upon dissatisfaction customers' needs can then be incorporated into the product and services to improve on uniqueness. The ground idea of competitive advantage is that the products and services significantly differ in attributes from the competitors' products and services. Though differentiation incurs additional cost it is worth the struggle. Grant (2002) observes that to realize profitable differentiation, one has to maintain differentiation cost lower than the price premium in which the differentiating feature command, or by making more sales to compensate for lower profit margin.

When applying differentiation strategy, the distinctiveness of a product and service or perception of uniqueness in features and characteristic of a company's products and services, provide value to customers other than cost. Animal feeds firms intending to pursue differentiation seek out to be unique in the market place along with some elements that are of value to customers. This means putting more effort into research and development to improve products and services and also in marketing (Porter, 1980). Differentiation enables firms to sell their products and services that are differentiated at prices that go above what was spent on it. This consequently enables animal feeds firm to outdo their rivals and earn higher returns (Dess and Davis, 1984). There are different ways in which products and services can be differentiated. Examples of methods include incorporating unusual features, customer service responsiveness, perceived prestige and status, innovation and technological leadership, different taste and engineering design and performance (Porter, 1998). Besides cost reduction, animal feeds firms ought to commit to creating products that are distinguishable to the customer and those that appeal to them. For differentiation to be successful in implementation, a firm has to ensure it develops and maintains creativeness, innovativeness and organizational learning within its operation. Hyatt (2011) insists that for one to identify a potential basis for differentiation, one has to know what to do to create buyer value. Once a firm find avenues to create buyer value, it must build the value through incorporating features into its product and services at an acceptable cost. These features in the product and services elevate performance or make them economical to use. Porter (1998) suggested that a firm acquires competitive advantage by embracing a differentiation strategy or an efficiency strategy consequently creating great value for their customers than the cost of creating it. Firms intending to undertake a differentiation strategy go out of their way and try to distinguish themselves from their rivals in a variety of ways including how they carry out their sales and marketing activities and how they work around technology and innovation to improve product acceptability. An animal feed company successfully adopting a differentiation strategy attracts premium prices which are made possible by customer perception of the product and services being unique in some way. Oakland (1999) noted that there could be at least two forms, a differentiation that is based on product and service innovation and differentiation that is characterized by rigorous marketing and image management. The key success factors to successful differentiation and profitability include creative flair, strong basic research services and product engineering (Malburg, 2000).

2.3.2 Focused Market

Focusing entails going for a narrow market segment within an industry. A firm using this strategy selects a segment or a group of segments in the industry and tailors its effort to servicing with the exclusion of others. It is centered on selecting a market niche where buyers have distinctive preferences. Niche is a specialized segment of the market for a particular product or service defined by geographical uniqueness and specialized requirements. In order to gain a competitive advantage, the focuser should either offer niche members something different from competitors or strive to lower costs than competitors serving the same market segment. A market segment that is less costly to satisfy compared to the entire market is best suited for a focus strategy based on low cost. On the other hand, if there exists a market segment that demands unique products and services, a focus strategy based on differentiation is considered. For animal feeds firm to apply focus strategy, they have to segment the market and then customize their product to those specific segments in order for them to have an edge against their competitors. A firm can choose to focus on a specific customer group, a given geographical area, a particular product and service range or a specific service line (Stone, 2008). The goal of focusing is growing market share by effectively creating a niche market in areas not attractive enough or overlooked by the competitor. Several factors give rise to these niches, geography, product and service specifications and buyer characteristics. In order for the focus strategy to be successful, the industry segment has to be large enough but again it should not be significantly important to major competitors. Focus strategies are most operational when consumers have unique taste and preferences and when the niche has not been pursued by competitors in the market place.

2.3.3 Lock-In Effect Strategy

The lock-in effect can be defined as a situation in which consumers are dependent on a particular manufacturer or supplier for a specific product or service and cannot switch to another manufacturer or supplier without substantial costs or inconvenience (Farrell & Klemperer, 2007). Lock-in is considered a means to increase customer loyalty, create a market for cross-selling opportunities, bind consumers to the business and eventually gain exceptional competitive advantage (Harrison, Beatty, Reynolds, & Noble, 2012). The benefits of the lock-in effect are predominantly on the company's side, the consumer may not even be aware of the lock-in effect. If the consumer realizes the effect of the lock-in, he/she may not bother about it as long as he/she is pleased with the product or service. However, a change in the B2C relationship that is disadvantageous to the consumer might not only change the consumer's perception of the particular product or service, but also the entire brand. Dissatisfying changes to the B2C relationship include increased prices, problems with the service or its provisioning, data leakage and privacy infringements, another business that enters the market with superior product or service or unavailability of former product or service features. These changes can annoy the consumer and he/she might become frustrated when prevented from leaving the service providers for another because of the lock-in. This frustration may have several negative consequences for the business such as negative publicity as a result of consumer's outrage. Consumers for instance may stage dissatisfaction on the Internet especially posting and writing on social media and putting off potential new customers. The consequences may be particularly severe for the company if it is not immediately aware of them for example, if the consumers do not complain to the company about the dissatisfying changes it has made but privately complain to friends and colleagues instead. Strategic assets such as trust or brand name and the lock-in effect can contribute to strengthening the lock-in effect (Amit & Zott, 2001).

2.4 Empirical Review

Studies conducted affirm that companies are adopting different competitive strategies to survive the increasingly raging environment (Ortega 2010; North, & Varvakis, 2016; Rothaermel, 2016). The times have changed and companies have to be competitive despite the market tempest. Simon (2012) asserts that competitive advantage strategies for instance cost leadership, differentiation and focus as standard competitive strategies considered by most companies. The researcher further noted that in most industries competition is attributed to threat of substitute goods and services, rivalry between firms, supplier power, buyer bargaining power and entry barriers. A study by Pimtong, Hanqin, and Hailin (2012) on the influence of competitive strategies and organizational structure on hotel performance; the study further explored whether the organizational structure has a moderating effect on the relationship between competitive strategies and hotel performance. The study found out that hotel performance has a direct correlation with the competitive human resources strategy applied; additionally, hotels' financial performance was found to be directly correlated to a competitive IT strategy applied. Gloria and Ding (2005) discussed the interceding "effects of a firm's competitive strategy in the market orientation-performance relationship." The study used a sample size of 371 firms from China and found out that three dimensions of market orientation exert different effects on competitive strategy and performance. This means customer orientation has a direct relationship with competitive strategy and market performance. A study by Timberlake (2012) on the "business case for sustainable development making a difference toward the earth" shown that when considering marketing sustainability, the concept of competitive advantage should be more stressed. In many institutions today, social and legal factors are key areas to take into considerations when undertaking sustainability matters. Kimotho (2012) on the other hand did a study on the "impact of competitive strategies on the financial performance of CFC Stanbic Bank Limited." The study established a link between competitive strategies and the financial performance of commercial banks to form a framework for the study. The study found out that companies that are effective at aggressively bringing creative new products and services to the market have gained a competitive edge in today's business world. The results, therefore, attributed the improvement in financial performance to the competitive strategies that the bank has been undertaking in the past years of its existence. International Academic Journal of Human Resource and Business Administration According to Ndubai (2003) his study on competitive strategies used in the retail sector of the pharmaceutical industry in Nairobi. He revealed that strategies used included the strategic choice of location, stocking other items like cosmetics, mobile phones, surgical and diagnostic items, attractive counter displays, staff uniforms, and road signboards. Panwar, Nybakk, Hansen, & Pinkse, (2016) considered competitive strategies employed by sugar manufacturing firms in Kenya. The study found out that they used cost leadership and differentiation as the main strategies. While Ngandu (2014) studied the influence of competitive strategies on the performance of the Hotel industry in Thika Sub County and the findings of his study indicated that the strategy with the strongest influence on the performance of hotels is the differentiation strategy. Murage (2011) studied the competitive strategies in the petroleum industry and found that service

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stations use differentiation as a method of obtaining a competitive advantage over other service stations while Gathoga (2011) on the other hand focused on competitive strategies by commercial banks in Kenya. The study revealed that banks in Kenya use various means to remain competitive; he also concluded that expansion into other areas by opening new branches has also been used as a strategy to overcome competition.

2.5 Critique of the Existing Literature

A study by Ngandu (2014) on the influence of competitive strategies on the performance of the Hotel industry in Thika Sub County the findings of the study indicated that the strategy with the strongest influence on the performance of hotels is the differentiation strategy, the study, however, focused in hotel performance in general but did not take into consideration its marketing performance. Ndungu, (2013) on the other hand studied competitive strategies adopted by KENATCO Taxis Limited to achieve competitive advantage and found out that a company's performance rather than gaining competitive advantage is closely linked to competitive marketing strategies it adopts, the research, though failed to reveal which of these marketing strategies would give rise to competitive advantage, while Kitoto (2005) in a study on competitive strategies adopted by various colleges in Kenya showed that several external factors, some of them quite closely related, affected the tertiary education. Competition, increasing customer awareness, entry of substitute products, and many more challenges called upon the colleges to generate strategies that could adequately respond to the forces, this study however good is not indicating how competitive strategy affects market performance. Gloria and Ding (2015) investigated the mediating effects of a firm's competitive strategy in the market orientation-performance relationship. From a sample of 371 firms in China, it was found that the three dimensions of market orientation exert different effects on competitive strategy and performance. This includes customer orientation which has the strongest association with competitive strategy and market performance. This lends credence to a component-wise approach to the study of the relationship between market orientation and performance. Atikiya, (2017), in a study on the effect of Competitive Strategies on the Performance of Manufacturing Firms in Kenya. The aspects of competitive advantage are more emphasized, in most manufacturing firms today and legal pressures are very vital while thinking about and acting in sustainability matter. Nowadays, an increasing number of manufacturers realize the need to implement sustainability for maintaining competitiveness.

2.6 Research Gap

Ngandu (2014) studied the influence of competitive strategies on the performance of the Hotel industry in Thika Sub County. The findings of his study indicated that the strategy with the strongest influence on the performance of hotels is the differentiation strategy, the study was, however, focused in the hotel industry, which is a case different from animal feeds industry. Gloria and Ding (2005) investigated the mediating effects of a firm's competitive strategy in the market orientation-performance relationship. From a sample of 371 firms in China, it was found that the three dimensions of market orientation exert different effects on competitive strategy and performance. This study was conducted in china that gives a geographical gap. Kitoto (2005) in a study on competitive strategies adopted by various colleges in Kenya showed that several external factors, some of them quite closely related, affected tertiary education. Competition, increasing customer awareness, entry of substitute products, and many more challenges called upon the colleges to generate strategies that could adequately respond to the forces, the scope of the study is in colleges and there is a gap in the animal feeds industry.

3. RESEARCH METHODOLOGY

3.1 Research Design

The study adopted a cross sectional research design, to systematically describe the relationship between competitive strategies and marketing performance. The major purpose of descriptive research is to enlighten on the state of affairs as it exists; descriptive studies are not only restricted to fact findings but may also result in the formulation of important principles of knowledge and solution to significant problems (Kombo & Tromp, 2014).

3.2 Target Population

The population of the study comprised of all the 38 registered Animals Feed Firms in Nairobi County under the umbrella of the Association of Kenya Feed Manufacturers, See appendix (iii) for the list of companies (AKEFEMA, 2019). The study specifically targets sales and marketing managers of all the 38 registered animal feed companies in Nairobi County.

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3.3 Sampling Frame and Sample size

According to Cooper and Schindler (2003), a sampling frame is a list of elements from which the sample is actually drawn and closely related to the population. Sample size determination aims at selecting part of the population from which information will be drawn to form conclusions about the entire population. The sampling frame will consist of all registered 38 animal feeds companies in Nairobi County. This study will stratify the target population into 38 units with 3 respondents from each unit; 1 operations manager, 1 sales and marketing manager and 1 sales representative. From each stratum, the study samples will purposively pick at least 3 respondents from a unit to arrive at 114 respondents and this will consist of only those who are responsible for setting marketing strategy in the company.

Table 3.1 sample size

Category	Sample size
Sales and Marketing manager	38
Operations Manager Sales Representative	38 38
Total	**114**

3.3.1 Sample and Sampling Technique

A sample is that part of the population that is selected for observation and analysis Mugenda & Mugenda (2003). Judgemental sampling tachnique will be adopted within each stratum.

3.4 Data Collection Instruments

Research instruments refer to the methods that are applied to collect primary data. In this research, questionnaires will be the main data collection instrument. Structured questions will be used in this research. A questionnaire is a research instrument consisting of a series of questions for the purpose of gathering information from respondents which allows measurement for or against a particular viewpoint (Orodho, 2004). It bears a list of questions that relate to the topic under study. The questionnaire is administered to the target persons who in turn provide their responses upon which the researcher will extract the desired information. The advantage of questionnaires is that a lot of information can be gathered and analyzed within a short period as responses are presented on paper. Either, there is no opportunity for interviewer bias. Questionnaires will be used due to fact that the researcher will be able to gather information from the field in a relatively short period. They also offer a considerable advantage in administration. They present an even stimulus potentially to a large number of people simultaneously and provide the investigator with an easy accumulation of data (Kerlinger 1983).

3.5 Data Collection Procedure

Data collection is the process of gathering and measuring information on variables of interest, in an established systematic fashion that enables one to answer stated research questions, test hypotheses, and evaluate outcomes. This study will involve data collection from primary sources; the primary data will be collected through questionnaires. Before giving data collection instruments, a brief introduction will be made to the respondents explaining the nature and importance of the study to the respondents during the pilot and main study. The questionnaires will be distributed to the respondent for self-administering and collected later. In case of any difficulty in answering the questions, the researcher will be there to assist. The questionnaires will be dropped at 38 registered animal feeds manufacturing firms with 114 targeted respondents. According to Leedy and Ormrod (2001), respondents are more truthful while responding to the questionnaires regarding controversial issues in particular because their responses are anonymous.

3.6 Pilot Testing

The questionnaire tool will be subjected to a pilot test for refining the questions before administering in the actual study. According to Mugenda and Mugenda (2003), pilot testing may be done within a 10% sampling frame, pilot study will be conducted were 16 respondents, drawn from the total study sample size. Upon the pilot study, the analysis will be done to ascertain the acceptability of the tool. The accuracy of data to be gathered largely will depend on the data collection instruments regarding reliability and validity (Mugenda & Mugenda, 2003). The results of the pilot study report will be useful in detecting errors and doing modifications to the tool for the final data collection procedure.

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3.7 Data Analysis and Presentation

The data collected will be coded and entered into the computer and analyzed using descriptive statistics with the help of SPSS version 24. The study will use frequencies, percentages and inferential analysis to find out the relationship between competitive strategies and marketing performance. Data collected will be presented using tables. The data will be coded, assigned labels to variable categories and entered into the computer. Pearson's Correlation Coefficient and ANOVA will be applied to find out the significance of the correlation between competitive strategies and marketing performance of the Animal feed industry in Nairobi County, Kenya.

The linear regression model below will also be used;

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \varepsilon$$

Where Y is the Marketing performance, β_0 constant, and ε is the error term of the model.

X_1 = Cost leadership

X_2 = Product differentiation strategy

X_3 = Market focus strategy

4. RESEARCH FINDINGS AND DISCUSSION

4.1 Response Rate

The percentage of people who responded to a study is known as the response rate. According to Orodho (2003), the response rate is the proportion of respondents with whom interviews are completed divided by the total number of respondents in the full sample, including none respondents. A total of 90 people took part in the study. Ninety (90) questionnaires were distributed by the researcher. Only 76 of the 90 surveys sent out were returned. The response rate was 84.4 percent overall. A response rate of 50% is considered average, 60-70 percent is considered adequate, and anything beyond 70% is considered good, according to Kothari (2004). As a result, this response rate was deemed to be a good representation of the respondents in terms of providing data for analysis and drawing conclusions.

Table 4.1 Response Rate

Response	Frequency	Percentage (%)
Returned	76	84.4
Unreturned	14	15.6
Total	**90**	**100**

4.2 Pilot Study Results

4.2.1 Reliability Results

Table 4.2: Results for Pilot Study (Reliability Analysis)

Reliability Aspects	Cronbach's Alpha	Remarks
cost leadership strategy	0.911	Accepted
product differentiation strategy	0.705	Accepted
market focus strategy	0.749	Accepted
lock-in effect strategy	0.882	Accepted
Average	**0.812**	

4.2.2 Validity Results

Table 4.3: KMO and Bartlett's Test of Sphericity

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.785
Bartlett's Test of Sphericity	Approx. Chi-Square	874.781
	Df	9
	Sig.	.000

4.2.3 Background Information of the Respondents

Table 4.4 Background Information of the Respondents

Characteristic	**Frequency**	**Percentage**
Distribution of Respondents by Gender		
Male	46	60.53
Female	30	39.47
Total	**76**	**100.0**
Distribution of Respondents by Age		
20 -30	27	35.53
31 – 40	23	30.63
41 -50	23	30.63
51 – 60	3	3.94
Total	**76**	**100.0**
Length of Service		
Less than 5 years	12	15.79
Between 5 and 10 years	44	57.89
Over 10 years	20	26.32
Total	**76**	**100.0**
Highest Level of Education		
High School	10	13.16
Diploma	20	26.32
Bachelor's Degree	40	52.63
Master's Degree	5	6.58
Doctorate Degree	1	1.32
Total	**76**	**100.0**
Varieties Of Animal Feeds Manufactured		
Poultry feeds	26	34.21
Dairy cattle feeds	17	22.37
Pet Feeds	13	17.11
Pig Feeds	10	13.16
Bird Feeds	10	13.16
Total	**76**	**100**

4.3 Descriptive Analysis for Study Variables on the Likert-Type Scale

Table 4.5: Descriptive Analysis for cost leadership strategy

	SD	D	N	A	SA	Mean	STD
The firm ensures production cost is at a minimum for a customer-friendly product price	4.6	6.1	22.1	43.5	23.7	3.8	1.0
The firm continuously improves its operational efficiency to minimize wastage and reject products	2.3	7.6	16.8	49.6	23.7	3.8	0.9
The ensure its Distribution cost is at minimum	3.8	13.8	26.2	42.3	13.8	3.5	1.0
The firm maximizes its marketing cost to reach as many customers as possible	3.9	6.2	26.4	38	25.6	3.8	1.0
The firm offers its products at a lower cost than other competitors	11.5	7.7	12.3	35.4	33.1	3.7	1.3
The firm applies cost reduction strategies to maximize profit	22.3	23.1	20	29.2	5.4	2.7	1.3

Table 4.6: Descriptive Analysis for product differentiation strategy

	SD	D	N	A	SA	Mean	STD
Firm Branding of products is so unique that makes it stand out among its competitors	1.6	5.4	14	51.2	27.9	4.0	0.9
The firm continually involved in new products development, to ensure it meets customer needs and wants	2.3	27.1	16.3	35.7	18.6	3.4	1.1
The firm carries out product packaging sizes practices that are acceptable in the market	3.1	9.3	24.8	45.7	17.1	3.6	1.0
The firm offer products with unique characteristics	1.6	7	18.6	44.2	28.7	3.9	0.9
Firms products have appealing features	5.4	17.1	22.5	41.1	14	3.4	1.1
The firm usually becomes the market leader.	3.8	12.3	23.8	36.2	23.8	3.6	1.1
We are always the first to introduce new products before our competitors	3.1	10.1	33.3	39.5	14	3.5	1.0

Table 4.7: Descriptive Analysis for market focus strategy

	SD	D	N	A	SA	Mean	STD
The products manufactured are focused on a specific market segment	1.6	8.5	14.7	53.5	21.7	3.9	0.9
The firm has competitor emphasis	17.7	29.2	26.2	20	6.9	2.7	1.2
The firm has expanded market breadth focus strategy	3.1	21.3	20.5	43.3	11.8	3.4	1.0
The firm strives to remain relevant in the market niche	4.7	10.9	28.9	43	12.5	3.5	1.0
The firm constantly updates its mandate to match the changes in the niche market environment.	10.9	32.8	26.6	22.7	7	2.8	1.1
The firm understands its market niche and demands	1.5	10.8	17.7	47.7	22.3	3.8	1.0
We offer products in lower prices market segments	3.9	14.7	32.6	27.1	21.7	3.5	1.1

4.4 Inferential Statistics

Having described the study variables using descriptive statistics, the study sought to establish the influence of cost leadership strategy, product differentiation strategy, market focus strategy, and lock-in effect strategy on marketing performance. The researcher sought to establish the bivariate nature of both dependent and independent variables. To evaluate the strength of the relationship, a bivariate correlation analysis was used. Linear multiple regression analysis was further used to establish the nature of the relationship. In addition, the inferential statistics were used to test the null hypothesis for possible rejection or acceptance. The 5% level of significance was taken as the level of decision criteria whereby the null hypothesis was rejecetd if the p-value was less than 0.05 and accepted if otherwise. Market performance (y) was calculated as an aggregate of all the parameters measuring performance in the research instrument.

Table 4.8.: Correlation Relationship between Study Variables

Correlations

		cost leadership strategy	differentiation strategy	market focus strategy	lock-in effect	Market performance
cost leadership strategy	Pearson Correlation	1	.603**	.437**	.341**	.608**
	Sig. (2-tailed)		.000	.000	.000	.000
	N	76	76	76	76	76
differentiation strategy	Pearson Correlation	.603**	1	.431**	.296**	.595**
	Sig. (2-tailed)	.000		.000	.000	.000

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	N	76	76	76	76	76
market focus strategy	Pearson Correlation	.437**	.431**	1	.431**	.709**
	Sig. (2-tailed)	.000	.000		.000	.000
	N	76	76	76	76	76
lock-in effect	Pearson Correlation	.341**	.296**	.431**	1	.498**
	Sig. (2-tailed)	.000	.000	.000		.000
	N	76	76	76	76	76
Market performance	Pearson Correlation	.608**	.595**	.709**	.498**	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	76	76	76	76	76

**. Correlation is significant at the 0.05 level (2-tailed).

4.4.1 Regression Analysis

Effect of the Independent Variables on Dependent Variable

The initial effort to examine the relationships proposed by the research model involved conducting multiple regression analysis. Multiple regression analysis is used to analyze the relationship between a single dependent variable and several predictor variables (Hair et al. 2006). The researcher used linear regression analysis to test the first three null hypotheses. Linear regression is an approach to modelling the relationship between a scale of variable Y or more variables denoted as X. To test hypothesis four, the researcher used moderated multiple regression analysis to estimate the interaction influence of competitive strategies on the marketing performance of the Animal feed industry in Nairobi County, Kenya. The F-test was used further to determine the validity of the model while R squared was used as a measure of the model goodness of fit. The regression coefficient summary was then used to explain the nature of the relationship between the dependent and independent variables.

Hypothesis One: Competitive strategy has no significant influence on the marketing performance of the Animal feed industry in Nairobi County, Kenya.

Model Summary[b]					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.815[a]	.664	.661	.51263	2.093
a. Predictors: (Constant), cost leadership strategy, product differentiation strategy, market focus strategy, lock-in effect strategy					
b. Dependent Variable: marketing performance					

The analysis of variance (ANOVA).

ANOVA[a]						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	215.340	4	53.835	35.1403	.000[b]
	Residual	108.794	71	1.532		
	Total	324.134	75			
a. Dependent Variable: marketing performance						
b. Predictors: (Constant), cost leadership strategy, product differentiation strategy, market focus strategy, lock-in effect strategy						

Model		**Unstandardized Coefficients**		**Standardized Coefficients**	**T**	**Sig.**
		B	**Std. Error**	**Beta**		
1	(Constant)	.253	.171		1.485	.000
	cost leadership strategy	.199	.033	.225	6.056	.000
	product differentiation strategy	.211	.035	.219	5.972	.000
	lock-in effect strategy	.190	.037	.164	5.112	.000
	market focus strategy	.368	.028	.445	12.952	.000

Discussion on the Overall Model

The study investigated the influence of competitive strategies on the marketing performance of the Animal feed industry in Nairobi County, Kenya. The analysis showed that the four competitive strategy variables of cost leadership strategy, product differentiation strategy, market focus strategy,and lock-in effect strategy were significant predictors of the marketing performance of the Animal feed industry in Nairobi County, Kenya. The study findings mesh with generic strategy research which suggested that cost leadership, differentiation and focus are appropriate strategies in dynamic environment (Chew et al., 2004; Tang et al., 2007). The study further investigated the moderating effect of competitive intensity on the relationship between competitive strategies and firm performance. The results of the study revealed that competitive intensity had negative significant effect on manufacturing firm performance. This result is congruent with Porter's (1980) assertion that competitive intensity is an important determinant of firm profitability in a given industry. Similarly, it was established from the findings of the study, that competitive intensity had no significant moderating effect between competitive strategies and manufacturing firm performance. These findings are consistent with those of other scholars. Shigang (2010) in his study investigating competitive strategy and business environment on performance of Small Enterprises in China found a negative relationship between competitive pressure and SMEs performance. Sorensen (2009) also argued that competitive intensity within the industry may lead to poor firm performance. Jaworski and Kohli (1993) similarly explained that higher competitive intensity will give customers more options leading to lesser market dominance of the firm and reduced sales.

5. SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This section presented summary of findings, conclusions and recommendations. In the summary of findings, the results and remarks for each of the hypothesis in the study were presented for the four research objectives. The conclusions presented in this section were guided by the research objectives and informed by the findings, analysis, interpretation and discussions in the study. Based on the conclusions made, the contribution of the study to knowledge was examined. Recommendations based on the results for policy and practice and for methodology as well as suggestions for further research were made. The study sought to establish the influence of competitive strategies on the marketing performance of Animal feed industry in Nairobi County. Specifically, the study sought to determine the influence of cost leadership strategy on marketing performance of the Animal feed industry in Nairobi County, Kenya, to establish the influence of product differentiation strategy on marketing performance of the Animal feed industry in Nairobi County, Kenya, to evaluate the influence of market focus strategy on the marketing performance of the Animal feed industry in Nairobi County, Kenya and to determine the effects of lock-in effect strategy on marketing performance of Animal feed industry in Nairobi County.

5.2 Summary of Major Findings

The current study stemmed from the realization of the research problem in literature on influence of competitive strategies on the marketing performance of Animal feed industry in Nairobi County. Empirically most of the studies on the influence of competitive strategies have been skewed towards use of primary data and only specific competitive strategies had been evaluated. Among the several studies which had been done in the Kenyan perspective majority have not examined the causal joint influence of competitive strategies on the marketing performance of animal feed industry in Nairobi. Consequently, the researcher's primary purpose was to examine the influence of competitive strategies on the marketing performance of Animal feed industry in Nairobi Further, the study sought to test four hypotheses; there is no significant relationship between cost leadership, differentiation lock-in effect strategy and focus strategies on marketing performance of Animal feed industry in Nairobi.

In order to meet the overall objective and test the study hypotheses the study adopted cross sectional research design. Stratified sampling technique was used to select a sample of 114 respondents Primary data was collected from Animal feed industry in Nairobi and out of 90 questionnaires which were issued only 76 were completely filled and returned which yielded a response rate of 84.4%. The independent variables attributed examined in the study were cost leadership, differentiation, lock-in effect strategy and market focus strategies. Descriptive analysis such as frequency, percentage, mean and standard deviation were used to analyze the data which was summarized using figures and tables. Correlation analysis was used to examine the strength of the relationship between marketing performances and competitive strategies and regression analysis was used to examine the nature of the relationship between marketing performance and competitive strategies. On overall 81.5% of the variation in marketing performance can be explained by cost leadership, differentiation, lock-in effect strategy and market focus strategies while the remaining percentage can be explained by other factors excluded in the model. The findings of the study demonstrated that competitive strategies have effect on marketing performance.

5.3 Conclusions of the study

This section presents the conclusions made in the current study. Research objective one in this study was to determine the influence of cost leadership strategy on marketing performance of the Animal feed industry in Nairobi County, Kenya. The study concludes that cost leadership was statistically a significant factor in relation to marketing performance. In this regard, if manufacturing firms want to perform at a significantly higher level than competitors it should pursue cost leadership strategy by ensuring that charges and overheads are kept lower. On cost saving measures for cost leadership strategy, it was found that product design technique, use of technology, cutting on administration costs and lowering pricing impacted on manufacturing firms in Kenya confirming the assertion that successful cost leaders usually derive their cost advantage from multiple sources within the value chain.

Secondly, research objective two in the current study was to establish the influence of product differentiation strategy on marketing performance of the Animal feed industry in Nairobi County, Kenya. The study concludes that differentiation strategy is statistically significant factor in determining the marketing performance of the Animal feed industry in Nairobi. Differentiation strategy has the most statistically significant superior performance when compared with cost leadership and focus strategies. Therefore, manufacturing firms wanting to achieve superior performance should excel in pursuing differentiation strategy identified in this study. Alternatively, Animal feed manufacturing firms employing differentiation strategy should strive to create and market unique and superior products for varied customer group. The aim should be to create a superior fulfillment of customer needs in one or several product attributes in order to develop customer satisfaction and loyalty which can in turn be used to charge a minimum price for the product. On differentiation measures adopted by animals feeds manufacturing firms in Kenya, offering of broad products, building strong brand reputation within the industry and introduction of innovative products impacted well on marketing performance.

Thridly, research objective three in the current study was to evaluate the influence of market focus strategy on the marketing performance of the Animal feed industry in Nairobi County, Kenya. The results of multiple regression analysis indicated that focus strategy had significant effect on performance of Animal feed industry in Nairobi County, Kenya. The focus strategy, whether anchored on low-cost or differentiation attempts to attend to the needs of a particular market segment. In conclusion, the manufacturing firms pursuing focus strategy should strive to identify customers whose needs and wants are not met by differentiators and cost leaders and offer services and products not offered by their competitors in order to remain competitive in the market place.

Lastly, research objective four in the current study was to evaluate the influence of lock-in effect strategy on the marketing performance of the Animal feed industry in Nairobi County, Kenya. The results of multiple regression analysis indicated that lock-in effect strategy had significant influence on performance of Animal feed industry in Nairobi County, Kenya

5.4 Recommendation of the study

Evidence presented reveals that cost leadership strategy is positively correlated to organizational operational performance; therefore this research recommends continuous adoption of cost leadership strategy by firms involved in manufacturing of animal feeds in Nairobi County. However, implementation of this strategy should be based on product price in order to serve the targeted market niche effectively. Firms involved in manufacturing of animal feeds should also continuously engage in implementation of differentiation strategies. This should include aspects such as development of high quality products, pricing mechanism and more engagement in corporate social responsibility. Since not all differentiation strategies work, firms should continuously conduct sufficient market surveys and product pre-tests before the actual product introduction so that firms deliver superior value to buyers at an affordable price. This study further recommends more emphasizes on continuous adoption of focus (niche) strategy; however, the management of animal feeds manufacturing firms should have a good understanding of the market dynamics and continually ensure quality product delivery that is guided by the need to meet the ever-changing customer requirements. The study noted several challenges encountered by firms involved in manufacture of animal feeds while implementing competitive marketing strategies and recommends that the government reviews regulations and policies that appear to suppress development of animal feeds manufacturing firms; both the National Government and Nairobi County Government should work closely with other stakeholders to improve transport infrastructure and also come up with a comprehensive mechanism that provides flexibility against challenges that suppress development of the firm.

5.4.1 Recommendation for Policy

The underlying assumption of Porter's model as used in this study is that when competitive strategies of cost leadership, differentiation, and focus are used exclusively, they influence firm performance, and firms must choose one of these strategies to achieve competitiveness. The findings of this study also revealed that animal feed companies' performance was influenced by cost leadership, differentiation, and focus strategies. The findings also revealed that the Animal feeds Firms preferred differentiation strategy and that, contrary to the assumptions of the Porters' model used in this study, most Animal feeds Firms used dual strategy. The study also discovered that competitive intensity had no significant moderating effect on the relationship between competitive strategies and animal feed firm performance. According to the findings, policymakers at these companies should carefully consider aligning their competitive strategies in order to remain competitive in today's global marketplace.

5.5 Areas for Further Research

Although, with an 81.5 percent change, this study provides insight into competitive strategies and their impact on the performance of the animal feed industry in Nairobi County, Kenya. Several questions remain unanswered, requiring further investigation. First, the study used a cross-sectional research design; however, the researcher is aware that other research designs exist, and thus recommends that other researchers use longitudinal studies to measure the framework in varying conditions of the internal and external environment of the Animal feed industry in Nairobi County over time. Furthermore, the firms in this study were selected from a single geographical region. Future research could include firms from other geographical regions to confirm the findings of this study and see if there are significant differences in the strategies employed by these companies based on their geographical scope.

The current study was conducted in Kenya; however, the findings of this study should be replicated in other developing economies to see if there are differences in the application of these competitive strategies. The study also only looked at the animal feed industry in Nairobi County; other researchers may look into other economic sectors. The current study focused on determining which competitive strategies were used by the animal feed industry in Nairobi County and how they impacted their performance, without taking into account the different types of firms that make up the sector, such as small, medium, and large businesses. Future research should include a comparative analysis to see if there is a difference in strategy selection based on these categories.

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