

Strategies Adopted to Achieve Competitive Advantage in an Organization: A Case of Doinyo Lessos Creameries Ltd in Eldoret, Kenya

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Abstract: This study sought to examine the strategies adopted to create a competitive advantage, specifically to determine the effect of Cost Leadership, Differentiation and Focus Strategy on competitive advantage in Doinyo Lessos Creameries Ltd. The researcher used survey research design. The researcher collected information that describes, explores, and quantifies social phenomena, particularly issues, conditions and problems that are prevalent in the society at a particular point in time; it is also a way of describing and explaining aspects of the identified population. The study targeted 108 company employees using a census on all targeted staff. A questionnaire was prepared for the employees to obtain primary data. After collecting data from the different groups and getting different information, the same were sorted out, coded and analyzed with the aid of Statistical Package for Social Scientists. Data was analyzed using descriptive and inferential statistics. Descriptive statistics involved mean, percentages, and standard deviation. Inferential statistics involved correlation and multivariate regression analysis. The analyzed data was presented using tables and their associated explanations. The findings showed that differentiation competitive strategy and focus competitive strategy had statistically significant effect on competitive advantage of Doinyo Creameries limited. However, the effect of cost leadership on competitive advantage was not statistically significant. The study recommends that the firm should concentrate on differentiation and focus strategies as they have significant effect on competitive advantage.

Keywords: strategies, competitive advantage and competitive strategies.

I. INTRODUCTION

For a business enterprise to sustain long-term profitability and a competitive advantage, the business needs to respond strategically to competition. This will involve implementation of techniques that will be superior to rivals and that are sustainable (Christensen, 2001). A strategy is about the course in which an organization is making an attempt to get in the long-term and how it intends to get there competitively putting into consideration the values and expectations of its stakeholders. Strategy is the path and scope of an organization over the long term, which it achieves in a dynamic environment through its configuration of sources and competences with the goal of pleasing stakeholder expectations (Johnson, Scholes and Whittington, 2008). According to Thompson (2001), a strategy is a word describing a planned action meant to achieve a specified goal. Strategies are bases by which a firm can exert continuity, which is integral while trying to manage and acclimatize to dynamic environment of the business to develop competitive advantage. Wheelen (2011) describes strategic management as a collection of decisions and actions made by a manager that influence the long range performance level of a firm; strategic management involves scanning of environment, identification of objectives, strategies formulation, plans implementation and control and evaluation plans. According to Mintzberg (1994), a strategy is a systematic response to elements that are internal and macro factor that may be simple or complicated even though they are seen as being critical to the survival of the firm. Study by Basu (1999) posits that to be in a position to compete effectively with other firms, the management of a business firm must have a deep understanding and comprehension of

what the business stands against concerning its rivals and competitors. This requires that the business firm carries out a detailed competitor analysis. Johnson & Scholes (2002) states that the existence and survival of firms are based on their ability to act upon competing pressures including; its resource, competences and cultural-political; strategic capability of an organization and changes in the business environment. Porter (1980) noted that the purpose of developing a firm's competitive strategy is to connect a firm to the dynamic business environment. The business environment is erratic and constantly changing hence as a matter of fact, the has no option but to ensure its systems are altered continuously without fail to be in line with the ever erratic and changing business environment for them to survive Covin and Miles, 1999). The very successful operation and capability to survive by any organization is anchored on how a firm properly aligns itself to the macro environment, business firms are always affected in one way or another by changes in the environmental. These environments consist of both interior which is natural in nature and exterior environment. The comprehension and understanding of the adjustments of a business to the environment aids in the conceptualization of the firm's behaviour.

Competitive advantage concept is a set of special facets of a company where its merchandise that is perceived by using the target market section as huge and ultimate to the competition has to be designed and implemented. It is an advantage and predominantly gained through a firm when it can supply at a lower price and a high quality as its opponents (Daneshvar and Ramesh, 2010). However, it can supply at a premium price with a superior quality compared to its competitors, or it can charge a higher price by means of providing a higher value via product differentiation strategy. Competitive advantage of a firm emanates from a business firm matching its core strengths against environmental opportunities (Wheelen, 2011). Porter, (1980) referred to that competitive advantage, sustainable or not, exists when a firm makes monetary rents by declaring a profit in their operations. Competitive advantage is the act of a business firm being capable to create an impenetrable function above its competitors (Tracey et al., 1999). In the same vein, Ma (1999) described competitive advantage as the any company attribute that enables it to serve the customers better than rivals, improve purchaser power and enhance the performance. Porter, (1980) recognized two basic types of aggressive benefit that is cost advantage and differentiation advantage. He indicated that by applying these positions in either a huge or slim scope, three sorts of competitive benefit strategies result that is, price leadership, differentiation and focus. He firstly identified cost leadership strategy method as a type of competitive advantage strategy which calls for being a low price producer in an industry for a given level of quality. Cost competitive advantage is when a firm is in a position to make use of its skilled workforce, cheaper raw materials, managed costs, and efficient operations to create maximum value to consumers.

Study by Gitonga (2003) argued that sources of cost advantage are different and depend on the shape of the industry. This encompasses the pursuit of economies of scale, excellent technology, increased procedure efficiencies, accomplishing special entry to a sizeable supply of low price inputs, developing an perfect outsourcing, finest level of productivity, most suitable utilization, bargaining power to deal or negotiate for lowest prices for manufacturing inputs, low cost production techniques, most positive and efficient distribution channels amongst other factors. This is also supported by way of Treacy and Wiersema (1995) who put forward another framework for gaining competitive advantage. In their framework, a company will pick to emphasize one of three price disciplines namely operational excellence, product management and client intimacy. Operational excellence entails optimizing the production and efficient delivery of goods and services ensuring they are reliable and competitively priced. Most products in the dairy industry are a duplicate of what different rivals in a similar industry providing or a slightly enhanced product from other rivals. Anytime opponents can effectively reproduce similar approach features, making it difficult to out-strategize rivals and beat them in the market area with a most appropriate strategy. The main way to gain lasting competitive gain is to executive better than competitors. This entails building core competences and capabilities that are challenging or expensive to rivals to emulate and that push the business enterprise nearer to genuine running excellence and promote very efficient strategy execution. Core and competitive competencies present resource strengths that are regularly time consuming and expensive for rivals to trump. Any competitive area they produce tends to be sustainable and pave way for above average organizational performance.

Doinyo Lessos Creameries is a limited company incorporated in 1964 by the late Bryan Cuthbert and developed throughout his lifetime until it grew to become the leading cheese producer in East Africa. It is in many respects still the market leader in cheese production, with different producers emulating its products. The core commercial business is production of extensive range of high first-class cheeses for the local and export markets from milk produced in the expansive Rift Valley Counties. Subsidiary products encompass tinned milk, liquid milk products, Ice Creams and Ghee

(Doinyo Lessos Creamery, 2019). Doinyo Lessos is putting attractions on Kampala, Juba and Addis Ababa and plans to diversify into production of long-life milk. In 2015, the milk processor launched flavoured *Mursik*, a standard fermented milk and tinned milk, turning into the only firm in East Africa to make the two products. It turns into the only Dairy processor in East Africa recognized to produce tinned milk products and their Cowbell tinned cream is extensively used by hotels and individuals. The liquid products are available in sachets, square Tetra Pak's bottles and cups, and consist of sparkling milk, yoghurt, *Maziwa Lala* and *Mursik* (traditionally made bitter milk with herbs). The Ice cream is believed to be the only one in Kenya, which does no longer include vegetable oil or fats however is a farm-fresh cream primarily based on real dairy cream. The company's vision is to grow to be the most sizeable producer of nice Cheeses in the region, with emphasis on both retail and bulk income to the catering and hotel industries. There is evidence of Competitive edge over competitors as Doinyo Lessos has a variety of milk products. The company further boasts of having some of the products simply special for them. This case was relevant due to the fact it is probable to signify the medium sized business companies that discover the discipline of competitive advantage with the predominant aim of preserving a steady market share and growth. Many business firms have restructured themselves on the platform of bettering product diversity and uniqueness. This has been seen as essential source of competitive advantage to the small and medium sized businesses as well as firms. Doinyo Lessos Creamery, (2019) adopted by Doinyo Lessos Creameries to achieve competitive advantage.

1. Statement of the Problem

Despite the growing market, the Dairy Industry has its fair share of challenges. At the macro-level the mission has been studying the dairy sector as milk manufacturing degrees are notably seasonal, where the money cycle is additionally pegged on liquidity in the wider economy as presently many processors are struggling to get repayments for supplies (Bii and Kimuge, 2016). In order to continue to exist in a dynamic environment, corporations need techniques that focus on their customers and other stakeholders. The strategies should effectively respond to opposition and altering environment. To gain any competitive advantage, a company has to look deeply into what it can achieve and how to use what it has for consciousness of success (Passemard and Kleiner, 2000). Empirical literature exist strategies for building competitive advantage both globally and locally. O'Brien (2009) established that cost management method is devised to produce goods and services that are cheaper than the rivals by emphasizing on fine scales of operation. Mwendwa (2008) focused on the strategic responses by Kenya milk processors to environmental challenges. Nyaguthii (2016) targeted on strategy assessment and manipulate among dairy processing companies in Kenya. "Oyeyo (2008) centered on the Sources of Sustainable Competitive Advantage in the Banking Industry in Kenya. Minyu (2010) focused on the Search for Sustainable Competitive Advantage whilst Ngigi (2006) targeted on Sustaining Competitive Advantage under conditions of change at East Africa Packaging Industries. These divergent views by means of different authors on the techniques adopted to attain aggressive benefits in an agency leave a lot to be favored and accordingly growing a lacunae for similarly research. It is against this background that the researcher attempted to answer the question of the strategies applied to achieve a competitive advantage by Doinyo Lessos Creameries Ltd in Eldoret.

2. Objective of the Study

The general objective of the study was to examine the strategies adopted to achieve competitive advantage in Doinyo Lessos Creameries Ltd. Specific objectives included:

- i. To examine the effect of Cost Leadership Strategy on achieving competitive advantage in Doinyo Lessos Creameries Ltd.
- ii. To establish the effect of Differentiation Strategy on achieving competitive advantage in Doinyo Lessos Creameries Ltd.
- iii. To assess the effect of Focus Strategy on achieving competitive advantage in Doinyo Lessos Creameries Ltd.

II. LITERATURE REVIEW

1. Theoretical Review

Theory of Competitive Advantage: The term "sustainable competitive advantage came into existence with Porter (1985) on explaining a set of simple competitive strategies that a business can acquire to achieve a competitive advantage. Porter (2008) suggested that cost leadership and differentiation strategy seeks for achievement of competitive advantage in an

extensive range of market. By distinction, the cost focus and differentiation strategies are often used by firms in a narrow market industry. Differentiation involves identifying customer needs in the market and the position the firm's products to meet that need uniquely compared to competitors. This is a strategy for competition in business in which case a company gets competitive advantage via improving the perceived cost of the product in the market relative to those of competitors (Porter 1980). Firms that put into effect this approach efficiently can limit a range of environmental threats and take advantage of a variety of environmental opportunities. The bases of product differentiation are quite a number that a firm may choose from and must be made uncommon making it hard to imitate by competitors of the same product (Porter, 1980). The major issue with using product differentiation strategy is by making sure that the prospective and actual customers have unique needs that are presently not being met by competitors merchandise. Porter's (1980) framework proposes that a company has the option of choosing a wide or a narrow market segment. Additionally, a firm must make a choice between choosing cost leadership strategy or product differentiation strategy. A firm may in addition choose to pursue focus techniques by adopting focus strategy on narrow market segments and by stressing on low prices through competitive cost or by stressing on supplying unique product through differentiation. According to Porter (1985), a firm can create competitive advantage by supplying the same quality products just like competitors at relatively lower cost in what is referred to as cost advantage. The cost leadership may be hard to imitate by firms that are not efficient enough in terms of their technology and processes. The firm pursuing cost leadership strategy must find ways to lower the cost of market offering making it unprofitable for competitors to imitate and duplicate. On the management control system, there has to be tight cost control systems and presence of a cost leadership philosophy.

		COMPETITIVE ADVANTAGE	
		Lower Cost	Differentiation
COMPETITIVE SCOPE	Broad Target	1. Cost Leadership	2. Differentiation
	Narrow Target	3A. Cost Focus	3B. Differentiation Focus

Figure 1: Porter's Generic Strategies (Porter, 1985, p.12)

Resource-Based Theory: According to Porter (1985), a firm can develop competitive strategy through pursuing cost leadership strategy where the firm offers same bundle of product attributes as those of competitors but at a lower cost compared to the competitors. The success of cost leadership strategy depends on the ability of the firm to make the cost leadership rare and high priced to imitate by rivals in the market through substitution or duplication. A firm seeking cost-leadership strategy must focus on achieving advantages via lowering its economic costs of operation below that of competitors (Grant, 2010). The resources at their disposal should inform the strategies adopted by the milk firms in Kenya. For instance, the milk industry whose capitalization is relatively vast can manage to adopt cost leadership strategy as opposed to smaller firms which are better off adopting either differentiation or focus strategies.

2. Empirical Review

Competitive Advantage and Strategies: In line with Porter (1980), there exist five techniques of business which can be followed up on by a business to get competitive gain over competitors by establish a competitive advantage that offers superior value as compared to competing firms. The aforementioned five strategies is connected to the volume by which the commercial enterprise operates in the business environment. The volume and scope of operation may be slim compared to broader volume of operations. Neely (1998) posits that the firms efficiency and effectiveness are the critical aspects of performance of a firm and hence the two ought to be measured with precision. Firm's efficiency refers to the level of usage of a firms resources in an economic way that minimises wastages whereas effectiveness describes the level of accuracy of the firm and its services and goods to meet the customers' needs and wants.

Cost Leadership Strategy: According to Porter (1985), a firm can create competitive advantage by supplying the same quality products just like competitors at relatively lower cost in what is referred to as cost advantage. The cost leadership may be hard to imitate by firms that are not efficient enough in terms of their technology and processes. The firm pursuing cost leadership strategy must find ways to lower the cost of market offering making it unprofitable for competitors to imitate and duplicate. There has to be few layers in the reporting structure and a focus on narrow range of business features in its organizational structure. On the management control system, there has to be tight cost control systems and presence of a cost leadership philosophy (Olawale & Sun, 2010). Lewis and Chambers, (1989) stated that a cost leadership strategy is fine in the milk enterprise when a firm has a one of a kind competency in the management of inputs and conversion process. The illustrations they supply are budgetary framework outlet chains that have practically actualized an esteem administration methodology through condition cordial cost sparing supplier and transport outlines and successful operational cost decrease. The cost initiative system has aggressive procedures related with it; one of the dangers is that the cost pioneer can likewise center around value rebates at the rate of endeavoring to comprehend the buyer view of "focused levels of separation". The procedure additionally concerns impersonations and henceforth adversaries can without issues and productively figure out how to emulate the charge pioneer's system (Grant, 2010). The diverse danger of this approach is the strategies the cost pioneer influences utilization of to create to and disperse things might need to wind up obsolete because of the reality of development by utilizing its rivals and mechanical changes. This may likewise enable the contenders to deliver at costs that are diminishing than that of the first expense pioneer.

Differentiation Strategy: The cause of pursuing a differentiation strategy is to offer unique merchandise or services to clients so as to gain a price premium. This allows a firm erection of entry limitations and reduces consumers bargaining strength through client loyalty and price elasticity (Porter, 1980). In other words by enforcing differentiated personalized services or personalised merchandise a company can build its client loyalty when alternative merchandise or services are unavailable in the market (Allen and Helms, 2006 and Porter, 1990). These traits of product and services in this industry allow company to cost their clients a greater price than their competitors based on the cost of the transport system, service quality and the distribution channels concerned in developing or producing their special products and services (Miller and Friesen, 1986). According to Njoroge (2006), the most common location in the value chain in which differentiation strategy could be implemented consists of procurement and purchasing activities. This is the exact position too much raw materials are purchased and processing activities that reduces goods life over the shelf that allows a good coverage of warranty and the end result is better convenience of the end user. Additionally, these enhances marketing, product appearance, sales, and customer service activities whose result is differentiation activities to high quality of technical support to customer and faster maintenance and restore services, better supply of records to customers, quicker processing of orders, better and regular sales and better client convenience. Thompson (1996) posits that differentiation and optimal performance is implemented via serving customers wants in a different way. The greater the level of differentiation, the greater the sustainability of benefits that accrue to clients due to the reason that differentiation ought to accrues to expenses that are later recovered if the market for goods and services is willing and able to pay high prices. Swink and Harvey (1998) noted that the development of differentiation strategy involves insulating performance through high level of customer loyalty in the process.

Focus Strategy: Focus strategy gives attention to a narrow market segment or niche market (Porter, 1980). Firms pursuing this strategy are either focusing on cost advantage or differentiation of product or service, Hence the strategy has two sub strategies that is cost focus or differentiation focus (Hill and Jones, 2004). The main components of differentiation or cost leadership strategies apply to the focus strategy as well. However the scope of the market is smaller for the company pursuing this strategy. The company pursuing focus strategy serves certain niche market which has a potential and is interested in it. Regardless of the two variants, the focus strategy provides the same defense against the five competitive forces as would the respective industry wide cost leadership or differentiation strategies. As shown by research by Njoroge (2006), the concentration system is gone for making the market offering narrower, items and class or certain purchasers. This encourages firms to re-scope their offerings and activities to one type of markets and as an outcome, they are skilled to get upper hand. As indicated by Gakumo (2006) the concentration methodology has two variations; esteem center and separation center. A business venture organization that is never again seeking after any exact technique yet is choosing between in excess of a couple of components of less common techniques is said to have been fitted in the midst and may not exhibit advance. Study carried out by Gakumo (2006) about the use of doormen bland systems on business of banking in Kenya showed that concentration process with 15% at some time the second popular

used method. The study also established that almost half Kenyan commercial banks were stuck in the midst that implies that they had failed to expand their market offering process in no more than one of the three bearings. According to Dulo (2006), the concentration process differs from the two systems due to the reality that is guided closure to meeting the needs and wants of a restricted prospective customer gathering or a specific section of the market. The investigation by Dulo (2006) recommends that a concentration procedure introduce an open door for business people to find and make the most holes in the market through building up a cutting edge item that customers can't manage without.

III. METHODOLOGY

1. Research Design, Target Population and Sampling

The study used a survey research design. According to Kombo and Tromp (2009), descriptive research is a strategy for gathering data by meeting or regulating a survey to a specimen of people. The population of the study consisted of all the 108 employees of the company. There was no sampling required as a census used on all the employees. Census refers to the quantitative research method, in which all the members of the population are enumerated (Burns, 2010).

2. Research Instruments and data collection

The study utilized a structured questionnaire to obtain data from the respondents. A questionnaire was prepared for all staff to obtain primary data. The main instrument of data collection was structured questionnaire for primary. In constructing the questionnaire items for the respondents, a closed ended and open format was used. The questionnaire items were rated on Likert scale. The researcher first obtained introduction letter from board of postgraduate studies that was then used to obtain research permit from National Commission of Science, Technology and Innovation (NACOSTI). The permit and letter of introduction was presented to the management of Doinyo Lessos Creameries Ltd in Eldoret to get permission to collect data collection. The researcher then used drop and pick method where questionnaires were left with the public relations officer for eventual filling by staff. The filled questionnaires were collected back after one week for eventual data analysis.

3. Data Processing and Analysis

After collecting data from the different groups and getting different information, the same were sorted out, collected and the report analysed by use of descriptive statistical techniques. The statistical package for social sciences (SPSS) version 23 was used for the purpose of analysis of the data collected for the purpose of the study. Descriptive statistics analysis was employed to analyze data using means, percentages, frequency distribution and standard deviation. Inferential statistics analysis involved computation of Pearson correlation coefficients and multivariate regression to examine the association between the dependent and independent variables. The analysed data was presented by using tables and associated explanations. The researcher drew the conclusions and recommendations from the data.

The regression model was stated in equation one:

$$Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \epsilon \dots \dots \dots (1)$$

Where:

Y= Competitive advantage, β_0 = Regression Constant, $\beta_1 - \beta_3$ = Coefficient of the factor, X_1 = Cost leadership strateg., X_2 = Differentiation strategy, X_3 = Focus strategy, ϵ = Error term.

IV. RESULTS AND DISCUSSIONS

1. Pilot Study and Response Rate

Out of the 108 questionnaires that were given out to various respondents at Doinyo Lessos Creameries Ltd in Eldoret, 81 were returned and were useable for the study accounting for 75 % response rate. The response rate of 75% was adequate as argued by Dommeyer et al (2004) who holds that minimum of 75% for paper based survey is adequate for analysis. The reliability was arrived at by computing Cronbach Alpha coefficient that is a measure of internal consistency. The computed Cronbach's Alpha values showed that all the variables used in the study were reliable as shown by the fact that all the variables had Cronbach's Alpha values greater than 0.7 hence the research instrument can be argued to be reliable.

2. Descriptive Analysis

Cost Leadership Strategy: Cost leadership strategy was identified as one of the strategic option when striving to achieve competitive advantage at Doinyo Lessos Creameries Ltd in Eldoret, Kenya. Therefore, the present study sought to determine the extent to which cost leadership strategy was used at Doinyo Lessos Creameries Ltd in Eldoret, Kenya to achieve competitive advantage. All the measures were on a five point Likert Scale where; 1= strongly disagree, 2= Disagree, 3=Not sure, 4=Agree, 5=strongly agree. These results are as summarized in Table 1

Table 1: Perceptions to Cost Leadership Strategy

Statements	SA %	A %	N %	D %	SD %	N	Mean	Std. Dev
The company Prices its products below the rivals to outperform them	69	31	0	0	0	81	4.6923	.46513
The company has an efficient and low cost distribution channels	65	35	0	0	0	81	4.6923	.46513
The Company achieves Economies of scale through lending to clients and extensive mass mobilization	60	40	0	0	0	81	4.1913	.43512
The Company acquires its capital from low cost sources	31	20	29	20	0	81	3.6154	1.1276
The company continuously develops cost effective and innovative services/products.	20	27	42	11	0	81	3.5692	.93490
The company emphasizes on training, education, and institutional learning in order to reduce staff turnover, wastage and defects	9	0	39	41	11	81	2.5538	1.0159
The company out sources non-core functions or enters into joint ventures to control cost	40	20	18	11	11	81	3.6769	1.3818

The results in Table 1 indicate ways the cost leadership strategy has been applied at the milk processing plant. The respondents were asked to evaluate different statements about cost leadership strategy of the firm. All respondents (100%) who agreed meaning the milk processing plant charges prices below that of competitors supported the statement that the company Prices its products below the rivals to outperform them. Additionally, on average the respondents were inclined to agree ($\mu_x = 4.6923$ and $\sigma_x = 0.46513$) that price setting could be utilized to achieve competitive advantage. The statement that the company has an efficient and low cost distribution channels was also supported by all (100%) respondents. This indicates that the firm has a low cost distribution channel. Additionally, on average the respondents were inclined to agree ($\mu_x = 4.6923$ and $\sigma_x = 0.46513$) the firm choice of distribution channel has an impact on costs and competitive advantage. The statement the Company achieves Economies of scale through lending to clients and extensive mass mobilization of clients to build a large customer base was supported by all respondents that imply the firm is ensuring low rate of staff turnover. Moreover, on average the respondents were inclined to agree ($\mu_x = 4.1913$ and $\sigma_x = 0.43512$) that mass marketing contributes to cost reduction and competitive advantage. The statement that The Company acquires its capital from low cost sources was supported by 51%, which implies that firm may be using high cost capital in its operation. On average respondents agreed that ($\mu_x = 3.6154$ and $\sigma_x = 1.12767$) firm uses low cost of capital implying that effect of cost of capital on competitive advantage is major. Few respondents (47%) supported the statement that the company continuously develops cost effective and innovative services/products and refines existing ones. Additionally, on average respondents were inclined to agree ($\mu_x = 3.5692$ and $\sigma_x = 0.93490$) that company produces and distribute innovative products. This implies that cost effective and innovative products lowers cost and impacts on competitive advantage. The least number of respondents (9%) supported the statement that the company emphasizes on training, education, and institutional learning in order to reduce staff turnover, wastage and defects. Additionally, on average respondents were inclined to agree ($\mu_x = 2.5538$ and $\sigma_x = 1.01598$) that training and education was employed by the firm. This implies training improves staff efficiency hence lowering costs. Majority of respondents (60%) also supported the statement that the company out sources non-core functions or enters into joint ventures to control cost. Further, the agreement by respondents ($\mu_x = 3.6769$ and $\sigma_x = 1.38189$) about role of outsourcing non-core activities and how the firm has entered into them. This implies that company has endeavoured to reduce cost through outsourcing non-core activities. All the mean scores on cost leadership strategy matrix with exemption of one statement were in the category of $3.5 \leq \mu_x \leq$

4.7 implying that generally, most of the respondents agreed with majority of statements on cost leadership policy practice signifying that Doinyo Lessos Creameries Ltd in Eldoret is applying cost leadership to achieve competitive advantage and that the cost leadership theory has contributed greatly to competitive advantage of the firm. The cost strategy matrix was spread around the mean moderately ($0.43 \leq \sigma_x \leq 1.4$). The findings are in agreement with study by Gakumo (2006) who affirmed that most Kenyan based commercial banks absolutely their cost authority system on monstrous capital speculation and streamlined hierarchical structure. Additionally Njoroge (2006) argued that holding lower overheads than contenders used to be best than holding same overheads as with the contenders, this would thus mean giving items at diminished expenses than the contenders.

Differentiation Strategy: The respondents were required to rate a number of responses given on Likert scale. The data collected and associated analysis is given in table 2 with associated explanations.

Table 2: Level of Awareness on Differentiation Competitive Strategy

Statements	SA %	A %	N %	D %	SD %	N	Mean	Std. Dev
The company maintain a strong brand/image identification	81	19	0	0	0	81	4.18	.391
The company invests in Innovation and creativity	22	31	29	9	9	81	3.46	1.199
The company has a Sales branch network as a Differentiation strategy	9	71	9	0	11	81	3.67	1.032
There is innovation in technology to differentiate products	72	28	0	0	0	81	4.72	.450
The company offers a broad product range to cater for varied needs	28	63	9	0	0	81	4.18	.583
The company frequently develop new products	52	39	0	9	0	81	4.33	.888
There are strict product quality control procedures through TQM	31	31	27	0	11	81	3.7	1.221

Table 2 shows the data presentation and analysis of responses about statement on differentiation competitive strategy being applied at Doinyo Lessos Creameries Ltd, Eldoret Kenya. All (100%) respondents supported the statement that the firms hold the customers' interest at heart supported the statement that the company maintains strong brand/image identification. Moreover, average response rate was inclined to agreement with statements ($\mu_x = 4.18$ and $\sigma_x = 0.391$) about maintenance of strong brand image by the firm by the firm. This implies that strong company brand image is very necessary for competitive advantage. The statement that the company invests in Innovation and creativity was supported by (53%) respondents showing the firms has not been investing much in promotion of innovation and creativity. The study established that on average respondents were inclined to agree ($\mu_x = 4.18$ and $\sigma = 0.391$) that investment in innovation was carried out however not at required level. This underscores the important role played by innovation in the firm. Majority of respondents (80%) were of opinion that the firm the company has a Sales branch network as a Differentiation strategy. The averages for responses ($\mu_x = 3.67$ and $\sigma_x = 1.032$) about sales branch networking implied that the firm is using branching by sales as differentiation strategy to improve the competitive advantage. The statement that there is innovation in technology to differentiate products was supported by (100%) of the respondents showing good attributes on firm benchmarking. In addition the respondents were inclined on average to agree ($\mu_x = 4.72$ and $\sigma_x = 0.450$) with statement about differentiation of products using innovation a clear indication that the milk processing firm has been using innovation to differentiate its products to a achieve competitive advantage. Majority of respondents (91%) also supported the statement that the Company offers a broad product range to cater for varied needs. Mean responses ($\mu = 4.18$ and $\sigma = 0.583$) also tends to be inclined to agreement that the milk processing plant is offering a variety of products implying that the firm can achieve competitive advantage through expanding products lines as compared to its competitors. Finally, majority of respondents (62%) supported the statement that there are strict product quality control procedures through TQM. Mean responses ($\mu = 3.70$ and $\sigma = 1.221$) also showed the importance of total quality management in achieving competitive advantage in the milk processing plant. Generally, it is evident that differentiation

as a competitive strategy is highly practiced at Doinyo Lessos Creameries Ltd as evidenced by majority of respondents who supported different statements on differentiation strategy as evidenced by majority of percentage agreements being above 60% . Additionally, the mean responses for majority of statements about differentiation strategy being implemented by the company was found to be between $3.4 \leq \mu \leq 4.4$ implying that most of the respondents were inclined to agree to the statements that the milk processing plant was also actively applying differentiation strategy to improve its competitive advantage. Additionally, the differentiation strategy matrix was spread around the mean ($0.3 \leq \sigma \leq 1.3$) moderately. The finding is in congruence with studies by Miller, and Friesen (1986) who noted that differentiation based on product-innovation was the main goal intending to perform better than rival firms does. Additionally, Njoroge (2006) noted that the most obvious location in the value chain in which differentiation strategy could be implemented to enhance marketing, product appearance, sales, and customer service activities whose result is differentiation activities to high quality of technical support to customer and faster maintenance and restore services, better supply of records to customers, quicker processing of orders, better and regular sales and better client convenience.

Focus Competitive Strategy: The study also sought to establish the extent to which focus competitive was being applied by Doinyo Lessos Creameries Ltd. A likert scale was utilized for this purpose with statements that were rated by the respondents in the study. The results are presented in table 3

Table 3: Perception on Focus Competiveness Strategy Usage

Statements	SA %	A %	N %	D %	SD %	N	Mean	Std. Dev
The company offers a narrow, limited range of products	40	60	0	0	0	81	4.40	.493
The company products are offered in lower priced markets as a Focus strategy	51	11	20	18	0	81	3.93	1.210
The company only serves a specific geographic market	49	51	0	0	0	81	4.49	.503
The company only serves a specific product market	69	9	0	22	0	81	4.26	1.228
The company only serves a specific customer segment	71	0	0	0	29	81	4.12	1.375
The company has special products for specific target markets	60	40	0	0	0	81	4.60	.493

Table 3 shows the results of the responses on the statements about focus competitive strategy as applied in Doinyo Lessos Creameries Ltd in Eldoret, Kenya. Statement that the Company offers a narrow, limited range of products was supported by (100%) respondents showing that the firm has tended to apply focus strategy. Mean responses ($\mu = 4.40$ and $\sigma = 0.493$) also were incline to agreement with the above statement. A big portion of respondents (62%) supported the statement that the company products are offered in lower priced markets as a focus strategy. Mean responses ($\mu = 3.93$ and $\sigma = 1.210$) also tended towards agreement implying that the firm offers products at lower price than do competitors to gain complete advantage in terms of price focus. Price setting could be utilized to achieve competitive advantage. Additionally, all respondents (100%) were of the opinion that the company only serves a specific geographic market. The mean responses ($\mu = 4.49$ and $\sigma = 0.503$) also showed that the milk processing firm is only targeting its products with specific geographic region. The firm can choose to focus on a select customer group, product range, geographical area, or service line (Myant, 1999). For example, some service firms focus solely on the service customers. Focus also is based on adopting a narrow competitive scope within an industry. The statement that the firm only serves a specific product market was also supported by (100%) respondents indicating the firm has mastered the practice of focus strategy. A focus strategy based on differentiation depends on there being a buyer segment that demands unique product attributes. In the focus strategy, a firm targets a specific segment of the market (Porter, 1990).

Majority of respondents (71%) strongly agreed with the statement that the company only serves a specific customer segment. The mean responses ($\mu = 4.12$ and $\sigma = 1.375$) also showing that that firm serves specific customer segment implying that the firm does not distribute its products to all customers to a selected target customer. Focus aims at growing market share through operating in a niche market or in markets either not attractive to or overlooked by larger competitors. These niches arise from a number of factors including geography, buyer characteristics, and product specifications or requirements, a successful focus strategy (Porter, 1980). Finally, all respondents (100%) were also of the opinion that the company has special products for specific target markets. The mean responses ($\mu = 4.60$ and $\sigma = 0.493$) also shows that the milk processing firm produces special products for specific markets. Cost leadership or Product Differentiation generic strategies are preferable for mass market while focus strategies are more appropriate for customers with unique needs and preferences that are distinct especially when market niche is neglected by rival firms (David, 2009). Generally, it was evident that Doinyo Lessos Creameries Ltd in Eldoret was highly applying focus competitive strategy to improve its competitive advantage. This is evidenced by percentage agreements of above 70% on all statements about use of focus strategy by the milk processor. Additionally, the mean responses for majority of statements about focus strategy being implemented by the company was found to be between $3.9 \leq \mu x \leq 4.6$ implying that most of the respondents were included to agree with statements about usage of focus strategy to improve the competitive advantage of the milk processor. The focus strategy was spread around the mean ($0.3 \leq \sigma x \leq 1.4$) moderately. The findings are in agreement with empirical literature already examined beforehand. Study by Njoroge (2006), held that the concentration system is gone for narrowing the market fragment, items and class or certain purchasers. This encourages firms to rescope their offerings and activities to one type of markets and as an outcome, they are skilled to get upper hand. In addition, Dulo (2006) noted that a concentration procedure introduce an open door for business people to find and make the most holes in the market through building up a cutting edge item that customers can't manage without.

Competitive Advantage: The researcher also sought to establish the competitive advantage of Doinyo Lessos Creameries Ltd in Eldoret. The respondents were required to rate a number of responses given on Likert scale .The data collected and associated analysis is given in table 4.

Table 4: Level of Awareness on Competitive Advantage

Statements	SA %	A %	N %	D %	SD %	N	Mean	Std. Dev
The firm is producing products that are of superior value	32	58	7	3	0	81	3.31	.591
The firm has achieved competitiveness through adoption of organic organizational structure	0	68	32	0	0	81	3.89	.466
The firm's efficiency has improved greatly since adoption of strategic knowledge management	20	51	20	9	0	81	3.55	.912
The firm has been actively involved in cost cutting decisions	45	35	12	8	0	81	3.66	1.150
The firm is currently a cost leader in the industry	20	43	7	30	20	81	3.71	1.113
The products of the firm are very distinct from those of competitors	29	51	5	15	0	81	3.97	.712
the firm has the latest manufacturing technology which is very efficient	30	45	3	7	15	81	3.98	1.268

Table 4 shows the responses on the opinion on different statements about competitive advantage of Doinyo Lessos Creameries Ltd in Eldoret. The statement that the firm is producing products that is of superior value was supported by majority (90%) of respondents who agreed with the statement. The statement that the firm has achieved competitiveness through adoption of organic organizational structure was supported by 68% of the respondents who agreed with the statement with the remaining respondents having contrary opinion. Majority of the respondents (71%) supported the statement the firm' efficiency level has improved greatly since adoption of strategic knowledge management with only 29% of respondents having opinion of the contrary. The statement that the firm has been actively involved in cost cutting decisions was agreed upon by majority of respondents who felt that their respective firms were doing all they could to

reduce the cost of operation. The statement that the firm is currently a cost leader in the industry was agreed upon by 63% of the respondents who felt that their firm was performing well as far as costs of operation are concerned. Majority of the respondents (80%) who filled the questionnaires were of the opinion that the products of the firms are very distinct from those of competitors by agreeing with the statement and finally the statement that the firm has the latest manufacturing technology which is very efficient was supported by 75% of the respondents who filled the questionnaires. The high percentages of responses above 70% who agreed with statements about level of competitive advantage of the milk processor attest to the fact that the firm is enjoying competitive advantage due various competitive advantages applied by it. This is further confirmed by mean responses about competitive advantages being enjoyed by the company being $3.3 \leq \mu \leq 3.9$ implying that the company is enjoying average competitive advantage as a result of implementing competitive strategies. The findings are in agreement with study by Jowi (2006) who noted that an organization that takes after a competitive strategy tries to corner the region of enthusiasm for the commercial center, which may likewise fall any place inside the region on the left half of Michael Porters bend. Study by Kariuki (2006) was of opinion that competitive techniques were very basic and was imperative for any firm to achieve competitive advantage in their operation and dealings.

3. Correlation Analysis

The study sought to establish the association between competitive strategies and competitive advantage at Doinyo Lessos Limited. The study adopted Pearson correlation coefficient for purpose of examining the correlation between the study variables as presented in Table 5.

Table 5: Bivariate Pearson Correlation Coefficient

		CLS	DS	FS	COMP
CLS	Pearson Correlation	1	-.331**	.218	.432**
	Sig. (2-tailed)		.007	.081	.000
DS	Pearson Correlation	-.331**	1	.044	.391**
	Sig. (2-tailed)	.007		.728	.001
FS	Pearson Correlation	.218	.044	1	.321*
	Sig. (2-tailed)	.081	.728		.019
COMP	Pearson Correlation	.432**	.391**	.321*	1
	Sig. (2-tailed)	.000	.001	.019	

** . Correlation is significant at the 0.01 level (2-tailed). * . Correlation is significant at the 0.05 level (2-tailed).

Independent Variables: Cost Leadership strategy (CLS), Differentiation Strategy (DS), and Focus strategy (FS). **Dependent Variable:** competitive advantage (COMP).

The results in Table 5, shows the correlation between competitive strategies and competitive advantage at Doinyo Lessos Creameries Ltd. Cost leadership strategy was positively and significantly correlated with competitive advantage of the firm ($r = .432^{**}$, $p = 0.00$, $\alpha = 0.05$). The positive association between cost leadership and competitive advantage implies that any improvement in cost leadership is accompanied by improved competitive advantage as supported by Lewis and Chambers, (1989) stated that a cost leadership strategy is fine in the milk enterprise when a firm has a one of a kind competency in the management of the materials and production process. An examination done by Gakumo (2006) affirmed that most banks in Kenya based absolutely their cost authority system on monstrous capital speculation and streamlined hierarchical structure.” Differentiation strategy was also positively and significantly correlated with competitive advantage of the firm ($r = .391^{**}$, $p = .001$, $\alpha = 0.05$). The positive correlation between differentiation strategy and competitive advantage of the milk processor shows any improvement in differentiation of products should lead to improved competitive advantage. According to Njoroge (2006), differentiation strategy enhances marketing, product appearance, sales, and customer service activities whose result is differentiation activities to high quality of technical support to customer and faster maintenance and restore services. Chepkwony (2008) posits that the differentiation strategy objectives are aimed at improving the products and the firm’s image and exemplary value addition or product

improvement aspects .The study further explains that differentiated goods and services commands a higher selling price compared to the goods and services that have not been differentiated.

Finally, focus strategy was positively and significantly correlated with competitive advantage of the firm ($r = .321^*$, $p = .019$, $\alpha = .05$). The association between focus strategy and competitive advantage was also positive implying that any improvement in focus strategy has the potential of improving competitive advantage as supported by studies by Dulo (2006) who recommends that a concentration procedure introduce an open door for business people to find and make the most holes in the market through building up a cutting edge item that customers can't manage without. Chepkwony (2008) demonstrates that the concentration procedure is tied in with achieving upper hand by focusing on a specific market or item specialty. Additionally, Kariuki (2003) demonstrates that in a spotlight system the firm spotlights on a confined arrangement of customers and through both a cost authority or separation methodology or total of both, the organizations endeavor to increase upper hand over their adversaries seeking after both cost initiative or separation procedure on a more extensive venture premise.

4. Regression Analysis

The study used simple OLS Regression analysis to see the causal effect relationship between the variables. The study used multi regression model with three independent variables. The independent variables were cost leadership strategy, differentiation strategy and focused strategy. The dependent variable was competitive advantage. Multiple regression analysis involved calculation of coefficient of determination (R^2), Analysis of Variances (ANOVA) and regression coefficients.

Table 6: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.929 ^a	.863	.849	.14656

a. Predictors: (Constant), Cost leadership strategy, differentiation strategy and focus strategy

In table 6, the overall correlation coefficient (R) between independent variables competitive strategies and competitive advantage of the firm was found to be .929. This means that there was a strong positive relationship between competitive strategies practices and competitive advantage of the firm. Furthermore, it indicates that the model explains only 86.3 % of the variations in competitive advantage of Doinyo Lessos Creameries Ltd. as shown by coefficient of determination (R^2) of 0.863 with the remaining 13.7% of the variation in competitive advantage being explained by other factors not examined in the current study. The results thus mean that competitive strategies have a higher impact on competitive advantage and thus explain it as supported by Study by Nyaguthii (2008) who targeted on strategy assessment and manipulate among dairy processing companies in Kenya establishing that the competitive forces determine the depth of competition and subsequently the profitability and attractiveness of the industry.

Table 7: Analysis of Variances

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	7.847	3	2.615	163.437	.000 ^b
	Residual	1.246	77	.016		
	Total	9.093	80			

a. **Dependent Variable:** competitive advantage , b. **Predictors:** (Constant), Cost leadership strategy, differentiation strategy and focus strategy

According to table 7 the F value of 163.437 with an overall significance of model 1 was .000. The level of significance was lower than 0.05 and this means that competitive strategies practises shows statistically significant influence on competitive advantages in Doinyo Lessos Creameries Ltd in Eldoret, Kenya. The findings are in agreement empirical literature that identifies strong relationship between competitive strategies and competitive advantages of firms. Study by Nyaguthii (2008) who targeted on strategy assessment and manipulate among dairy processing companies in Kenya established that the competitive forces determine the depth of competition and subsequently the profitability and attractiveness of the industry.

Table 8: Coefficients of Independent Variable

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	Constant	4.258	.807		5.277	.000		
	CLS	.045	.025	.108	1.772	.082	.633	1.579
	DS	.464	.054	.514	8.566	.000	.657	1.521
	FS	1.089	.084	.064	12.96	.000	.653	1.532

a. Dependent Variable: Competitive advantage (COMP).

Table 8 further, shows the coefficients of independent variables (Cost leadership strategy, differentiation strategy and focus strategy). The regression model was thus estimated as shown in equation (2).

$$\text{COMP} = 4.258 + .045 \text{ CLS} + .464 \text{ DS} + 1.089 \text{ FS} \dots \dots \dots (2)$$

The estimated model equation simplifies the causal effect relationship between competitive strategies and competitive advantage of the firm. The value 4.258 is the intercept term of the model showing the level of competitive advantage when the independent variable in the model are held constant at zero. Cost leadership had a statistically insignificant effect on competitive advantage of the firm ($\beta_1 = .045$, $t = 1.772$, $p = .082$ and $\alpha = 0.05$). Differentiation strategy had statistically significant effect on competitive advantage of the firm ($\beta_2 = .464$, $t = 8.566$, $p = .000$ and $\alpha = 0.05$). Finally, focus strategy had a statistically significant effect on competitive advantage of the firm ($\beta_3 = 1.089$, $t = 12.96$, $p = .000$ and $\alpha = 0.05$).

5. Discussion of Findings

Effect of Cost Leadership on Competitive Advantage: The study sought to establish the effect of competitive strategies on competitive strategies practices on competitive advantages in Doinyo Lessos Creameries Ltd in Eldoret, Kenya. The study carried out correlation analysis between the major variables of the study. Cost leadership strategy was positively and significantly correlated with competitive advantage of the firm ($r = .432^{**}$, $p = 0.00$, $\alpha = 0.05$). The results show that Cost leadership had a statistically insignificant effect on competitive advantage of the firm ($\beta_1 = .045$, $t = 1.772$, $p = .082$ and $\alpha = 0.05$). The effect of cost leadership was positive meaning any improvement in cost management strategies like those that cut on costs leads to improved cost leadership that further lead to competitive advantage improvement. The reduction in cost of operation improves firms' competitiveness through introduction of cheap products in the market relative to competitors' products. This leads to the firm attracting clients from competitors hence improved competitiveness in the industry. The coefficient of .045 shows that any improvement in cost management by one units results to 0.045 units improvement in competitive advantages. However, the effect was not statistically significant meaning Doinyo Lessos Creameries Ltd did not achieve much competitive advantage though cost leadership strategy. The findings about effect of cost leadership strategy were in agreement with empirical review. Lewis and Chambers, (1989) stated that a cost leadership strategy is fine in the milk enterprise when a firm has a one of a kind competency in the management of the materials and production process." An examination by Gakumo (2006) affirmed that most Kenyan commercial based absolutely their cost authority system on monstrous capital speculation and streamlined hierarchical structure.

Effect of Differentiation Strategy on Competitive Advantage : Differentiation strategy was also positively and significantly correlated with competitive advantage of the firm ($r = .391^{**}$, $p = .001$, $\alpha = 0.05$). The positive association between differentiation strategy and competitive advantage signifies that any improvement in the differentiation of the products and processes of the organization is associated with improved competitive advantage of the firm.. Additionally, Differentiation strategy had statistically significant effect on competitive advantage of the firm ($\beta_2 = .464$, $t = 8.566$, $p = .000$ and $\alpha = 0.05$). The positive and statistically significant effect implies that any improvement in the differentiation of the products of the company by making the products and process unique and different from competitors aids in the customers identifying the products of the company. This further results to improved market share and sales of the firm as the customers are able to tell the products of the company from its competitors in the industry. The coefficient of 0.464 means that any change in the differentiation of the products by one unit results to change in competitive advantage by one by =0.464 units in the same direction of change. The findings are in congruence with study Njoroge (2006), who noted

that differentiation strategy enhances marketing, product appearance, sales, and customer service activities whose result is differentiation activities to high quality of technical support to customer and faster maintenance and restore services. Chepkwony (2008) also posits that the differentiation strategy objectives are aimed at improving the products and or the firms image and or exemplary value addition or product improvement aspects .the study further explains that differentiated goods and services commands a higher selling price compared to the goods and services that have not been differentiated.

Effect of Focus Strategy on Competitive Advantage : Finally, focused strategy was positively and significantly correlated with competitive advantage of the firm ($r = .321^*$, $p = .019$, $\alpha = .05$). Focus strategy had a statistically significant effect on competitive advantage of the firm ($\beta_3 = 1.089$, $t = 12.96$, $p = .000$ and $\alpha = 0.05$). The effect was positive and statistically significant implying that any improvement in focus of the firm by identifying gaps left in the market by large-scale milk processors in the industry lead to improved competitive advantage of the firm. The firm can focus on a few market niches inters of customers and market that is under served and then supply products to take advantage of the market gaps. Focus strategy had the greatest effect on competitive advantage of Doinyo Lessos Creameries Ltd since. The findings of study regarding effect of focus strategy on competitive advantage in the milk processing plant have a basis in empirical literature. Study by Dulo (2006) recommends that a concentration procedure introduce an open door for business people to find and make the most holes in the market through building up a cutting edge item that customers can't manage without. Moreover, Chepkwony (2008) demonstrates that the concentration procedure is tied in with achieving upper hand by focusing on a specific market or item specialty.

V. CONCLUSION

Concerning the first objective on the effect of cost leadership strategy on competitive advantage on Doinyo Lessos Creameries Ltd, regression analysis showed that Cost leadership had a statistically insignificant effect on competitive advantage of the firm. The effect of cost leadership on competitive advantage was positive meaning any improvement in cost management strategies like cost cutting leads to improved cost leadership that further lead to competitive advantage improvement. The reduction in cost of operation improves firms' competitiveness through introduction of cheap products in the market relative to competitors products. This leads to the firm attracting clients from competitors hence improved competitiveness in the industry. However, the effect was not statistically significant meaning Doinyo Lessos Creameries Ltd did not achieve much competitive advantage though cost leadership strategy. Concerning the second objective on the effect of differentiation strategy on competitive advantage of Doinyo Lessos Creameries Ltd, the study findings established that Differentiation strategy had statistically significant effect on competitive advantage of the firm. The positive and statistically significant effect implies that any improvement in the differentiation of the products of the company by making the products and process unique and different from competitors aids in the customers identifying the products of the company. This further results to improved market share and sales of the firm as the customers are able to tell the products of the company from its competitors in the industry. The positive coefficient means that any change in the differentiation of the products by some units results to change in competitive advantage by some units in the same direction of change. Finally, on the third objective on the effect of focus strategy on competitive advantage of the firm, the findings established that focus strategy had a statistically significant effect on competitive advantage of the firm. The effect was positive and statistically significant implying that any improvement in focus of the firm by identifying gaps left in the market by large-scale milk processors in the industry lead to improved competitive advantage of the firm. The firm can focus on a few market niches inters of customers and market that is under served and then supply products to take advantage of the market gaps. Focus strategy had the greatest effect on competitive advantage of Doinyo Lessos Creameries Ltd since.

Based on the fact that Cost leadership had a statistically insignificant effect on competitive advantage of the firm, the study recommends that Doinyo Lessos creameries limited the management and the cost accountant should continuously work on cost management improvement like cost cuts. The cost management should lead to improved cost leadership that further should lead to competitive advantage improvement. The reduction in cost of operation improves firms' competitiveness through introduction of cheap products in the market relative to competitors' products. This leads to the firm attracting clients from competitors hence improved competitiveness in the industry. However, since the effect was not statistically significant. Doinyo Lessos Creameries Ltd may not achieve much competitive advantage though cost leadership strategy. Given that differentiation strategy had statistically significant effect on competitive advantage of the firm, the study recommends that management of Doinyo Lessos together with manufacturing and marketing departments

should focus on differentiation strategy for competition. The management should put more effort on improvement in the differentiation of the products of the company by making the products and process unique and different from competitors' to aid in the customers identifying the products of the company. This further should results to improved market share and sales of the firm as the customers are able to tell the products of the company from its competitors in the industry. The management can use a number of differentiation strategies including branding, packaging and product designs that makes its products unique from those of its competitors hence wrestling the customers away from competitors and maintaining them for improved sales and market share. Finally, given the fact that focus strategy had a statistically significant effect on competitive advantage of the firm, the research recommends improvement in focus of the firm by identifying gaps left in the market by large-scale milk processors in the industry. The management of Doinyo Lessos Limited should put more effort in focus strategy by identifying the niches in the market that are under served by market leaders in milk processing. The focus strategy should lead to improved competitive advantage of the firm. The firm can focus on a few market niches in terms of customers and market that is under served and then supply products to take advantage of the market gaps. Given the fact that focus strategy had the greatest effect on competitive advantage of Doinyo Lessos Creameries Ltd, the management should put more effort on focus strategy to improve its competitive advantage.

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