COMPETITIVE STRATEGIES AND PERFORMANCE OF TELECOMMUNICATION FIRMS IN KENYA

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ABSTRACT

Organizational performances are dependent on firm's strategic practices. For organizational strategies to have an impact on a business the leadership style should be strategic. Telecommunications industry in Kenya has experienced heightened level of competition in both the voice and data service provision. Many companies have been facing declining performance evidenced by low profits and high losses. Telecommunication firms in Kenya experience numerous challenges from low subscription, pitiable connectivity in certain regions, staff retrenchment, poor customer service, poor telecommunication infrastructure and ineffective formulation and implementation of strategies. Effective competitive strategies can be viable tools towards effective and efficient growth and sustainability of the industry. Nonetheless, observed studies on the subject matter; competitive strategies and telecommunication performances within firms are still rare. The objectives of the research were investigating the impact of competitive strategy on telecommunication firm's performances in Kenya with specific objectives of: - examining impact of cost leadership, differentiation and focus cost on performance of telecommunication firms in Kenya. The research was based on porters, goal setting, behavioral and resource based theories. Descriptive research design was used and it targeted 216 participants who included executive managers, accountants, middle level managers, supervisor's engineers and accountants. It adopted a stratified random sampling to get the actual sample size bringing the number of sample size to 65 with 9 executive members, 11 accountant, 19 engineers, 12 middle level managers and 14 supervisors. Primary data was collected via questionnaire which was administered by dropping and picking. Data collected was analyzed using SPSS. Multi regression analysis was used to indicate the competitive strategies examined. The research established that focus cost, differentiation, focus differentiation and a cost leadership strategy has a positive and important effect on telecommunication companies' performances. Pearson correlation analysis was used and it established that focus cost, differentiation, focus differentiation and cost leadership strategies had a positive and significant relation with Telecommunication Company's performance and that it was good. The research recommended that there is need to improve corporate strategies for purposes of achieving increased performance within the firms. Further it recommended that there should be regular and frequent market surveys to determine performances, trends and needs. Lastly, the research recommended that there should be a consideration for demographic grouping in products and service pricing.

INTRODUCTION

In the last twenty years, the term strategic has gradually become a slogan. In the US numerous publications were produced and attributed to the widespread application of strategic management tool in huge firms and extensively accepted concept that economic decision within enterprises despite of their skills, practioners and since have called for the need to embrace strategic planning among SMEs.

Though, the study outcome did not indicate the same ideology, this could be as a result of the different approach used in operationalization. Further, there is scarcity on studies pertaining to strategic applied by SMEs in new innovations in Germany countries. Numerous concepts and tools in strategic management have be used despite the size of the firm. Though SMEs often lack resources for implementing decision when compared to huge companies, SMEs usually have fewer resources, minimal access to finances, labour, markets and underdeveloped administration. Thus applying formal mechanism of planning will be difficult attributed to size. (Karagozoglu & Lindell, 2016).

Sherman, Rowley and Armandi (2015) refers to strategic planning as a procedure where organizations critically analyses its internal and external environment, coin action plan grounded on the best fit method between the companies resources and environmental prospects; coining methods that are acceptable for purposes of minimizing organizational weakness while mitigating threat that might occur externally; determine appropriate strategies of implementing plans; and establishing measurement approaches that are applicable to the organization over time to realize if the firms strategic plan are leading to the desired outcome or not. Corporate strategic practices comprise of strategic planning processes undertaken by companies to enhance performance (Tapinos, Dyson & Meadows, 2005). When looking at the different activities that take place in organization and its environ, according to Ansoff (1970), strategic planning conceptualization as a process enables firms to match their products with technology for purposes of increasing its competitive advantage within its market. Further, he perceived it inform of change from accustomed environment to unaccustomed environment with extraordinary technologies, high competition, change in customer attitude, new factors of social control and corporate social responsibility.

While examining strategic planning concept, according to Matt Evans opines that strategic planning is a major responsibility of the executive management. He felt that provided managers have decided on their strategic plan, managers in the lower stratum should implement the plan through an operational plan. He referred to strategic planning as a process in which organization formulates decisions that are existing in a company for purposes of attaining goals through assessing the need for resources for the future and also to attract customers. This methodology elucidates strategic planning concept by providing a concise, accurate clarification of the concept.

Strategy focused enterprises are more likely to post better results than similar enterprises whose management do not embrace strategic planning; who view planning as secondary in an organization. Simerson (2016) posits that planning is as critical to organizations as it is to individuals, in that it provides a clear and distinctive direction to an organization. Without clear strategy, the purpose of an organization may become blurred to its employees, misunderstood by stakeholders; resources might be misapplied and in totality, the organization will perform sub optimally. In the current market trends, organizations need clear strategy to enable them to enter new markets successfully, as well as maintain the existing market share by quickly adapting to new technology.

Performance measurement concept attempts to respond to questions on the number of input needed to achieve an output. A company's performance is tested against its deduction within its structure. It scales social administrations plans, its efficiency and environmental objectives. Organization uses numerous performance measurement rather than a single measure which have been embraced in past years. This can be done by bringing forth organization management systems. Albrecht (2011) posits that

Statement of the problem

Despite the different efforts and strategies put across by actors in telecommunication companies for instance reduced tariffs, free calls, reduced money transfer charges, and short messaging services they have not resulted positive to enhance a competitive edge and there have been continuous dominance in marketing by the firms (Ofwona, 2009 and Odhiambo, 2011). The industry in Kenya have revolutionized rapidly. The Kenya communication authority for the past fifteen years have licensed 4 mobile companies which include equitel, aitel, Telekom and safaricom and served as ISP (Internet service provides) for instance Jami Telkom and wananchi online. Its very vivid that competition in telecommunication segment have increased in provision of voice and data services. (CAK, 2014).

Telecommunication companies have increased on their services. For instance, Airtel have added value to their services, offered free money transfer, have both post and pre-paid plans, offer one network services, internet services, 3.75G network, international roaming. 24-hour customer care. Me2U top up services and, SMS confirmation services (Kiruga,2018). On the other hand, safaricom have same products and services but on a different brand name. according to 2015 report by communication authority in Kenya, safaricom has experienced customer variability when compared to its competitors thus resulting to reduced profitability. Even though telecommunication companies use of strategies, there is a large gap that exists within the market. Thus has called for the need to invent strategic plans pertaining customer retention by the telecommunication firms. Numerous companies have increase their resource in order to acquire customers and ignore issues pertaining to their retention with or without knowing. According to David (2011) customer retention has a positive effect and thus it's a good strategy that can be incorporated by companies since customer satisfaction drives customer retention just as it is in numerous consumer market. customer satisfaction has had a transactional effect attributed to evaluation of post purchase expectation; actual purchase and cumulative satisfaction is generally mirrored centered on transaction over time which is the net customer experience by the seller. (Hill, Roche & Allen, 2007).

Performances in the telecommunication sector is very minimal and only Safaricom seem to be the only firm perform will and thus considered to acquire a monopoly status an indication that they have unique strategies that helps them be at a competitive advantage. With minimal changes in management and ownership, new strategies have not enhanced performance within the markets attributed to the fact that employee are bot confident about their performance. A research revealed the Kenya communication authority in the year 2015 established that profitability in Kenya telecommunication industry had been on the decline with voice traffic reducing from 1.8 billion to 1.7 billion in its last quarter. Nevertheless, market share also declined by 4%. This has resulted to reduced performance and that the major reason why Safaricom have been on the led with high profit margin, high market share 80% as compared to other companies which share 20% of the market. Its good to know that Safaricom and Airtel were formed in similar year and thus the success difference should be minimal. Based on the above therefore, telecommunication firms have not been in a position to mitigate their challenges. Therefor making it significant to establish the link between corporate strategic practices among telecommunication companies in Kenya and the effect on their performance.

Specific objectives

The studies major objectives were to establish the effect of competitive strategies on performance of telecommunication firms in Kenya

i. To establish the influence of cost leadership on performance of telecommunication firms in Kenya.
ii. To determine the effect of differentiation strategy on performance of telecommunication firms in Kenya.
iii. To examine the effect of focus cost strategy on performance of telecommunication firms in Kenya.
iv. To evaluate the influence of focus differentiation strategy on performance of telecommunication firms in Kenya**.**

LITERATURE1REVIEW

Theoretical1Review

This research was grounded on theories explaining competitive strategies in companies which encompass: goal setting, behavioral and resource based theory.

Theory of Goal Setting

According to this theory organizational performance is increased when organizational goals have been set (Whittington, 2002). These goals act as a guideline and thus directs employees and leaders towards achieving a particular goal. They also outline standard performance and how they are measures to determine their objectives and completion. Therefore leaders are not only mandate to set goal but also the goals should be specific and challenging in order to give employees meaning and motivation in enhancing their performances as an individual and as an organization. thus they should be set throughout the organization at individual, team and overall organizational level. By using this theory leaders are in a position to increase engagement and performances within organization by setting clear, meaningful and challenging strategies. This will not only arouse employee thinking but also give them an opportunity for acquiring knowledge and being creative. (Woodcock, 2012).

This theory therefore calls for a transformational leadership which in turn affect employee performance within the organization. organizational goals are crucial since they enable managers to standards for employee and the general organization thus bringing about commitment to work for purpose of achieving organizational goals. It enables leaders to engage the organization and set performances providing for a clear, meaningful and challenging goals which is bring sense of commitment to work. This theory is applicable to the research because it sets targeted guidelines on how to achieve performance through set goals and mechanism to complete these tasks towards accomplishing corporate goals.

Firms Behavioral Theory

Classification of firm behaviour in organization economic as a strategic management emerged from Barney and Ouchi (1986). According to the theory a firm's behavior is important in the theory of transaction cost since it acts as a building block for the theory of dynamic capability and economic evolution (Nelson and Winter, 2002). It emphasizes on the business processes of making decisions and providing detailed opinion on how the organization is going to make decisions. Cyert and March (1992) shows the basics in a firms behavioral theory that have demonstrated it relevancy in economic theory and the theory of complex organization. organization gives leaders a way of exercising their leadership and authority while influencing other people behaviors. Thus organization influence their environment in terms of information and strategies that they use in making decisions.

Resource-Based Theory

This theory is used in exploring the relationship among competitors, resources, and profitability such as competitive imitation, return on innovation use of imperfect information to create profitability differences amongst competing companies and the way through which resources can be accumulated to sustain competitive edge.

These contributions are referred to as resource based perception of a firm. However, the results of resource based theory in strategic management are not clear attributed to the fact that: (1) there are numerous integrating framework for the same approach; (2) minimal efforts has been put in place to develop practical impact of the theory.

The theory uses a framework as a strategy which encompasses different elements stemming from literature on strategic planning. The framework has five phases in its strategic formulation which encompasses: analysis of companies resource base; appraising companies' ability; analyzing potential company profit ratios; strategy selection and upgrading companies stream of resources and capabilities to enhance performance. (Rumelt, 2015).

Empirical Review

This subsection analyses and evaluates what has been done with other researcher and or authors in establishing the effect of corporate strategic practices on performances within firms. Literature review will help the researcher determine research gap and justify his study for purposes of showing connection with the relevant viewed theories.

Cost Leadership Strategy and Firm Performance

Muiruri (2020) investigated competitive strategies and organization performance. The study targeted Tuskys supermarkets in Nairobi. The specific objectives were based on differentiation, cost leadership and focus strategies. Standard deviation and average were used in analyzing descriptive data. Coefficient correlation by Pearson was for inferential analysis. The research outcome established that cost leadership has an important effect on performance within Tuskys supermarket. Further, that an increase in cost leadership increased performances within the organization. Methodological gaps are established on need to target a wide range of organizations to enhance comparability of results.

Islami et al., (2020) established the link between generic strategies by porters and performances within firms in the republic of Kosovo. Among the variables considered were low-cost differentiation, focus differentiation and focus cost. Strategies on performances within 113 firms operating in the republic of Kosovo. Data was analyzed through Pearson's correlation analysis and multivariate regression analysis. Low-cost strategy or cost leadership strategy had an important positive predictor of organizational performance. Gaps are clear as most like studies have a foreign orientation leaving scanty local empirical evidence on the subject matter.

Differentiation1strategy1and1Firm1Performances

Muiruri (2020) investigated on the link between performances within firms and competitive strategies targeting Tuskys supermarkets in Nairobi. The specific objectives were: differentiation, cost leadership and focus strategies. Descriptive analysis was applied, which used standard deviation and average for descriptive analysis. For inferential analysis, coefficient correlation by Pearson and regression were applied. The findings from the study showed that differentiation had an important negative effect on the performance of Tuskys supermarket. The research concluded that addition in differentiation strategy caused a decline in organization performance. Methodological gaps are established on need to target a wide range of organizations to enhance comparability of results.

Chepngetich and Kimencu (2018) examined competitive strategies and performance. The study was based on Nairobi, mobile service providers. The objectives of the study were: focus, differentiation and cost leadership strategies. The research design in the research was descriptive survey. The study further established that when the three competitive strategies were used they had a positive important impact on the organization's performance. As such, differentiation positively impact on organizational performance. Conceptually, gaps are evident in that past studies have rarely attempted to split the analysis of market focus strategy into its constituent elements for better understanding of how each component impacts on performance.

Focus Cost and Firm Performance

Wanjiru (2018) examined the influence of competitive strategies on Safaricom and Airtel performance. Cost leadership strategy, service or product differentiation, and focus strategy were the variables of the study. Pearson correlation analysis was used in the research. The analysis pinpointed that cost leadership strategy had a positive and important connection with organizational performances. Focus cost and focus differentiation strategy also had a positive impact on performance but not significant. Differentiation strategies were important and positive determinants of performances within firms. Methodologically, research gap identified here is that the more studies need to be conducted.

Islami et al., (2020) established the connection between generic strategies by porters and performances within firms in the republic of Kosovo. Among the variables considered were low-cost, differentiation, and focus cost and focus differentiation on performances within firms. The research targeted 113 firms operating in the republic of Kosovo. Data was analyzed through Pearson's correlation analysis and multivariate regression analysis. Market focus strategies; focus cost strategy and focus differentiation strategies were important and positive determinants of performances within firms. Contextual gaps are clear on need to carry out the research locally.

Focus Differentiation and Firm Performance

Islami et al., (2020) asses the connection between generic strategies by porters and company performances within Kosovo. Among the variables considered were low-cost strategy, focus differentiation, focus cost and differentiation strategies on performances within firms. The research targeted 113 firms operating in the republic of Kosovo. Data was analyzed through Pearson's correlation analysis and multivariate regression analysis. Focus differentiation strategy had an important and positive effect on organizational performance. Gaps are clear as most like studies have a foreign orientation leaving scanty local empirical evidence on the subject matter.

Fathali (2016) considered competitive strategies and their impact on organizational performance with a concentration on Iranian automobile manufacturers. The study assessed four generic strategies Two companies were considered in this regard, SAIPA and Iran Khodro, both Iranian automobile dealers. Findings established a strong positive effect of focus differentiation strategy on organizational performance. The research gap identified here is that the study were carried out in foreign Nations thus calling for the need to conduct the research in Kenya.

2.3 Conceptual Framework

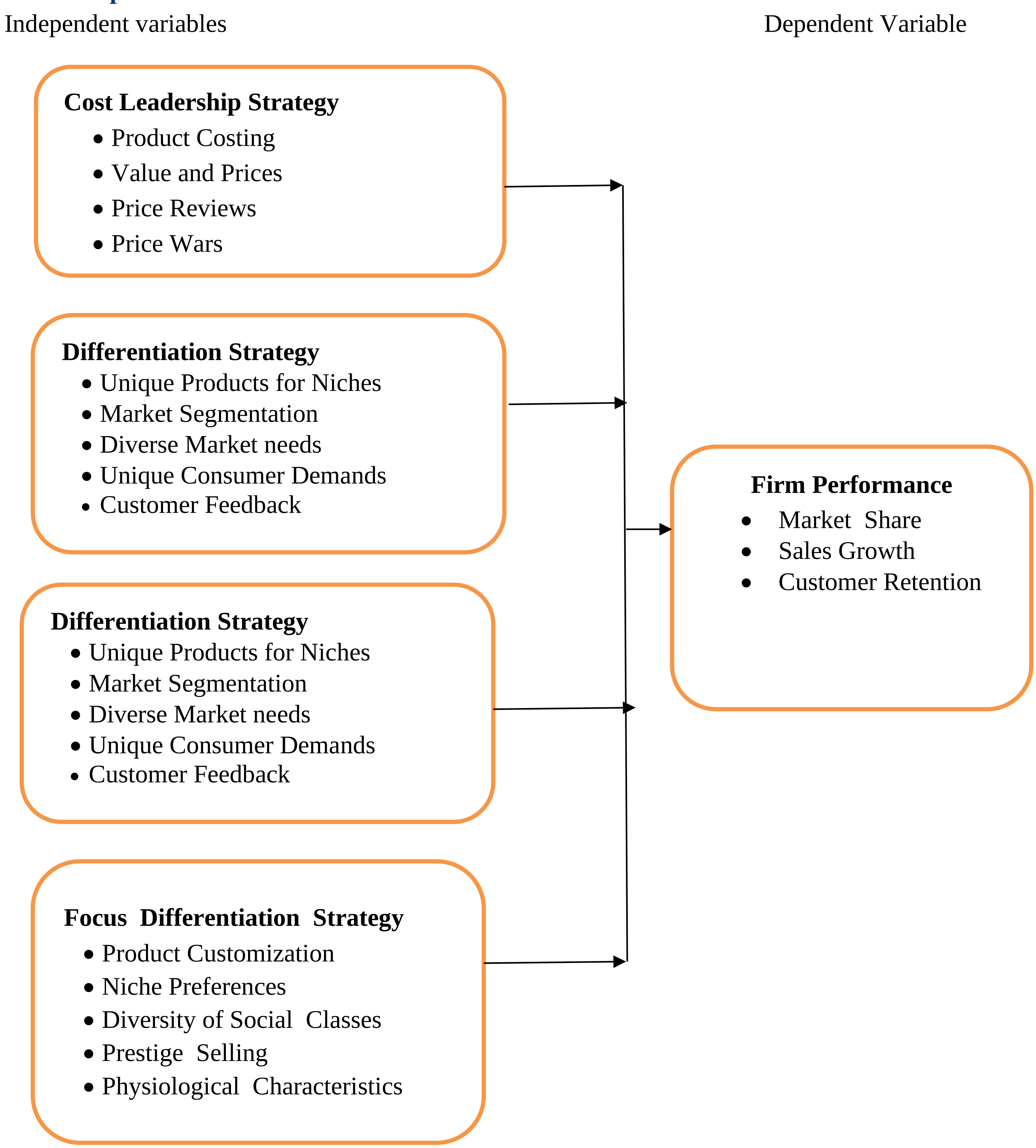

Figure 1: Conceptual Framework Source: Author (2022)

RESEARCH METHODOLOGY

Research Design

This researcher used descriptive design methodology as per Mugenda &Mugenda (2003) which refers to a research design a systematic manner to conduct an empirical inquiry by the researcher for purposes of outlining independent variables which cannot be manipulated. Further he posits that it concerned with establishing more on when, who, how and where of an occurrence for purposes of building profile.

Target Population

Population refers to group of individuals, elements, household among others under investigation. This research targeted employees instated within 9 telecommunication companies in Kenya whose headquarters offices are Nairobi County. There are 216 (two hundred and sixteen Permanente staff working within different department in the company stretching from executive managers, middle level managers, engineers, supervisors and accountants.

Sampling Design and Sample Size

This research adopted stratified random sampling approach for purposes of getting targeted sample population which in this instance is not standardized. This method gives a greater precision when compared to simple random sampling further it saves money since it requires small sample. Given that the number of targeted population is high and that there are constrains pertaining to resources and time, the researcher will target 30% of the total population as endorsed by Mugenda Mugenda (2003). This research used a sample size of 65 participants which is 30% of the targeted population from employee at the telecommunication firm in Nairobi County.

RESEARCH FINDINGS

Response Rate

This subsection summarised and appraise response rate achieved in the study. The responses obtained are compared to the target responses to determine the rate at which the participants responded. The achieved result is then appraised against the threshold recommended for statistical analysis. Table 4.2 captures the statistics to this regard.

Table14.2:Response Rate

Targeted participants	Received response	Response rate
65	51	78.46%

Source: Survey data (2021)

The researcher supplied 65 questionnaires to various respondents as described in the sample by dropping and picking. From this number, 51 questionnaires were collected bringing the response rate to 78.46% which was considered to have met the acceptable response levels and was very good. Mugenda and Mugenda (2003)rate of response of more than 50 is rated as adequate while more than 60 is rated as good while and 70 per cent is rated as very good. Therefore, the response rate for this research is acceptable and rated as very good.

General Information

This section captures a profile of the respondents. The parameters assessed included respondent's gender, age, working experience in the firm, job designation, and highest level of education. The figure below shows statistics pertaining to participant's gender. Approximately 2/3 (64.70%) of participants were male. Only slightly above a third (35.29%) of them were female. This indicates that management of the telecommunication firms was dominated by male employees.

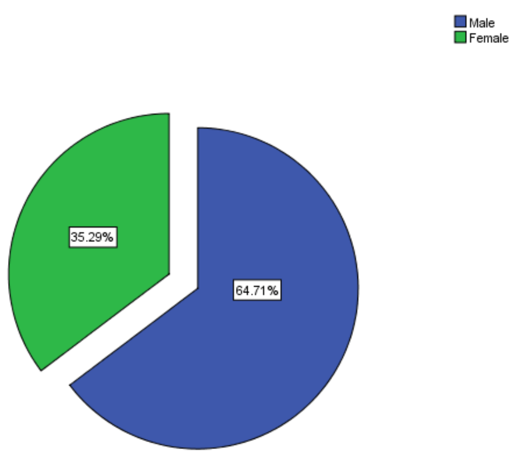

Figure 2: Respondents by gender

Source:Survey data1(2022)

Participants were requested to designate their ages. The table below shows information pertaining the age of the respondents This was useful in determining whether it is the youth or experienced workforce that held management positions.

Table 1: Age of Participants

	Frequency	Percent(%)	Valid Percent(%)	Cumulative Percent(%)
<30 years	7	13.7	13.7	13.7
31-40 years	7	13.7	13.7	27.5
41-50 years	26	51.0	51.0	78.4
Above 51 years	11	21.6	21.6	100.0
Total	51	100.0	100.0	

Source: Survey data (2022)

Table 4.3 indicates years of working experience for staffs within the telecommunication firm. . Information is useful in determining their capacity to knowledgably respond to the issues sought by the study regarding their company. Majority of the participants (47.05%) had worked for 5 to 10 years in the telecommunication firms. An additional 33.34 % of the participant worked in the company for more than 11 years. Only 19.61% of participants worked lesser than 5 years in the company

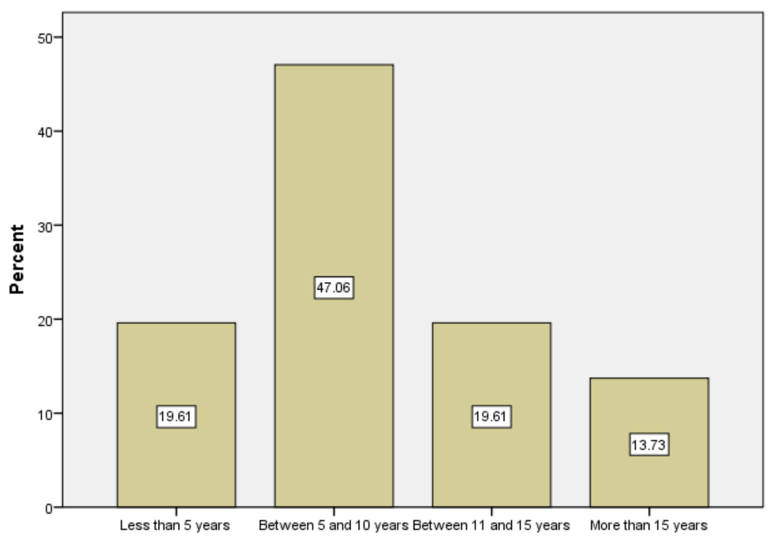

Figure 3: Working Experience in the Telecommunication Firms

Source: Survey data (2021)

The figure above indicates statistics regarding respondent's education level. The importance of the information concerns determination of the participant's capability to contribute to the research and understand questions.

Table 2: Level of Education

	Frequency(f)	Percent(%)	Valid Percent(%)	Cumulative Percent(%)
Secondary	3	5.9	5.9	5.9
Certificate	10	19.6	19.6	25.5
Diploma	14	27.5	27.5	52.9

Undergraduate	19	37.3	37.3	90.2
Postgraduate	5	9.8	9.8	100.0
Total	51	100.0	100.0	

Source: Survey data (2022)

Most participants (52.20%) were diploma holders. An addition 37.30 percent and 9.80 percent had undergraduate and post graduate level qualifications respectively. Finally 19.60% percent and 5.90% had certificate and secondary level academic qualifications respectively. Hence, the management team of the telecommunication firms had fairy richly educated staff with potential to effectively and efficiently participate in the study.

The table above indicates statistics on the participant's designations in the telecommunication firms. Majority of the responses were registered from the engineers and supervisors who accounted for 25.49% of total responses each. The middle level managers accounted for 21.57% of the responses while accountants and high level managers represented 15.59% and 11.76% of total responses respectively. Hence, the responses were fairy received from all categories of management as targeted.

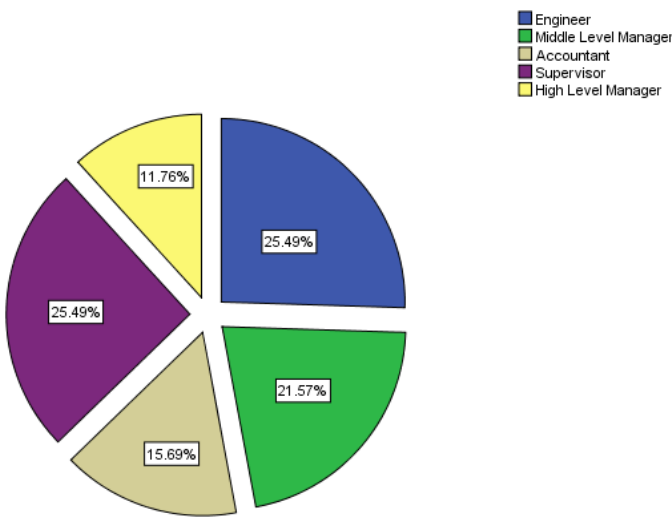

Figure 5:1Respondents'1Designation

Source:1Survey data1(2022)

Descriptive statistics.

This1subtopic elaborates on the variables hypothesised in the study where competitive strategies include: -differentiation, focus differentiation, cost leadership and focus cost strategies. Statistics regarding the dependent variable (organization performance) are also presented.

Performance of Telecommunication Firms

This section entails descriptive data on telecommunication company's performances. participants were requested to elaborate on the extent to which they approved different aspects telecommunication firms performance. Table 4.5 provides the statistics.

Table 3: Performance of Telecommunication Firms

	N	Mean	Std. Dev
Over the last three financial years, our organization has increased its market share	51	3.6742	.05632
We have an upward trend in sales growth for the last 3 years.	51	3.4667	.43006
We have had repeat purchases from most of our customers for the last 3 years	51	3.8009	.40606
Customer service has improved with strategic leadership	51	3.5011	.28331
Our efficiency has improved over the past three years	51	4.2013	.64273
Quality of service delivery has improved over the past three years	51	3.8810	.09482
Stakeholder satisfaction has improved over the past three years	51	3.2783	.46530
Value for the taxpayer’s money has been enhanced	51	3.6908	.98632
Average	**51**	**3.6868**	**.48398**

Source: Survey data (2022)

Shown by mean aggregate (3.69), performance of telecommunication firms was generally good. This is denoted by low standard deviation mean (0.48) an indication that opinion were closer to the average. The results (M=3.67, SD=0.56) indicated the organisations had to a great extent enhanced their market share over the past three financial years. Further as shown by the statistics (M=3.50, SD=0.43), the firms to largely registered an upward trend in sales growth for the last 3 years. The results (M=3.80, SD=0.40) showed that the organisations also registered a great deal of repeat purchases from most customers for the last 3 years. In addition, it was established that customer service (M=3.50. SD=0.28) and efficiency (M=3.88, SD=0.940 and value for tax payers money (M=3.88, SD=0.09) had greatly improved over the past three years. Nonetheless, stakeholder satisfaction (M3.27, SD=0.47) had registered only moderate improvement over the past three years.

Cost Leadership

This subsection elaborates on findings, discussions and presentation on cost leadership a competitive strategy implemented by the telecommunication firms. Table 4 provides the statistics to this regard.

Table14:1Cost1Leadership1Strategy

	N	Mean	Std. Dev
Our products are given the lowest prices in the market	51	3.5074	.22201
Our company sells products with the best quality in the market	51	3.8309	.53101
We reduce our prices conveniently	51	3.6963	.38525
The pricing of our products and services help us to minimize threat from our competitors	51	3.7321	.20525
We ensure that the pricing does not compromise the quality of our products	51	4.4208	.35645

We give value to our customers at the most competitive price in the market	51	3.5986	.44424
We periodically keep reviewing our prices in response to market forces	51	3.9763	.24258
We cushion ourselves from competitor price wars	51	3.6153	.63246
Average	**51**	**3.7972**	**.377410**

Source: Survey data (2022)

As denoted by mean aggregate (3.80), companies greatly used of cost leadership as a competitive strategy among the telecommunication firms. This scenario is supported by low standard deviation mean (0.377) an indication that opinion were closer to the average. The respondents largely reported that their companies' products were given the lowest prices (M=3.51, SD=0.22) and best quality (M=3.83, SD=0.53) in the market. It was also largely held that the companies conveniently reduced their prices (M=3.70, SD=0.40) and that the pricing of the companies' products and services was effective in minimizing threats from competitors (M=3.73, SD=0.21). The results (M=4.42, SD=0.36) also demonstrated that the firms ensured that pricing did not compromise the quality of products. In addition, the statistics (M=3.60, SD=0.44) showed that the telecommunication firms offered supreme value to their customers at the most competitive prices. It was also established that the firms periodically reviewed their prices in response to market forces (M=3.98, SD=0.24) and effectively cushioned themselves from competitor price wars (M=3.61, SD=0.63).

Differentiation Strategy

This subsection discusses the findings and presentation on differentiation as a competitive strategy in the telecommunication firms as shown in the table below.

Table 5: Differentiation Strategy

	N	Mean	Std. Dev
Our products and services are unique from those offered by our competitors	51	3.8743	.63274
We segment our market based on consumer trends	51	4.0643	.52345
We market our products and services differently and in accordance to different market needs	51	3.2001	.48023
We customize our products and service in response to consumer demands	51	3.9111	.34523
We listen to all our customer concerns and resolve issues immediately	51	3.9002	.32047
Average	**51**	**3.7900**	**.46042**

Source: Survey data (2022)

The average mean (3.79) is an indication that differentiation competitive strategy was basically implemented by the telecommunication firms. The truncated standard deviation mean (0.46) an indication that opinion was closer to the average. The outcome (M=3.87, SD=0.63) pinpointed that companies products and services were largely unique from those offered by our competitors. The statistics pinpointed that company largely segmented their market based on consumer trends (M=4.06, SD=0.52) and customized their products and services in response to consumer demands (M=3.91, SD=0.35). In addition, it was demonstrated that the firms largely listened to customer concerns and promptly resolved issues. Nonetheless, the outcome (M=3.20, SD=0.48) pinpointed that companies moderately marketed their products and services differently and in accordance to different market needs.

Focus Cost Strategy

This subtopic discusses the findings and presentation on focus cost strategy which was one on the competitive strategies pursued by the study. Table 6 provides the statistics to this regard.

Table 6: Focus Cost Strategy

	N	Mean	Std. Dev
We have special product pricing packages for specific social classes.	51	3.9643	.33002
Our firm has facilities that target specific niches depending on income.	51	3.7645	.84323
The firm chooses how they sale within different markets.	51	3.6594	.22436
The firm pays attention to unique demographic groupings while pricing her products and services.	51	3.8745	.14213
Price wars are utilized by the firm in winning specific market niches	51	3.9303	.35832
Average	**51**	**3.8386**	**.37961**

Source: Survey data (2022)

From the outcome (aggregate mean 3.84), showed that focus cost as a competitive strategy was largely implemented by the telecommunication firms. This was asserted further by reduced standard deviation (0.38) that represented proximal observations about the average. The outcome (M=3.96, SD=0.33) showed that companies basically implemented special product pricing packages for specific social classes. In addition, the firms had largely established facilities that target specific market niches based on income level (M=3.76, SD= 0.84). The firms also largely practiced discriminate selling for different market segments (M=3.66, SD=0.22). Finally, the telecommunication firms largely paid attention to unique demographic groupings while pricing her products and services (M=3.87, SD=0.14) and also largely utilised price wars in winning specific market niches (M=3.93, SD=0.36).

Focus Differentiation Strategy

This subtopic discusses the findings and presentation on focus differentiation strategy which was a competitive strategies examined by the study. Table 7 provides the statistics to this regard.

Table17:1Focus Differentiation Strategy

	N	Mean	Std. Dev

The telecommunication firm utilizes product customization to suit the needs of specific niches.	51	3.8882	.44002
Products are continuously modified and improved to suit unique customer preferences	51	3.6082	.20056
Attention is paid to the diversity of social classes in shaping the deliverables attached with particular products and services.	51	3.8773	.45012
Prestige selling is highly utilized by the firm.	51	3.3423	.14213
The telecommunication firm pays attention to diverse physiological characteristics of different market segments to inform product distinction.	51	3.3476	.18537
Average	**51**	**3.6127**	**.28364**

Source: Survey data (2022)

As denoted by mean aggregate (3.61), focus differentiation strategy as a competitive strategy was largely used by the telecommunication firms. Reduced mean standard deviation (0.28) also confirmed this scenario by observing right bond between the average. The outcome (M=3.90, SD=0.44) pinpointed that telecommunication firms generally utilized product customised to fit market needs. The firms also largely implemented continuous modification and improvement of their products to suit unique customer preferences (M=3.60, SD=0.20). In addition, the firms paid attention to the diversity of social classes in shaping the deliverables attached with particular products and services (M=3.60, SD=0.20). Nonetheless, outcome indicated that prestige selling was only moderately utilized by the firms (M= 3.34, SD=0.14). In addition, the telecommunication firms only moderately considered diverse physiological characteristics of different market segments to inform product distinction (M= 3.34, SD=0.20).

Inferential Statistics

Besides the descriptive statistics, the study also applied inferential analysis tools that gave key inferential statistics through correlation and multiple regression analysis.

Correlation Analysis

Research applied correlation analysis by Pearson to examine the connection between competitive strategies and performances within firms. Of key interest in the analysis was the form, power and direction of association among competitive strategy and performance of the telecommunication firms as shown below.

Table 7: Analysis of Pearson Correlation

		Firm Performance
Cost Leadership Strategy	Pearson Correlation	.701**
	Sig. (2-tailed)	.001
	N	51
Differentiation Strategy	Pearson Correlation	.551**
	Sig. (2-tailed)	.021
	N	51

Focus Cost Leadership Strategy	Pearson Correlation	.423**
	Sig. (2-tailed)	.013
	N	51
Focus Differentiation Strategy	Pearson Correlation	.444**
	Sig. (2-tailed)	.032
	N	51

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

Source: Survey data (2022)

Pearson Correlation Analysis indicated that all the independent variables assessed focus differentiation, cost leadership, focus cost, differentiation strategies and are positively related with firm performance. The outcome provided evidence that cost leadership has the greatest relationship with firm performance. This was followed by differentiation strategy, focus differentiation strategy and focus cost leadership strategy respectively. Correlation Coefficient by Pearson for focus cost strategy (0.701) represents a robust and positive connection with firm performance. The connection is statistically important since the p value at (0.001) lies under 5% importance level. The outcome support past studies such as Muiruri (2020), Wanjiru (2018) and Islami et al., (2020) established that cost leadership has positive connection with performance. Study findings however contradicts Norman (2019) who established that the strategy of cost leadership had no important connection with performances within companies.

Correlation coefficient by Pearson on differentiation strategy (0.551) indicated that the connection between firm's performance and differentiation is strong and positive. The relationship is important thus indicate by a p value(0.021) which lies within the 5% important level. Study findings are in unison Chepngetich & Kimencu (2018), Chumba (2019), Islami et al., (2020) and Fathali (2016) who indicated that the strategy of differentiation had an important positive connection with firm's performance. However the study contradicts Muiruri (2020) who indicated that the strategy of differentiation has an important negative connection with firm's performance.

Connection between focus cost strategy and firm performance is moderate and positive as indicated by the Pearson Correlation Coefficient (0.423). Further, the association is significant since the p value (0.013) lies amidst 5% significance level.

Finally, correlation coefficient by Pearson for focus differentiation strategy (0.444) indicates moderate connection between focus differentiation strategy and firm performance. The connection is important since the value of p (0.032) is amidst 5% significant level.

Regression Analysis

The multiple regression analysis sought to establish the effect of competitive strategies on firm performance in the context of telecommunication companies in Kenya as indicated in the table below

Table 8: ANOVA11F-1Test

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	225.601	4	56.401	101.002	.022
	Residual	25.653	47	.546		
	Total	251.254	51			

a.
Predictors: (Constant), Cost Leadership, Differentiation, Focus Cost, Focus Differentia tion

b. Dependent Variable: Firm Performance

Source: Survey data (2022)

At 5% significance level, the study obtained a confirmation and concluded that the regression line gradient differed from zero. This is because the value of p at 0.022 is less than 5% level of significance. Therefore, at minimum one of the competitive strategies assessed; cost leadership, differentiation, focus cost and focus differentiation strategies was an important predictor of telecommunication firms performance.

Another key results from the multiple regression analysis is regression model summary. Output shows the importance of the model in forecasting performances within telecommunication firms. The table below captures the output of the model summary.

Table 9: Regression Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.856[a]	.733	.729	.20603	1.891

a. Predictors: (Cons), Cost Leadership , Differentiation, Focus Cost, Focus Differentiation

b. Dependent Variable: Firm Performance

Source: Survey1data1(2021)

The coefficient of determination and R square, 73.30% performance variation within telecommunication firms (the dependent variable) is elaborated by variances in competitive strategies i.e differentiation, focus differentiation, cost leadership and focus cost. Therefore, only 26.70% variance within telecommunication firm's performance was elaborated by another analysis in the model. It was established that at minimum one variables; differentiation, cost leadership, focus differentiation and focus cost was an important analysis for performances within firms.

CONCLUSIONS AND RECOMENDATION

It was concluded that pursuit of cost leadership strategy enhances performances within firms. As such, the research concludes that an improvement in usage of cost leadership would lead ton increase in firm performance. Likewise, a decline in implementation of cost leadership would occasion a decline in firm performance. It was concluded that differentiation serves to increase performances within firms. Therefore, an advancement in implementation of differentiation strategy would lead to increased performances among firms. A decline in usage of differentiation strategy results to a decline in telecommunication firm's performances.

The study concludes that focus cost strategy is important in influencing performances within firms. Therefore, an improvement in usage of focus cost strategy would result in an improvement in telecommunication firm's performances. In addition, decline in adoption of focus cost strategy results to a decline in firm's performances. The study makes a conclusion that focus differentiation strategy is key in positively enhancing the level of firm performance. increased implementation of focus differentiation result to increased performance within telecommunication firms. In addition, a decline in usage of focus differentiation strategy would result to a decline in performance.

This research recommendation was grounded on the research findings. Although performance of telecommunication firms was generally good, the study recommends strategies towards improvement on stakeholder satisfaction in the firms which was only moderately achieved. The research specifically recommended more regular and participatory market surveys to determine stakeholder perceptions and emerging trends and needs. Although cost leadership as a competitive strategy was largely adopted by the telecommunication firms, the study recommends enhanced determination by the firm's in cushioning themselves from competitor price wars, a factor which was only moderately embedded.

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