

# Marketing Strategies, Competitive Strategies and Organization Performance of Media Houses in Kenya

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**Abstract:** Media houses in Kenya have continued to grow with most individuals owning a station due to affordability and fewer restrictions that are offered by the Communication Authority, which is the regulating body in Kenya. This rampant growth in the industry has propelled competition and hence the need to restructure marketing strategies. The general objective of this study was to assess whether marketing strategies and competitive strategies affect organization performance in media houses in Kenya. The specific objectives were to establish how the core service strategies affect the organizational performance, determine how pricing strategy affect the organizational performance, to establish how promotional strategy and distribution strategy affect the organizational performance and finally determine the moderating effect of competitive strategies on the relationship between marketing strategies and organizational performance of media houses in Kenya. The study was guided by four theories which included the marketing mix theories, Push and Pull theory, Resources Advantage theory and open system theory. The study adopted the descriptive cross-section survey method, which is illustrative for the various media houses in Kenya. In this study, the convenience sampling technique was used to select the six media houses which have been in operation for the last twenty years. Consequently, two units which were the unit of observation and analysis whereby the managers of those six media houses were the respondents. Data were collected using questionnaires, and all ethical considerations were strictly observed. On data analysis, interpretation and presentation, the quantitative data generated were analyzed with the aid of statistical package for social science (SPSS). The findings of the study revealed that there is a significant relationship between marketing strategy and performance of the organization. The moderating effect had an insignificant relationship with the organization performance's study used both Pearson's correlation and regression analysis. Findings revealed a positive correlation between Marketing strategies and organizational performance ( $r=0.545$ ,  $P\text{-Value}=0.000$ ), pricing strategy ( $r=0.213$ ,  $P\text{-Value}=0.004$ ), Promotional strategy ( $r=0.629$ ,  $P\text{-Value}=0.000$ ) and distribution strategy ( $r=0.394$ ,  $P\text{-Value}=0.000$ ) which show a positive correlation in all. The researcher, therefore, concludes that there is a relationship between marketing strategies and organizational performance.

## I. INTRODUCTION

Marketing is a process through which the organization builds value for the consumers, and create strong customer relationship so that they can get benefit from the consumers of their brands in return. The strategy is a plan that the organization lays down to tackle competitors and survive in a turbulent environment (Ebitu & Tom, 2016) Whether the company is small or big, excellent marketing strategy is an

essential aspect of the whole organization because it involves the formulation of a plan of how the organization has achieved its objectives. According to Kotler, Burton, Deans, Brown and Armstrong (2015) marketing strategy is the Process of strategically analyzing environmental, competitive and organizational factors affecting its units and forecasting on future trends of the organization.

Several plans of marketing are available, which can take a large or small organization from mediocre to success when used correctly. Finding new customers and overtaking new market is sometimes tricky, but when equipped with innovative minds, proven technology, financial markets and proper sales personnel can become a success over time. Every organization has an interest in increasing marketing effectiveness to achieve its objectives. The most effective marketing strategies are those targeted towards a specific audience in that the adopted programming method of the media house should target a particular audience. Elements of effective marketing strategy include segmentation whereby the media house should segment their market by identifying where their existing and potential customers fall by characterizing their needs.

The segmentation is done through market research and market reports which should address the needs better than their competitors. Targeting and positioning strategies are also critical elements of marketing. Media houses should aim to sell to the market segment, which they believe that it had the most profitable business, and it has been important that the service offered met the needs of the chosen target market. In organizations, promotional tactics ensure that the target market knows about the service which is being aired and limit the activities to those methods that had been effective to the brand (Key & Czaplewski, 2017). Market and technology changes have kept the companies alert in maintaining their competitiveness.

As a result of pressure from the environment to improve productivity, quality and speed, managers should adopt quality management tools, benchmarking and taking news skills to develop and sustain profitability. Competitive advantage is a long-term plan that an organization uses to achieve benefits over its competitors. The media houses in Kenya aim to create a defensive position in the market so that the organization can generate a superior return on investment (ROI). There has been increasing competition in the market place with organizations adopting new and improved

competitive strategies to prevent their challenges in the competitive markets. All organizations operate within a particular environment which has factors that influence the organization choice of direction. Marketers are forced to acquire and maintain strategies and pursue them to gain and sustain their competitive advantage. (Goetsch & Davis, 2014)

The study was mainly guided by four theories which included: Marketing Mix Theory, Push and Pull theory, sales performance, and marketing strategies have been based on marketing mix theory and the theory of the push and pull. The marketing theory mix theory has recently been used to make virtual decisions that lead to the execution of the marketing plan. The thinking behind the theory is to organize all functions of a marketing plan around the desire, habits and target market psychology. On the other hand, the method of push and pull applied in today's industry pushing to solve problems which are sometimes seen the consumers as intrusive or overlooked by them as the solution to get lost due to information overload.

The pulling solution has taken part in the business entity. There are the Four P's including Product/Core Service, Price, Promotion and Place. The marketing manager uses them to control the subjects to the internal and external challenges of the environment. The aim is to attain decisions that hold the four P's on the customers in the specified market to create brand loyalty and build the organizational image to enhance the performance positively. (Kasabov, 2015). The framework of the marketing mix was instrumental in the earlier days when the concept of marketing represented the physical product which described the economy by then: Resources-Advantages theory and Open system theory. Marketing mix theory makes the virtual decision that will lead to carrying out marketing plans with the historical connection between marketing spending and organization performance so that enable one to determines the organizational drive and how much one should spend (Foxall, 2014).

### *Marketing Strategy*

Marketing strategy is an essential tool for increasing performance and achieving sustainable competitive advantage. Marketing strategies involve in all short-term and long-term functions, in the area of marketing that deals with the analysis of the initial strategic situation of the company and selections. Formulations and evaluation of the oriented market strategy and hence contributing towards the goals of the organization and objectives of marketing's penetration strategy of the market is known as concentrated growth strategies since the organization can thoroughly be exploited and develop their knowledge on a specific market. (Fifield, 2012)

A marketing strategy is a game plan for pursuing prospective consumers and turning them to customers for the services offered. It is a concept by which firms aim at reaching its target market through service differentiation, pricing, promotion and the distribution of the service provided.

Marketing strategy involves conceptualization of unique services that satisfy the consumer need by providing the service at the considered price with excellent delivery of the service and with an effective promotion strategy. A marketing strategy is designed by defining the target market, and this is where the media house will choose their audience whom they intend to target to offer their service to them. Those segments should have to guarantee quick profits to the organization; some segments may seem potential but have high entry barriers. Therefore, there will be a need for intensive marketing so that the organization gains more significant know-how of the market they intend to enter and know the needs of the consumers (Kasabov, 2015).

The elements of the marketing mix conceptualized as the core product, which measured in term of looks, feel. Still, it is customized to be compatible with the requirements and personal touch of the consumer. Core service product development arises as a result of the change in customer's preference, high Competition and advance technology. The process is due to the innovations made on the existing product. The success of core service product development strategies is as an outcome of leveraging three internal elements which include technical advantage and experience, marketing savvy and good knowledge of a consumer (Proctor, 2014).

However, there is a need to note that the service product is heterogeneous and perishable in- nature just like the natural product and designed to meet the demand of the customer's satisfaction. The achievement of the market development strategy of a product is when a core service has gained new customers in a new area segment. Product diversification which is a corporate strategy aimed into entering a new market segment which is the most uncertain section since the operation of the organization moves without the experience in the market not knowing that the product might succeed or fail due to the competitions in the new environment. Secondly, price is the monetary value of a product and is rather complicated to value in service than in products. While setting the pricing one should consider who the consumer of the service has been and the type of market segmentation in the case of the media house who will be watching their programs.

The third element is the place which is the location of the service; it should be accessible to the clients. Promotions the fourth element, and since there is a lot of Competition, the media house should advertise their brand to up their game and get noticed. They can do promotions through road shows, billboards, sponsoring of events which touch the lives of people. The fifth strategy involves ensuring the right people who are skilled and are professional work for an organization. Most media houses are known to employ the famous artists and comedian to work for their organization. Still, there is a need for professionalism in an organization. Therefore, this indicates how service is delivered. Any media house should use the shortest time from the time they receive the airtime

order to the time the advert aired because there are some media houses with a long process before the advert aired.

Finally, physical evidence shows how the service is differentiated and positioned in the market. When people look at a particular media house, what do they see? A media house should have a unique feature that makes it competitive than others (Wirtz & Lovelock, 2016). The main aim of marketing strategy in delivering the customer value to clients is to achieve a high return of investment (ROI) while still maintaining corporate image. Lately, marketing strategy is becoming a noticeable game changer for the organization that is planning to build its brand beyond the global market. The fundamental principles of marketing strategy are specialization when an organization is offering any service; there is a need for specialization on a particular area of service and know what will interest consumers. An organization needs to satisfy the need and offer that specialization that will meet the demand of their clients. Secondly, is differentiation, which shows the unique service that will offer. The organization should know their competitive advantage in the market, their niche in the market, and this can make one offer their services at a higher price. That unique feature in their service is what makes the clients buy from them.

#### *Competitive Advantages*

Competitive strategy is a long-term plan for a particular organization so that it can gain a competitive advantage over its competitors in a specific field of business. The purpose of competitive strategy is to create a defensive position in that field while generating a superior ROI. This strategy will be an ideal where we have a very competitive industry, and a similar service provided to customers. In the media field, the services provided are very similar because they aim to sell airtime and space to the same client so there is a need to have a competitive advantage to a specific media house over another to up their game. There is a need to evaluate the strengths, weakness, opportunities and threats (SWOT) in that particular field so that the company can understand where their competitive advantage lies. Media house that has a competitive edge on their technical personal, types of equipment. Competitive strategies designed to go through organization competitive advantage (Madsen & Walker, 2015).

Michael Porter 1980, (Porter, 2011) in his theory of Competition, he came up with the competitive strategy, whereby he argues that a firm can gain a higher level of performance over its competitor. Four strategies can be adopted; Cost leadership this is where a firm becomes the lowest-cost producer in the market and does it in large scale. It enables the company to attain its economies of scale, high capacity utilization, excellent power of bargaining, implementation of high technologies, and these are important in achieving the cost. Differentiation leadership is when the organization maintains its unique features of the services in the market and with this the organization target to achieve market leadership. Thus, it may charge a premium price for

the services they are offering due to high value-added features. Cost focus is where firms concentrate on a specific market segment and place the price of their services lower on those segmented areas—cost leadership strategy aimed at receiving competitive advantages by obtaining the lowest cost.

Furthermore, cost structures in the market. (Porter, 2011) in that, the firm must be wanting to do away with any function in which they do not have cost advantages and may get the services outside the organization which will offer then a cost advantage. (Majumdar, 2015) Leaders of cost work to have the lowest service or product unit cost and can uphold Competition with their lower structure cost (Isabelle le Breton & Miller, n.d.) states that when an organization achieve and maintain cost leadership, then it will be above the market performer; further, the cost leaders take some cost-saving initiative like building efficient scale facilities, tightly controlling overheads and production costs.

(Porter & Joan Magretta, 2014) denoted that organization should not substitute revenue to be the cost leader since high revenue achieved through gaining a significant market share, to lower price will lead to the creation of high demand and therefore full market share is created. Low-cost leader, a firm can present obstacles against new market entrants who could need a large amount of capital to enter the field. Differentiation focus is when the organization tries to differentiate its services with those others in the market at a specific segment only. Every company intends to become the cost leader in the segmented market. Therefore, differentiation of one organization from its competitors attained when it offers something unique that is valuable beyond by offering low price (Proctor, 2014). Competition in the industry gives organizations the ability to undercut other companies. Organizations tend to differentiate their product or service from others in the market so that their brands can stand out in the market. These four competitive strategies can be adopted.

A product differentiates itself based on the size of the product or features in the brand's experience. Moreover, the thing that excites the promotion of a brand can be advertising or in-store promotion, or even how product development will be sufficient for customers to build brand loyalty. Most media houses tend to differentiate themselves by the content they offer to the market and the outlook of their presentation. One can also differentiate through the pricing of the products or services. Finally, differentiation achieved through distribution whereby an organization can have a wide network; for instance, nation media group have differentiated itself through their countrywide network since they have bureau all over the country. (Harris & Ogbonna, 2012)

#### *Organization Performance*

The organization performance refers to analyzing performance against its goals and objectives. According to (Scott & Davis, 2015), we have three primary outcomes analyzed; the first one is that the financial performance was the measurements. Thus,

the profit of the organization, return on asset and return on investment (ROI), the second one is the market performance where we have sales, and the acquired market share is measured. The third one is shareholder return, where we have the total shareholder return, and economic value added (Tosti & Herbst, 2014). High business performance is achieved through brilliant marketing strategies, investing in selective marketing activities and events that bring competitiveness to a firm over other competing rivals through gaining tremendous advantages within the markets. Some other factors that affect organization performance are external macro factors which include the economic factors, social economic and political factors in those factors the organization has no control over them. Still, they affect the structure and development of the organization.

The other factors are the internal factors which include the purpose of the organization and the organization instruments which the firm can work towards improving. It believed that marketers are making efforts to connect with marketing activities to achieve organizational results even though there are still challenges in accurately tracking and accessing victory in their marketing programs against marketing investment. Benchmarks, budgets and trends indicate that their performance measurement is an important area where B2B marketers are struggling with more significant returns on (Baltes, 2015)

#### *Media houses in Kenya*

Communication and mass media are a unique collection of media technology that designed to reach a broad audience with a view of delivering messages that creates impact. There are several content types in the media industry that use diverse formats and distribution over many platforms. Electronic media is a platform that transmits information to the audience through film, radio, recorded music television, internet and mobile communication while print media uses newspaper and magazines. There are 251 licensed media houses in Kenya and unconfirmed newspapers and magazines in Kenya according to the report of Media Communication Authority of Kenya (Communication Authority of Kenya, 2019, n.d.). Publications mostly use English the primary language of communication while some use Kiswahili and their local vernacular. The state-owned Kenya Broadcasting Corporation broadcast mainly with English and Swahili plus various vernacular while on the other side the largest private-owned media house the royal media use both English and Swahili with colloquial language to some of its radio stations.

Most of the private media houses have their ranges limited to Nairobi, but Kenya Broadcasting Corporation has the most extensive reach in the country (Mwita, 2015). The media houses in Kenya regulated by a statutory body called the Media council of Kenya. The media business is said to be in Kenya since 1963, when Kenya Broadcasting Corporation (KBC) which was Known as Kenya Broadcasting Service (KBS), then renamed to Voice of Kenya (VOK) and currently

KBC (Geopoll, 2015) the government of Kenya has enormous put forward an assumption that in the area of information and transmission of media has misrepresented sparing cash and media transmitting industry, telecom and operation media substance.

The study was guided by five objectives

- i. To establish how core service strategy affects the performance of media houses in Kenya
- ii. To determine how pricing strategy affects the performance of media houses in Kenya
- iii. To establish how promotion strategy affects the performance of media houses.
- iv. To establish how distribution strategy affects the performance of the media houses in Kenya.
- v. To determine the moderating effect of competitive strategies on the relationship between marketing strategies and performance of media houses in Kenya

## II. THEORETICAL REVIEW

It shows a preview of the theories related to Marketing strategies, competitive strategies and organizational performance. This study based on four main assumptions whereby two are for marketing strategies and organizational performance, while the rest two are for competitive strategy and organizational performance. Marketing Mix Theory, Push and Pull theory for marketing strategies and organization performance while Resources-Advantage theory and Open system theory for competitive strategy and organizational performance.

#### *Marketing Mix Theory*

According to (Kasabov, 2015) theory of marketing mix developed by Borden in 1949. He stated that "a marketing manager in building a marketing program to fit the needs of his firm has to weigh the behavior forces and then juggle marketing elements in his mix with a keen eye on the resources with which he has to work." (Borden, 1984). The idea of marketing theory mix is to arrange all the aspects of plans of marketing around the psychological target market, desires and habits of the said market. The first person to suggest for the 4P's of marketing -Product, Price, Place and Promotion was E. Jerome McCarthy which are the common variables used in making of the marketing mix. He suggested that while crafting for a marketing strategy marketers should have the four variables essentials (McCarthy, 1960) In 1961 Albert Frey developed another set of marketing mix variables into two categories: The offering which was the product, service, packaging, brand and price while the other one was the Process which included advertising, promotion, sales promotion, personal selling publicity, distribution channels, marketing research, strategy formation and the new product development (Frey, 1961). To recognize the importance of human people was added to the list of variables and Process to reflect the fact that service is experienced at the time of

purchase by Bernard Booms and Mary Bitner (Kasabov, 2015).

The theory used to make virtual decisions that lead to carrying out marketing plans. The thought of marketing mix theory is to control all elements of marketing plans around the habits, desires and psychology of the targeted market. Marketing mix theory brings together some items to strengthen and solidify a product/service to hence organizational performance with the media houses in Kenya. There are the Four P's including Product/Core Product, Price, Promotion and Place. The marketing manager uses them to control the subjects to the internal and external challenges of the environment. The aim is to attain decisions that hold the four P's on the customers in the specified market to create brand loyalty and build the organizational image to enhance the performance positively.

The framework of the marketing mix was beneficial in the earlier days when the concept of marketing represented the physical product which described the economy by then (Kasabov, 2015). On the contrary, marketing is more integrated into organizations with wider varieties of products and market in today's approach. Some authors have attempted to extend three other P's, which include Process, People and Physical evidence. Many authors, however, had concentrated around the Four P's. Since their frameworks have remained strong despite its limitation and simplicity.

#### *Push and Pull Theory*

This theory of push and pull are two theories in one. The genesis of the term push and pull was in the logistics and supply chain management even though it has widely used in marketing. Push or pulls explained whether the organization initiates its activity, (Mellor & Hao, 2014). Fredrick Winslow Taylor formulated the push and pull theory in 1911 in his book "The principle of scientific management." Firms adopted his ideas by focusing on being more efficient than their competitors by looking into the needs of the potential clients and pushing on what will satisfy their needs. Push and pull marketing differ in a situation where the consumers approached. In push marketing, a promotional strategy used where organizations tend to take their brands to consumers. In pull marketing, the idea behind is getting customer coming by developing loyalty, positioning and differentiating a brand in the market compared to that of the competitor. It has done through the mass media promotion, for instance, when a media house has road-shows to a particular region.

Most organizations are moving from push theory to pull theory since it providing the solution and information in a widely accessible manner and allowing the consumers to adapt to what will hugely satisfying their needs and wants. An organization can prepare the answer ahead of time as an assumption of push solution since they can anticipate the needs of the consumers in advance (Cooper, 2019) For the organization to increase efficiency it emphasis more on the pull theory. Because if they create the penultimate user manual that will cater to all the questions the consumer may

need; it will reduce the contact which the customer may need to do to the organization. Moreover, emphases on training customer support will be required. Most organization have adopted the pulling solution (Harding, 2017).

#### *Resources Advantage Theory*

Most companies in today's environments collaborate to compete, in that some can survive the competition environments while others do not. (Davicik & Sharma, 2016) Resource-based Value theory proposes that competitive advantage of the firm lies in the application of the resources available at the firm's disposal As an interdisciplinary theory of Competition, resource-advantage theory (R-A theory), developed in Hunt (2000), shares affinities with diverse opinions, research programs, and traditions, such as evolutionary economics, Austrian economics, various demand theory, differential advantage theory, resource-based theory, competence-based theory, and socio-economic and institutional theory.

The theory was drawing its attention to the organization's internal environment as a driver for competitive advantage and emphasized that the resources that an organization has must be competitive in the environment. The development strategy phase of Huskisson's account of the development of strategic thinking (Hoskisson, n.d.) the focus was on the internal environment of the organization. From the 1980s onwards according to (Lu, 2015) The emphasis was on changing from the structure of the market for instant structure conduct performance paradigm and the five forces model to the organization internal structure with the resources and capabilities which are the key fundamentals of the resources based view. Therefore, the theory has become a grand theory of competitive advantage. (Kozlenkova & Samaha, 2014) Established the notion of core competencies which looks on a critical group of resources which is organization capability. According to (Barney 2014.), the support of an organization is its ground root source of competitive advantages, to transform a short-term competitive advantage into a long-term competitive advantage.

Therefore, to compete, an organization must have valuable resources that enhance and employ a value-creating strategy by either out-performing its competitors or reducing its disadvantages. Rare where resources by definition must be unique and expect a discount in future above-average return and inimitable, competitors are not able to copy the organization strategist correctly and lastly non-substitutable where competitors cannot counter the organization's value-creating strategy with a substitute, price is driven down point to the level that the amount will be equal to the discounted future rents (Amit 2013.). Firm's resources include all assets, capabilities, organizational processes, firm's attributes, information, knowledge, controlled by a firm that enables the firm to conceive and implement strategies to improve its efficiency and effectiveness.

The process of competition entails "the constant struggle among firms for comparative advantages in resources that has yield market-place positions of competitive advantage for some market segments and, thereby, superior financial performance" The theory stipulates that the fundamental sources and drivers of competitive advantage and superior performance are chiefly associated with the attributes of resources and capabilities, which are valuable, not easy to purchase and difficult to imitate and substitute by the competitors. The critical challenge for managers is to transform the resources into core competencies, which form the foundation of superior competitive positions for specific market segments. Resource-based theory views resources as the tangible and intangible entities available to firms that enable them to produce market offerings that have value for parts. Further, it asserts that the successful firms that can sustain their performance have not only heterogeneous resources but also have resources that are not able to be duplicated or imitated precisely by competitor firms (Kozlenkova & Samaha, 2014). R-A theory views firms as combiners of heterogeneous and imperfectly mobile resources, under conditions of imperfect and costly information, with the primary objective of superior financial performance. Due to the heterogeneity and immobility of resources, R-A theory focuses on comparative advantages in resources among organizations. Some firms will have comparative advantages in funds that are available to them, which enable them to effectively and efficiently produce particular market offering(s) that have value for a specific segment of the market (s).

#### *Open system theory*

Open system theory is the concept where the organizations are heavily influenced by their environment, which consists of various forces of economic, political and social nature. Essential resources are provided with the environmental surroundings that sustaining the organizational and lead to change the survival. This system was developed after World War 2 by a reaction to former theories of the organization like the human relation perspective of Elton Mayo and administrative opinions of Henri Fayol which treated the organization primarily as a self-contained entity. In the Open system, any variation in any element of the system makes a variation in any other method (Scott & Davis, 2015). Ludwig Von Bertalanffy initially advanced this concept general of system theory in 1940 which did not pick up till the 1960s, which differentiate between open and close system. This theory will help in gathering competitive intelligence which will assist the organization in out doing the other media houses in the market.

#### *Porter's theory of competitive advantage*

Porter's theory of competitive advantage which identifies five competitive forces which include Competition in the industry, Potential new entrants, power of suppliers, power of the buyers and threat of substitute products. He indicated that the

key of competitive strategy for an organizational unit in an industry is to find a level in the paly ground of industry where business can defend itself to the best position against these competitive forces or can influence them into their advantage (Porter, 2011).

The importance of structuring the competitive strategy is to relate the organization with its surrounding. Understanding of these bottom-line sources of competition pressure highlights the fundamental strength and weakness of an organization, animate its positioning in the market, correct the areas where the market highlights to have the most significant importance as compared to the threat it holds. (Zecchini, 2013) To sustain competitive advantages, firms should consider emphases in creating value for customers which are only possible by responding with faster answers to the ever-developing organization environment driven mainly by technological changes. Porter did not include technology and the government as forces that influence competition market, which can be understood in isolation of the five forces. (Porter, 2011)

#### *Competitive Strategies and Organization Performance*

The significant objectives of organizational managers are to attain high performance, and this should capture both the performance of non-financial and financial elements to show a well-elaborated and clear perception and dimensions of performance. Several studies have highlighted strategy formulation and implementation to be the critical factors in achieving adequate performance. (Wicker & Soebbing, 2016). Porter's (1985) defines strategy as planning on how an organization can make the maximum value of the capacity that differentiates it from its competitors. Porter stated that cost could be achieved by pursuing the following generic strategies:

#### *Cost leadership*

Cost leadership strategy aims at receiving competitive advantages by obtaining the lowest cost and cost structures in the market. (Porter, 2011) in that, the firm must be wanting to do away with any function in which they do not have cost advantages and may get the services outside the organization which will offer then a cost advantage. (Majumdar, 2015) Leaders of cost work to have the lowest service or product unit cost and can uphold Competition with their lower structure cost (Isabelle le Breton & Miller, n.d.) States that when an organization achieve and maintain cost leadership, then it will be above the market performer. Further, the cost leaders take several cost-saving initiatives like building efficient scale facilities, tightly controlling overheads and production cost.

Porter and Joan Magretta ( 2014) denoted that organization should not substitute revenue to be the cost leader since high revenue achieved through gaining a significant market share, to lower price will lead to the creation of high demand, and therefore full market share is created. Low-cost leader, a firm

can present obstacles against new market entrants who could need a large amount of capital to enter the field.

*Differentiation strategy*

Organization tends to differentiate their product or service from others in the market so that their brands can stand out in the market. Four types of competitive strategies are adopted which includes product which differentiates itself through the size of the product, features in the brand's test, and the other thing is the hype of the promotion of a brand which can be advertising or in-store promotion, how the development will be sufficient to customers to build brand loyalty. Most media houses tend to differentiate themselves by the content they offer to the market and the outlook of their presentation. (Murphy, 2016)

One can also differentiate through the pricing of the products or services. Finally, differentiation can also be done through distribution whereby an organization can have a wide network, for instance, nation media group have differentiated itself through their countrywide network since they have bureau all over the country. (Harris & Ogbonna, 2012)

FIGURE 2.1 COMPETITIVE STRATEGIES

	Low Cost	Differentiation
Broad Target	Cost Leadership	Differentiation
Narrow Target	Cost Focus	Differentiation Focus

Source: Porter (2011)

The figure above shows the various types of competitive strategies that an organization can use. Cost leadership- This is where a firm become the lowest-cost producer in the market and does it in large scale which enables the company to attain its economies of scale, the high utilization capacity, excellent power of bargaining implementation of high technology are some of the factors which are essential in achieving the cost. Differentiation leadership - This is where the organization maintains its unique features of the services in the market and with this the organization target to achieve market leadership. Thus, it may charge a premium price for the services they are offering due to high value-added features. Cost focus- This is where firms concentrate on a specific market segment and place the number of their services lower on those segmented areas. Differentiation focus- The organization tries to differentiate its functions with that other in the market at a specific segment. Every company intends to become the cost leader in the segmented market. Differentiation from its competitors attained when it offers something unique that is valuable beyond offering low price (Proctor, 2014).

Competitive strategies have developed by many media houses intending to secure a strong market position and achieve profitability outcomes. The formulation of competitive policy made by assessing the internal resources of the organization, such as tangible and intangible assets and organizational capabilities. Single resources cannot create competitive advantages but by the combination of competitive resources

such as branding, human resources, information technology, have a niche in marketing, advertising and pricing tactics which believed can increase the media houses capability and improve performance. Media house faces challenges of attaining superior performance if the media house does not implement an organizational structure that harnesses internal resources if the restrict them from responding to the business environment at both proper time and the right manner (Lu, 2015).

Competitive intelligence is the simple meaning of "know your enemy" in that it is where an organization or brand development manager unearths the finer points of their competitors in the organization plans including the clients they serve and their ways of doing things. It also shows how a variety of various events can disrupt competitive business. It can be defined as actionable recommendations gotten from the external environment, which will be used for planning, gathering, analyzing and dissemination of information for the opportunity of developing brands more than that of their rival. A competitive strategy is a favorable search for competitive positioning in the market. Organizations are mostly concerned about how organizations can gain advantages by a distinctive ground of competing. The main reason for competitive advantage is the establishment of a profitable and sustainable position against the forces that determines market competition. Competitive intelligence is an ongoing procedure of gathering data information and knowledge about the competitors of the organization environment, which will help in the decision-making process for enhancing the competitiveness of an organization. The method includes monitoring business environments, gathering, analyzing, filtering and disseminating intelligence that will support decision-making process so that to increase competitiveness and improve the position of the organization in the market (Murphy, 2016).

The functions that a media house does to design, produce, market, deliver its services is represented in its value chain. Background reflection of the firms on its strategy, its implementation and the underlying economics of the functions of the organization found on the value chain. The primary contents of porter's value chain include inbound logistics, operation, outbound logistics, marketing and sales and service (Harding, 2017): Through the real-time and progressive demand managing and planning, the media sector enhances those primary porters' value chain. The real-time service can be offered on the radio and television, from digital content, order processing to product development, the status of delivery and channel management. The most noticeable change in the value chain in media and entertainment companies will be associated with marketing and sales. Opt-in marketing can be adopted by media houses to meet the personal need by tailoring mobile wireless press to meet the particular relevance of the content. Thus, advertising and promotion can be augmented by using wireless communication tools so that to persuade consumers to buy

their brands. Therefore the value chain as the fundamental tool for understanding the influence of the media houses can be used to analyze the essentials of the player's value chain, which are the types of equipment, network, software and service (Harding, 2017)

### III. SUMMARY OF THE FINDINGS

The study aimed to establish the effects of marketing strategies, competitive strategies and organization performance of media houses in Kenya, and what is the correlation between the marketing strategies and organizational performance of media houses in Kenya. The study adopted a descriptive research design with the unit of observation of six (6) media houses which had been in operation in Kenya for over twenty years while the unit of analysis was seventy-two (72) managers within the six media houses. The response rate was 75%; the quantitative data were analyzed using statistics objective and presented using tables. The following are a summary of the key findings.

#### *Marketing strategies*

The findings indicated that in pricing strategy led to a 0.227 increase in the organization performance of media houses in Kenya. Also, the study indicated that an increase in the unit of promotion strategy led to 0.339 increase in the organization performance of media houses in Kenya and finally the study showed that an increase in the group of distribution strategy allowed to 0.211 improvements in the organization performance of media houses in Kenya. The Core Service product strategy helps media houses in changing customer mindset hence increasing sales; it also helps in improving the core product life cycle resulting in improve organization performance.

Results of increases the quality of services offered accordingly to increase sales, thus building organizational performance. Pricing strategy enhances development for business, therefore, growing customer attraction due to pricing flexibility which is demonstrated by the media houses to ensure that media houses get the best return on investment (ROI) and customers get the best value for money. These findings were the same as those of (Colpan & Hikino, 2010) who recognized a positive and significant link between Organization performance and pricing.

Promotion strategy helps in attainment of brand loyalty of the media houses, thus increasing sales. The outcome has resulted in the satisfaction of customers bringing assurance to them while enhancing organization performance in terms of ROI. The resources of the media houses used to reach out and widen the customer base at the end of viewership and listenership. The distribution strategy increases customer satisfaction by the uses of their freelancers, and it also increases the identity of the brand as customers can identify media houses countrywide and hence enhanced ROMI. (Kotler & Lee, 2008) note that one of the most valuable benefits of using distribution strategy is its capacity to offer

consumers a personalized relationship, the customer relationship created out of distribution has also been shown to increase the loyalty capacity which consumers hold towards personal retailers as a contributing factor to brand asset

#### *Competitive strategies*

From the findings, the moderating variable had an insignificant change of 0.374 which was higher than  $0.005(0.374 \geq 0.05)$  meaning that the moderating variable was not substantial thus it was considered to be a weak moderating variable. Previous research by (Chen & Liu, 2019) suggests that the performance implications of green innovation are moderated by competitive strategies like differentiation and cost-leadership. However, their conclusions state that these moderating effects are more prominent when competitive intensity is high. The current researcher, therefore, concludes that the level of competition among media house may not be so high.

According to (Onditi, 2018) in a study of competitive strategies and firm performance results show that generic strategies have a positive effect on the performance of business firms and that the individual effect of each of the generic strategies on the firm performance varies from one industry to another.

### IV. CONCLUSION

An organization pride's strength and development depend much on its lean marketing strategies establishment and implementation, and this would no doubt rely on the effectiveness and quality of the interplay of marketing mix model based on the marketing investment and the return expected as a basis and blueprint of business growth. The media sector in Kenya is among the most dynamic markets in Sub-Saharan Africa. A growing middle class, increase literacy, ever-increasing rural-urban migration, and the ever-increasing number of the cell phone usage as a platform for communication and content are all helping to create significant new business frontiers for the media industry. These bring a prompt that marketing remains essential towards showcasing the firm's offering, thereby informing organizational performance through, promotion, maintaining and retaining clients for business success and sustainability.

The study found out that most media houses in Kenya use marketing strategies at a different wavelength to increase their organizational performance. These range from product differentiation strategy, pricing strategy, promotion strategy and distribution approach with each having a positive result on the return on marketing investment and equally on organizational performance as a whole. In conclusion, there is a strong positive relationship between marketing strategies and organizational performance of the media houses in Kenya. Therefore, they need to carry out market analysis to understand the media market fully. Develop and implement realistic marketing strategies that embrace the 4ps of the marketing mix model. To achieve organizational perceived



benefits by increasing realization of return on marketing investment or return on investment to reflect on overall business performance

## V. RECOMMENDATIONS

The study found out that marketing strategy affect organization an there is a secure connection between organization performance and marketing strategies. Therefore, the media houses should adopt modern marketing strategies that are realistic and time-bound to increase the performance of their organization. They should build their brand through the promotional strategy to differentiate and position well considering that in Kenya, there are many emerging media houses.

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