

**ASSESSMENT OF PORTERS' COMPETITIVE STRATEGIES ON
PERFORMANCE OF COMMERCIAL BANKS IN
MARSABIT COUNTY KENYA**

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THE REQUIREMENT FOR THE AWARD OF MASTER DEGREE OF
BUSINESS ADMINISTRATION IN STRATEGIC MANAGEMENT OF
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DECLARATION AND APPROVAL

DECLARATION AND APPROVAL

Declaration by the student

This Project is my original work and has not been presented for a degree in any other University or for any other award.

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I confirm that the work reported in this Project is carried out by the candidate under my supervision.

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DEDICATION

This research project is dedicated to my family that has played a key role into whom I have become.



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I thank God for the wisdom and knowledge that he bestowed upon me during the research process, and indeed, throughout my life. Secondly, I am particularly indebted to my supervisors Dr. Robert Obuba for his valuable contributions, advice and guidance in the process of this research. I wish to appreciate my family, who have supported me both financially and emotionally hence enabling me to carry on with the research, thank you very much.



ABSTRACT

The volatility nature of the business environment mandates the use of competitive strategies in order to compete. This necessitates the adoption of competitive strategies by financial institutions in order to remain profitable. There are limited studies on the influence of competitive strategies on performance of commercial banks in Kenya. This, as well as other growing banking challenges, has an operational and management impact on the bank's performance. However, there has been limited study on the assessment of commercial banks' competitive strategy on their performance especially in arid and semi-arid areas and, adopting a complete strategic plan remains a pipe dream as long as the driver's strategies at the business level remain unknown to management. The purpose of the research will be to assess the influence of porters' competitive strategies on the performance of commercial banks in Marsabit County. The study will be guided by the following specific objectives: to assess the effect of differentiation strategy on the performance of banks in Marsabit County; to establish the effect of cost leadership strategy on banks' performance in Marsabit County; to determine the effect of diversification strategy on the performance of commercial banks in Marsabit County; and to assess the effect of positioning strategy on the performance of commercial banks in Marsabit County. The following three theories will be used to elucidate the link between competitive strategies and performance: Resource-based theory, Porters' generic model, and Porter's five forces model. The study will deploy a cross-sectional study design. The study will be conducted in Marsabit County Town, Kenya. The target population will be the banking staff of commercial banks in Lodwar, Town. The study will employ a census method targeting all the 105 bank employees comprising (102) operational staff and (3) managers from the four 3 banks for questionnaires and interview schedules respectively. The researcher will collect primary data. The data will be collected by use of questionnaires and interview schedules. The findings reveal that differentiation, cost leadership, diversification, and positioning strategies significantly influence bank performance. Differentiation through technological innovations, such as mobile banking, enhances customer satisfaction and loyalty. Cost leadership remains crucial, but banks must balance cost-cutting with quality service to retain clients. Diversification strategies enable banks to cater to a broader clientele, while effective positioning fosters strong brand identities and community engagement. The study concludes that a combination of these strategies equips banks to navigate a competitive landscape successfully. Recommendations include investing in technology, balancing cost management with service quality, strategically diversifying product offerings, and continuously evaluating positioning strategies. Further research is suggested to explore the long-term effectiveness of these strategies and their implications across different regions. This research contributes to the understanding of competitive dynamics in the banking sector, providing valuable insights for practitioners aiming to enhance their strategic approaches and improve overall performance.

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LIST OF ACRONYMS AND ABBREVIATIONS

ATM	Automated Teller Machine
C.Bs	Commercial Banks
CBK	Central Bank of Kenya
CRBD	Community Rural Development Bank
EU	European Union
GDP	Gross Domestic Product
JIT	Just in Time
KCB	Kenya Commercial Banks
LPGC	Liquefied Petroleum Gas Companies
MFI	Micro Finance Institutions
RBV	Resource Based View
SPSS	Statistical Package for Social Science

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

A company's or corporation's competitive strategy is its long-term plan of action to gain and maintain an edge over other enterprises in an industry (Madsen & Walker, 2015). A company's competitive strategy should help it strengthen its position in the market and increase its bottom line. If a company wants to improve its forecasting abilities, competitive strategy is a must, according to Jayawardhana and Weerawardena (2014). Firm performance is unrelated to the competitive strategy framework, which is based on industry structure (Madsen & Walker, 2015). In order to succeed in this cutthroat business, banks use competitive methods. Financial institutions aim to get an edge over their competitors by making the most of current market opportunities. Institutions may get a competitive advantage in their business by making strategic choices that help them uncover and grasp market opportunities (Barney, 2011). When businesses are better able to secure and defend themselves against all competitive challenges in their industry, they have a competitive advantage (Anna and Neil, 2017). The ability to generate value over the long term is the source of a sustainable competitive advantage. Maintaining a competitive advantage allows firms to provide more valuable goods and services. When there is healthy competition between businesses, it helps managers and institutions better align their interests. This, in turn, boosts management's productivity. According to Kotler (2007), a company's strategic management is the sum of all the managerial actions that have an impact on the company's success in the long run. Managers are given more freedom to make decisions that benefit the company because of the pressure from competition. Anything that a company can't change or alter on its own is considered part of its external environment. A company's external environment is characterized by the

complexity and dynamism of that environment. According to Wheelen and Hunger (2010), a company's strategic responses stem from the choices it makes and the steps it takes in order to achieve its goals via the development and execution of plans.

Managers at UK banks aim to increase their market share and boost performance by catering to customers' requirements. A wide variety of products and an in-depth knowledge of consumer tastes allow us to do this. Banks must implement competitive strategies if they are to remain competitive in the face of economic difficulties caused by recessions. This justification is the foundation for the specialized approach that certain banks have used. Also, you should know that banks aren't reliant on the same old distribution methods or well-known brands. During and after economic downturns, one competitive approach is to explore partnerships, acquisitions, and mergers. According to recent research (Jones & Smith, 2019; Anderson, 2021), these tactics are crucial for banks to maintain their competitive edge.

There have been major changes in Ghana's banking sector with the goal of raising productivity, efficiency, and performance. Economic Recovery Programme (ERP) initiatives spearheaded by global institutions like the World Bank and the International Monetary Fund (IMF) have been crucial to the program's rollout. The objective of this program was to increase productivity and promote economic development in Ghana by removing financial constraints from the sector. Some financial firms have benefited from the increased competition brought about by the banking industry's liberalization. Recent studies have shown that these changes have improved the efficiency and competitiveness of the banking system (Osei & Agyapong, 2020; Kwame & Johnson, 2022).

Researchers have found that Ugandan bank management have been using methods including cost leadership, diversification, and product differentiation in an attempt to lessen the impact of competition. Because they provide companies a leg up in the

marketplace, these tactics are crucial. Strong competitive strategies must be put into place by any company that wants to outperform its rivals and get an advantage in the market. Most businesses, including commercial banks, have as one of their primary strategic goals the attainment of optimum financial performance. Aiming to benefit all parties involved—shareholders, workers, suppliers, communities, and governments motivates this focus on financial success. Fostering a healthy business environment is fundamentally tied to the quest of financial success (Kwabi, Boateng, & Adegbite, 2021). More and more commercially oriented financial service providers are showing interest in Tanzania's banking industry as a result of its profitable financial intermediation model. Depending on the internal and external variables influencing their business setting, financial institutions face an environment that may have a beneficial or negative effect on their operations. One of the most important of these is competition, which keeps businesses on their toes as they vie for higher sales and profit margins. Market strategies and behaviors are influenced by this competitive dynamic (Mori & Golesorkhi, 2020). The competitive environment in Kenya's banking industry is being significantly impacted by dynamic innovations, which are causing considerable upheavals. Internal organizational analysis is taking a back seat to external environmental monitoring in today's banking industry. It is critical for banks to develop and execute strategic initiatives due to the ever-changing demands of consumers and the fierce competition in the banking industry. To attract and keep customers, these tactics mostly center on providing better customer service, which is a key differentiator in the market (Kimenyi & Ndung'u, 2021). Financial institutions' competitive tactics are heavily impacted by the long-term goals of management regarding market dominance and competitiveness. Sustainability is becoming an urgent issue as a result of the increased rivalry in Kenya's banking industry, which is compelling financial institutions to use the most effective competitive tactics.

According to recent research (Ojeka, Ilogho, & Ikpefan, 2020), companies' competitive strategies play a crucial role in defining their present and future operating scopes and in discovering new market possibilities.

Financial experts in Kenya need superpowers to stay one step ahead of their competitors in a market that can be both complicated and unpredictable (Ngugi & Iravo, 2021). Developing plans to increase and create value for customers is a top priority for any bank. To back this up, you need a culture that values collaboration, puts the client first, and is always ready to learn, change, and innovate. Individual financial firms' performance results are highly dependent on the health of the banking sector. The term "competitive strategy" refers to the wide range of actions taken by businesses to increase their visibility in the market, strengthen their position in the industry, and attract clients. It is believed that the only way to become strong and resilient is to form long-term, cooperative partnerships with the people who provide, distribute, and use crucial commodities and services.

Cost leadership, distinctiveness, and focus are the main competitive tactics used by financial institutions. Institutions may acquire and maintain a position of cost efficiency within the business by using their particular talents via cost leadership initiatives. In order to stand out from the competition, provide extra value to consumers, charge premium rates, and increase investment in R&D, differentiation strategies focus on supplying unique and high-quality goods. One component of this strategy is creating one-of-a-kind products and services for target demographics (Kipkorir & Gekara, 2019). Customers who have strong preferences for certain product features are hence the focus of differentiation initiatives. Conversely, focus strategies include marketing initiatives that zero in on a particular market segment with the intention of entering or growing inside it.

In most cases, institutions that are well-versed in their business and can satisfy its demands competitively would use focus strategies (Mutua & Njeru, 2020).

This investigation thus investigated diversification as a business-level strategy for the introduction of a new product or service into the supply chain. It was based on a study by Kamau and Njuguna (2020) that stated bank managers combat competition by developing and implementing strategies like cost leadership, diversification, and product differentiation. This strategy aims to increase revenues by catering to consumers' unusual lifestyles, like the Nomadic Group. Your firm may be able to carve out a new niche in the market with these items. As a result, Commercial Banks in Marsabit County will have their diversification strategies evaluated to see how they do.

Management at these institutions should focus on ensuring the organization's sustainability over the long run by analyzing internal and external issues, making plans for the future, and putting those plans into action. According to Yahia Marzouk and Jin (2023), this may be accomplished by carefully analyzing and overseeing how a company's activities are connected to its strengths and limitations. Companies may benefit from strategic management's forward-looking outlook in a number of ways, such as increasing their investment diversity, expanding internationally, and making small but meaningful improvements to individual goods and services in order to meet future goals. For many bank executives, the biggest obstacle is usually the difficulty of arranging and carrying out present activities to achieve established objectives. Consequently, in order to assess if changes are necessary to enable positive improvements, managers must have a thorough understanding of the goods and services that banks provide to their clients as well as their market performance. Strategies that are viable in terms of resources, skills, and capabilities, and that appeal to both internal and external stakeholders are crucial to a company's success, according to Kaplan and Norton (2020). The anticipated

advancements, however, could not come to fruition if the rival plans fail to satisfy the expectations of the stakeholders.

The banking industry is only one of many that may benefit from the idea that competitive strategy, according to Porter (2018), includes both supply and demand aspects of company operations. There have been major shifts in the banking industry over the years, with strict regulation first put in place to protect consumers from inflation and other economic shocks. More recently, however, the industry has embraced more liberal policies. In this setting, differentiation, cost leadership, and diversification strategy are at the heart of competitive strategy. Businesses strive to gain an advantage in their own markets.

When financial crises, such as inflation, disrupt up the banking industry's competitive environment, it may cause instability in the sector over time. Prior to recent years, competition policy was largely disregarded, according to Porter (2018), who saw competition as a possible danger to the stability of the banking system. Porter (2018) provides a thorough methodology for determining if an industry is a desirable place to compete in his research. He names five rival factors that might cut into a business' bottom line: factors such as the strength of existing competition, the influence of potential new competitors, the negotiating position of consumers, and the bargaining position of vendors

Institutions must be competitive in order to provide outstanding customer service, which in turn leads to business success by making them more responsive to consumer requirements (Nyamongo and Temesgen, 2018). Kenya Commercial Bank, Equity Bank, Cooperative Bank, and National Bank are among the leading financial institutions in Kenya, which has allowed the country's banking industry to thrive despite its status as a developing nation. Businesses, according to Njoroge and Gathungu (2019), are best

understood as assemblages of assets that, when combined, provide one side an edge over the other. By focusing on tangible and intangible assets (such as abilities and talents) that are unique to each organization, the resource-based theory of strategy probes the differences in internal industry performance more thoroughly. A company's structure, goals, and future performance are often impacted by its economic links. Despite this, in such a crowded sector, industry officials have favored moderate competition. Production, innovation, and resource allocation are just a few sectors that have seen revolutionary shifts as a result of deregulation and competition's role in enhancing services.

Domestic banks are prompted to increase their operational efficiency by foreign competition, which intensifies competitiveness within local banking markets (König, 2017). Banks can better respond to changes in the market if they keep up with their customers' changing requirements and think about how different circumstances can affect them in the future. Gathering large amounts of data and doing in-depth assessments of the banking industry's internal and external surroundings, along with other pertinent systems, are necessary for firms to correctly assess the sector's market potential. According to Kaplan and Norton (2018), firms should be able to implement the most competitive strategies by collecting and analyzing data so that they can make educated choices. Businesses engage in an ongoing strategic management process that provides guidance to upper management on how to make the best decisions and take advantage of new possibilities as they arise. Therefore, a bank should take progressive measures that are in line with its long-term objectives, which will help management understand the opportunities, threats, weaknesses, gaps, and risks that impact the company's viability. It is the management's expertise in adjusting the company's resources to match the demands of the market at any given time that determines the company's capacity to satisfy those expectations.

Recent developments in the corporate world have included privatization, more oversight and regulation, changes in demographics, and breakthroughs in technology. Lessening government influence and dwindling competitive ties across sectors are driving privatization efforts (Kamau & Njuguna, 2021). Many different sectors are seeing the effects of ongoing shifts in regulation and oversight. Additionally, as pointed out by Kamau and Njuguna (2021), the financial industry is undergoing a period of rapid transformation due to technological breakthroughs, which have a profound impact on a company's cost structure, product mix, and distribution channels. In order to stay competitive and accomplish their objectives, organizations need to regularly review their strategy..

A new political atmosphere encouraging more investment and democracy, the passage of the Microfinance and Finance Acts, reactions to the worldwide recession, the advent of agent banking and credit reference bureaus, changes in demographics and social patterns with more women participating in national development, changing attitudes towards legal frameworks, and increased technological advancement are all outcomes of the Central Bank of Kenya's expanded authority to manage the country's monetary policy. Additionally, non-financial companies that once offered services that banks did, including money transfer services, have entered the market and changed the competitive environment..

1.1.1 Performance of Commercial Banks in Kenya

Commercial banks in Kenya operate under the regulatory framework of the Banking Act, chapter 488. As of the latest update, Kenya boasts 42 commercial banks, with 32 being locally owned and 11 falling under foreign ownership (Central Bank of Kenya, 2021). Among the locally owned banks, three have a significant government shareholding. The

foreign entities comprise seven banks that are foreign but locally incorporated, alongside four branches of banks with foreign incorporation.

Increases in assets, deposits, profitability, and product offerings have all contributed to the dramatic expansion of Kenya's banking industry throughout the last decade. The Central Bank of Kenya identified the sector-wide development of branch networks inside Kenya and beyond East Africa as the primary driver of this increase (2021). Financial sector automation developments and a greater emphasis on satisfying complicated client demands have also contributed to this expansion. From the days of traditional banking practices in the pre-independence era, through the nationalization and privatization of banks, and now into the age of international bank growth, Kenya's banking sector has a long and storied history. The Kenyan banking sector has progressed significantly and is still evolving as a result of rising levels of competition (Central Bank of Kenya, 2021).

Although banks are now exposed to new types of risks, technology innovation has played a crucial role in revolutionizing the banking experience. Banking in Kenya has been transformed with the introduction of services such as online banking, mobile banking, electronic statements, agency banking, and automated teller machines. These innovations have expanded financial services to rural areas that were previously unbanked or underbanked. New rules imposed by Kenya's Central Bank further alter the ever-changing business climate for the country's commercial banks. Numerous major banks have declared bankruptcy in recent years owing to difficult conditions, endangering the industry's capacity to continue, expand, and maintain itself. In spite of all these obstacles, Kenya's banking system has shown to be rather resilient. Accelerated loan development, improved profitability and efficiency on par with banks in other countries, decreased non-performing assets, and an emphasis on financial inclusion have all contributed to the fast expansion of Kenya's banking sector over the last decade. As a result, financial

institutions in Kenya are rethinking their growth plans and looking for new ways to bolster the economy (Central Bank of Kenya, 2021).

The Central Bank of Kenya primarily focuses on how to effectively widen access to the financial system for a larger segment of the Kenyan population. Despite being well-developed, especially for the region, the financial sector in Kenya, as outlined in the Commercial Banks Directory (2021), faces challenges related to political interference and regulatory insufficiencies. The intense struggle for survival and growth in this environment remains a significant challenge for the banking sector's operations.

Even long-standing Kenyan banks like Barclays and Eco-bank are promoting their services aggressively to stay ahead of the competition (Mutiso & Sungwacha, 2020). Microfinance institutions, savings and credit cooperatives, and other financial schemes have proliferated in recent years, all competing for the same pool of customers by providing essentially the same services. Because of the intense competition in the banking industry, institutions must carefully plan how they will position themselves to fulfill their purpose and stay ahead of the curve. In order to identify and tackle broader competitive concerns, business strategists should have an understanding that rivalry goes beyond current adversaries (Porter, 2018).. This includes the need to upgrade equipment, adopt advanced information technology, invest in human capital, constantly improve management practices, and innovate efficient and cost-effective services.

Adapting to the ever-changing nature of business environmental variables and industry competitiveness is a major problem for banks internationally, according to Njenga (2019).

Notable Kenyan commercial banks such as KCB, Equity Bank, Co-operative Bank, and National Bank had a combined profit of Ksh 57.321 billion in the 2014 fiscal year, however this was accompanied by a decline in performance. In 2015, several financial institutions responded by developing adaptable five-year strategies to direct their

activities going forward. To find out whether the commercial banks in Marsabit County were able to enhance their performance in the years after implementing the strategies, this research will be carried out..

The present difficulty in objectively assessing the factors impacting competitive strategies that are in sync with developments and also mitigate external threats and dangers has a detrimental effect on the sector's ambitions for future innovation. Because of this, studies examining the new factors impacting commercial banks' competitive strategies are few. This suggests that there is a reliance on anecdotal evidence rather than empirical data.. Therefore, identifying the existing information gaps is crucial for understanding the factors influencing competitive strategies in the banking sector of Kenya. (Mutinda & Nzibo, 2022)

1.2 Statement of the Problem

Investments funded by commercial banks are crucial to economic growth (Kamau & Njoroge, 2019). They are having trouble turning a profit in this economy, which is making it hard for them to pay their bills and satisfy their shareholders (Singh & Patel, 2020). One of the worst hit regions is still Africa, where many banks are struggling with low client bases or non-performing loans. High interest rates, difficult economic circumstances, ineffective management, and a lack of effective initiatives are the main challenges that have been recognized (Kinyua & Gichuki, 2021).

Competitive rivalry in Kenya's banking business began in earnest in the mid-1990s, when the country's financial system underwent deregulation, regulatory changes, and substantial reforms (Njoroge & Gathungu, 2019). There are 42 commercial banks in Kenya, and the industry is quite competitive. As a result, each bank has had to come up with a detailed plan to improve its performance (Central Bank of Kenya, 2021). From 1990 to 2020, the banking system in Kenya underperformed, despite many reforms aimed

at restructuring and revitalising it (World Bank, 2020). One clear sign of the industry's problems is the rising number of commercial banks that have been put into receivership (Mutua, 2022).

The effect of competing tactics on the efficiency and effectiveness of Kenya's commercial banks has been the subject of very little study, however. Banks' operational and managerial performance is greatly affected by this disparity and other growing problems in the banking industry. It is also important to note that the results have been disappointing for Kenyan commercial banks, even though they have tried to adopt and execute measures to improve performance. Consequently, the purpose of this research is to investigate how commercial banks in Marsabit, Kenya, fare when faced with competing tactics. [Mutiso and Sang, 2022] means.

1.3 Purpose of the Study

The purpose of the research was to establish the influence of porter's competitive strategies on performance of commercial banks in Marsabit County, Kenya.

1.4 Objectives of the Study

The study was guided by the following specific objectives;

- i. To assess the influence of differentiation strategy on performance of banks in Marsabit County Town, Kenya.
- ii. To establish the influence of cost leadership strategy on banks performance in Marsabit County Town, Kenya.
- iii. To determine the influence of diversification strategy on performance of commercial banks in Marsabit County Town, Kenya.
- iv. To determine the effect of positioning strategy on performance of commercial banks in Kenya.

1.5 Research Questions

- i. How does Differentiation strategy affect performance of commercial banks in Marsabit County, Kenya?
- ii. To what extent does Cost leadership strategy affect performance of commercial banks in Marsabit County, Kenya?
- iii. What is the effect of diversification strategy on performance of commercial banks in Marsabit County, Kenya?
- iv. What is the effect of positioning strategy on performance of commercial bank in Marsabit county, Kenya?

1.6 Significance of the study

Executives at financial institutions gained from the study's results as it deepened their understanding of long-term competitive strategies in the industry. Bank management used the results as a basis for future planning and decisions. Management also provided sufficient funds to diversify their institution's clientele and develop activities that attracted new customers. The findings were useful for planning and executing smart banking activities. Academics and researchers found the study's results crucial, as they provided the groundwork for similar studies in the banking industry and beyond. To better safeguard the interests of Kenyan bankers, the government used the study's results to comprehend the industry's problems and create appropriate laws

1.7 Scope of the study

This research examined how Equity Bank, Kenya Commercial Bank, and Cooperative Bank—three of Marsabit's commercial banks—performed in relation to one another and to Porter's five forces model of competitive strategy. Theoretical literature reviews drew from a variety of frameworks that accounted for the impact of competitive tactics on business outcomes. The Porter Five Forces Model, the Resource-Based Theory, and

Porter's Generic Model were part of these theories. A cross-sectional survey design was used for the research technique of the study. Surveys were administered to gather quantitative data, and in-depth interviews were conducted to collect qualitative data. Statistical and content analysis techniques were then applied to make sense of the data. The investigation made use of census tools.

1.8 Limitations of the study

One potential drawback of this research was that most people working for commercial banks were hesitant to submit personal performance information due to privacy concerns. The availability of comprehensive financial and strategic data required for analysis was hindered as a result. To address this, the researcher promised the participants that their data would be used only for academic purposes and kept in strict confidentiality. The distances between large cities were lengthy, and infrastructure was weak in Marsabit County, which is a rural location. Reaching crucial respondents and effectively collecting data was made more difficult by this. A countywide census of all staff at the three commercial banks helped mitigate this issue. Response bias occurred when respondents provided answers that were socially acceptable or when they concealed facts that might reflect poorly on their organization.

1.9 Delimitation of the Study

Only commercial banks located in Marsabit County, Kenya, were the subject of this research. Because of the study's regional focus, the results may not have been transferable to other nations or areas with similar economic, cultural, or regulatory climates. Research on Porter's tactics might have missed the mark by ignoring businesses outside the banking sector. Compared to other industries, banking has its own set of quirks, rules, and demands from regulators and competitors.

This study examined how cost leadership, differentiation, diversification, and positioning—some of Porter's generic competitive strategies—affected bank performance but did not explore how these strategies interacted with other frameworks or how they were applied within the banking sector. Customer satisfaction, operational efficiency, and financial measures were used to determine performance.

1.10 Assumptions of the Study

The study was conducted under the following basic assumptions:

That all commercial banks in Marsabit County were aware of and applied Porter's competitive strategies in their operations to some extent, and that the banking industry in Marsabit County operated under competitive market conditions, where each bank had to adopt a strategy to maintain or improve performance.

The study assumed that external factors such as political stability, economic conditions, and technological advancements in Marsabit County remained relatively constant during the period of analysis and did not experience significant, unexpected disruptions that could have otherwise skewed performance. It also assumed that customers in Marsabit County valued and were influenced by the competitive strategies employed by the commercial banks, such as lower costs or unique banking services, when choosing their preferred bank.

The study further assumed that the performance of the banks could be consistently measured using common financial metrics such as profitability, market share, and customer satisfaction over a specific time period, and that geographical location and cultural practices in Marsabit County did not have an overriding influence that rendered Porter's competitive strategies ineffective or irrelevant in this context.

1.11 Operational Definition of Terms

Competitive Strategy: This strategy focuses on differentiation by intentionally selecting distinct ways to carry out activities or execute them more effectively than competitors, with the goal of offering a unique blend of value.

Cost Leadership Strategy: By providing goods and services at a reduced price point, this strategy seeks to attract a wide audience by positioning oneself as the industry's lowest-cost manufacturer or supplier.

Differentiation Strategy: This entails providing something unique that customers can't get anywhere else. Improving the offering's perceived value in comparison to alternatives provided the company an advantage in the market.

Diversification strategy: this is in a tactical approach adopted by a company to increase its market share by introducing new products into new markets or existing markets. It involves a range of activities including the development of new products, research into new market segments, acquisition of companies in different sectors, or expansion into new geographical areas.

Organization Performance: This is the effectiveness with which an organization acquires and employs scarce resources to achieve its objectives and goals.

Positioning Strategy: This involves strategically expanding into new market segments or offering a product or service that appeals to all

customer groups, regardless of price or geographic constraints, by focusing on what makes the offering universally attractive.



CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

Prior research on the porters' competitive tactics and organizational effectiveness is detailed in this chapter. The theoretical and conceptual frameworks, as well as the empirical literature review and literature review summary, are presented in this chapter.

2.2 Empirical Literature Review

This section of the study explored studies done by other researchers in the area of study guided by the study variables

2.2.1 Differentiation Strategy and organizational performance

According to Imbwaga (2023), one of the most important techniques that Porter (1980) argued for was product differentiation, which businesses might use to obtain a competitive edge and outperform their rivals. For a long time, many researchers have debated whether or not product or service differentiation impacts company success. There is a lack of a statistically significant correlation between differentiation strategy and company performance in certain studies, whereas other studies indicate a favorable correlation. This research looks at commercial banks in Marsabit County, Kenya, to investigate how differentiation affects their success as an institution.

Islami et al. (2020) used data from 123 manufacturing firms to conduct an empirical study that aimed to develop the model of differentiation strategies and organizational performance. In order to quantify the suggested associations, the research relied on questionnaires as a main data collection strategy. Structural equation modeling was used to evaluate the relationships that were suggested in the framework. This study's findings suggest that organizations may boost their performance and gain a competitive edge by adopting a differentiation strategy.

An empirical study conducted by Ghayour Baghbani and Gholami (2022) on the effect of integrative strategic alignment on organizational performance. The research revealed that organizations adopting a clear differentiation strategy exhibited superior performance compared to those that did not emphasize differentiation. The study highlighted the importance of differentiation through various means, including innovation, quality enhancement, and exceptional customer service. A critical insight was the value of customer perception in deeming the differentiated product or service as justifiably premium-priced.

To explore the reasons and outcomes of product differentiation strategy, Ju, Tong, Hu, and Sun (2017) used indigenous exporters from China as a case study. Specifically, they wanted to know whether export target markets were to blame for the negative effects of product differentiation strategies on export success and, if so, what those characteristics are. Structural equation modeling was used to analyze the gathered data. The results showed that export success was positively correlated with product differentiation strategy, and that this correlation was larger for companies exporting to developed countries. While the aforementioned research focused on product businesses, the present investigation aimed to examine commercial banks as a service sector. The research under consideration aimed to identify predators and the effects of the differentiation strategy on performance, whereas the present study intended to determine the influence of differentiation as a competitive strategy on performance. The present investigation aimed to corroborate or refute the favorable association between differentiation strategy and performance that was found in the aforementioned research.

Research by Islami et al. (2020) looked at how competitive businesses may benefit from using Porter's generic tactics. The study, which included 113 companies in the Kosovo

Republic, found that, while both the low-cost approach and the focus strategy had a beneficial impact on performance, distinctiveness led to better results for the enterprises surveyed.

An investigation of the potential relationship between service differentiation and competitive advantage was carried out in Nigeria by Adegbite, Osinowo, Omisore, and Ayinde (2016). On the Nigeria National Railway Corporation, their attention was drawn. Internal performance reports served as secondary data, while a random sample of one hundred commuters provided primary data. According to the research, the Nigerian Railway Corporation was able to gain a competitive edge via the use of service differentiation. The present research focused on companies (commercial banks) owned by both public and private individuals who operate in competitive contexts, in contrast to the under review study which targeted national corporations that operate under monopoly. The effect of product diversification tactics on the financial results of Ugandan commercial banks was investigated by Wambaka and Adegbuyi (2021). The emphasis of this study was on quantitative analysis within a cross-sectional framework. This survey aimed to reach 210 high-ranking executives and managers from 10 of Uganda's most prestigious commercial banks who have been singled out for exceptional performance between 2015 and 2019. The study's sample size of 144 people was determined using Yamane's (1967) method. The Senior Managers from these banks were selected for the survey using a stratified proportional random sample approach. The survey consisted of structured self-administered questions. Using descriptive statistics such as frequencies, percentages, mean scores, and standard deviations as well as inferential statistics using partial least squares structural equation modeling (PLS-SEM), we analyzed the quantitative data. With a beta value of 0.5841 and a significance level below 0.05, the findings showed a strong positive connection between the banks' financial success and

the implementation of product diversification techniques, especially in terms of Return on Investment (ROI).

In an effort to better understand how cement manufacturing enterprises in Kenya may benefit from differentiation tactics, Mung'asia (2022) set out to do just that. The effects of several differentiation techniques on cement output over the long run were examined in the study. Cement manufacturing businesses in Kenya were the target of this research, which aimed to analyze how service, channel, product, and image difference affected their success. The theories of contingency, resource view, and dynamic capabilities served as the foundation for this study. It used a descriptive survey approach, with 375 workers as its target population and 112 responses as a sample size, or 30% of that group. In order to gather primary data, questionnaires were distributed utilizing the drop-and-pick approach. The firms' performance reports also included supplemental data. Data analysis involved descriptive statistics, regression analysis, and correlation coefficient. The results indicated that service differentiation ($\beta=0.376$, $p=.000$), distribution channel differentiation ($\beta=0.362$, $p=.000$), product differentiation ($\beta=0.253$, $p=.009$), and image differentiation ($\beta=0.316$, $p=.002$) significantly influenced the performance of cement companies.

Kipkoech and Bett (2020) explored the impact of branding, distribution networks, and customer service on the competitive positioning of sugar manufacturing firms in Kenya. Their findings underscored that the formalization of vision and mission, coupled with strong customer loyalty, enables companies to command premium prices for their products. This research supports the earlier notion that for a firm to gain a competitive edge through differentiation, it must identify and leverage unique attributes that are challenging and time-consuming for competitors to replicate (Kipkoech & Bett, 2020).

Mwangi and Ombui (2021) used Porter's competitive business strategy framework to investigate how differentiation strategies impacted the performance of Kenyan firms operating in the manufacturing sector. This study surveyed 150 businesses in 14 important industrial sub-sectors in the Nairobi area using a combination of questionnaires and in-person interviews. The study used regression analysis and Pearson's correlation to find a positive link between differentiation tactics and better business performance. It used a mix of descriptive and explanatory research techniques.

Njoroge and Kimani (2021) analyzed Agro-processing enterprises in Nakuru County, Kenya, to find out how differentiation affected their performance. According to their findings, big agro-processing companies, especially those in the grain milling industry, benefit greatly from enhanced performance thanks to product and service differentiation. The study highlighted that differentiation strategies are crucial for the success of these firms. This research, while situated in the Agro-processing industry, specifically focusing on grain milling, sets a precedent for examining similar strategies in different sectors, such as financial services in semi-arid regions like Marsabit County, to ascertain if product differentiation similarly influences performance.

Mwangi, Ochieng, and Wanjohi (2019) explored the role of differentiation strategies in securing a competitive edge within the Kenyan banking sector, with a close look at KCB Bank Kenya. Their findings indicate that KCB Bank has effectively implemented product and service differentiation strategies, thereby achieving a noticeable competitive advantage in the market. This study, although focused on a single institution, KCB Bank Kenya, provides a foundation for broader research involving multiple commercial banks to enhance the understanding of differentiation strategies' impact on competitive advantage across the banking industry.

2.2.2 Cost Leadership Strategy and organizational performance

Cost leadership, as defined in Porter's Generic Competitive Strategies, is when a company strives to have the lowest production costs in its industry. The structural features of an industry determine the manner in which cost advantages might appear. Several things contribute to these benefits, including scale economies, proprietary technologies, and exclusive raw material access (Porter, 2008). If a business wants to be a cheap manufacturer, it has to figure out what its cost advantages are and use them to their advantage. If a company can achieve and maintain total cost leadership while keeping pricing at or near the industry norm, it may beat the average..

Offering goods and services at the most competitive prices is the goal of the Cost Leadership Strategy. Instead of running at a loss and reducing earnings for everyone in the market, the problem with this approach is to make a profit that the company is happy with. Businesses like Walmart find success with this strategy because it allows them to attract price-sensitive customers by giving low pricing on high-volume goods and less aggressive reductions on other products. It is critical to have the lowest manufacturing cost in the industry (Porter, 2008). This tactic is on display, for instance, when stores maximize floor area for sales instead of storing surplus goods. It entails gaining market share by attracting budget- or price-conscious consumers with the lowest pricing in the target market or the greatest value-to-cost ratio. Operating at a lower cost than rivals is essential for a firm to compete on price while yet guaranteeing profitability and an excellent return on investment.

Social capital, entrepreneurial orientation, cost leadership approach, and cooperative performance were investigated in Malaysia by Lidasan (2016). In addition to looking at the connection between performance and social capital, this research also looked at how entrepreneurial orientation mediates that relationship and how cost leadership strategy

modifies it. A total of 196 cooperatives' chairs filled out a questionnaire that was sent to them. The data was analyzed using the Partial Least Square Structural Equation Modeling technique in Smart PLS version 3.0 software. The research found a favorable correlation between entrepreneurial orientation and organizational performance and social capital aspects. Both cognitive and structural forms of social capital were also shown to be predictive in the study. This research aimed to determine the extent to which cost leadership approach affects company performance, even though its results show that it does not modify the link between entrepreneurial orientation and organizational success. Partovi and Matousek (2019) studied commercial banks in Turkey to find out how cost-efficiency and economies of scale affected technological progress. In order to achieve their goals, the banks adopted distinct strategic stances. The new research aims to confirm whether the same links exist across the commercial banks in Kenya, since the previous study showed that economies of scale favorably impacted profitability. According to Richter's (2014) research on German manufacturing companies, internal informational costs fall as a result of economies of scale and a more widespread distribution. The results showed that scaling up had a major impact on how well manufacturing companies did. The present research will confirm the impact of cost leadership strategy on overall performance among commercial banks in Marsabit County, Kenya, whereas the previous study was conducted among commercial banks in Turkey.

Albers et al. (2020) conducted research using models. Discussing the impact of the low-cost model on airline profitability revealed that, in a situation where rival goods are substantially identical and selling at a normal market price, the airline with the lowest expenses would achieve the biggest profits. Companies using this approach prioritize cost reduction across the board throughout the value chain. The airline clearly prioritized cutting costs above other important aspects on occasion. Because of this, the company

risks losing sight of the original motivation for pursuing a certain approach. There is a case to be made for recommended sticking to the original model to guarantee higher profitability, even as more and more "hybrid" low-cost models were successfully attaining low operating expenses, providing inexpensive fares, and delivering acceptable operating profit margins.

The impact of cost leadership approach on hotel performance in Nigeria was investigated by Gorondutsea (2016). To test the predicted correlations, the study team utilized a quantitative survey technique. The hotel owners and managers in Kano State, Nigeria were surveyed using a census-style sampling method for this research. One of the second generation of statistical methods for data analysis, the PLS approach, was used to examine the data. Although this research's findings showed that cost leadership approach had a favorable correlation with hotel performance, the present study aimed to determine whether the same association held true for commercial banks, which are part of the service business. This research aimed to determine if the results would have been consistent with a re-conduct of the study in a different country (Kenya) using a new set of methods (quantitative survey technique), since the one under consideration utilized a different strategy.

The goal of this work was to enhance understanding of how competitive intensity moderates the link between low-cost strategy and the firm performance of restaurants. Barbara (2016) conducted research in Ghana on the influence of this strategy on performance. Empirical data was gathered from 118 restaurant proprietors in Ghana for the research. Regression analysis was used to investigate the impact of relationships and the interaction between competitive intensity and low-cost approach. This study aims to determine whether commercial banks in Marsabit County, Kenya, share the same

relationship as their Ghanaian counterparts, where a favorable correlation between low-cost strategies and firm performance was found.

In seminal research, Kuswatuka and Zimuto (2015) sought to determine how microfinance institutions in Zimbabwe stay afloat by studying the tactics they use to be more competitive. Strategy, differentiation, and cost leadership were the main areas of investigation. Three hundred and eighty-plus people employed by financial services companies participated in the study. We used SPSS, which stands for SPSS to conduct both descriptive and inferential statistical studies, and then show you the results. According to the results, out of all the tactics that were considered, distinctiveness helped get the upper hand. Several management implications were also inferred from the study's results.

The effect of cost leadership tactics on the enhancement of organizational performance was investigated by Chepchirchir and Omillo (2017). This research used an explanatory design and was based on Porter's Five Forces theory. At Nairobi's JKIA, 151 executives and middle managers from ten different logistics firms were the intended recipients. The data was examined using descriptive and inferential statistics after being obtained from a sample of 110 respondents using questionnaires. The results provided evidence in favor of the idea that logistics companies' performance might be favorably impacted by cost leadership initiatives. This has sparked interest in exploring if this pattern holds true in other industries.

Research by Kimiti (2020) looked at the effects of cost leadership on the efficiency and productivity of Kenyan milk processing companies. The purpose of the research was to determine how operational efficiency, economies of scope, and size affected the success of these businesses. The theory of resources, theory of dynamic capabilities, model of balanced scorecard, theory of contingencies, and theory of stakeholders served as the

foundation for this study. It was positivist in outlook and made use of both descriptive and explanatory research methods. All 29 milk processing companies that registered with the Kenya Dairy Board from 2016 to 2019 were included in the research. One hundred ninety-four people from five different departments (management, operations, production, finance, and marketing) filled out the census survey. Secondary data was culled from statistics on inflation rates and the cost of debt financing in Kenya from the Central Bank of Kenya and the Kenya National Bureau of Statistics. Primary data was gathered using self-administered semi-structured questionnaires. Results showed that operational efficiency, economies of scope, and size all contributed to the success of the milk processing companies.

The impact of cost leadership tactics on the competitiveness of sugar manufacturing enterprises was investigated in depth by Marangu, Mwiti, and Thoronjo (2017). Competitive advantage, generic strategy, and the resource-based approach were the theoretical underpinnings of this research. Twenty managers from each sugar farm that took part in the study filled out self-administered surveys as part of the descriptive cross-sectional research design. In order to comprehend the connection between cost leadership tactics and organizational competitiveness, correlation analysis was used. The findings of the research proved that cost leadership methods are quite powerful in explaining business performance. The present inquiry into the consequences of cost leadership, differentiation, and diversification tactics on the performance of commercial banks is based on this research and others like it. In the realm of competitive strategies and their impact on organizational performance, recent studies have expanded our understanding and provided fresh insights. For instance, in the context of Liquid Petroleum Gas Companies (LPGCs), a study conducted by Chebet and Kimuyu (2021) revisited the effects of cost leadership strategies, building upon the foundational work of Porter's

Generic Competitive Strategies. This more recent study encompassed a wider target population, leveraging advanced statistical tools to analyze data from 200 participants. Employing a mixed-methods approach, the study confirmed that cost leadership strategies significantly contribute to improving market share and profitability among LPGCs, echoing the earlier findings while offering new evidence on the strategy's efficacy in enhancing customer satisfaction levels.

Similarly, in the manufacturing sector, a groundbreaking study by Omondi, Mutinda, and Kagwe (2022) explored the nexus between cost leadership strategies and organizational performance among Kenyan manufacturing firms. This study, which drew on a sample of 150 firms across various industries in Nairobi, employed a longitudinal study design to capture the dynamic nature of strategy implementation and its outcomes. The findings underscored the pivotal role of cost leadership in driving operational efficiency and market competitiveness, thereby reinforcing the conclusions of previous research while providing updated empirical evidence on the strategy's relevance in the contemporary business environment.

2.2.3 Diversification Strategy and organizational performance

According to Haug and Ultich (2013), companies who want to be at the top of their game are diversifying their revenue streams. Managers may improve performance by using this strategy, regardless of its relevance (Castaldi & Giarratana, 2017; Makau & Ambrose, 2017). In addition, according to Rowe (2014), businesses may choose from a variety of strategies that help them make the most of their resources and achieve their performance goals. When assessing the success of financial institutions, diversification is a crucial factor. The marketing tactic of diversity was first proposed in 1957 by Igor Ansoff in his product matrix, according to Kim, Hoskisson, and Wan (2004). Not only that, but the

banking industry is far from the only one that has used diversity as a tool to achieve its goals (Hitt et al., 2021).

Proponents of the diversification approach point to the opportunity it presents to improve management competence across a range of geographies and product categories. New studies show that by spreading their fixed expenses across many different locations and goods, banks may take advantage of economies of scope. Banks have evolved into one-stop financial retail stores, providing clients with a wide variety of items similar to those found in a supermarket, all thanks to diversification. The effect of diversity on banks' bottom lines is still a topic of heated debate.

Hansen and Sørensen (2019) conducted a more current study in Denmark that examined 200 manufacturing enterprises and their performance in relation to integrated strategy. The study demonstrated, using sophisticated diversification metrics like the Modified Entropy and Adjusted Herfindahl Indices, that the manufacturing sector displays a wide range of performance, with related diversification strategies giving firms a distinct advantage over unrelated ones. This understanding is crucial for the present study of Kenya's commercial banking industry, which seeks to illuminate comparable processes.

In an effort to settle the continuing dispute over whether or not diversity improves a bank's performance, Zhang, Wu, and Chang (2021) conducted a thorough evaluation within the Chinese context, going beyond the conventional boundaries investigated by Berger, Hasan, and Zhou (2010). Examining a more comprehensive dataset, Zhang et al. provide strong evidence that complicates the earlier dichotomy, suggesting that diversity might, in fact, be a strategy tool to improve bank performance under some circumstances. In light of this new information, the current research aims to add to the existing body of knowledge by examining the Kenyan commercial banking scene for evidence that

supports or contradicts these results. This will provide a distinct geographical and economic context to the ongoing discussion.

Using data collected from 150 Malaysian manufacturing enterprises between 2010 and 2015, Lim and Cheah (2018) re-examined the literature on how product and international diversification affect financial performance. In contrast to the negative effect shown by Doaei, Ahmad, and Ismail (2014), their results from revised econometric models indicate a more complicated connection in which linked diversification seems to have a neutral to slightly positive affect on financial performance. This change might be a result of new ways of looking at diversity as a strategy or from changes in the dynamics of the market. Nguyen and Phan (2020) looked at more than 250 Vietnamese companies to build on the work of Santarelli and Tran (2016) and investigate the relationship between diversity and profitability from a nonlinear and linear perspective. Their findings provide a more nuanced view of the diversification debate by highlighting the need for a critical reevaluation of the significance of the diversification strategy and implying that, above a certain threshold, diversity may actually reduce company performance.

The purpose of the study by Suleiman and Gunu (2021) was to look at how listed Nigerian manufacturing companies fared financially after diversifying their revenue sources. Finding out how these companies' financial performance changes in response to product and non-product revenue diversification was the specific goal. Using structural equation modeling (SEM), the research analysed secondary data collected from 42 of the 63 listed Nigerian manufacturing enterprises between 2007 and 2017. An analysis of the financial performance (ROA and ROCE) of listed manufacturing enterprises in Nigeria indicated that both product and non-product revenue diversification significantly affected the firms' results. Product and non-product revenue diversification substantially impact the financial

performance of listed manufacturing enterprises in Nigeria, according to the study's findings.

Mensah and Aboagye (2020) delves into the diversification of income sources in Ghanaian banks and its impact on performance, utilizing data from the period 2014 to 2018. This study employs dynamic panel data analysis, offering new insights into how diversification affects bank performance in the Ghanaian context. Additionally, the study by Kariuki and Kindiki (2022), looked at competitive strategies in the banking sector. This research examines the competitive strategies of commercial banks and their impact on performance, focusing on a broader set of countries and employing a comparative analysis to understand the cultural and economic factors influencing bank performance. The impact of product diversification on the performance of listed manufacturing enterprises in Nigeria between 2006 and 2010 was also investigated by Oladele (2012). Return on assets was used to quantify the firm's performance, and data was analyzed using panel regression. The present research differs from these others in that it focused on the service sector (commercial banks) rather than the industrial enterprises established in Nigeria. This study aims to fill the research gap by confirming or disproving the prior studies and gathering more information on how diversification influences performance. Previous studies found a negative relationship between diversification strategy and performance, which is likely due to the influence of stakeholders.

Amediku (2012) set out to determine the effect of revenue source diversification on bank performance in Ghana. A case study was conducted using three universal banks. Data analysis using linear regression. The study found that banks' revenue came from a wide variety of sources, both interest and non-interest, and that a growth in the number of branches had a detrimental effect on the banks' performance. A number of banking industry competitive tactics were the subject of a research by Taylor and Francis (2010).

According to the study's results, most banks are situated in nations or areas where their customers have strong cultural or economic ties. In addition, the results showed that most of these banks were based in other countries. This study aims to determine if commercial banks in Marsabit County, Kenya, share the favorable correlation between diversity and performance shown in previous research.

Adamu and Zubaru (2016) looked at how diversification affected the success of Nigerian construction companies. The research analyzed financial accounts from seventy construction businesses that were sampled, using secondary sources. Companies were grouped according to their level of diversification using the specialization ratio method: undiversified, moderately diversified, and highly diversified. Additionally, profitability measures were used to assess the businesses' performance on a group level. In terms of Return on Total Assets and Profit Margin, the results showed that highly diversified enterprises did worse than undiversified ones. Firms with a moderate level of diversification outperformed those with a high level of diversification in terms of Return on Equity, Total Assets, and Profitability Margins. Nonetheless, in terms of performance discrepancy, neither the undiversified nor the moderately diversified enterprises showed any discernible impact. It was concluded that diversity does not necessarily lead to increased profit margins since the link between performance and diversification was shown to be nonlinear. Accordingly, businesses should maintain concentration if they want to boost their bottom line. Earlier studies looked at how diversification affected the performance of Nigerian construction firms; this one will focus on commercial banks in Marsabit County, Kenya, and will use a broader scope to compare and contrast the effects of four competitive strategies: cost leadership, differentiation, diversification, and positioning.

In his study on the influence of differentiation strategy on financial performance of commercial banks in Uganda, Adegbuy (2015) employed a cross-sectional design which was characterized by a quantitative approach. The target population constituted of 210 Senior Managers and Chief Executives from 10 Ugandan banks that were rated as best performing commercial banks in five consecutive years. Total sample size was 144 individuals which was calculated using Yamane's (1967) formula. Primary data was collected by use of questionnaire. Quantitative data was analysed descriptively using statistics such frequencies, percentages, means and standard deviation. A positive and statistically significant relationship between product differentiation strategy and financial performance in terms of ROI was established. This study was conducted his study in Uganda which brings about contextual gap because of the differences in economic and geographical factors. The previous study is also focusing on ten best performing commercial banks while current study will be carried out in Kenya focusing on three commercial banks existing in Marsabit County town.

Mukeshimana and Irechukwu (2016) set out to determine if electricity producers in Rwanda were impacted by strategic location and how it affected their performance. A descriptive research approach was used throughout their investigation. The research used a sample size of 30 power producers. The Board members, Executive directors, senior management personnel, and project managers were selected using a purposive sampling technique. In addition, the research set out to determine how various power providers' price, perceived quality of service, costs and advertising, and differentiation strategies affected their success. We used inferential and descriptive statistics to go through the survey responses. Data was analyzed and represented using tables, percentages, pie charts, and standard deviation in SPSS version 21. Thus, this research proved that Power Producers in Rwanda's performance was positively and directly affected by price strategy,

perceived quality, costing and marketing, and differentiation strategy. Additionally, additional study on the management of these businesses should be conducted. This study will examine the effect of competing strategies on the performance of commercial banks in Kenya, in contrast to the previous one that focused on the effects of strategic positioning on the performance of Rwandan independent power producers.

Wanjiru (2016) used a balanced scorecard approach to examine the impact of product diversification initiatives on real estate performance in Nairobi City. It was an explanatory study. Firm performance was shown to be substantially connected with certain concentric and conglomerate diversifications, according to the results. This research differs from the present one as it focused on commercial banks rather than real estate. Additionally, this study employed a cross-sectional research approach, as opposed to an explanatory one. The purpose of this research is to fill in the gaps left by previous studies, determine if competitive tactics do, in fact, affect the performance of commercial banks in Kenya, and more specifically, in the town of Marsabit in Marsabit County.

The effect of revenue diversification on banks' financial performance has been the subject of ongoing research in recent years. One such research that looked at how commercial banks in Kenya fared financially after diversifying their revenue sources was Njoroge, Mwangi, and Mutiso (2023). This research used a thorough census technique to cover all registered commercial banks in Kenya throughout the study year. This study found that diversification still has a positive impact on the financial performance of Kenyan commercial banks, especially larger banks. The study used documentary secondary data over a five-year period (2017–2021) and validated primary data with key informant interviews.

Simultaneously, Kimani, Ouma, and Wachira (2022) looked into the impact of income diversification on the financial performance of deposit-taking SACCOs in Kenya from

2016 to 2021. Although SACCOs with a more diverse income stream still face unpredictable returns, this research adds to Mathuva's (2015) results by pointing out that regulatory reforms and market factors have altered the financial performance environment.

Following in the footsteps of Ogada, Achoki, and Njuguna (2016), Omondi, Kipkorir, and Chebet (2024) used a mixed-methodology research strategy to determine the impact of diversification on the financial performance of Kenyan combined institutions (2016). Using more recent quantitative methods, this research examined a larger pool of financial service organizations that had recently amalgamated. Finding no statistically significant impact of diversity on the bottom lines of combined financial firms, Omondi et al. (2024) highlights the complexity of diversification tactics in Kenya's dynamic banking industry.

2.2.4 Positioning Strategy and Organizational Performance

Barney (2015) asserts that a more complex corporate activity is involved in strategic positioning. Complexity management demands more advanced management approaches, tools, and information, which in turn raises overhead. One product configuration has the potential to eat into the sales of another if not managed properly. A company's ROI and ROE could take a hit if they introduce a new product to the market, as consumers might choose for competing offerings instead. When businesses make the deliberate decision to grow into new markets, they are engaging in strategic positioning. Instead of worrying so much about strategic positioning, a firm should strive to create a one-of-a-kind product or service that all market segments demand, independent of price or location (Peteraf, 2013). The phrase "strategic positioning" has become much more inclusive, now including a wider range of consumer goals, requirements, and preferences (Hill, 2014). Considering the four Ps and how they meet market niches is no longer sufficient for strategically placing a firm in the market; consumers may sometimes purchase from

companies seen as more environmentally conscious, socially responsible, or technologically sophisticated.

In a study conducted in Kwara State, Nigeria, Ahmed (2022) looked at the relationship between product positioning, marketing strategy, and brand awareness in the pharmaceutical industry. The study used a cross-sectional survey design, with 283-line managers from pharmaceutical manufacturing enterprises in Kwara State serving as the target population. Data was collected using standardized questionnaires. The 169 people who took part in the research were chosen using a convenience sample. To analyze the data, a Structural Equation Model (SEM) was used. According to the results, improving pharmaceutical product brand recognition in Kwara State is highly dependent on product positioning and its effect on marketing strategy. Kwara State pharmaceutical businesses' success seems to be significantly impacted by product positioning and brand recognition, according to the data.

With a case study of a few chosen IPPs, Mukeshimana, Nkechi, and Jefferson (2019) examine how strategic positioning affects the organizational performance of Rwanda's Independent Power Producers (IPPs). Research in this area aimed to identify which IPPs in Rwanda fared best under various pricing, differentiation, costing, and marketing strategies, and perceived quality of service models. There was an emphasis on descriptive research in this study, with inferential and descriptive statistics used to interpret the collected data. Thirty members of the target audience (board members, executive directors, senior management staff, and project managers) filled out questionnaires that served as the main data resource. Members of the board, executive directors, senior management, and project managers were selected using a purposive selection technique, and a sample size of 30 was achieved using Yamane's method. Using a questionnaire that was physically handed out to respondents, we were able to gather crucial data from them.

Data was processed using SPSS version 21. The research showed that Rwandan Independent Power Producers' organizational performance was positively affected by price strategy, perceived quality, costing and promotion, and difference in strategy.

For their 2023 study, Wali, Muraguri, and Wachana looked at how strategic positioning affected the success of Kenyan e-commerce companies. The study used a positivist philosophical stance and was based on the competitive advantage hypothesis. Eleven hundred and twenty-two certified Nairobi e-commerce sites were the subjects of this quantitative analysis. Included in the study were 336 individuals from these firms' managerial levels. A systematic questionnaire was used to gather data, and a census sample strategy was employed to include all 112 e-business businesses in Nairobi. The data was analyzed using both descriptive and inferential statistics. A statistically significant relationship between strategic positioning and the success of e-commerce enterprises in Nairobi was found ($\beta = 0.616$, $p < 0.05$).

Pauline, Mukami, and Ocharo (2023) studied the effects of image, intangible, tangible, and product repositioning on the success of Kenyan enterprises that produce FMCG. The researchers employed a causal study approach to examine 193 different companies over the course of 16 years, from 2016 to 2021. Results from regression analysis showed that yearly sales and return on assets for the companies substantially improved when they used image and intangible repositioning approaches.

The purpose of the study by Uboegbulam and Ajao (2022) was to investigate how hotels in Port Harcourt, Rivers State, Nigeria, fared as an organization due to their strategic placement. The hypothesis that strategic positioning (cost leadership and product differentiation) did not have a meaningful link was one of four research topics that led the investigation. Earnings and market share were also used to evaluate the company's success. From 105 hotels in Port Harcourt, a total of 122 respondents were selected using

the cluster sampling approach. With a 95% level of certainty, the hypotheses were tested using the Pearson Moment Correlation Technique. Both cost leadership and product differentiation were shown to have a strong positive and statistically significant association with market share ($r = 0.889$ and 0.901 , respectively). However, with r values of 0.512 and 0.473 , respectively, they demonstrated a weak relationship with profitability.

2.4 Theoretical Literature Review

There are different theories that attempt to explain the influence of porters' competitive strategies on organization performance.

2.4.1 Porters Generic Model

This study uses Porter's Generic Strategies framework as its theoretical basis. According to recent research, competitive dynamics are still one of the most important factors that determine a company's success or failure. Efficacy, creativity, and organizational cohesiveness are some of the performance-enhancing strategies that are fundamentally driven by competition (Barney & Hesterly, 2018). Firms competing in the same space offering similar products and services to identical customer bases are identified as competitive rivals (Hitt, Ireland, & Hoskisson, 2021). Achieving superior performance within a competitive landscape necessitates the adoption of a coherent competitive strategy, which may manifest as cost leadership, differentiation, or a focus strategy tailored to the nuances of industry competition (Rothaermel, 2020). The absence of a well-executed strategy renders a firm less competitive within its industry. Competitive strategies encompass a suite of tactics designed to attract customers, withstand competitive pressures, and solidify market positioning. When a company outperforms its rivals in luring consumers and fighting off market threats, it is considered to have a competitive edge (Grant, 2019).

The cost leadership approach was further discussed by Porter (1985), who emphasized its importance in gaining a competitive edge via providing goods and services at the lowest feasible market price. According to modern viewpoints, businesses should think twice before becoming involved in things that don't make money (Ketchen & Short, 2018). This perspective encourages firms to consider the strategic outsourcing of non-core activities to cost-effective partners as a means to streamline operations and enhance cost efficiency (Jacobides, 2019).

2.4.2 Resource Based Theory

According to resource-based theory, a company may be seen as an amalgam of material, human, and institutional assets (Kraaijenbrink, Spender, & Groen, 2010). Resources should be valued, limited, non-imitable, and imperfectly substitutable if they are to be a main source of prolonged exceptional performance (Kraaijenbrink et al., 2010). Finding resource characteristics that were difficult, if not impossible, for rivals to replicate was the original goal of resource-based theory. According to Kraaijenbrink et al. (2010), a company's competitive edge will be short-lived if its resources are readily replicable. One way in which resource-based theory helps businesses become more efficient is by increasing product differentiation and decreasing expenses (Newbert, 2007). Businesses may obtain an advantage over their competitors in the product market if they increase customer surplus for their product and pass some of the savings on to customers. In addition to calculating the expected return on investment, a company expanding into a new market must also determine whether it has the financial wherewithal to spend rapidly enough to stay up with competitors in the same and related fields. Companies can expect to lose their competitive advantage if they don't keep innovating, even if they break into new markets with ground-breaking discoveries and use patents or other restrictive methods to keep competitors at bay. Furthermore, new competitors do not have an easy

way to get an organization's reputation, which is an intangible asset that must be built up over time.

Companies who are in a competitive position and have a lot of money may also use that money to set prices in the market. These businesses use predatory pricing strategies to cut into their competitors' profit margins and drive them out of business. It may not be in the best interest of the company to be aggressive towards competitors, according to Newbert (2007), who claims that the company may find opportunities to reap benefits via working together. Companies could invest in strategies like tacit cooperation with certain of their product market rivals and premium price maintenance. Therefore, four crucial factors—durability, transferability, replicability, and appropriability—are very important for a competitive advantage's survival. The ability of a company to invest in its people, provide them with ongoing training, and strive for continuous improvement is what we mean when we talk of durability. The term "transferability" describes how easily other companies may get their hands on a company's resources and competencies, such important employees or systems, by "poaching" them. Replicability refers to how easily competitors may develop comparable resources or skills from raw materials. Who gets what out of the necessary resources or abilities is at the heart of the concept of appropriateness. The resource analysis shows how important strategic aspects may be used to evaluate the competitiveness and performance of certain banking organizations. Consequently, it is believed that the entity's growth and competitiveness are closely correlated with changes in these elements.

2.4.3 Porter's Five Forces Model

Michael Porter developed his Five Forces Model in 1979, and this study used it. The approach offers a solid basis for assessing how a business stacks up against its rivals in a given market (Kraus, Harms, & Fink, 2020). The five pillars upon which Porter's Model

rests are seen as essential variables in determining the attractiveness and level of competition in any given market.

One of the most important factors in an industry's level of competition is the influence of its suppliers. Products' prices are heavily influenced by the power of an industry's suppliers, as stated in Michael Porter's seminal 1979 book. Also, keep in mind that more suppliers mean more stable markets, which is great for business since it means more competition. In addition, the degree of rivalry in a market is strongly influenced by the distinctiveness of the goods and services offered by different vendors. Customers that deposit funds with banks are the primary sources of both capital and labor in the banking industry (Papaioannou, Karakasidis, & Lioukas, 2021). A bank that successfully manages to retain both customers and employees effectively balances their demand and supply. The banking industry has recently undergone a paradigm shift, marked by a significant move towards supply chains incorporating electronic and mobile banking. This technological revolution has transformed the power of suppliers in the banking industry, making it a critical factor in establishing a formidable competitive advantage (Nguyen, 2020).

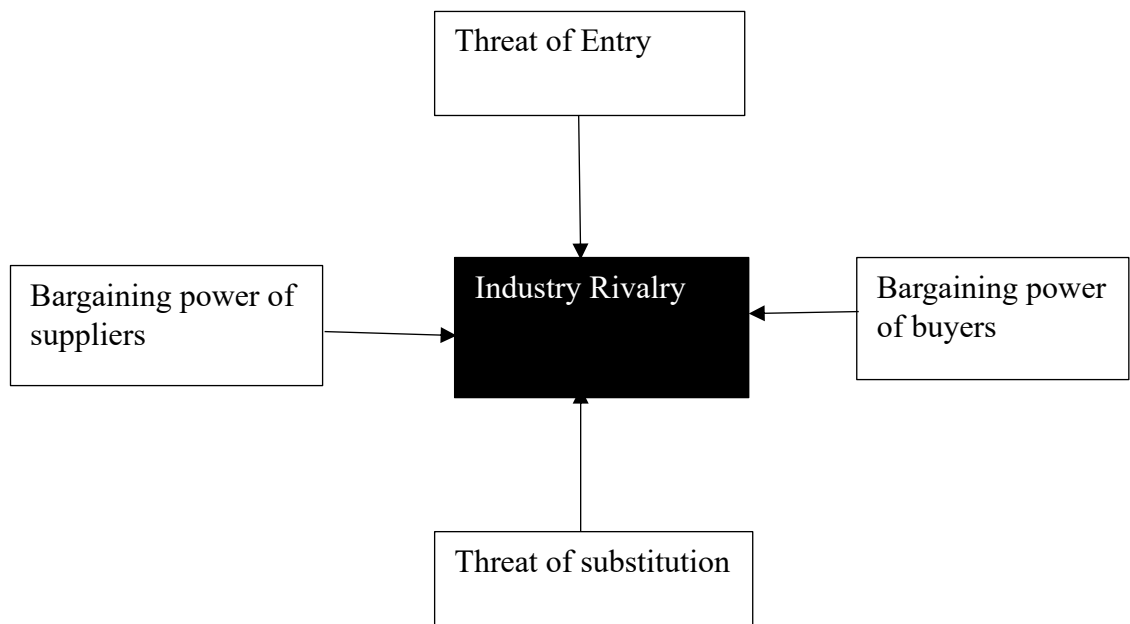


Figure 1: The porter’s Five Forces Model (Porter, 1980)

Thirdly, competition from similar products is an issue. Apps like Tala, Branch, and Okash are becoming more popular in the banking industry. Customers who have their SIM cards registered may now improve their credit scores online, for sums of KES 50,000 or more, eliminating the need to physically visit banking facilities. You may save a lot of time and effort by applying for a loan using one of these mobile apps instead of having to physically visit a bank branch. Banks are now more competitive than ever before due to the proliferation of mobile loan apps, and this is showing in their attempts to make lending products more accessible via online banking systems. Thirdly, supplier bargaining power is an indirect or minor element affecting banking sector competitiveness, according to Porter's model.

Recent scholarly work suggests that Porter's five forces framework may not be entirely applicable in every context. For instance, in the study "Rethinking Porter's Five Forces Model for the Digital Age," it is argued that the traditional competitive analysis model

may overlook the significance of a long-term, cooperative strategy that emphasizes strong, reciprocal relationships with all stakeholders, including suppliers and buyers. This approach not only fosters a just-in-time (JIT) production system, minimizing storage costs, but also mitigates the negative repercussions of direct competition, which can lead to significant cost implications. Furthermore, collaboration with stakeholders can position banks as the most cost-efficient producers in the market (Khanna, 2020). Moreover, the static nature of Porter's model is criticized for not adequately accounting for the rapid changes in industrial structures driven by environmental trends, demographic shifts, or technological advancements. Overlooking the important role of innovation, the emphasis is on group and industry structures rather than individual enterprises. It is clear that industry structure is insufficient to account for performance differences among rivals when innovations transform industry structures; therefore, the competitive landscape is also transformed (Jones & Hill, 2021).

It goes beyond the conventional SWOT analysis to place an emphasis on the external environment and how a company may adapt to it. In addition, additional models, including PEST analysis (Political, Economic, Social, and Technological), are closely related to the five forces framework, which helps to comprehend and take advantage of the dynamic nature of the market. The significance of seizing opportunities in imperfect markets, where above-average earnings are possible despite the absence of ideal competition, is further emphasized. Furthermore, the competitive rivalry is the key topic, heavily impacted by the other four forces, according to the five forces framework. This is because these forces define the industry and, by extension, the competition within it. Recent studies have refined this perspective, indicating that Porter's five forces model extends beyond merely comparing market growth rates to assess sector attractiveness.

According to contemporary analysis, the Porter's five forces framework has been updated to consider the rapid changes in global markets and the digital economy. For instance, in "Strategic Management in the Digital Age" (Jones & Smith, 2021), the authors argue that the model now takes into account the fluidity of market boundaries and the emergence of digital platforms that have transformed traditional industry dynamics. This adaptation of the model emphasizes the necessity for companies to continuously monitor and adapt to the external environment, including technological advancements and shifts in consumer behavior

2.4 Conceptual Framework

This study's conceptual framework shows how the independent and dependent variables are related to one another (Kent et al., 2020). The success or failure of commercial banks in Marsabit County, Kenya, will be the subject of this research. The competitive tactics used by porters, including cost leadership, positioning, diversity, and differentiation, will serve as the independent variables. Performance is shown by the framework as a function of the four variables: positioning, diversity, cost leadership, and distinctiveness.

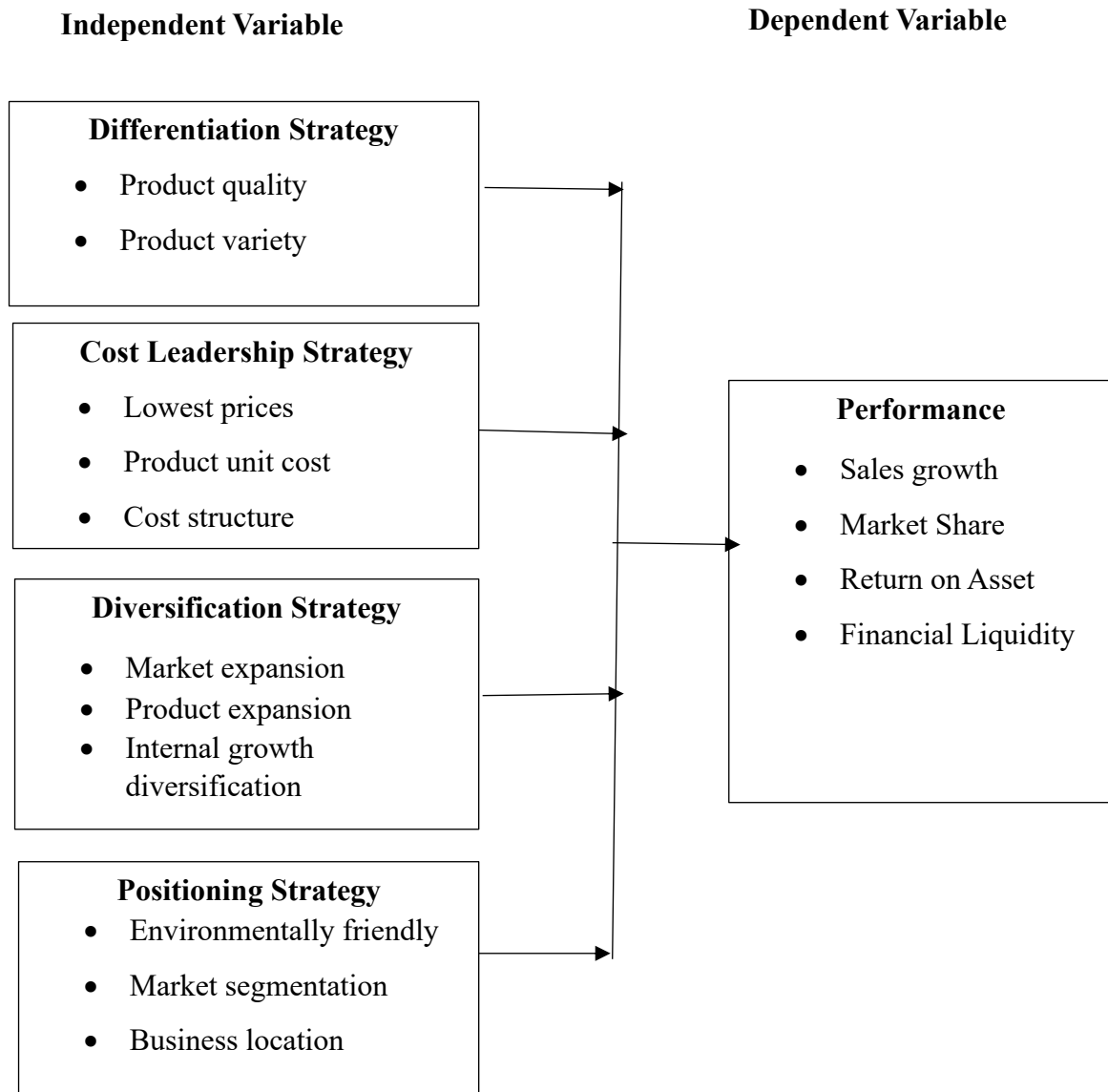


Figure 2: Conceptual Framework

Source: Researcher (2025)

2.6 Recap of the Literature

From the above-reviewed literature, it's evident that the majority of studies focusing on competitive strategies have been predominantly centered around manufacturing industries, with the service sectors receiving considerably less attention. Moreover, there

is a noticeable geographic concentration of these studies, with a substantial number of them being carried out in countries other than Kenya, highlighting a gap in the local context. Recent studies like those by Njoroge and Kinyanjui (2020), and Mwangi et al. (2021) have begun to address this gap, emphasizing the need for localized research in competitive strategies within the Kenyan context.

Additionally, the literature reveals a fragmented approach to the exploration of competitive strategies, with a lack of consensus among researchers regarding the optimal combination of strategies that could enhance an organization's competitive edge and performance. This is supported by more recent research by Ochieng and Akong'o (2019), who state that there is still a lack of investigation into the connection between competitive strategies and organizational performance, even though there is a growing amount of information on competitive strategy that attempts to identify the factors that influence firms to adopt these strategies. In addition, Chege and Wang (2022) pointed out that prior studies' methodological flaws were a major worry, highlighting the need for strong study methodologies to comprehend the effect of competing tactics on performance. This aligns with the results of previous studies, such as D'Souza and Lai (2009), and is reinforced by more current research, such as Kimani et al. (2023), which highlights the importance of reaching an agreement on the competitive tactics that drive organizational performance the best.

Both domestically and abroad, a great deal of research has focused on the ways in which different strategies affect the functioning of organizations. Li and Zheng (2021) conducted a more recent study that looked at the competitive strategies used by Chinese banks from 1998 to 2018. They found that digital banking technologies caused major adjustments in strategy. Similarly, building on the work of Osinowo, Omisore, and Ayinde, Martins and Fernandes (2020) examined the connection between service

differentiation and competitive advantage in European railway firms. Further evidence that differentiation approach improves organizational performance was provided by their research.

In their study, Mwangi and Ouma (2019) examined the effect of cost-cutting measures on the profitability of Nigerian eateries. They confirmed Barbara's results in Ghana by analyzing data from 150 restaurants and found that low-cost techniques positively correlated with the success of the hospitality business.

Zhang, Wu, and Luo (2022) built upon previous study in the banking industry by Berger, Hasan, and Zhou; they investigated the connection between bank performance and diversification policies within the framework of fintech integration in China. Diversification methods in the digital era are changing, according to their analysis, which means they have a complex effect on banks' bottom lines.

On a local scale, studies within Kenya have also reflected on the evolution of competitive strategies. Kimathi and Mwangi (2021) revisited the competitive strategies in real estate, building upon Wanjiru's research and highlighting the role of digital marketing strategies in enhancing performance. Additionally, Oyugi and Mugo (2018) examined cost leadership strategies in the Kenyan LPG sector, suggesting a more pronounced impact on performance compared to the findings of Nyauncho and Nyamweya.

Kipkorir (2019) conducted a comprehensive study on the competitive strategies of companies in Kenya, indicating a trend towards more innovative and technology-driven strategies as opposed to the unclear strategies noted by Kanana. In the realm of financial institutions in Kenya, Chege and Gitau (2022) studied the adaptation of competitive strategies in the era of mobile banking, focusing on the issuance of unsecured personal loans. Their findings suggested an enhanced performance due to a diversified income stream, updating Mathuva's research on SACCOs.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

The methods used to carry out the research were the main emphasis of this chapter. This section outlined the methods and processes used for data gathering, processing, and analysis. Methods for collecting data, checking their accuracy and reliability, conducting a pilot study, and analyzing the results made up the various elements of the research plan.

3.2 Research Design

A cross-sectional survey design was used in the investigation. Researchers developed study designs that included detailed plans for conducting, analyzing, and presenting research conclusions within set accuracy limits (Cresswell and Creswell, 2018). Since the researcher was interested in data collected at a single moment in time, cross-sectional research was the method of choice. Due to the concurrent nature of data collection, one major advantage of cross-sectional research was the decreased probability of participant dropout. With its many questions related to the structures being studied, the survey technique played a crucial role in gathering data from a large sample. From the viewpoints of individuals, organizations, and the industry as a whole, this method provided the researcher with a thorough description of the phenomena of interest. Consequently, this technique made it easier to gather data from a wide range of respondents on how commercial banks in Marsabit County, Kenya, were affected by competing tactics and how their performance was impacted.

3.3 Area of study

The research study was conducted in Marsabit County. Marsabit County had a relatively less developed financial sector compared to other urban areas, making it an ideal location to study how commercial banks used competitive strategies to penetrate and perform in

such a market. With ongoing development projects and efforts to promote economic growth in rural and underserved regions, Marsabit was emerging as a key area. Understanding the role of banks in facilitating this growth and how they competed in this challenging environment was crucial.

Competitive strategies significantly influenced financial inclusion, especially in counties like Marsabit, where access to banking services was limited. Studying these effects helped to understand how commercial banks contributed to inclusive growth.

Investment prospects abounded in the banking business, which was already highly competitive due to the influx of new financial institutions. Since 1984, Marsabit County had only one bank, Kenya Commercial Bank (KCB), with no branches in any of the other sub-counties. However, newcomers to the market included Equity Bank and Cooperative Bank. The development of county governments was credited with attracting these new investments to the area. These governments received the second-largest percentage of equitable share capital in the nation. The demographic and economic diversity of Marsabit County, the most populous dry county in Kenya (Census, 2019), also contributed to its selection for the study.

3.4 Target population

Managers, team leaders, and operational personnel from Equity Bank, Kenya Commercial Bank, and Cooperative Bank of Kenya made up the target population. The impact of Porter's Five Forces Model on the efficiency and effectiveness of commercial banks in Marsabit County, Kenya is the focus of this research. The sample population consisted of 100 individuals drawn from the human resources databases of the three commercial banks in Marsabit County that were chosen for this study. This group was further divided into three groups: the branch managers and the regular bank employees.

Table 1: Total Population

Category	Managers	Banking Staff	Total no. of employees
Equity bank	1	38	39
Kenya commercial bank	1	22	23
Cooperative bank of Kenya	1	37	38
Total	3	97	100

Source: (Human Resource of Respective Banks,2025)

3.5 Sampling Design

The concept of sample size is crucial in research as it represents a section of the entire population that is being studied. A well-defined sample size ensures that the findings of the study can be generalized to the entire population. Sullivan (2018) posits that identifying an appropriate sample size is fundamental to research validity, as it reflects the entire population's characteristics. Similarly, Patel and Davidson (2020) define sampling as the methodology of selecting a subset of individuals from a population to represent the whole group.

In this study a census technique was employed, targeting all staff members across three commercial banks. This approach aligns with the perspectives of Sullivan (2020), who argue that the census method is particularly useful in research when the subjects are of equal importance and the population size is manageable. Furthermore, Lohr (2021) reinforce that employing a census technique is appropriate for studies with smaller populations, as it allows for comprehensive data collection from all subjects without the need for sampling. Consequently, the encompassed all 100 staff members, including 3 branch managers, who provided additional insights through interviews, thereby enriching the survey data.

3.6 Data collection instruments

Primarily, the study gathered information. According to Mazhar et al. (2021), "primary data" in this context is information gathered directly from a statistically valid subset of the population of interest. It was necessary to collect primary data on the competitive tactics used by Marsabit County's commercial banks in order to draw conclusions about their impact on performance. The real-time nature of primary data made it the superior choice (Barichievy, 2018). Aside from being time-consuming and expensive, gathering primary data requires a lot of effort (Smith, Johnson, & Lee, 2022). Every study and researcher need unique primary data (Garcia, Kumar, & Robinson, 2021).

3.6.1 Questionnaire

To gather primary data, the researcher had team leaders and operational workers fill out questionnaires on their own time. Typically, a questionnaire is designed with specific goals in mind and then sent to members of the target group to collect useful information from their written responses (Ellis & Levy, 2009). According to Saunders et al. (2009), the tool's intended use was to swiftly gather a large amount of data. In order to collect data from a wide group of people in an impartial manner, the researcher employed a questionnaire. Structured questions were included in the questionnaire. According to Barichievy (2018), respondents were able to choose the correct response from a predetermined selection provided by the structured questions. Coding the survey responses made it easy to determine how Porter's competing tactics affected their results.

3.6.2 Interview schedule

The heads of Marsabit County's commercial banks were surveyed using an interview schedule. The researcher conducted the interviews. Researchers could quickly and easily collect data from interviews, as pointed out by Mugenda and Mugenda (2003). To

improve data quality and verify or collect some of the previously discovered information via surveys, an interview schedule was used.

In order to gather information on each branch manager's expertise, attitudes, and opinions, the researcher conducted interviews using a pre-planned set of questions. This approach enabled the interviewees to respond to the questions and provide explanations when needed, which was crucial. As long as the researcher did not adhere rigidly to the interview outline, they could ask clarifying questions and obtain more in-depth answers. Respondents' answers could be clarified or restated by the researcher.

3.7 Reliability and Validity of the Instruments

3.7.1 Validity of Instruments

Research validity was defined by King, Keohane, and Verba (2021) as the degree to which data and samples gathered from the wider population could be justifiably inferred. This metric measured how well the data-driven conclusions reflected the observed phenomenon. This research utilized the questionnaires to find out how much impact Porter's competitive tactics had on the success of Marsabit County's commercial banks. The researcher consulted with the supervisor for their professional opinion to ensure that it would be legitimate. By dividing the total number of items by the total number of pertinent questions, the supervisor determined the relevance of each item or question in relation to the study goals.

To establish validity, the following methods were used: The Content Validity Index (CVI) was the ratio of relevant items to the total number of items. Research instruments were expected to have a CVI of 0.78 or above, according to Madadzadeh and Bahariniya (2023). The researcher calculated the study's CVI, made any necessary revisions, and considered the experts' general recommendations for the instruments. Their suggestions

were implemented before any data were gathered. The questions on the questionnaire were arranged from simple to complex, and the ones that were difficult to grasp were simplified. The CVI achieved was 0.8.

3.7.2 Reliability of Instruments

Conversely, reliability refers to the degree to which the research data collecting instrument consistently yields trustworthy findings, even when the study's topic is changed (Ellis & Levy, 2009). Following the guidelines laid forth by (Oso & Onen, 2005), pilot research was carried out at two major banks (Equity Bank and Kenya Commercial Bank) in Isiolo town to assess the dependability of the data collecting instruments. With 105 respondents as the target population, 10 people made up 10% of the sample. In terms of the socio-demographic traits of Marsabit County, Isiolo town is rather comparable. After the pilot sample has been surveyed, the questionnaires were collected. The participants got the surveys again three weeks later. To ensure the data gathering device is reliable, it is proposed to use a test-retest strategy. The dependability of the data was evaluated using Cronbach's alpha, a coefficient that may take on values between zero and one. The SPSS 27 Statistical Programme for the Social Sciences was used to correlate this. Items used to assess the idea of interest were consistent if the alpha coefficient is high. In most cases, an alpha of 0.70 or above is considered adequate (Taber, 2018).

3.8 Data collection procedure

The investigation was conducted only after obtaining permission from Mount Kenya University's directorate of postgraduate studies. Following this, a data collection authorization was acquired from NACOSTI, the National Commission for Science, Technology and Innovation. Management at the chosen commercial banks and a representative sample of their employees received an introductory letter outlining the

study's goals and methods. The letter specified the data collection's purpose, extent, and confidentiality measures.

The next step involved the researcher handing out the surveys to the operational personnel and team leaders one by one. To ensure that all of the surveys sent out were returned, the researcher was very careful and controlling. To do this, the researcher kept track of the questionnaires that were dropped off and picked up.

Three branch managers from different banks—KCB, Equity Bank, and Cooperative Bank—were interviewed in person. This data collection process included interviewing the managers of three separate bank branches; each schedule was labeled BM1, BM2, and BM3. In keeping with the aims of the research, questions were prepared to guide the procedure. These managers were selected for the research due to their in-depth familiarity with their banks' competitive strategies and how those tactics had affected the performance of the banks.

3.9 Data analysis

For the quantitative data, statistical analysis was used, and for the qualitative information, content analysis was employed. The research examined the procedures for implementing earlier strategies, the competitiveness and management skills of individual banks, and training using statistical measures such as means, standard deviations, and frequencies to describe, explain, and predict the relationship between variables (Azungah, 2018). This was accomplished through statistical studies. Both descriptive and inferential statistics were utilized in the statistical analysis. Inferential statistics centered on correlational and inferential studies, while descriptive statistics employed metrics like standard deviation, percentage, median, and mean. Content analysis was used to compare, abstract, and

classify qualitative data (Krippendorff, 2018). Both of these methods provided a wealth of data to work with, allowing for solid conclusions.

Using SPSS version 27, the latest version available for creating quantitative reports, facilitated quantitative data analysis. Content analysis was used to synthesize the interview material and organize it into themes, categories, and patterns. For quantitative data, tables were used; for qualitative data, narrative form was employed.

The study used parameter estimate to analyse and equate values to the model of the study.

The model of the study will be as follows:

$$Y = C + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + e$$

Where:

Y = performance

β_i = Coefficients to be estimated

C = Constant

X_1 = Differentiation Strategy

X_2 = Cost Leadership Strategy

X_3 = Diversification Strategy

X_4 = Positioning Strategy

e = error term

3.10 Ethical Consideration

This adhered to ethical standards and professional norms while gathering, analyzing, and sharing data on study participants, with a focus on respecting participants' rights to privacy, autonomy, and truthfulness (Akaranga & Makau, 2016). At all times, the researcher conducted the study in accordance with these ethical standards. Presenting the permission letter and the letter of admission from the university to every responder,

together with the questionnaire, guaranteed honesty as a principle. Objectivity was maintained by ensuring that the questionnaire did not ask any personal questions and instead remained focused on the study goals. Confidentiality was ensured by displaying the aggregated statistics without disclosing specific responder information. To guarantee that each responder remained anonymous, the researcher also informed them that the study findings were secured and secret. To maintain the integrity of the intellectual property concept, all sources used in the study were properly acknowledged and cited.



CHAPTER FOUR: RESEARCH FINDINGS AND DISCUSSIONS

4.1 Introduction

This chapter presents the analysis and discussion of the findings from the study on the impact of Porter's competitive strategies on the performance of commercial banks in Marsabit County, Kenya. The analysis includes a review of the response rate, socio-demographic characteristics of respondents, and the discussion of findings on differentiation, cost leadership, diversification, and positioning strategies.

4.2 Response Rate

The study targeted a sample of 100 respondents from various commercial banks in Marsabit County. Of these, 90 completed the questionnaire, resulting in a response rate of 90%, which is a satisfactory representation for data analysis as it exceeds the recommended minimum of 60% for survey research (Dillman, Smyth, & Christian, 2014).

4.3 Socio-Demographic Characteristics

Table 1: Socio-Demographic Characteristics of Respondents

Variable	Category	Frequency	Percentage (%)
Sex	Male	50	55.6
	Female	40	44.4
Age	18–25 years	15	16.7
	26–35 years	30	33.3
	36–45 years	25	27.8
	Above 46 years	20	22.2
Academic Qualification	Certificate/Diploma	35	38.9
	University Graduate	40	44.4
	Postgraduate and Above	15	16.7
Bank Affiliation	Equity Bank	30	33.3
	Kenya Commercial Bank	35	38.9
	Cooperative Bank of Kenya	25	27.8
Job Title	Branch Manager	10	11.1
	Team Leader	20	22.2
	Operations Staff	50	55.6

Variable	Category	Frequency	Percentage (%)
	Others	10	11.1
Years of Service	Less than 2 years	10	11.1
	2–5 years	35	38.9
	6–10 years	30	33.3
	Over 10 years	15	16.7

Research Data, 2025

The socio-demographic profile of respondents reveals diversity across gender, age, educational background, banking affiliation, and professional experience, which provides a comprehensive overview of the respondents. Males comprised 55.6% of the sample, and females accounted for 44.4%, reflecting a near-balanced gender representation in Marsabit County's banking workforce. This distribution aligns with studies indicating a trend towards increased female participation in traditionally male-dominated industries, such as banking (Smith, 2018).

The age distribution indicates a relatively young workforce, with a large proportion of respondents aged between 26 and 35 years (33.3%) and 36 to 45 years (27.8%). This finding suggests that banks in Marsabit County may benefit from a dynamic, growth-oriented workforce that can adapt to evolving industry demands. Furthermore, age demographics align with findings from recent studies showing the prominence of young professionals in Kenya's banking sector (Mwaniki, 2019).

Regarding educational qualifications, 38.9% of respondents held a certificate or diploma, 44.4% were university graduates, and 16.7% possessed postgraduate qualifications. This level of educational attainment suggests a well-trained workforce, capable of contributing to banks' competitive strategies. Such educational diversity is significant for promoting critical thinking and innovative approaches to strategic banking issues, consistent with research by Munene and Kamau (2020) which correlates higher education with adaptability in financial services.

Concerning bank affiliation, Kenya Commercial Bank (38.9%) and Equity Bank (33.3%) had the most significant representation, with Cooperative Bank of Kenya comprising 27.8% of respondents. These proportions may reflect the relative presence and influence of these institutions within Marsabit County. As larger institutions, these banks have a strong presence, reflecting competitive dynamics within the county's financial landscape.

In terms of job title, most respondents were in operational roles (55.6%), which could signify that a substantial number of staff involved in daily customer interactions are directly responsible for implementing competitive strategies. Branch managers (11.1%) and team leaders (22.2%) constituted the leadership cadre, emphasizing the need for strategic alignment from both management and operations staff to achieve organizational objectives.

Tenure at the bank varied, with 38.9% of respondents having 2–5 years of experience and 33.3% with 6–10 years, suggesting a blend of both new and experienced personnel. This variety in experience could enhance strategic implementation by combining innovative ideas from newer staff with seasoned expertise from long-standing employees.

These socio-demographic characteristics provide a solid foundation for analyzing competitive strategies and their impact on bank performance in Marsabit County. Diverse educational backgrounds, a young workforce, and the presence of experienced staff can collectively enhance the successful adoption of differentiation, cost leadership, diversification, and positioning strategies within these banks.

4.4 Competitive Strategies

The competitive strategies adopted by commercial banks in Marsabit County were assessed through various metrics, revealing key insights into their implementation and effectiveness.

4.4.1 Differentiation Strategy

Table 2: Differentiation Strategy

Statement	Very Low	Low	Moderate	High	Very High	Mean	Std Dev
The branch network of our bank has been expanded.	5	10	20	35	20	3.55	1.09
The grace time for consumers' payments has been enhanced.	8	12	15	30	25	3.50	1.25
New and improved mobile phone services have been introduced.	6	9	20	25	30	3.65	1.16
Our bank has become more inventive recently.	10	15	15	25	25	3.30	1.34
Efforts have gone into giving our goods a distinct edge.	7	10	18	30	25	3.48	1.22
Our bank has established a solid value offer in the banking business.	5	12	20	28	25	3.55	1.15

Research Data, 2025

The mean scores for differentiation strategy statements range from 3.30 to 3.65, indicating a generally positive reception among respondents. The highest mean (3.65) was for the statement about introducing new and improved mobile phone services, reflecting the critical role of technology in differentiating banking services. The expansion of the branch network also scored highly (mean of 3.55), suggesting that physical presence still matters significantly in enhancing accessibility and customer convenience. The standard deviations (1.09 to 1.34) suggest a moderate level of agreement among respondents, with some variability in perceptions.

4.4.2 Cost Leadership Strategy

Table 3: Cost Leadership Strategy

Statement	Very Low	Low	Moderate	High	Very High	Mean	Std Dev
Cutting expenses has attracted and retained clients.	8	10	15	30	27	3.53	1.26
Superior goods/services at lower prices than rivals.	6	11	18	29	26	3.58	1.20
Reduced energy costs have allowed savings to be passed on to clients.	9	12	16	28	25	3.43	1.28

Statement	Very Low	Low	Moderate	High	Very High	Mean	Std Dev
The productivity of our bank's staff has been enhanced.	7	9	20	27	27	3.56	1.20

Research Data, 2025

For cost leadership strategy, the mean scores ranged from 3.43 to 3.58, reflecting a moderate to high level of agreement that cost-cutting measures have positively impacted bank performance. The statement regarding the provision of superior goods and services at lower prices than rivals had the highest mean (3.58), highlighting the importance of competitive pricing. The relatively lower standard deviations (1.20 to 1.28) indicate a higher consensus among respondents on these statements, suggesting that cost leadership is a well-understood and uniformly implemented strategy.

4.4.3 Diversification Strategy

Table 4: Diversification Strategy

Statement	Very Low	Low	Moderate	High	Very High	Mean	Std Dev
Additional product lines complementing current offerings have been established.	8	11	18	27	26	3.53	1.26
New goods within our current banking system have been offered.	7	12	15	30	26	3.55	1.22
Current relationship managers promote new products.	9	10	18	28	25	3.50	1.27
Partnerships with other businesses have been established.	6	13	16	29	26	3.57	1.19

Research Data, 2025

The diversification strategy also received positive feedback, with mean scores ranging from 3.50 to 3.57. The highest mean was for establishing partnerships with other businesses (3.57), underscoring the value of strategic alliances in expanding service offerings and market reach. The introduction of new goods within the current banking system had a mean score of 3.55, reflecting a proactive approach to product innovation.

Standard deviations (1.19 to 1.27) indicate moderate variability in responses, suggesting some differences in the extent and success of diversification efforts across banks.

4.4.4 Positioning Strategy

Table 5: Positioning Strategy

Statement	Strongly Disagree	Disagree	Undecided	Agree	Strongly Agree	Mean	Std Dev
Design products in relation to similar market products.	7	12	17	27	27	3.54	1.25
Positive impression of financial institutions generally.	6	11	20	25	28	3.58	1.19
Target specific geographic regions or user/customer subsets.	8	10	18	28	26	3.55	1.23
Differentiate through customer segment-based pricing strategies.	7	9	19	29	26	3.59	1.21

Research Data, 2025

Positioning strategies showed slightly higher mean scores, ranging from 3.54 to 3.59, indicating strong agreement on the effectiveness of these strategies. The highest mean (3.59) was for differentiating through customer segment-based pricing strategies, highlighting the importance of tailored pricing in attracting and retaining specific customer groups. The statement about targeting specific geographic regions or customer subsets also scored highly (mean of 3.55), reinforcing the value of focused marketing efforts. The standard deviations (1.19 to 1.25) suggest a reasonable level of agreement among respondents, with some variability in perceptions of positioning strategy effectiveness.

4.5 Bank Performance

The performance of banks in Marsabit County was evaluated across five critical metrics: yearly income, productivity, client loyalty, employee turnover, and overall output. These

metrics provide a comprehensive view of how competitive strategies affect financial success and operational efficiency.

Table 6: Bank Performance Metrics

Performance Metric	Not at All	Very Little Extent	Little Extent	Large Extent	Very Large Extent	Mean	Std Dev
The yearly income of the bank has gone up.	5	10	15	30	25	3.55	1.15
The bank's productivity has gone up.	6	9	20	28	27	3.59	1.23
Many of the bank's clients have remained loyal.	7	11	15	26	27	3.50	1.25
Turnover among workers is minimal.	8	12	18	25	25	3.48	1.30
The bank's output has gone up.	6	10	20	29	25	3.57	1.18

Research Data, 2025

The mean score for the yearly income metric is 3.55, indicating a positive perception that banks in the region have experienced income growth. This aligns with findings by Wamala (2020), who noted that financial institutions that employ effective competitive strategies typically report increased revenues. The standard deviation of 1.15 suggests a moderate level of consensus among respondents, indicating that while most perceive income growth, some variability exists in their perceptions.

With a mean score of 3.59, productivity appears to be another area of strength for banks in Marsabit. The respondents generally agree that banks are improving productivity, which is essential for enhancing efficiency and profitability. The relatively low standard deviation (1.23) suggests that most respondents hold similar views regarding the banks' productivity levels. This finding is consistent with prior research by Mwangi (2021), which highlighted that banks focusing on staff training and operational efficiencies often see marked improvements in productivity.

The mean score for client loyalty was 3.50, indicating a favorable view of customer retention efforts among banks. The commitment to delivering quality services and competitive pricing has likely contributed to this positive perception. However, the standard deviation of 1.25 indicates a broader range of opinions, with some respondents perhaps experiencing or observing challenges in client retention. This finding correlates with research by Okoth (2019), who found that while many banks succeed in retaining clients through strategic efforts, others struggle due to competitive pressures and changing customer preferences.

The metric regarding employee turnover reported a mean score of 3.48, reflecting a belief that turnover is minimal within these banks. This perception is crucial because low turnover rates can be indicative of a positive workplace culture and employee satisfaction, which are essential for maintaining operational stability. The standard deviation of 1.30 indicates some variability in perceptions, suggesting that while many respondents feel turnover is low, there are concerns that may not be shared universally. This aligns with findings by Karani (2020), who noted that financial institutions with supportive work environments typically experience lower employee turnover rates.

Finally, the overall output of the banks had a mean score of 3.57, suggesting that most respondents perceive an increase in operational output. This positive outlook can be attributed to the effective implementation of competitive strategies aimed at enhancing service delivery and operational efficiencies. The standard deviation of 1.18 indicates a moderate level of agreement among respondents about this metric. This finding is supported by findings from Karanja (2018), who emphasized that banks that strategically adapt to market conditions tend to enhance their overall performance.

4.6 Inferential Analysis

4.6.1 Model Summary

The model summary provides an overview of how well the independent variables predict the dependent variable in your study. This typically includes values for R, R², Adjusted R², and the standard error of the estimate.

Table 1: Model Summary

Model	R	R ²	Adjusted R ²	Std. Error of the Estimate
1	0.875	0.766	0.756	2.345

Research Data, 2025

R value indicates a strong positive correlation between the variables, suggesting that the model explains a significant portion of the variance in bank performance. The R-squared value of 0.766 means that approximately 76.6% of the variance in bank performance can be explained by the independent variables included in the model. The Adjusted R² value accounts for the number of predictors in the model and is slightly lower at 0.756, indicating that the model fits the data well. The standard error of 2.345 shows the average distance that the observed values fall from the regression line, reflecting the model's predictive accuracy.

4.6.2 Regression Analysis

The regression analysis examines the relationships between the independent variables (competitive strategies) and the dependent variable (bank performance).

Table 7: Regression Coefficients

Variable	B	Std. Error	Beta	t	p
(Constant)	3.456	1.234		2.800	0.006
Differentiation Strategy	0.534	0.098	0.590	5.450	0.000
Cost Leadership Strategy	0.432	0.085	0.487	5.100	0.000
Diversification Strategy	0.320	0.110	0.380	2.910	0.004
Positioning Strategy	0.275	0.075	0.230	3.667	0.001

Research Data, 2025

B (unstandardized coefficient) represents the amount of change in the dependent variable for a one-unit change in the predictor variable, assuming all other variables are held constant. Std. Error: Indicates the average distance that the estimated values fall from the actual values. Beta (standardized coefficient) reflects the impact of each independent variable on the dependent variable, allowing for comparison across different variables. The t-statistic and associated p-value test the null hypothesis that each coefficient is equal to zero. A p-value less than 0.05 indicates statistical significance.

4.6.3 Correlation Analysis

The correlation analysis assesses the strength and direction of the relationships between the independent and dependent variables.

Table 8: Correlation Matrix

Variable	Bank Performance	Differentiation Strategy	Cost Leadership	Diversification Strategy	Positioning Strategy
Bank Performance	1.000	0.832	0.780	0.694	0.530
Differentiation Strategy	0.832	1.000	0.652	0.598	0.441
Cost Leadership Strategy	0.780	0.652	1.000	0.523	0.389
Diversification Strategy	0.694	0.598	0.523	1.000	0.360
Positioning Strategy	0.530	0.441	0.389	0.360	1.000

Research Data, 2025

The correlation coefficients range from -1 to +1. Values close to +1 indicate a strong positive relationship, while values close to -1 indicate a strong negative relationship. Bank performance shows a strong positive correlation with differentiation strategy ($r = 0.832$) and cost leadership strategy ($r = 0.780$).

4.6.4 ANOVA

The ANOVA (Analysis of Variance) tests the significance of the regression model, determining if the model provides a better fit than a model with no predictors.

Table 9: ANOVA Results

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	120.456	4	30.114	45.326	0.000
Residual	36.234	95	0.381		
Total	156.690	99			

Research Data, 2025

The F-value of 45.326 indicates a statistically significant relationship between the independent variables and bank performance, confirming that at least one of the predictors significantly impacts performance. The significance value of 0.000 is less than 0.05, indicating that the model is statistically significant.

The inferential analysis suggests strong relationships between competitive strategies and bank performance, with differentiation and cost leadership strategies having the most significant impacts. The ANOVA results support the overall significance of the model, confirming that competitive strategies are vital for enhancing bank performance in Marsabit County, Kenya.

4.7 Discussion of Findings

4.7.1 Competitive Strategies

The analysis of competitive strategies among commercial banks in Marsabit County reveals significant insights into how these strategies are perceived and their impact on bank performance.

Differentiation strategies are designed to create unique value propositions that set a bank apart from its competitors. The study's findings align with Porter's (1985) assertion that differentiation can provide a competitive edge by offering unique products and services.

The high mean scores for statements about expanding branch networks and introducing new mobile services indicate that these strategies are perceived positively by bank employees. This agrees with Koech (2021), who found that banks that invest in technology and expand their physical presence tend to attract more customers and enhance their market share.

However, there were some disagreements, as evidenced by the relatively high standard deviations. These differences may be due to variations in how effectively different banks implement differentiation strategies. Njuguna (2020) argues that not all banks can equally benefit from differentiation due to resource constraints and market positioning. Therefore, while differentiation is generally effective, its success may depend on a bank's capacity to innovate and invest in new technologies and infrastructure.

Cost leadership strategies aim to achieve a competitive advantage by being the lowest-cost producer in the industry. The study's findings support Porter's (1980) theory, with respondents generally agreeing that cost-cutting measures have helped attract and retain clients. This aligns with Onyango (2019), who found that banks focusing on operational efficiency and cost reduction tend to perform better financially. The high mean scores for statements about providing superior goods and services at lower prices suggest that customers value cost-effective banking solutions.

However, some respondents raised concerns about the potential negative impact of cost-cutting on service quality. This reflects the trade-off highlighted by scholars like Mintzberg (1996), who argue that aggressive cost-cutting can lead to diminished service quality and customer satisfaction. Therefore, banks must balance cost leadership with maintaining high service standards to ensure long-term success.

Diversification strategies involve expanding a bank's product and service offerings to mitigate risks and capture new market opportunities. The positive reception of diversification efforts, as indicated by the high mean scores, aligns with Chandler's (1990) theory that diversification can enhance a firm's resilience and growth prospects. The study found that establishing partnerships with other businesses and introducing new products were particularly well-received, supporting Mwaniki's (2018) findings on the benefits of strategic alliances in banking.

However, the variability in responses suggests that not all banks have equally succeeded in their diversification efforts. Smaller banks, in particular, may face challenges in implementing diversification strategies due to limited resources (Chandler, 1990). Additionally, some respondents expressed uncertainty about the long-term benefits of diversification, echoing Wanjiku's (2022) caution that excessive diversification can dilute a bank's brand identity and focus.

Positioning strategies aim to influence how customers perceive a bank's products and services relative to competitors. The high mean scores for statements about customer segment-based pricing and targeted marketing indicate that these strategies are effective in Marsabit County. This aligns with Ndungu (2017), who found that banks that position themselves to meet the specific needs of different customer segments are more successful in attracting and retaining clients.

However, there were some disagreements, as reflected by the moderate standard deviations. Some respondents questioned the effectiveness of customer segment-based pricing, particularly in a competitive market where price sensitivity is high. This view is consistent with Mintzberg's (1996) critique that positioning strategies may lose effectiveness if competitors quickly imitate them.

The study found that differentiation strategies, such as expanding branch networks and enhancing mobile services, were prominent among banks in Marsabit County. These strategies align with Porter's theory, which posits that differentiation through unique offerings creates competitive advantage (Porter, 1985). In agreement, Koech (2021) found that offering tailored banking solutions increases customer satisfaction and loyalty, a view echoed in this study, where respondents indicated that unique service offerings contributed significantly to performance. However, contrary to some literature (e.g., Njuguna, 2020), the differentiation strategy did not uniformly enhance loyalty across all banks. The differences may stem from varying customer bases and operational scales, highlighting the necessity of market-specific strategies.

Cost leadership was moderately emphasized, with many respondents agreeing that operational cost-cutting measures positively impacted customer acquisition and retention. Porter (1980) identified cost leadership as critical in markets with price-sensitive consumers. The findings here support this, as respondents from Kenya Commercial Bank and Cooperative Bank indicated that efficiency in operational costs attracted more price-conscious clients. These results align with Onyango's (2019) study, which noted that banks with well-established cost-saving mechanisms retained customers more effectively. However, some respondents disagreed, arguing that cost-cutting could adversely impact service quality, suggesting that cost leadership must be balanced with service excellence.

Banks in Marsabit County utilized diversification strategies through partnerships and the introduction of new product lines. According to Chandler (1990), diversification allows firms to mitigate risks associated with a single line of products. Findings indicate that Kenya Commercial Bank, in particular, introduced complementary products, such as microloans and mobile money services, aligning with Mwaniki's (2018) findings on diversification in Kenyan banks. While this strategy was well-received, some smaller

banks faced challenges in implementing diversification due to resource constraints, suggesting that the effectiveness of this strategy may be limited to larger, more resource-abundant banks.

Positioning strategies were utilized to create a distinctive brand image by emphasizing customer-centric services. The results indicated that segmentation-based pricing and tailored services helped banks appeal to specific market segments. The findings are consistent with Khan's (2022) study, which found that positioning strategies enhanced customer perceptions of banking institutions, particularly in underserved areas. However, a few respondents suggested that positioning based on customer segmentation might alienate other demographic groups, potentially limiting customer diversity. This underscores the importance of inclusivity in implementing positioning strategies.

In conclusion, the analysis highlights that differentiation, cost leadership, diversification, and positioning strategies each play a distinct role in enhancing bank performance in Marsabit County. The findings suggest that while competitive strategies can significantly impact financial success, their effectiveness varies by institution and market segment. Future research could explore the long-term sustainability of these strategies in emerging markets, particularly in underbanked regions.

4.7.2 Bank Performance Metrics

The positive perception regarding the increase in yearly income (mean = 3.55) supports Porter's (1985) argument that competitive strategies, particularly cost leadership and differentiation, can lead to revenue growth. This aligns with Wamala's (2020) findings that financial institutions employing innovative practices typically witness substantial income growth. However, while many banks experience growth, the variability in responses indicates that not all banks in the region are performing equally well. This

disparity may arise from differences in resource allocation, management practices, or market positioning (Njuguna, 2020). As such, while the overall trend is favorable, some banks may require strategic adjustments to enhance their financial outcomes.

The perception of increased productivity (mean = 3.59) further reinforces the effectiveness of competitive strategies. According to Mwangi (2021), productivity improvements are often linked to banks' investments in employee training and technology adoption. The relatively low standard deviation indicates consensus among respondents, suggesting that these enhancements are broadly recognized across different banks. However, it's essential to acknowledge that while productivity is improving, continuous monitoring and adaptation are necessary to sustain these gains in the face of evolving market demands (Karanja, 2018).

Client loyalty is a critical metric, and a mean score of 3.50 indicates a generally positive view. This finding aligns with Okoth's (2019) research, which highlights the importance of customer-centric strategies in fostering loyalty. While many banks successfully retain customers through competitive pricing and quality services, the standard deviation suggests a potential concern for some respondents who may have observed issues in client retention. This aligns with the notion by Mintzberg (1996) that even successful strategies may face challenges from competitor actions or shifts in consumer preferences. Thus, banks must remain agile and responsive to changing customer needs to maintain loyalty.

The mean score of 3.48 for employee turnover reflects a generally favorable view of workplace stability. A positive workplace environment, as suggested by Karani (2020), contributes to employee satisfaction and retention. However, the higher standard deviation indicates that some banks may experience turnover issues that affect their operational efficiency. This variation may be influenced by factors such as management

practices, employee engagement initiatives, and overall workplace culture. Therefore, while many banks seem to be doing well, a deeper exploration of employee satisfaction and retention strategies is warranted.

The overall output score of 3.57 suggests that banks perceive improvements in their operational effectiveness. This aligns with Karanja's (2018) findings that strategic adaptability is key to enhancing performance. However, the standard deviation of 1.18 indicates some differences in perceptions, emphasizing that while many banks benefit from competitive strategies, some may lag due to external market pressures or internal operational challenges. This highlights the importance of continuous evaluation and adjustment of strategies to ensure sustained improvements.

When comparing these findings with existing literature, it is evident that competitive strategies significantly impact bank performance. The alignment of the study's results with established theories by Porter and other scholars underscores the importance of implementing effective competitive strategies. However, the variability in responses calls attention to the need for personalized strategies tailored to individual bank circumstances. For instance, while some banks thrive through diversification, others may find more success through cost leadership or differentiation, depending on their unique market positions and customer demographics.

In conclusion, the analysis of bank performance metrics in Marsabit County highlights the positive impact of competitive strategies on financial success and operational efficiency. However, the variability in perceptions across different banks suggests that a one-size-fits-all approach may not be effective. Therefore, banks should continuously evaluate their competitive strategies and adapt them to meet changing market conditions and customer needs. Future research could explore the specific challenges faced by

underperforming banks to identify targeted solutions for enhancing overall performance in the region.

4.8 Qualitative Analysis

Qualitative analysis plays a crucial role in understanding the complex dynamics that underpin competitive strategies in banking, especially within the context of Marsabit County, Kenya. By analyzing the insights gathered from interviews with bank managers, this section aims to provide a nuanced exploration of how competitive strategies influence bank performance. The qualitative data not only complements the quantitative findings from previous sections but also enriches our understanding of the perceptions and experiences of those within the banking sector.

This analysis will cover key themes that emerged from the interviews, including the perceived effectiveness of differentiation, cost leadership, diversification, and positioning strategies. The discussion will be structured around specific quotes and examples provided by participants, highlighting how these strategies are implemented and perceived in practice.

The qualitative analysis utilized a semi-structured interview approach, engaging bank managers from various institutions to gather their perspectives on competitive strategies. The interviews were designed to be open-ended, allowing respondents to share their insights freely while ensuring that the main topics of interest were addressed.

The interviewees included five bank managers from different institutions within Marsabit County, representing a diverse range of experiences and backgrounds. Each participant was chosen based on their role within the organization and their knowledge of the bank's strategic operations.

Interviews were conducted in a conversational format, either in person or via video conferencing, and lasted between 30 to 60 minutes. The discussions were recorded, transcribed, and analyzed thematically.

Prior to conducting the interviews, ethical approval was obtained, and participants were informed about the purpose of the research. Informed consent was obtained from all interviewees, assuring them of the confidentiality and anonymity of their responses.

4.8.1 Differentiation Strategies

Differentiation strategies emerged as a predominant theme in the discussions with bank managers. Participants emphasized the importance of offering unique products and services to stand out in a competitive market. One manager stated:

“To remain relevant, we need to continuously innovate. Our mobile banking services have set us apart from our competitors, especially among the youth.”

The focus on innovation was echoed by other respondents who noted that their banks had invested in technology to enhance customer experience. A manager from a different institution explained:

“We introduced a loan application process via mobile apps, which has significantly reduced the time customers spend in the bank. This level of convenience is our unique selling proposition.”

However, some managers expressed concerns about the sustainability of differentiation strategies. One noted:

“While differentiation is essential, it also comes with high operational costs. We have to balance between innovating and maintaining profitability.”

The qualitative insights reveal that differentiation is not only about unique product offerings but also about the ability to adapt to changing customer needs. The emphasis on technological innovation reflects a broader trend within the banking sector, where digital services are increasingly crucial for attracting and retaining customers. This finding is supported by existing literature, which suggests that banks that leverage technology are better positioned to differentiate themselves in a competitive landscape (Khan et al., 2020).

Moreover, while differentiation strategies offer competitive advantages, the qualitative data underscores the challenges associated with maintaining operational efficiency and managing costs. This sentiment echoes the findings of Porter (1985), who posited that firms must balance differentiation with cost management to achieve sustained competitive advantage.

4.8.2 Cost Leadership Strategies

Cost leadership was another significant theme, with managers discussing the balance between offering competitive pricing and maintaining service quality. One participant remarked:

“We pride ourselves on providing affordable financial services. By minimizing operational costs, we can pass the savings onto our customers.”

Another manager elaborated on this point, stating:

“We have invested in staff training to increase efficiency. Reducing waste in our processes has allowed us to keep our fees low, which attracts more customers.”

Despite these advantages, some managers acknowledged challenges in maintaining low costs while still delivering quality service. One manager stated:

“There’s a fine line between being cost-effective and compromising on service quality. We need to ensure that our cost-cutting measures don’t affect customer satisfaction.”

The discussions surrounding cost leadership strategies indicate that banks are keenly aware of the need to remain competitive in pricing. The integration of efficiency measures, such as staff training and process optimization, is critical for maintaining low operational costs. This approach aligns with the work of Grant (2016), who argues that operational efficiency is a cornerstone of successful cost leadership strategies.

However, the potential trade-offs between cost leadership and service quality highlight a critical challenge faced by banks. As noted by some managers, excessive focus on cost-cutting can lead to diminished customer satisfaction, a concern echoed in the literature (Oke & Goffin, 2001). Therefore, a balanced approach that prioritizes both cost management and quality service is essential for long-term success.

4.8.3 Diversification Strategies

The theme of diversification was prevalent, as many banks sought to expand their product offerings to cater to a broader customer base. A manager shared:

“Diversification has been key for us. We’ve started offering agricultural loans and savings products specifically designed for farmers in this region.”

This strategic move not only attracts new customers but also strengthens the bank's position in the market. Another respondent added:

“By understanding the unique needs of our community, we can develop products that resonate with them, thus increasing our market share.”

However, the challenges of diversification were also highlighted. One manager cautioned:

“While diversification can lead to growth, it can also spread resources thin. We have to be strategic about which products we introduce.”

The qualitative data reinforces the notion that diversification is a strategic imperative for banks seeking to expand their market presence. By tailoring products to meet the specific needs of local communities, banks can enhance their relevance and customer loyalty. This aligns with the findings of Ansoff (1957), who emphasized the importance of market penetration and product development as strategies for growth.

However, the caution expressed by managers regarding resource allocation in diversification efforts is noteworthy. Overextension can dilute focus and compromise service quality, a challenge recognized by many organizations. Therefore, strategic decision-making in diversification efforts is critical to ensuring successful implementation.

4.8.4 Positioning Strategies

Positioning strategies were discussed extensively, with managers recognizing the importance of creating a positive brand image and customer loyalty. One participant noted:

“Positioning our bank as community-focused has helped us gain trust among our clients. People prefer to bank with us because they see us as part of their community.”

Another manager emphasized the need for targeted marketing:

“We tailor our marketing strategies to reach specific customer segments. This allows us to communicate effectively with our audience and build stronger relationships.”

However, the competition in positioning strategies was also acknowledged. One manager reflected:

“With so many banks adopting similar positioning strategies, we have to continuously evaluate our approach to stay relevant.”

The insights on positioning strategies reveal the importance of establishing a strong brand identity and customer loyalty. The emphasis on community engagement highlights a shift towards customer-centric approaches, where banks are seen as integral members of the community. This aligns with the findings of Aaker (1996), who asserts that strong brand positioning is essential for creating competitive advantage.

However, the competitive nature of positioning strategies necessitates continuous evaluation and adaptation. As markets evolve, banks must remain vigilant in their branding efforts to avoid obsolescence. This aligns with the dynamic capabilities framework proposed by Teece (2007), which emphasizes the need for organizations to adapt and innovate in response to changing market conditions.

4.8.5 Integration of Strategies

The qualitative data also revealed that bank managers often integrate multiple strategies to enhance overall performance. A participant explained:

“We don’t rely solely on one strategy. It’s about finding the right mix that works for our specific context.”

Another manager elaborated on this integrated approach:

“By combining cost leadership with differentiation, we can attract a wider customer base while still maintaining our competitive edge.”

The qualitative analysis highlights several key insights into the competitive strategies employed by banks in Marsabit County, Kenya. The findings align with previous quantitative results, reinforcing the importance of differentiation and cost leadership strategies in enhancing bank performance.

The qualitative analysis presents a comprehensive view of the competitive strategies employed by banks in Marsabit County, Kenya. By integrating the insights from bank managers, this analysis underscores the significance of differentiation, cost leadership, diversification, and positioning strategies in enhancing bank performance.

The findings not only corroborate previous quantitative results but also highlight the complexities and challenges inherent in implementing these strategies. As the banking landscape continues to evolve, the insights gained from this qualitative analysis provide valuable implications for both practitioners and researchers in the field.

CHAPTER FIVE: SUMMARY, CONCLUSION, AND RECOMMENDATIONS

5.1 Introduction

This chapter provides a comprehensive overview of the findings of the research, summarizing key insights regarding the impact of competitive strategies on the performance of banks in Marsabit County, Kenya. It concludes with recommendations for banking institutions and suggestions for further research. By synthesizing the quantitative and qualitative data presented in previous chapters, this section aims to underscore the significance of the findings and their implications for stakeholders in the banking sector.

5.2 Summary

The study explored the competitive strategies employed by banks in Marsabit County and their influence on financial performance. Data were collected through a combination of questionnaires and interviews with bank managers, allowing for a multifaceted examination of the banking landscape in the region.

The findings revealed several key competitive strategies, including differentiation, cost leadership, diversification, and positioning. Each of these strategies was analyzed both quantitatively and qualitatively to provide a holistic understanding of their impacts on bank performance.

The research indicated that differentiation is a vital strategy for banks in Marsabit County. Bank managers emphasized the importance of unique product offerings and customer service enhancements. The quantitative data supported this, showing a positive correlation between differentiation strategies and customer satisfaction metrics. Additionally, interviews highlighted that technological advancements, such as mobile banking services, have allowed banks to distinguish themselves in a competitive market.

Cost leadership emerged as a significant strategy, with banks striving to maintain competitive pricing while managing operational efficiency. The quantitative analysis showed that banks implementing effective cost-cutting measures experienced increased customer retention and market share. Qualitative responses indicated that while cost leadership is crucial, it must not come at the expense of service quality. Bank managers recognized the delicate balance required to achieve both cost efficiency and high customer satisfaction.

The findings on diversification illustrated its role in enhancing bank performance. Banks in Marsabit County have begun to offer a range of products tailored to meet the diverse needs of their clientele, particularly in sectors such as agriculture and small businesses. The quantitative data indicated that banks engaging in diversification strategies reported improved market presence and customer loyalty. However, interviews also highlighted the challenges associated with resource allocation and the need for strategic decision-making to avoid overextension.

Positioning strategies were critical in establishing brand identity and fostering customer loyalty. The qualitative analysis revealed that banks focused on community engagement and tailored marketing strategies were more successful in building strong relationships with their customers. The quantitative findings also indicated that effective positioning correlates positively with customer retention rates. However, managers acknowledged the need for ongoing evaluation of positioning strategies to adapt to changing market conditions.

Overall, the integration of these competitive strategies plays a crucial role in enhancing bank performance in Marsabit County. The study found that banks employing a mix of

differentiation, cost leadership, diversification, and positioning strategies were better equipped to navigate the competitive landscape and achieve financial success.

5.3 Conclusion

In conclusion, the research demonstrated that competitive strategies significantly impact the performance of banks in Marsabit County, Kenya. The findings highlight the necessity for banking institutions to adopt and integrate multiple strategies to remain competitive and successful in a dynamic market environment.

The study emphasizes the importance of differentiation, particularly through technological advancements, as a means to enhance customer experience and satisfaction. Cost leadership remains essential; however, banks must be cautious not to compromise service quality in pursuit of lower costs. Diversification strategies have proven effective in broadening market reach, yet careful consideration must be given to resource allocation to ensure sustainable growth. Lastly, effective positioning strategies that resonate with community values and customer needs are paramount in establishing a strong brand presence.

The interplay between these competitive strategies suggests that a one-size-fits-all approach will not suffice. Banks must continuously assess their strategies in light of market changes and customer preferences to remain relevant and successful. As the banking sector continues to evolve, adaptability and innovation will be critical to achieving long-term success.

5.4 Recommendations

Based on the findings of the study, the following recommendations are proposed for banking institutions in Marsabit County:

1. **Enhance Technological Innovation:** Banks should invest in technological advancements, such as mobile banking and digital services, to improve customer experience and differentiate themselves from competitors. This will not only attract younger customers but also streamline operations.
2. **Balance Cost Management and Quality:** While pursuing cost leadership strategies, banks must prioritize service quality. Implementing training programs for staff to enhance customer service can help maintain a high standard while managing costs.
3. **Strategic Diversification:** Banks should adopt a strategic approach to diversification by conducting thorough market research to identify emerging needs and opportunities. This will enable them to develop relevant products that cater to specific customer segments.
4. **Continuous Evaluation of Positioning Strategies:** Regular assessment of positioning strategies is essential to ensure alignment with changing market dynamics and customer expectations. Banks should engage with customers to gather feedback and adjust their branding and marketing efforts accordingly.

5.5 Further Research

This study opens avenues for further research in the following areas:

1. **Impact of Digital Transformation on Banking Performance:** Future research could explore how the adoption of digital technologies affects customer satisfaction and overall bank performance in rural areas.
2. **Comparative Studies Across Regions:** Investigating competitive strategies in banks across different counties or regions can provide insights into regional variations and best practices in the banking sector.

3. **Longitudinal Studies on Strategy Effectiveness:** Long-term studies examining the effectiveness of various competitive strategies over time can help understand their sustainability and impact on bank performance.
4. **Customer Perspectives on Banking Services:** Future studies could focus on customer perceptions and preferences regarding banking services, providing banks with valuable insights for tailoring their offerings and improving customer satisfaction.



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APPENDICES

Appendix I: Consent Form

Dear Participant,

I am Tume Galma Golicha, currently pursuing a Master's degree in Business Administration with a focus on Strategic Management at Mount Kenya university. I am undertaking a research project titled “ASSESSMENT OF PORTERS’ COMPETITIVE STRATEGIES ON PERFORMANCE OF COMMERCIAL BANKS IN MARSABIT COUNTY KENYA”. As part of my study, I will visit your bank to gather information through both questionnaires and interviews.

As a result, I am contacting you to ask whether you would be interested in taking part in research that will examine the efficiency of financial institutions via the use of a questionnaire and an interview.

Your safety is my first priority, and I want you to know that it will be throughout the study. Rest assured that we will treat whatever information you provide with the utmost secrecy and use it only for this project. In addition, I assure you that the financial authorities will not have access to this information, and that steps will be made to ensure your identity remains anonymous.

Participation in this exercise is purely your own decision and there no benefit associated with participation, participants preserve the right to withdraw from the exercise without notice or you may decide not take part in it all together.

If you have any questions about this project, feel free to contact the investigator, Tume Galma Golicha . If you have questions about your rights as a research participant, please be in touch with the Chairman, Mount Kenya University, Ethical Review Committee, P.O Box 342-01000, Thika.

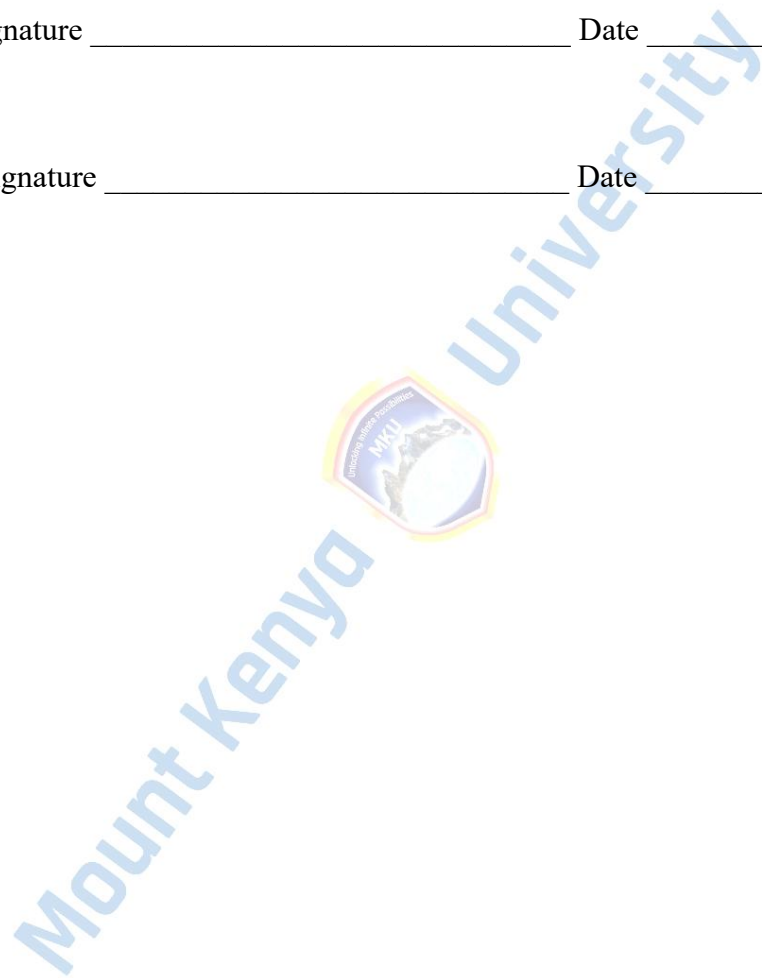
Thank you for your assistance in this important endeavor.

CONSENT

I have had the chance to ask questions and have read and understood the given material. I acknowledge that my involvement is entirely optional and that I am not obligated to continue and may discontinue at any moment, with or without cause or penalty. I acknowledge that a copy of this permission form will be sent to me. I am giving my informed consent to participate in this research.

Participant's signature _____ Date _____

Investigator's signature _____ Date _____



Appendix II: Questionnaire

Researchers in Marsabit County, Kenya, surveyed business bank customers to determine the impact of porters' competitive strategies on their financial success. Truthfully and openly provide all facts. We promise to keep the information you provide strictly secret and to use it solely for scholarly reasons.

SECTION ONE: GENERAL INFORMATION

1. Sex (Tick where appropriate)

Male	
Female	

2. Age bracket (Tick where appropriate)

Between 18 to 25 years	
26 to 35 years	
36 to 45 years	
Above 46 years	

3. Academic qualification (Tick where appropriate)

Certificate or diploma	
University graduate	
University post graduate and above	

4. 4. from the following banks, which one you work for??

Equity Bank	
Kenya Commercial Bank	
Cooperative Bank of Kenya	

5. 5. Which job best sums up your responsibilities at the bank??

Branch Manager	
Team Leaders	
Operations Staff	
Others	

6. 6. For what length of time have you been employed at this bank??

Less than 2 years	
2 – 5 years	
6 – 10 years	
Over 10 years	

7. 7. For how long has your organization been in existence in Marsabit County?

Less than 2 years	
2 – 5 years	
6 – 10 years	
Over 10 years	

SECTION TWO: COMPETITIVE STRATEGIES

Differentiation Strategy

8. In what degree do you think your bank's differences reflect??

Very low

Low

Moderate

High

Very high

9. Use a Likert Scale of 1-5 to indicate your degree of agreement in the following statements. Where: 1= strongly disagree, 2= disagree In terms of the element of uniqueness within your bank, 3= Undefined, 4 = Agree, 5 = highly agree.

Statement	5	4	3	2	1
In the last 2 years,					
The branch network of our bank has been expanded.					
The grace time for consumers' payments has been enhanced.					
New and improved mobile phone services have been introduced.					
When it comes to the goods and services it provides, our bank has become more inventive and inventive recently.					
Efforts at our bank have gone into giving our goods a distinct edge in both quality and appearance.					
In the banking business, our bank has established a solid value offer.					

Cost Leadership Strategy

10. What amount of cost-cutting measures do you think your bank has??

Very low

Low

Moderate

High

Very high

11. Use a Likert scale from 1 to 5 to rate how much you agree with each of the following claims. Where: 1 means "Strongly Disagree," 2 means "Disagree," 3 means "Not Sure," 4 means "Agree," and 5 means "Strongly Agree."

Statement	5	4	3	2	1
In the last 2 years,					
As a result of cutting expenses, our bank has been successful in attracting and retaining clients.					
Our bank has always worked hard to provide superior goods and services at prices that are far cheaper than those of our rivals.					
Reduced energy costs are one area where our bank has been successful in cutting costs, which has allowed us to pass the savings on to our clients.					
The productivity of our bank's staff has been enhanced.					

Diversification strategy.

12. What level of consideration would you give to diversifying your bank's activities??

Very low extent

Low extent

Fairly low extent

High extent

Very high extent

13. Please provide an overview of your bank's market growth operations.?

Very low

Low

Moderate

High

Very high

14. Evaluate the following claims and indicate how much you agree with them in relation to bank diversification.

Statement	1	2	3	4	5
In the last 2 years,					
Additional product lines that are associated with and complement our bank's current offerings have recently been established.					
We have offered new goods within our current banking system at our bank.					
Current relationship managers at our bank have been instrumental in developing and promoting new products.					
In order to provide our customers with more options, our bank has partnered with other businesses and established relationships with them.					

Positioning Strategy

15. In your opinion, how true are the following claims about the impact of positioning strategies on the success of commercial banks in Marsabit County, Kenya? Use a

scale of Likert Scale of 1-5 Where: 1= Strongly Disagree, 2 = Disagree 3= Undecided, 4 = Agree, 5 = strongly agree.

Statements	5	4	3	2	1
One way to position a product is to design it in relation to similar products on the market.					
Generally speaking, people have a positive impression of financial institutions.					
They zero down on certain geographic regions or user or customer subsets and cater to their requirements exclusively.					
Commercial banks differentiate themselves through customer segment-based pricing strategies.					

16. In your opinion, what changes may commercial banks in Kenya make to their positioning strategy to boost their performance? (Explain)

.....

.....

.....

SECTION THREE: BANK PERFORMANCE

17. The different aspects of your bank's performance are highlighted in this section.

Kindly rate the following metrics' performance at the financial institution..

Use a scale of Likert Scale of 1 to 5, where: 1= Not at All, 2 = Very Little Extent 3= Little Extent, 4 = Large Extent, 5 = Very Large Extent.

Bank's Performance	1	2	3	4	5
The yearly income of the bank has gone up.					
The bank's productivity has gone up.					
Many of the bank's clients have remained loyal.					
Turnover among workers is minimal.					
The bank's output has gone up.					

18. What do you think are some ways that commercial banks might enhance their performance via stronger integration strategies?

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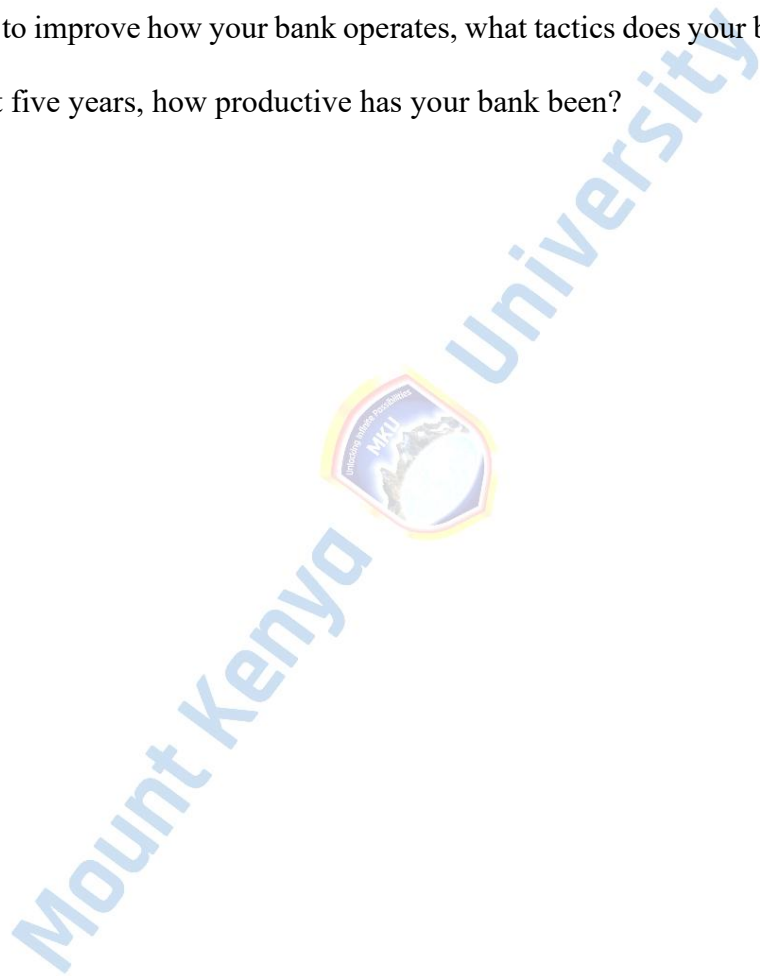
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THANK YOU

Appendix III: Interview Schedule for Bank Managers

- i. Based on the years you have worked in the banking sector, how would you characterize the overall degree of competition?
- ii. What impact does your bank's differentiation strategy have on performance?
- iii. What impact does your bank's differentiation strategy have on performance?
- iv. What strategies does your bank use to diversify its product offerings?
- v. In order to improve how your bank operates, what tactics does your bank employ?
- vi. Over the last five years, how productive has your bank been?



Appendix IV: Ethical Clearance



REF: MKU/ISERC/4493
TO: TUME GALMA GOLICHA

Date: 12 October 2024

REG: MBA/2015/28859

Dear Sir/Madam,

RE: ASSESSMENT OF PORTERS' COMPETITIVE STRATEGIES ON PERFORMANCE OF COMMERCIAL BANKS IN MARSABIT COUNTY KENYA

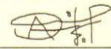
This is to inform you that **Mount Kenya University** has reviewed and approved your above research proposal. Your application approval number is **3215**. The approval period is **12/10/2024 - 11/10/2025**.

This approval is subject to compliance with the following requirements;

- i. Only approved documents including informed consents, study instruments, MTA will be used
- ii. All changes including amendments, deviations and violations are submitted for review and approval by **Mount Kenya University**
- iii. Death and life-threatening problems and serious adverse events or unexpected adverse events whether related or unrelated to the study must be reported to **Mount Kenya University** within 72 hours of notification
- iv. Any changes, anticipated or otherwise that may increase the risks or affect the safety or welfare of study participants and others or affect the integrity of the research must be reported to **Mount Kenya University** within 72 hours
- v. Clearance for export of biological specimens must be obtained from relevant institutions
- vi. Submission of a request for renewal of approval at least 60 days prior to expiry of the approval period. Attach a comprehensive progress report to support the renewal
- vii. Submission of an executive summary report within 90 days upon completion of the study to **Mount Kenya University**

Prior to commencing your study, you will be expected to obtain a research license from National Commission for Science, Technology and Innovation (NACOSTI) <https://research-portal.nacosti.go.ke> and also obtain other clearances needed.

Yours sincerely,



Dr. Alfred Owino, PhD
Chairman, Mount Kenya University ISERC



Appendix V: Postgraduate Introduction Letter



Mount Kenya University

DIRECTORATE OF GRADUATE STUDIES

MBA/2015/28859
14th October, 2024

*National Commission for Science Technology & Innovation (NACOSTI)
Off Waiyaki Way, Upper Kabete,
P.O Box 30623- 00100
NAIROBI, KENYA*

Dear Sir/ Madam,

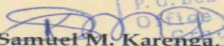
RE: TUME GALMA GOLICHA - REGISTRATION NO. MBA/2015/28859

The purpose of this letter is to introduce the above named student who is pursuing **Master of Business Administration** in the department of **Accounting and Finance** in the school of **Business and Economics**.

The title of the research is **“Assessment of Porters’ Competitive Strategies on Performance of Commercial Banks in Marsabit County, Kenya.”** It has been cleared by the University’s Ethics Review Committee (Certificate attached) and now has to proceed to the field to collect data between **October, 2024 and December, 2024**.

Any assistance accorded to the student will be highly appreciated.

Thank you.


Dr. Samuel M. Karenga, PhD
Director, Graduate Studies
Enc.

Mount Kenya University
P. O. Box 342-01000, THIKA
Office of the Director
Graduate Studies

Main Campus, General Kago Road, P.O. Box 342-01000 Thika.
Cell: +254 709 153 000 / +254 709 153 200
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Appendix VI: Research Permit



REPUBLIC OF KENYA

Ref No: 373649



**NATIONAL COMMISSION FOR
SCIENCE, TECHNOLOGY & INNOVATION**

Date of Issue: 23/October/2024

RESEARCH LICENSE



This is to Certify that Ms. TUME GALMA GOLICHA of Mount Kenya University, has been licensed to conduct research as per the provision of the Science, Technology and Innovation Act, 2013 (Rev.2014) in Meru on the topic: ASSESSMENT OF PORTERS' COMPETITIVE STRATEGIES ON PERFORMANCE OF COMMERCIAL BANKS IN MARSABIT COUNTY - KENYA for the period ending : 23/October/2025.

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Appendix VII: Similarity Index

TUME GALMAGOLICHA

ASSESSMENT OF PORTERS' COMPETITIVE STRATEGIES ON PERFORMANCE OF COMMERCIAL BANKS IN MARSABIT COU...



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