GROWTH STRATEGIES AND PERFORMANCE OF TUSKYS' CHAIN OF SUPERMARKETS IN NAIROBI CITY COUNTY, KENYA

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D53/CTY/PT/37283/2017

A RESEARCH PROJECT SUBMITTED TO THE SCHOOL OF BUSINESS IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE AWARD OF THE DEGREE OF MASTER OF BUSINESS ADMINISTRATION (STRATEGIC MANAGEMENT), KENYATTA UNIVERSITY

NOVEMBER 2020

DECLARATION

The research project is my original work and to the best of my knowledge it has not been submitted for the award of any degree in any other university.

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The research project has been submitted for examination with my approval as the duly appointed University Supervisor.

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DEDICATION

The research project is dedicated to my beloved Parents, Mr. Wollen Makori and Mrs. Eunice Kwamboka. My siblings starting with my sisters Mercy Moraa, Faith Moraa and my younger Brother Philip Atuti and my cousin Dancan Mokua for they continued support and love to make the research project successful.

ACKNOWLEDGEMENT

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ACRONYMS AND ABBREVIATIONS

B.O.D   **:** Board of   directors

C.E.O   **:** Chief executive Officer.

C.S.R   **:** Corporate social responsibility

COFEK   **:** The Consumers Federation of Kenya

ERP   **:** Enterprise resource planning

G.D.P   **:** Gross domestic Product

HR   **:** Human Resource

KEBS   **:** Kenya bureau of Standards

KIPPRA   **:** Kenya institute of Public policy and Research

K.N.B.S   **:** Kenya National Bureau of statistics

KTDA   **:** Kenya Tea development Agency

MAFAP   **:** Monitoring African food and agricultural policies.

PWC   **:** Price Water house Coopers.

RBV   **:** Resource based view

SPSS   **:** Statistical package for social sciences.

OPERATIONAL DEFINATION OF TERMS

Diversification: This a marketing strategy in which business expands its original

market for a product and this strategy is used to increase sales

the products can be diversified through repackaging, renaming,

repricing, branding and product extensions.

Technology innovation: Refers to the creation or acquisition of new ideas and tools

that are useful for the progress of work in the changing

business environment this includes new equipment and E-

commerce.

Business Partnership: This refers to a relationship between two or more persons or

organization that carries on a business or trade. Partnerships may

take the form of a joint business venture, mergers/ acquisition   or

contracting and franchising.

Market Penetration: This refers to those products or goods that are in existence and

those that existing in the market and this through various

pricing policies that are able to attract customers this includes;

promotions, price adjustments and Public relations.

Performance: This is an accomplishment of any given job that is being

measured against some set standards of completeness, speed &

Cost.

Merger: Is a set deal to unite two existing companies into one new

company

ABSTRACT

Currently, the retail industry in Kenya is experiencing an exponentially increasing competition from other industries in the same sector. Business organizations also strive to grow and to increase their sales and profit. Therefore, business enterprises should then be in a position to embrace effaceable strategies that are likely to yield growth and boost performance as a result. Various supermarkets in chain industries are facing some challenges in achieving long term goals and this has led many to close up. In the efforts of growing and also increasing profitability, companies in retail industry have adopted various growth strategies. Growth strategies help business enterprises to grow, develop and expand its operations hence in return there is increase of sale of goods hence profit is maximized. Therefore the general objective of the research study was to establish the influence of growth strategy on performance of Tuskys chain of supermarket in Nairobi City County. The specific objectives were as follows: the first objective was to identify how diversification strategies affects the performance; the second one was to determine how technology innovation influences the performance; the third one was how to investigate extent which Business partnerships affects the performance and fourth one was to establish how Market penetration affects the performance of Tuskys chain of supermarket. The research study was underpinned by related theories and models and they include: Ansoff growth matrix, Dynamic theory and Balance scorecard theory. For research design the descriptive survey method was adopted. The target population comprised of 16 units of Tuskys' chain of supermarkets. That consisted of 80 employees drawn from all functional departments. The target population consisted branch managers who are overall in charge of performance, purchasing supervisors in charge supply management, receiving clerks and deputy branch managers of branch managers and head of departments from every Unit. The questionnaire was the instrument that was used for collection of data. The secondary data was collected from published academic and empirical reviews. It was then analyzed for the purpose of clarity and resolution by SPSS version 21 software. The presentation of data was done through the use of tables and figures. In additional inferential statistics were also considered. Multiple regression analysis was used to quantify the relationship between the independent and dependent variables. Both Linear and correlation analyzes was used to test predictor element of both independent and dependent variables. The results show that Diversification, Technology innovation, Business partnerships and market penetration have an important positive effect on performance of Tuskys supermarket. The research findings further indicate that company has ventured product diversifications that have different packages and e commerce equipments such as ERP to run their operations efficiently. The company has joint ventures in licensing, franchising and other distributors in the market industry, through advertisement; promotional sales are highly carried out in the company. The study concludes that company should adopt promotional mixes and marketing strategies. The diversification that consists of Branding of product attributes synergistic diversification and renaming of the products for purpose of quality. The research therefore recommends that the management of Tuskys supermarket should adopt more on product diversification in order to increase their product range that would help to grow drastically into international stage; the research study therefore recommends the management to adopt technology innovation to all aspects organization operations. The business partnerships are recommended in the study to ensure the company is expanding to every target market

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

As defined in a study report by Nielsen(2002), supermarkets are self-service stores which specialize predominantly in the handling of food and alongside other fast moving consumer products better known as FMCG (fast moving consumer goods). The author further elaborated that such shopping areas cover a minimum floor space of about $150m^2$(1,1625sqft). In order to have competitive advantage over your rivals, where supermarkets are growing rapidly, there is need to adopt offensive strategies to allure clients due to emergence of supermarkets competition from the industry chains (Melanie & Marian, 2011).

In Kenya today, the Chain industry is very crucial to the growth of gross domestic product (Aila, 2013), further says that according to the reports from the Ministry of planning and vision 2030(2010), service industry and tourism has growth rate of 15.1% in 2010, but in recent years the retail industry has been experiencing an increased competitive advantage. There is a growing trend in the business environment characterized by constant paradigm shift of various factors, and this has had an impact in the operation of companies and firms in the industry. From the beginning of the millennium, supermarket business has experienced such challenges as volatility, unpredictability as well as enhanced competition, and this has called for rethought and reconsideration of specific and general growth strategies as explained by Pearce& Robinson (2007).

According to Weatherspoon and Readon (2003) studied that there have been rise of number of supermarket in Africa since mid 1990's which has been transforming the food retail sector. The supermarkets are spreading faster in Southern and Eastern

Africa and they already increasing from middle class big cities, small towns and marginalized areas. Kenya is more established in terms of the presence of supermarkets than the rest of East Africa, Kenya retail sector comprises of four domestic chains: of Tuskys supermarkets, Nakumatt, Uchumi, Ukwala group. They are two foreign chains Woolworths and Metro cash and several independents chains. The highest number of supermarkets in a single administrative zone is in Nairobi City County. The county also boats of hosting the major retail stores in the country, owing to its large population size, approximated at about 4.5 million. The number of chain supermarkets in the region exceeds 35, while the number of hypermarkets is just slightly above 15.

There are also more than 122 small independent supermarkets in Nairobi City county (Kenyaweb, 2010).Kenya retail industry supermarkets have greatly experienced immense growth between the years 2005-2010 of average 5.5%. Kenya's GDP grew to 4.7%in 2013 compared to 4.6%in 2012. The inflation rate declined from 9% in 2012 to 5.7% in 2013 (KNBS, 2014). There is a an element of variety in Kenya's retail market, bringing together a mixture of modern retail outlets which have invested in the supply of consumer goods, manufactured and supplied by various major multinational corporations. The list of companies that stock their products in these retail stores also incorporates informal traders alongside family run concerns.

Kenya's retail industry is said to have a huge potential as it largely untapped, with the penetration of formal retail retailers at a low of 30 % despite emergence of growing middle class. They will be growing demand of Retail products or services due to growing Kenyan Population stabilization. In addition to the expansion and anticipated entry of the international markets that will play a major boost. The increasing rate of urbanization is at 4% per annum (KIPPRA, 2013). The impending entry of other

retailers like Wal-Mart, games stores and jet are expected to establish base and has also stemmed Kenyan Retail market (COFEK, 2014). Increase of number of supermarkets is a result of population increase in urban areas which in turn have led to exerting pressure on the need to offer better goods and services. Some of supermarkets have now diversified with unrelated business offering services like banking, bill payments and pharmacies (Neven, 2005).

1.1.1. Growth Strategies

Barmiatzi and Kirchmaier (2014) explained that in order to determine growth, human capital, age, size of the firm and geography appears as the most prevalent factors of chosen strategy. Growth strategy must be able to take advantage of the Company's resources, capability and external environment in order to identify a competitive advantage (Barbero *et al*., 2012). Further said that they are three growth strategies that the firm can follow, which are Diversification strategies, Business partnerships, market penetration and technology Innovation. MicKelvie and Wiklund (2010) identified that the hybrid modes of growth are as an influential expansion to the growth of Literature.

According to the Study of Mognetti(2002) said that organic strategy implies that it's by development of capabilities and resources internally, that the company achieves growth. This by the firm research and development develops new products and new technologies that provide the firm with new growth opportunities. There are benefits of pursuing growth factors that include internal knowledge development and strategic independence which are viewed as the advantages of growth strategies whereas slow progress, high costs and high risks are possible limitations (Mognetti, 2002).

Business partnerships are growth strategies that imply that the firm seeks growth by merging with other companies that operates in the different industry (Aband & Sigh, 1997). It offers opportunities to leads to acquire new capabilities; they enter new markets structures and gains profits. The acquisition strategies categorized into: Asset consolidation and Asset redeployment. The former strategy is about the deploying excess resources that are caused by acquisition of firms in industries with different growth prospects; additionally the latter strategy implies the increasing market share in the decreasing companies is done by horizontal or vertical acquisitions.

According to McKelvic and Wiklund (2010) identified organic and acquisition growth which combined as Hybrid mode of growth, they consists of the contractual relationships that normally bind to the external factors as the company maintain it's a certain amount of ownership and the way assets are being used. The strategic alliances can be able to take a different form, from simpler to unilateral contracts which include licensing and franchising into a contractually based arrangement like pure equity joint ventures, technology sharing, whereby the ownership is quite separated as incorporate entity as shared by other companies (Mowery & Silverman, 1996).

The supply chain management emphasizes the long term benefit of the parties on the chain through cooperation & information sharing. This is able to confirm the significance of information Technology in SCM which is being caused by variability ordering (Yu et al, 2001). According to Subramani (2004) asserts that Information Technology processing capabilities of suppliers, thereby enabling or supporting greater relationship in addition to reducing uncertainity.

According to Tellis (2004) the increase of market share is majorly characterized by effective advertising; secured channels of distribution, retail outlets and other forms of

communication and promotional variables. Marketing communication and promotion specialist in every organization are faced with demanding issues on how to promote and to communicate the company's brand names to its clients.

1.1.2 Performance of supermarkets

According to Richbell and Kite (2007) shoppers in the UK supermarkets showed a trend in evening and early morning shopping. It was found that Majority of the workers were in the shift schedules. Owour (2009) studied how Kenya is 24-hour economy in the Kenya; in the reference to the supermarkets that are working under the clock. As illustrated in a report on a study by Chavez (2002) the supermarket industry went through a significant series of expansion to the Northern and central regions of the nation with the growing demand for uniformity. This promoted continuity as well as quality of the products supplied over time, and the pressure to facilitate sustainability of these factors was laid on the suppliers of agricultural commodities. According to the study of Bardegue (2001)on the case of study of the Chile found out that the small scale farms normally employs traditional farming technologies, have encountered the challenge of meeting product form of uniformity and quality, time and the requirements needed for growing supermarket sector particular the goods that consist of vegetables, perishable foods, meats and dairy.

A supermarket is largely an intermediary retail shop which specializes in offering products on a given platform for further access by its customers for own use. Such shops have created utility for consumers and in turn creating an environment of satisfaction and giving value to the goods and services. As such, supermarkets add worth to the products and the services by making them more valuable and opening up their accessibility to customers. Kenya recently has been labeled as the most developed in terms of establishment of the new supermarkets. According to GAIN

(2008) said that supermarket retail industry has diverse categories of local chains. The supermarkets in Kenya are uprising in Nairobi larger city from the middle class consumers to poorer consumer markets. This spread according to the report says that the spread of the supermarkets are advanced to poor and less advanced nations such as Uganda, Sudan, Tanzania, Uganda and Rwanda.

Accordance to the reports of Economic survey (2015)there are more than 350 supermarkets industries distributed countrywide. Mageto (2009) found the supermarkets are categorized into three major tiers namely the first, second and third tiers. The top market leaders in chain industry are Tuskys, Nakumatt and Uchumi which normally belongs to the first tie. They are listed to comprise 65% of domestic capital gains of the supermarket industry (Neven & Reardon, 2004). The second tier comprises of Naivas, Ukwala that have staggering 28% of large stores in Kenya. These supermarkets that fall under second tier supermarkets have surpassed the initial third tier levels, exhibiting rapid rates of growth while at the same time gaining a significant level of supremacy in the industry as time passes. The small tiers consist of small chains which are approximately 50 single small stores supermarkets. The supermarket in all the ties strives to ensure that the customers enjoy memorable shopping experiences by the win of customer loyalty and consistently shopping from their chains. They haveexpansion in supermarkets that include: Tuskys, Nakumatt, Utawala, MuindiMweusi, Ukwala ,Naivas and Carrefour.

According to Ouma(2013), the supermarket chains have continued to grow tremendously because of the self service operations and the nature of Kenyan customer on touch and feel mentality. The latest of the supermarkets in Nairobi City County, Tuskys has 23 branches, Nakumatt has 16 branches, Naivas has 13 branches. Other supermarkets: Muindi mweusi, Ukwala, Rikana, cleanshelf and others not the

order of the size. Supermarkets demands have very demanding customers because they do command a very high complex supply chain management for the goods and services. The study also done by Kestrel Capital (2012) classified Tuskys, Uchumi, Naivas and Nakumatt supermarkets are large stores based on the report is that each one of them controlled revenue market above 10%. According to the reports, Nakumatt supermarket controls 39.5% market with annual turnover of about 25billion. Tuskys supermarkets control 33.1% of the market share turnover of Ksh 20 billion every year. Uchumi supermarkets control an approximated 14.2 percent of the supermarkets industry market share with a turnover of Ksh 14 billion annually. Naivas supermarket controls 14.2% market share with annual turnover of Ksh 13 billion every given year. Nakumatt, Tuskys and Uchumi have large regional presence. Meanwhile the rest of the supermarkets fall under this medium category. The small sized supermarkets are operating in the estate level with 3 to 5 employees with a turnover of belowkshs 5 million. They several in Nairobi but majority operate under traditional.

1.1.3 Tuskys' Chain of supermarkets

Tuskys supermarket counts amongst the several registered private limited companies in Kenya. The chain store was founded and registered as 'Tusker Mattresses Ltd' in the year1990 under Kenya Companies act (cap 486). The company resorted to a rebranding in the year 2007, which saw its name change from Tusker mattresses limited to the current 'Tuskys Supermarket'. This was considered trendier by a majority of the chain's customers, mostly the youth. The geographical location of the supermarket's headquarters offices is at Gami Properties Complex along Mombasa Road (Tuskys ltd, 2019). Tuskys supermarket is family owned business by five brothers and two Sisters who took over the business after the death of their father

JoramKamauin 2002. The first born John Kago owns at least 10% of the retail chains followed by Samuel Kamau, Mr. Mukuha, Mr. Mugweru and Mr. Gachwe have 17.5%. The two sisters have 10%each remaining shares in a multibillion business (Tuskys ltd, 2019).

It has the highest and largest retailer in the country after Nakumatt collapsed with its branches. Tuskys supermarket has able to expand its operational countrywide. It involves the retail business with retail chain industry of supermarkets which are well spread in the urban centers and the neighboring countries like Uganda. The chain industry ranges from Mega supermarkets to more express supermarkets known as Chap Chaps. Tuskys supermarket is one of the leading regional retailers with more than 55 branches in Kenya and 6 branches in Uganda. Its vision according to their founder Mzee Joram Kamau had, which is pay less, get more, every day. They serve over 12 million customers each month from their 63 retail stores and through the use of online platforms across the region and its now they are regarded as regional leaders in the retail industry (Tuskys ltd, 2019)

It has also developed smart card that has used to reward the customers accordance to loyalty in all branches in the country, it has mostly targeted both the lower and middle class people in the country, and it has also been regarded as dominating player in retail industry in Kenya than any supermarket in Kenya. Tuskys chain of supermarket has positioned into a leading leader in retail industry by optimizing by operation efficiency. The values of Tuskys ltd lies on strong human capital and culture that has led top commitment to the objective and vision of the company and promotional of the economic development. The management runs daily activities of the company by a departmental management team with skills, expertise and experience in various

disciplines they are involved. The Board of directors is functionally involved in running the Business Enterprise (Economic survey, 2014)

The operational efficiency is important in improving service delivery& Customer satisfaction in the supermarket; this in the context of supermarkets refers to the ratio of output & effectiveness in realization of outputs. The supermarket offers a large variety of foods and household merchandise, offers parking space to the customers who have come to do shopping. Tuskys' chain of supermarkets is found in geographical location of large sized stores in towns by establishing as sole retailers in that market niche. It has a large sized store with all the products and superior ample parking than their competitors (Gacheri, 2010). It also offers friendly prices for a wide variety of goods at a lowest price they do offer Milk on tap another great innovation that enables customers to purchase milk in small quantities, they also do offer fresh several flesh products that have been received with warm welcome from the customers. The introduction of Deli in the retail chain has been introduced to offer the consumers an option of purchasing of their favorite foods in the portions that they want. Tuskys supermarket is a home of firsts and trendsetters in the retail industry sector of innovative products and the services which are solution-oriented and due to collaboration with the mergers and acquisition of the business partner as established a way of thinking and strategizing as a brand that the rivals are willing to enumerate (Tuskys ltd, 2019)

1.2. Statement of the problem

The performance of organization majorly depends on itself and growth strategies for it to survive and thrive in business environment. According to Mbui (2017) growth strategies adopted by are the source of competitive advantage, which may help

exceedingly the desired performance of a firm. The retail chain industry is facing a revolution brought by the competition and growth of the middle class economy and others factors inclusive of technology innovations.

The supermarkets and other retail firms face the impossible task of physically monitoring the inventory levels of each stock item. Using ICT solutions to automate an organization inventory processes that optimizes efficiencies and achieves greater coordination of activities of inventory management of the company. Products need to be distributed in order to reach the final consumers hence the channel of distribution becomes the utmost importance. The retail market is increasingly international hence many firms located further away from the consumers. Whatever the distribution channel the company chooses, the priority designed to help to manage the campaign and monitor profitability.

The retail chain sector industry has continued rapid changes in Kenya recently. The retail sector has abandoned the traditional methods and created new methods of conducting business which are more individualistic, highly closed and secretive. The Kenya population is about 45 million according to KNBS (2014). The customer base has increased effectively and as result retail sector has also experience rapid growth to meet the market needs. The expansion and growth has lead also to many challenges like recently like the legal tussle between Tuskys supermarket and Ukwala supermarkets with competitions authority act officials with unauthorized collaborations between the two. Tuskys chain of supermarket runs through high and low profit margins hence they need growth strategies to enhance performance of their chain supermarkets.

Previous studies have studied different aspects of growth strategies in retail industry but none that I reviewed looked at growth strategies and performance of Tuskys' chain of the supermarkets. Muthoka and Oduor (2014) studied the influence of strategic alliances on performance of supermarkets in Kenya. The study employed a correlational research design. Data was collected using questionnaire. The findings indicate that there is no statistical significance relationship between technological strategic alliance and performance of supermarket. Strategic alliances had a strong, positive effect between marketing strategic alliances and performance for the supermarkets while for the supermarket alliance there was a positive, medium correlation between market strategic alliances and performance. The study concluded that technological strategic alliances have no significant impact of the level of performance of the company. The research study is limited to small samples and large firms.

Jeje (2015) studied on growth strategies and performance of credit cooperative societies and Tanzania-Based savings. The study focused on product and market development and their effect on strategic planning that has an effect on performance. However the research gaps are studies only focused on foreign origin with few local studies encountered. Ortega (2010) examined the competitive strategies and firm performance in Spain. The study adopted research design and questionnaire was used to collect the data of moderating role of technological capabilities. The findings indicate that quality and cost orientation are factors influencing the technology capabilities. The contextual gaps indicate that it only focused other countries globally but not locally.

Arasa and Gathinji (2014) studied on the relationship between the competitive strategies and organization performance on mobile telecommunications companies in

Kenya. The findings indicate that there a positive relationship with cost leadership and product differentiation with performance. The research presented contextual gaps on focusing on general Mobile telecommunication instead of specific brand.

Chrisinger (2016) studied on new supermarkets on the ways of taking stock that involves financing, development and health promotion. The study adopted interviews and public database to conduct research and found out that most supermarkets that are more 126 projects receive financial assistances from local resources and the new market's Tax credits were significantly larger while those receiving assistance from other federal source were significantly smaller. However the study only focused on new supermarkets and new policies and programs to incentives supermarkets developments cannot be fully informed.

Mutinda (2018) studied on the effect of competitive strategies and organization performance of family-owned supermarkets in Machakos County in Kenya. The research adopted descriptive design which involved a target population of 50 upper level managers. The findings indicate cost leadership and diversification directly influences how the supermarket performances. This led to reduced consumer prices and cost of operations and having adopted marketing coverage to new areas, introduced commodities and adopted IT to the markets has enhanced effectiveness and the efficiency. The study concludes that the family owned supermarkets need to improve their products to their consumers, adopt technology usage and able to increase market coverage to different and new regions, they need to rebrand their products for the purpose of market recognition and outweigh their rivals. The study never looked the strategies that are under competitive strategies.

From above done studies, most have concentrated on competitive strategies, hence those few researchers concentrated on growth strategies and the use of accounting

based measures of the performance and therefore a focus other measures such market based measures filled this methodological gap. The researcher has not come across on the study done Nairobi County. Hence a focus on Nairobi County will fill the contextual gap.

1.3.Objectives of the Study

1.3.1 General Objective

General objective of study was to establish the effect of growth strategies and their influence on performance on Tuskys' chain of supermarkets in Nairobi City County, Kenya.

1.3.2 Specific Objectives

The specific objectives of the study were:

i.   To establish the extent to which diversification affects performance of Tuskys' chain of supermarkets, Nairobi City County, Kenya.

ii.   To determine how Technology innovation influences the performance of Tuskys' chain of Supermarkets, Nairobi City County, Kenya

iii. To evaluate how business partnerships influences the performance of Tuskys' chain supermarkets, Nairobi City County, Kenya.

iv.   To examine how Market penetration affects performance of Tuskys' chain of supermarkets, Nairobi City County, Kenya.

1.4.Research Questions

i.   How does Diversification affect performance of Tuskys' chain of supermarket, Nairobi City County, Kenya?

ii.   How does Technology innovation influence the performance of Tuskys' chain supermarkets, Nairobi City County, Kenya?

iii. How does a Business partnership affect the performances of Tuskys' chain of supermarket, Nairobi City County, Kenya?

iv.   How does Market penetration affect performance of Tuskys' chain of supermarkets, Nairobi City County, Kenya?

1.5 The Significance of the Study

The research will help the Organization especially retail outlets in issues arising with their distribution on their fast moving products to the supermarkets. The research has provided knowledge to the existing and future organizations on which management practices that they should adopt so as to make them competitive in the market. The management of the Tuskys supermarket will benefit by analyzing the strategic gaps existing in their organization and to develop proper strategies to improve on. Management should also ensure the policies set are not stringent to the employees which can limit their potential for the benefit of the company. It helps the government bodies in how they can help or enhance in growth of supermarkets in Kenya, It will also help to the government to regulate businesses so as to enact the rules and regulations to be followed. It will help the government to make policies that will ensure that the set tax rates are favorable to retail industry. The study recommends a policy formulation for the sector which will aid in this. The study will be a source to other researchers on this topic and other related topics likewise to the academicians would able to undertake the different topic for their future studies. The research study has given guidelines on the expected future research.

1.6 Scope of the Study

The research looked at 16 chains of Tuskys supermarkets branches in Nairobi City County where research took place. It specifically looked at growth strategies and performance of Tuskys chain of supermarkets also the firm to align itself with the objective and the vision.

The study targeted the sixteen chain supermarket in Nairobi County. These was due to the geographical location has diverse demographic flow of customers from different diversities. Being the largest city, it's more inclusive with regards to customers on self-awareness on the products quality. The staff employed in Nairobi CBD has wide range of skills hence better understanding of the multi-cultural dynamics and communication skills required to ascertain the performance. The research took place between Augusts to December2019.

1.7 Limitation of the study

The study faced the various difficulties on the study that was emanated from non-response situation in that the participants as the staffs of the supermarket management were hesitating to reveal confidential information regarding their organization owing to competitive nature of retail industry. The researcher presented an introduction letter from Kenyatta University to overcome this limitation and to purely guarantee all the participants that the study is only for academic purposes and confidentiality will be observed.

Confidentiality was a major issue because the respondents feared to provide information because it may be used by their rivals in the retail industry. I assured them by sending the introductory letter with questionnaires which indicates information on the confidentiality and the purpose of the research. That the study is purely academic purposed. Taking time to respond by the respondents was a huge problem but this was implemented by giving the respondents the specific day that will pick the questionnaire.

1.8 Organization of the Study

Chapter one focuses on background and it pays close attention growth strategies and performance of Tuskys' chain of supermarkets. It also covers the objectives and research questions together with significance, scope and limitation of the study. Chapter two critically looks at theoretical and empirical reviews. Theories under study are as follows: Ansoff growth matrix, balanced scorecard, and the Dynamic capability theory. Empirical review has focused on Diversification, Technology innovation, Business partnership and Market penetration and their effect on performance of Tuskys' chain of supermarkets. This section also covers the summary literature review and conceptual framework. In third chapter it outlines the methodology used in the research, gives explanation of the study. It defines target population, selection methods, study design, validity, reliability, data analysis and presentation and lastly ethical consideration. Chapter four addresses the research findings and discussions and it looked broadly in introduction, the response rate of the respondents that include Age, level of experience and gender distribution of top and middle level staff respondents. The study looked descriptive statistical analysis of the study variables, Regression results and lastly regression method coefficients. Lastly chapter five consisted of Summary of the findings on comparison of Diversification, Technology innovation, Business partnerships and market penetration to organization performance, Conclusion, recommendations from the research finding. The research project also gives further areas of study.

CHAPTER TWO

LITERATURE REVIEW

2.1. Introduction

The chapter discusses the Literature review of growth strategies and performance of Tuskys

Supermarket as well as empirical studies, summary gaps and conceptual framework is presented to show the illustration of the relationship between the dependent and independent variables that are under study of supermarket.

2.2 .Theoretical Review

The section reviews on theories that are relevant and whereby research project informs the theoretical background of the study. The theories include: Ansoff growth strategies, dynamic capability theory and Balanced Scorecard.

2.2.1. Ansoff Growth Strategies

Igor Ansoff developed Ansoff growth Matrix that was first published in 1957 on the articles known as strategies for diversification. He was a mathematician who majored mainly business management. The Ansoff growth strategies have various ways of marketing strategies that involves diversification, market penetration, product development and market development. Market penetration involves those goods that are existence and those which are also existent in current marketing. They can be further exploitation of the same product in this strategy; this can only be achieved through the use of promotional tools, putting various pricing or repricing policies that may attract consumers and making the distribution more extensive. The established market is met when the consumers are much familiar with product hence the risk

involved is low. The coming up with introduction of different various initiatives that will encourage the continuous use of the commodities that leads to increase of Market penetration.
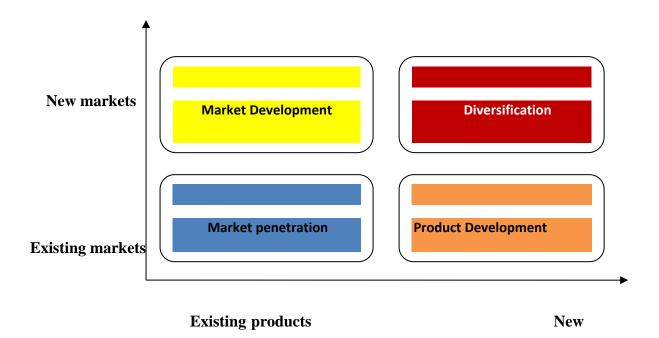
The market penetration can be increased through coming up with introduction different various initiative that will encourage the continuous use of the product. This is achieved when markets are still growing extensively or where the firms are eager to use other of elements of the marketing mix, which comprises of promotional activities and price discounting that will enable the products to penetrate into market than their Rivals (Ansoff, 1957).

Product development growth strategy, this is one the commodities are introduced intoan existing markets structure. Product development usually differs from the presentation of a new product into an existing market. This move involves expansion, development and extensive research of the product range. This strategy is normally employed when a business firms are able to provide innovations solutions and have strong understanding of their market share so as to meet the needs of existing markets. By modification of their product, one would be able to change its outlook and hence increase the commodities quality. By this it will be more appealing to the existing market. Creating strategic partnerships with other companies leads to gain of access to each partner's distribution brand.

Market development also known as marketing extension, it's when the firms enter new markets with their existing products. This means that expansion to new markets, that leads into expanding into customer segments and new geographies. The strategy is considered successful if the business owns proprietary technology, which assists in leveraging into new markets; the customers are more profitable in the new market

structure and their behavior does not deviate from the existing markets. The strategy assumes that there has been exploitation of the existing markets hence there a need to venture into new markets. The ways to this strategy involve business expansion due exporting products and new geographical markets to other counties. This also means settling business branches that has not been ventured yet. According to Ansoff (1957) many business enterprises have used franchise method as way of coming up the branches into new markets.

Diversification involves the firm selling and marketing of its new commodities to their new markets. This is risky strategy to introduce since involves unrecognized products introduced and the firm are not aware of the any development problems that can be resulted in the process. For it to be implemented in business firm, they have to be sure that the strategy can lead to financial gain and have a complete assessment on risks to be involved. Diversification is divided into related and unrelated diversification. The related diversification implies a business to remain in the same place or industry that is familiar with while unrelated diversification indicates that neither market experiences or previous industry relations. One can also able to diversify from a mechanical industry chain for instance.

The Ansoff growth matrix is well compatible to my variable under study , because its use of growth strategy tools and they two ways in which the use of Ansoff growth of strategy is very useful in brainstorming in order to help identify possible growth strategies to check for some kind of balance. To be specific, the theoretical orientation guided the assessment of diversification, market penetration and business partnerships. The challenge of the growth strategies matrix is paralysis by analysis and that leads to fall as a victim to procrastination as a result of excessive planning.

New markets

Market Development

Diversification

Existing markets

Market penetration

Product Development

Existing products   **New**

Products

Figure 2.1 Ansoff growths Matrix

Source: *Author (2019)*

2.2.2. Dynamic capabilities theory

Dynamic capability theory was authored by Pisano, Tessce and shuen (1997) with a proposition that in order to sustain the performance in any environment of the competition, the firms should continuously reconfigure internal resources and capabilities to assume corporate responsibility for adapting turbulent environment. According to Wright (2013) defines capabilities as a collection patterned, high level and the repetitious behavior that a firm can perform better than its rivals. Dynamic capabilities refer how the firm continues to sells its product to the same customers and the same scale hence earning its living. Dynamic capabilities are set of activities and

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learned processes which lead a firm to have a particular outcome, the ordinary capability are important because they start with one or more firms and they spread to entire firm industry (Teece, 2013). They are unique and distinctive to every firm and much rooted in Company's history. They are difficult to imitate they are captured in business models that's goes beyond decades (Gratton, 2013). Resources are important to the organization operating in rapidly changing internal and external environment, due its attribute to dynamic capabilities. The resources may be useful to the business's long term in competitiveness of stable environment rather directly lead to firm have competitive advantage. According Wade and Hulland (2004) it is done through developing it and adding key resources over time.

Capability refers as the ability of the team resources to perform prescribed task or resources in order to perform a prescribed task or resources. The firm's capability is its ability to deploy the necessary resources in regard to combination with organizations processes to produce desired outcome (Grant, 1991). Teece (1997) further emphasized that dynamic capabilities are the Company's ability reconfigure its internal, external and building its competencies in the response to rapidly changing environment and they include search or ability to changing technological opportunities, customer needs and competitive developments.

The importance of dynamic capability theory is to understand how the business the use of this theory to create also sustain its operational performance than its rivals by creating and responding to both internal and external environmental changes (Teece, 2007). Due to criticism of RBV and gaps left, the dynamic capability tries to close the gaps by acting as a buffer between changing business environment and the firm

resources. It normally helps the company to increase its resources mix hence maintaining how to sustain the firms' operational performance; otherwise they may quickly erode. While the RBV is emphasizing in resource choice and selection of the appropriate choice dynamic capability emphasizes on renewal and resource development. The formations of dynamic capabilities are supported by functional and organizational capability which involves interdependent self-sustaining mechanisms. The mechanisms are comprises of management actions decision in already established organizational routines that being shaped by cognitive and social structures, the organization capabilities tend to support the underlying for cognitive activity that is being required knowledge based innovation (Robbins, 2005).

This theory is in line with the study, because it has guided the assessment role of market penetration, diversification and Technology innovation in enhancing the retail sector. The only criticism of this theory is that individuals who usually manage these firms are more so governed by feelings are always rational, but there are mostly driven by human emotion. (Hodgkinson & Healey, 2011).

2.2.3 Balance Scorecard

David Norton formed Balance scorecard in 1992 in the article of Harvard business review (Kaplan & Norton, 1992). They studied that the integration of measurement of the tangible and intangible assets into their systems they have to improve the way they manage intangible assets. Balance scorecard tries to measure the aspects of their company strategy. It is normally derived from the business firms to need of balancing financial measures are often used exclusively in the strategy control and evaluation. It contains a well combination of strategic and financial objectives that is used as a tool

to manage and evaluate strategy. The role of Balance scorecard is balance customer, shareholders and operational objectives.

BSC helps identification of critical measures of monitoring of the set strategy. The selection of the set measures should come up with the creativity in the seeking certain measures which will openly support strategic direction. BSC used for translation of mission, vision and the strategy of a firm into broader collection of the indicators and action metrics, which necessary provide a structure to serve as strategic measurement system and control (Kaplan & Norton, 2006). BSC should be utilized for strategic planning process that would help in identifying indicators for every perspective.

In the First Phase, there is definition of the firm's strategy are the indicators are being identified subsequent to the development. In the second phase, you not only identify indicators but they are being extracted from the strategic plan so as to identify the causal relationships with the firm's strategy (Kaplan & Norton, 2006). The BSC includes the set of measures that assists to monitor company performances that are associated with four perspectives with value creation; Customer, learning, Financial and Innovation perspectives.

Kaplan and Norton(2006) argues that training program is needed to improve workers skills that is growth and learning perspective that leads to improvement of customer service which leads to satisfaction and customer loyalty, leading to increase of sales. BSC improves quality of business firms through the best choice of the appropriate variable. It's able to incorporate many management principles into a single instrument (Richards, 2007). With BSC is focuses beyond the historical financial data analysis,

through the use controlling systems. Hence the controlling system becomes more of the more of the future oriented and balanced. The BSC is relevant to my study because it touches on Diversification and business partnerships. The application of the most viable growth strategies would then follow with intent of positively influences retail's performance. In the context of the current study, the balance scorecard is useful as it informs the retail decisions on which growth strategies to pursue based on the balance scorecard model. Hence the model was useful in analyzing the dependent variable of the study.

2.3. Empirical Review

2.3.1. Diversification and Organization performance

Diversification refers to the entry into the new markets with new items. It goes to extend the measure of the business, also accomplishing an economy of assembling in this manner producing the synergic impacts for the purpose if the generational operation of the firms (Schoar, 2002). According to Chen and Yo(2011) said that most organizations diversify their goods in order to exploit the economies of their extension in substantial and impalpable resources. A diversification technique is mostly used by the top level management to lessen the dangers imposed with work; hence they can able to reduce the financial threats of the firms by differentiating inconsequential exercises. Denis (2012) studied that there a major connection amongst company's execution and diversification.

Christine (2010) sought to find out on the various ways used by Chai Trading Company to enter the Middle East market. Findings from the study indicated that the company should facilitate in venturing into value addition and demand of Kenyan tea and this will lead growing business profitability. Further study showed the company

that was only exporting black diversified tea variants. The study however left out long term strategies that it should implement for the business to succeed.

Dickens (2013) did a study on structural adjustment plans and policies in coffee production in Nyeri town in Kenya. The findings are that the coffee diversification and government would definitely help to link the consumer and the producer. The study however didn't look at different ways coffee is diversified. According to Baus and Pils (2009) indicated that when a new crop is being introduced into an area, diversification should start to be considered in the individual level and which is based on quick diffusion of innovations. Through Post-coffee society, the vertical diversifications keep gaining more and more meaning.

Adamu (2011) sought to establish the effects of diversification on firms' performance on construction companies in Nigeria. They found out that in terms of equity, profit margin and return of assets the undiversified companies generally perform better than highly diversified construction companies. They further found out some moderately diversified construction companies are performing more than diversified companies in terms of Profit Margin and ROE. However according to same measures there was no difference between moderately diversified and undiversified construction companies.

Numa (2011) compared the relationship of firm growth and product diversification in banking sector in Kenya. Descriptive research design was adopted for the research and its target population focused all functional departments of cooperative bank. The study findings establishes that product modification of existing products, the inclusive of the product features & relaunching into new market, technology was found to be highly used in product diversification and concludes that the bank performance is influenced by product development, product diversification and market penetration

strategies. The empirical gaps from the research was no usage of cooperate social responsibility in their study.

Oyedijo (2012) sought to find out on influence of product and market diversification strategies on organizational financial performance and growth of corporate firms in Nigeria. The findings indicates that there was great difference between the firms that get developed through related diversification, where the performance of the firms remain specialized, while those remaining specialized are tending to perform better in all areas than those which are developed by unrelated diversification. It further found out that sales growth and its financial performance on the business companies in Nigeria which are widely influenced the type of diversification used and concluded that Nigeria companies are seeking superior growth and performance, therefore they should seek specialization and product diversification strategies.

Shiundu (2012) sought to analyze diversification strategies that are applied by the Electronic mobile phone companies to increase subscriber base growth in Nairobi (CBD). The research adopted a descriptive survey design which targeted the 250 respondents and the questionnaire was utilized for the study. They found out that diversification strategy are tools of the companies that enable it to survive mostly for effective for the sustainability after the good successive understanding of micro and, macro environment for enabling futuristic business survival. They further said that Mobile phone Electronic Money are the best strategies, henceforth recommends expansion of the electronic mobile phone telecommunication. The study however looked only on unrelated diversification but not into related diversification.

2.3.2 Technology innovation and Organization performance

Technology enhances performance and supply competitiveness by the enhancement of efficiency of the logistics system. Its best suited to choose the right technology that would enable to have a crucial any firm to have a competitive advantage in competitive market industry. According Charles (2012) many firms have created the centers for excelling their main ideas and collecting their main ideas from internal and external environment, whereby their major focus its own core mandate. In Kenya there are set of Huduma centers headed by workers with a set of skills and talents that helps the centre of excellence to grow. Hence has helped the institution to grow in technology hence helping the needs of the targeted consumers. According to East African newspaper (2011) it becomes the engine of the business when technology is recognized and when it's aligned with ERP of business. The desired effects of innovation is felt when the customers experience represents all the possible outcomes. The market is segmented in mass market into various numbers of consumers and experiences (pigneur & Osterwalder, 2011).

Masiyioi (2014) studied on factors affecting the implementation of e-procurement among the supermarkets in Nairobi. The research findings indicate that technological factors influenced the e-procurement implementation of the supermarkets. Further found out that 68.2% variance of e-procurement execution in the retail industry. It makes clear technology innovation to large extent the e-procurement is moderate among supermarkets in Nairobi. The research only relied on large supermarkets. Kisyula(2015) studied on technology innovation as a tool in competitive advantage in supermarkets departments in Nairobi. The research findings indicates that supermarkets adopts specific technology in managing their operations that are align with its corporate strategy in running its function hence contributing performance and

hence creating competitive advantage in supermarkets by focusing on operational efficiency. Enterprise Resource planning used to integrate functions that help the supermarkets to maximize the effectiveness of the company's process across entire business firm. It helps to increase order capacity, ability to forecast demand, increase on time delivery and to improve customer service.

Al-Maliki and Al-Khalidi (2000) studied the role ICT in Saudi Arabia supermarket chains, the challenges and benefits gained in their business enterprise. They conducted personal interviews and questionnaires to collect their primary data; their target population that they achieved was MIS managers of 21 supermarkets. The researcher found out that in Saudi Arabia the retail trade has gone into major changes of transformation, Its due to modernization and rationalization with the largest expansion occurring among the supermarket industry. The study was mostly concerned benefits of the business and left out growth strategies for sustainability.

2.3.3 Business partnership and organization performance

Business partnerships are strategies used by the firm to have a competitive advantage by accelerating the pace of growth. The firm can benefit through acquisitions and mergers by acquiring of the new markets and consumers, through synergies there is cost reductions that leads to obtain technologies and new products (SAP, 2008). The association of Boston chapter said that mergers and acquisition was the most popular for the growth strategy in their study in USA.

Multinationals enterprises would able to benefit from knowledge of Local market that partners would able to provide. The study found out that the life cycle of most manufacturing of the few this is due MNE is able to understand both economy and local culture. Grimaldi (2010) studied on Knowledge based on inter-organizational

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collaborations described global competitive and its complexity of the current economic state as arriving firms to device which is quicker profitable solutions. The researcher further recommended firms to focus on exclusive result of knowledge and capability. The exigency that exists between the business enterprises drives them to go beyond the geographical boundaries, traditional ways and organization boundaries.

Keith *et al.,*(2015) studied on internationalization of ibusiness firms. They found out that these business firms offers the platform that makes the users to interact with each other and able to generate revenue through creation of the content. This ibusiness firms tend to suffer greater liabilities of outsiders when trying to expand abroad and therefore should concentrate on network as they try to internalize. From the above one is able to identify its marketing and Licensing, Google search entered new markets and it was fully established (WTO, 2010).

Muasya (2014) sought to establish how the ministry of Transport and infrastructure in implementing public private partnerships. The study adopted research design. The findings indicate that there a need to the directors of the department together with the project manager in order to monitor how the performances are set. The study further says that economic viability affects the performance of PPPs and concludes that it provides opportunities for development corporations to harness private enterprises. The empirical gaps identified that the study did show how the implementation of PPP projects by the private sector.

2.3.4   Market penetration and Organization performance

According to Gerald and Elisifa (2013) firms which are neither in new products nor the new markets which are pushed to grow penetration strategy. A business is hence designed in way to build into a greater percentage of market shares. The study hence says that market penetration normally occurs when an organization enters old or new

market with existing products and it is done through attracting non users or current users of the product, gaining the rivals consumers and their part in market share in order to use your product.

Several studies have done market penetration strategies on organization performance. Paul and Ivo (2013) studied related pricing techniques and the price setting rehearses by the utilization of the review of the technique, they used descriptive survey targeting 95 respondents, hence demonstrating that price strategies and price setting are connected on the grounds that methodologies are executed through the use of price setting practices.

Howard & James (2013) investigated on impact of decision setting on pricing techniques perceived risk on the attribution hypothesis and they adopted descriptive survey they targeted more than 100 business managers were utilized as respondents and finds that uncontainable variables control pricing directors tend to choose pricing approaches with external alignments to deflect risk away from them individually. The study however didn't show how the variables are able to lead the performance of the business.

Grana (2013) did a study on young people of Korean prevalence of use of e-cigarette and across section of the study of market penetration, the dual usage and some of related ways to quit the E-cigarette. The data they found was analyzed through logistic regression and their finding was a total 9.4% was concurrently using e-cigarettes, they found out the recent smokers that use cigarettes, those that tend to smoke more frequently, were regarded to be a frequent user e-cigarette users and it's done by responding adverting claims that e-cigarettes users, but it provides or it

doesn't reduce the usage of cigarettes. The gap of the study however doesn't provide ways in which the e-cigarettes can be reached to all population in Korea.

Kostis and George (2011) studied on new manufacturing service pricing strategies techniques and their precursors. The study adopted descriptive design survey where the gathered the data through overview from 129 transportation and 48 data innovation organizations, 15 inside and outside individual meeting were led in the underlying period of the exploration and that scanning evaluating and entrance estimating identify with the organization' co-operate and advertising system, administration qualities more also economic situations impact the appropriation of the valuing like aggressive costs.

David (2012) investigated double situation system on the advertising orientated estimating. The study used exploratory research and a mail review were utilized a survey in the light. The applying factors that normally segregate between effective high and low price methodologies found out that six promoting orientated components including rivalry levels, clients payment, hindrance section request verse supply and utilization of the building piece of the overall industry objective fundamentally separated between effective high versus and low price systems utilizations. The study should look more on ways of market penetration in Double situation system.

2.3.5 Growth strategies and organization performance

Various studies have done impact growth strategies methods. Kostis and George (2011) had directed examination on the new modern administration evaluating the set procedures and their processors where the data was gathered through mail overview from 129 transportation and 48 data innovations organizations. Adewale and Oyewale

(2013) took a study on the effect of marketing strategy on the organization performance that has focused selected and medium enterprises in Ibadan, Nigeria. The study adopted survey design technique. The questionnaire was used to collect data from more than 102 participants. The study finding indicates that independent variables which include place, price, product, promotion and packaging were significant joint predictors of business performance in terms of profitability, investment and expansion. The study recommended that the SME's to produce quality commodities, position properly and charge competitive prices and engage in after sales service and provide functional benefits to the clients.

Muthoka and Oduor (2014) studied ways to determine the effects of the technological, production and marketing strategic alliances on performances of supermarkets. The study purposely used a correctional research survey design and target was Uchumi, Tuskys, Naivas and Uchumi and the 95 of the strategic alliances. The findings indicate there is weak effect of strategic alliances and technological on the performance of the supermarkets in Kenya. The research recommends on need to network together to market their produce. This will give them more links to the supermarkets and the opportunities for accessing the markets. Mathew (2012) studied green growth strategies in the Korean initiatives he found out that Korean has embarked profoundly on getting green growth strategies, that has led to predominantly brown to a much green influenced industrial system. It further explains that the Korean growth strategies are drafted and full implemented with involvement government commitment and the leadership showing that there is feasible in democracy in Commitment.

Cronin (2012) studied on examination on relative influence of the growth strategies of profit performance, research findings on marketing growth strategies have a profit performance as opposed to strategic debt utilization, asset management and margin management and the structural approaches are used to assess areas that deserve the greatest attention in the process of making strategic decisions. Sundberg (2015) sought to establish the growing strategies in declining Industries and what strategies that they adopt, deductive research approach was used for the study, collection of the information was done on all the companies that are operating in declining industries and it was done through conducting of the interviews with managers in different positions the study found out that various firms in the retail fuel industry have used different strategies to their respective industries that are declining, they pursued cost leadership and differentiation strategy these strategies helps the industries to continue to operate in the same industry that seeks to achieve growth.

2.4 Summary of research gaps

The Author and year	Title of the study	Findings	The gaps identified
Wanjiru (2018)	The study was to establish the influence of competitive strategies and organization performance of large supermarkets in Central Business District.	Differentiation has influence on ways which supermarket perform in CBD and benchmarking with the best leading supermarket in order in the industry sector so as to improve market position	The study however didn't indicate other variables of competitive strategies.
Ntinyari (2015)	The research study was to identify the practices of Strategic change management and their effect on performances of large supermarkets in Nairobi City County	They use Change management strategies like employee involvement, executive commitment, consultation and effective communication	The focus was general hence they can conclude is for the specific supermarket.
Kariuki (2015)	The significance of Brand Image on the satisfaction of customers of large supermarkets in Kenya	They found out that in order for the supermarkets to attract new consumers while also retaining the existing consumers, the brand image is regard as important, since the customers seek for branded products in supermarkets. They also found out in Industry that consumer satisfaction is very for maintaining and retaining Consumers.	The study is only applicable to retailers but not other small markets in the country.

Kisyula(2015)	Ways in which technology innovation is being used as competitive advantage in supermarkets operations in Nairobi city.	The supermarket in order to run its value chain function that will lead to competitive advantage the supermarket should able to adopt specific technology that align with corporate strategy.	Methodological gap on the need to consider other indicators other than technology innovation.
Nyongesa (2014)	The studied on internal marketing of large supermarket performance in Kenya.	The commitment of the staff is achieved when the organization provide to its employees with effective communication, shared vision and making them loyal in long run. The research further reveals that organizational support from top level management has a major impact heavily on employee's retention.	There was constraint on the study sample of the study was not enough to be cohesive report. The study on leading supermarkets can't conclude that all supermarkets have the same marketing strategy
Muasa(2014)	The study was to establish how Naivas Supermarket's cost leadership and its sustainable advantage in Nairobi City County.	Retail chain considered all the cost drivers on the value chain and through the use of the applied economies of scale through the purchasing of purchasing of imported and local products.	The conceptual gap on the lack of the academic consensus on the relationship between Cost leadership and performance.
Magu (2014)	Various factors that have impact on Marketing strategies that are used by Nakumatt supermarket industry in Nairobi City County.	Broad environmental, availability of support enterprises like banks, retail outlets, intense competition are the that factors influence on the marketing strategies adopted	The research was to focus on expansion strategy and oversee harmonization of promotional strategies.

Kanchori(2014)	The effect of usage of Digital signage on product sale between the large supermarkets in Kenya.	Digital signage does the influence product sales I the retail stores further the research reveals that digital display is effective for advertising and they should be more rove visibility and to position them strategically in the retail stores.	Empirical gap on the need to expand the model of strategies subjected to assessment
Muringi (2012)	The usage of Strategic positioning as building factor to sustain the competitive advantage in Uchumi supermarkets in Nairobi City County, Kenya	The company adopted five competitive advantage strategies that include customer service, rebranding, cost maximization and sales management and through this strategies are used by the company gain sustainable strategic advantage among its competitors.	The study only reveals competitive advantages strategies but didn't look at growth strategies.
Manguru(2011)	Influence of practices of strategic management on the way the Naivas supermarket is performing.	The research found out that the supermarket has four steps of strategy which include: strategy formulation, implementation, strategy evaluation &strategy control.	The researcher should have focused more on strategic management practices in order to expand the empirical review of the study
Gacheri (2010)	To identify the strategic responses of Tuskys supermarket.	The top level management concern should always concern achieving competitive advantage with adaptation to fast changing environment.	The empirical gap need to be considered on expanded framework of intensive strategic responses.

Kanyi(2005)	The research study was to determine various issues that have influence on Consumers' choice of supermarket store in Nairobi Kenya.	The advert of the Liberalization and the globalization has led to increased level of the competition in then nowadays market. They further found out those customers of the Nairobi supermarkets are attracted by conveniently, huge located store, offering attractive low prices and good customer care.	The research was limited to few supermarkets

Source: *Author* (*2020)*

2.5. Conceptual Framework

The figure represents researcher's conceptual framework used to identify the relationship among the variables. The conceptual framework has been derived from theories and models described above. The independent variables are the growth strategies that the Tuskys supermarket often employs in their growth activities. The dependent variable was performance which was indicated by sales increase, sustainability and profitability.

Independent variables   **Dependent**

Diversification

- Packaging & repricing
- Brand extensions
- Product extensions

PERFORMANCE OF TUSKYS' CHAIN OF SUPERMARKETS.

- ❖ Sales increase
- ❖ Sustainability
- ❖ Profitability

Technology Innovation

- E-commerce
- New equipment
- Modern Equipment

Business Partnership

- Joint ventures &mergers
- Licensing
- Franchising

Marketing penetration

- Competitive pricing
- Sales force
- Advertising
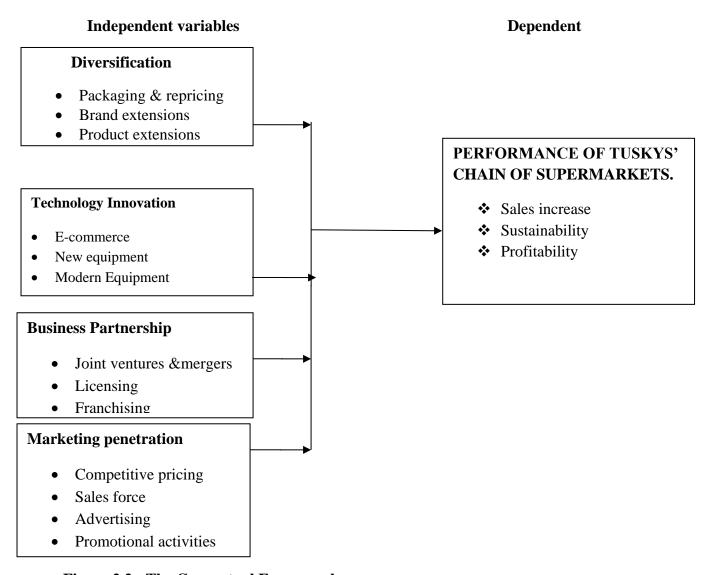- Promotional activities

Figure 2.2: The Conceptual Framework

Source: *Author (2019)*

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter focuses on research design used, study of population, sampling size & procedure, data collection instruments, the validity & reliability, data collection procedure, ways of analyzing the data and presenting it and lastly ethical issues to be considered.

3.2 Research Design

The research design refers to as conceptual structure where research is being conducted (Kothari, 2012). It consist blue print that is used for the purpose collection, data measurement and data analysis. According to Zikumubd (2010), described descriptive survey design as process of collecting data so as to answer questions that are under study and for analysis it used preplanned design. Descriptive survey design was adopted for the research study, this definitely helped the researcher to collect data, to summarize it, interpret the data collected and present it (Orondo, 2002). These resulted to data collection of quantitative data that is appropriate for testing the independent variables of Diversification, Technology innovation, Business partnerships and market penetration. This design helps in establishing

3.3 Target Population

Target population comprises of members of hypothetical set of events or people that the researcher would like generalize research one has gained from results while population refers to all members that can able to included in the sample of research study (Borg & Gall, 2007). They are 16 branches in Nairobi County. The Researcher

focused specifically on the branches within Nairobi and its environmental which comprises of a mixture of small, medium, large branches and distribution centre. The target population therefore is a representative of all the retail branches in of Tuskys.

The study targets all that hold top level management positions consist of Finance, Human resource, Marketing and Operations departments from various retail chain outlets who perform critical functions in the branch. This should include the branch managers who are overall in charge of performance, Finance managers, Operational managers, receiving clerks and deputy branch managers for every branch in Nairobi. Growth strategies are mostly handled by top managers in the company. Strategy is initiated and led by top level management hence they are more influential in strategic initiatives than ordinary staff. The study therefore picked top and middle level management employees from the company given that they are more informed about strategic issues and have strategic responsibilities in the firm.

Table 3.1 Target Population

Departments	Head of departments	Target population	TOTAL
Finance	Finance manager and Finance assistants	14	14
Human resource	HR managers and Branch Managers	16	16
Marketing & Sales	Marketing managers Sales managers Receiving clerks	18	18
Operations	Operational Managers	16	16
ICT	ICT managers	16	16
TOTAL			**80**

Source: *Researcher* (*2019)*

3.4 Sampling Techniques & Procedure

Sampling technique is defined as systematic procedure of selecting sample units that are providing required estimates which are of related margins of unpredictability that could arise from examining a whole part of it (George, 2017). Sampling technique refers to as scientific procedure of selecting sample units that will provide exact estimates which are associated margins of the uncertainty, comes from examining a whole part of it (George, 2017).A census was used to enroll every supermarket into the study since they are few, unit analysis was supermarket industry. According to Sage (2017) defined as Census is to try to collect information from every individual of the population under study instead of choosing a sample. This was well settled because the number of population was few. Having total of sixteen branches of Tuskys chain supermarkets in Nairobi City, county. A census of 80 was drawned from Top Management and middle level management targeted head of departments from every department. So the entire population was enrolled into the study since it was a census.

3.5 Data Collection Instruments

Questionnaire was used for collecting of primary data. The collection of data is the way in which information is gained from subjects selected under study (Mugenda & Mugenda, 2003). Primary data would largely rely for the study. Hence the data collected through closed questionnaires. It was designed in order to obtain information on the nature of measures adopted by Tuskys chain of supermarkets. According to Krishnaswamy (2006) the questionnaire is fine since it is standardized formats of questionnaire and it help to get data specifically, altitudes, motivation and obtaining information on basis of facts that can be obtained easily.

3.6 The Validity and Reliability of the Instruments

3.6.1 Validity of the Research

Validity refers to correctness and meaningful of the inferences, those are based on study outcomes (Mugenda & Mugenda, 2003). Validity exists if information to be measured is what they expected to measure. Peil (2013) advises that the professional of certain field should be able to evaluate the content Validity. The research study used content validity in order to identify legitimacy of questionnaire. It draws an extrapolation from the assessment of scores to big domain which is alike to the test. To test the validity of the questionnaire, it was given to three experts in the school of Business and supervisor to go through the content in order to ensure what is be covered is ought to measure.

3.6.2 The Reliability of the Research

Reliability defines as the level of a degree which the instrument continuously measures same way every time, when is used in the same conditions and subjects. According to Cooper and Schindler (2013) found out that when carrying out pilot study the respondents are not necessarily statistically picked when reliability of the instruments are being tested. Sekran and Borgie (2010) studied that size of the samples that is used for the purpose of pilot testing occasionally varies on time, practicality and cost

Cronbach's Alpha is referred as most common internal consistency which is alpha generated statistics which the study used for the study. 0.7value was used to cut for the reliability of research study.. Kothari (2004) studied that the degree of the consistency and accuracy is ascertained by the use of Cronbach Alpha α.

Table 3.2 The Reliability Results

Scale	Cronbachs's Alpha	Number of items
Diversification	0.821	9
Technology Innovation	0.853	10
Business partnerships strategies	0.727	7
Marketing penetration strategies	0.843	6
Overall Reliability	3.244	32

The reliability of the coefficients scale of Cronbach's Alpha number of the items; diversification 0.821 9, Technology innovation 0.853 10, Business partnerships 0.727 7, Market penetration 0.643, 6.Through Cronbach's Alpha the reliability of the questionnaire was evaluated and that measures the internal consistency. It was ascertained by utilization of the SPSS for the unwavering quality analysis. The coefficient ranges from 0-1 which is the value of the alpha that may be utilized to depict dependability of factors extracted from multi-point formatted scales and questionnaires. A higher esteem demonstrates added dependable scale. According to Cooper and Schindler (2004) the acceptable reliability coefficient is 0.7. Table 3.2 demonstrates that both diversification (α =0.821), technology innovation (α=0.853), Business partnerships (α 0.727), market penetration (α=0.843). This shows through statistics that all the five scales were all dependable where their unwavering qualities surpassing the limit of 0.7 endorsed limit.

3.7Data Collection Procedure

After the consent was granted by (NACOSTI), Kenyatta University, and Tuskys head office to collect data information. The researcher and researcher assistant administered the questionnaires to the expected respondents. The respondents took

time to read and to go through the questionnaire in order to under it and fill it with duress. The filled questionnaire was collected after the agreement with respondents for data analysis. In order to conceal their identity the respondents were not allowed to write names or any personal information.

3.8 Data Analysis and Presentation

The primary data obtained from the filled questionnaires, was prepared for readiness by SPSS the computer software version 20. The statistics was generated by the used of frequencies, inferential and descriptive statistics. SPSS was complemented by the use of Microsoft excel in production of tables and figures. Through descriptive statistics the primary data was analysed, by the use of mean as the measure of the central tendency; the data was tabulated to appropriate charts, graphs and tables to represent the findings. The tables were used to enable reading specific values and also in facilitating data presentation. The questionnaire was measured using the Likert scale of one to five. Where the rates are given as Very high-5, high-4, normal-3, low-2, very low-1.

In order to show the relationship between various variables the regression model was developed. The regression was as follows:

Y= Organisation performance

α= is Constant

+β_1, β_2,β_3,β_4 are coefficients.

X_1 –Diversification strategies

X_2 -Technology innovation strategies

X_3 -Business partnership strategies

X_4 -Market penetration strategies

E is error term.-this will be pegged 0.05 to cater for any standard of error.

3.9 Ethical Consideration

The content of this research project was tested for similarity index and plagiarism and it has maintained below the university minimum threshold. All the works attributable to various researchers has been clearly cited. The respondent's from Tuskys' supermarket personal information was treated with confidentiality.

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<div align="center">**CHAPTER FOUR**</div>

RESEARCH FINDINGS AND DISCUSSIONS

4.1 Introduction

Chapter four provides data analysis and presentation of information. It also presents and interprets research findings obtained from the research. It is subdivided into various sections that include: The respondents general characteristics; The descriptive findings are guided by; diversification strategies and performance of Tuskys chain of supermarkets; technology innovation strategies and performance of Tuskys chain of supermarkets; business partnership strategies and performance of Tuskys chain of supermarket and market penetration strategies and performance of Tuskys chain of supermarket, and performance of Tuskys chain of Supermarkets. The inferences section of the paper provides a regression and correlation analysis of the results.

4.2 Response Rate

80 questionnaires were issued to the sample elements of 16 Tuskys chain of supermarkets that gave a response rate of 91.95% which is acceptable and significant. The completed questionnaires were cleaned, coded and analyzed using SPSS. The rate of response is acceptable due to the efforts of the researcher and his researcher assistant that were in constant communication with the respondents. The constant communication helped in validating the results and thus increases the acceptance rate.

4.3. General Characteristics of the Respondents

The research study focused on establishing the link that exists between strategies used in growth and levels of performance of Tuskys chain of supermarkets. Henceforth, the researcher asked the respondents to provide their demographic information. The information collected is as below.

4.3.1Ageof Respondents

Table 4.1 Age of Respondents		
Class (years)	**Frequency**	**Percentage**
18-25	9	11.25%
26-35	25	31.25%
36-45	29	36.25%
	8	10%
46-55	9	11.25%
Over 55	80	100.0%
Total		

Source: *Survey data (2019)*

According to the above table, many of the participants aged between 36-45 years which represented 36.25%.. The percentage for respondents aging between 26-35 had a percentage of 31.25%. The youngest participants in the table aged between 18-25 years and had 11.25%.This shows that the majority of respondents were exposed to the issues affecting the independent and dependent variables of taking a special focus on Tuskys supermarkets.. Kongiri(2012) said that for the study to have perceived reliability of generated results, the age maturity is important in that case.

4.3.2 Gender of Respondents

The study enumerated both male and female managers of the organization. It also enumerated middle level staff in the organization. The gender of the staff enumerated is as in figure 4.1 below
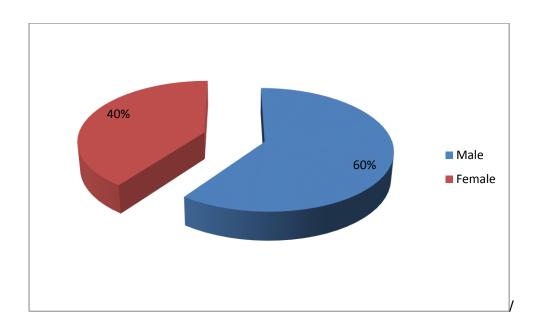

Figure 4.1 Gender of respondents

Source: *Survey data (2019)*

From the Figure 4.1 above, male population that participated in the research was high as compared to that of the female gender. The male gender comprised of 60% of the enumerated members and the female gender represented 40%. The differences in staff indicate that Tusky's is dominated by the male gender. This is in line with Nzioka argument that the service sector is dominated by the male gender (Nzioka, 2016). Lam and Lian (2011) supported and noted that females have significantly been covered in the private service.

4.3.3. Highest Level of Education

Khan *et al* (2011) asserts that education has significant role that it plays in a social life of an individual. It enables people to attain relevant skills and competencies that make them effective in their work. For this reason, the study requested the top and middle level managers to give their levels of education. The figure below represents the information collected.
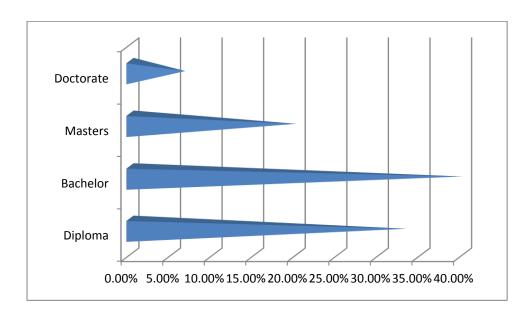

Figure 4.2 Highest Level of Education

Source: *Survey data (2019)*

From the figure above majority of employees at (40%) were Undergraduate degree holders, 33.3% were Diploma degree holders, (20%) had Masters Holders and only (6.66%) had Doctorate degree in various disciplines. From the data collected, one can denote that majority of the employees had made attempts to advance their education levels. It is also an indication that people with degree level of education and above were more knowledgeable as compared to those with lower education levels. Additionally, those with high level of education levels seem to be more suited in the job market that is characterized by market dynamics. Further, one can infer that those

with high education levels have high ability to answer questions relating to the relationship that exists between strategies used in growth and performance of Tuskys chain of supermarkets.

4.3.4 Level of experience

Thus, the research asked the top management and middle level staff to give their educational levels and experience levels relating to service delivery. The responses are presented in Figure 4.4
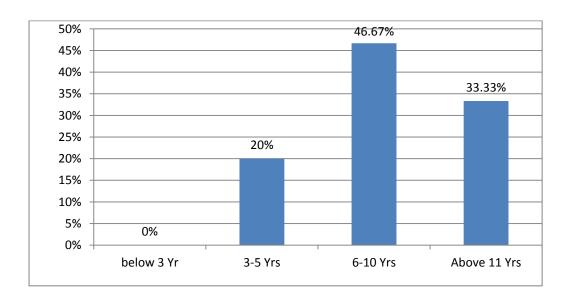

Figure 4.3 Level of experience

Source: *Survey data (2019)*

In regards to staff work experience, majority at 46.67% had clearly worked or engaged in quality services for 6-10 years, then 33.33% who had worked for more than 11years, 20% for 3-5 years and 7.5% for 3 years and below. This implies that majority staffs that are much experienced are from the top-level management and middle level staff. According to Kelerman (2009) asserted that the experience of an employer in a specific job indicates the credibility of information that the employee

gives. As a result of experience, they have acquired skills and knowledge and therefore, there perception in this study has a significant role.

4.3.5 Position of the Organization

The different positions were researched in the study to determine the different roles provided by different in an organization. The findings are herein presented in Figure 4.4

Figure 4.4. Position in the organization

 Source: *Survey data (2019)*

From above it is evidenced that majority of employees were general staff as represented by 41.1 per cent. 22.70 per cent were middle level management, while 20.20 per cent and 16 per cent were senior management and board of directors respectively. The findings implies that general staff are slightly high because there the one who carries most of the duties in terms of making sales, arranging product in supermarket as well as directing the customer to where the product they need may be located.

4.4 Descriptive Findings

This presents the analysis of the data collected on growth strategies and performance of Tuskys' chain of supermarkets. The following objective provided a guideline for the study: To identify the extent to which Diversification strategies affects performance of Tuskys' chain of supermarkets, to determine how Technology innovation strategies influences the performance of Tuskys' chain of Supermarkets, to evaluate how business partnerships strategies influences the performance of Tuskys' chain supermarkets, as well as to examine how Market penetration strategies affects performance of tuskys' chain of supermarkets.

4.4.1 Diversification Strategies and Performance of Tuskys' chain of supermarkets.

The first objective focused on finding the effect of diversification strategies on performance of Tuskys' chain of supermarkets.

Table 4.2 Diversification Strategies and performance of Tuskys' chain of supermarkets.

Statement	VL		L		N		H		VH		Mean	Std. Dev.
	F	*%*	*F*	*%*	*F*	*%*	*f*	*%*	*F*	*%*		
The rate of meeting the international standards with diversification on the supermarket and its performance	33	41..25	25	31.25	5	6.25	10	12.5	7	8.75	3.0	1.4
The rate your retail chain supermarket towards the	9	11.25	4	5	7	8.75	39	48.75	21	26.25	2.7	1.5

use product attributes of branding on supermarket and performance												
Tuskys'chain supermarket use of Brand and product extensions in promoting their products hence leading to increased performance.	6	7.5	10	12.5	4	5	45	56.25	15	18.75	3.2	1.0
The rate of contribution of quality assurance department towards organization performance.	4	5	8	10	12	15	18	22.5	38	47.5	3.1	1,4
We have different branding for the products	27	33.75	15	18.75	13	16.25	9	11.25	16	20	3.2	1.1
We rename our products for purpose of quality	13	16.25	8	10	6	7.5	20	25	33	41.25	3.0	1.3
We offer synergistic diversification by adding products regularly	7	8.75	9	11.25	7	8.75	19	23.75	38	47.5	2.6	1.2
Average	99	17.67	79	14.1	54	8.75	160	28.57	158	30	2.54	

Source: *Survey data (2019)*

From the results above it is evidenced that most of the respondents indicated that the rate of meeting the international standards with diversification on the supermarket and its performance is very lowly as portrayed by 73% where 41.25% indicated very lowly 31.25% indicated lowly, 6.25% rated normal whereas 21 geared very high. The statement has a mean of 3.0 and a standard deviation of 1.4 which was a great extends as per the measurement scale. The study indicated the average weighted mean for meeting international standard was 3.0. This implies that the supermarket didn't focus on meeting on international standards. Rose (2010) argues that various forces related to industrialization, globalization and standardization have contributed to an increase in the resource and skills need. Globalization creates an opportunity for the movement of innovative skills in various parts of the world at a low cost. Standardization and industrialization on the other hand creates an opportunity to alter the products and enhance processing mechanisms at reduced costs.

On the second statement that the rate your retail chain supermarket towards the use product attributes of branding on supermarket and performance 55% rated very high, 16.5 rated lowly while 8.75 rated normal. The mean of 2.7 and standard deviation of 1.5 was drawn from the statement. The research noted the average weighted mean for use product attributes of branding of supermarkets was 2.7 that translate a great extent as per measurement scale; this implies that the company is focused in the usage of product attributes of branding of products in supermarket. This is agreement with (Surechchandar *et al.,* 2011) Strategic management practices offer to organizations plans and procedures geared to, in the long-run, improving organizational performance to which quality is tied. Prominence is strongly allocated to the need for strategic planning developments that are premised on quality and its management.

On third statement Tuskys' chain supermarket use of Brand and product extensions in promoting their products leading to increased performance most of the respondents rated very high while 17% rated lowly. The statement has a standard deviation of 1.0 and mean of 3.2. The research revealed that translates to great extent in measurement scale; this implies organization focused on increase of uses of product extensions in promoting products that will lead to increase of sales. Vorley and Tickle, (2011) asserted that conventionally, quality was labeled as measurable extent to that a service or product met consumers' expectations but they however noted also that customers in some way determined quality based on their view and experience with the product. This result was also concurred with by customers through the customer satisfaction survey

On the other hand majority of respondent's rate of contribution of quality assurance department towards organization performance rated very high as represented by 70%, whereas 15% of the respondents rated very slowly. The statement has a standard deviation 1.4 and mean of 3.1. The research revealed that the weighted mean of quality assurance department of 3.1 that translates to great extend according to scale of measurement. This means that the quality assurance increases performance of supermarket to large supermarket. The study is in agreement by Luo (2012) Institutions have helped in promoting adaptability to the new environments and in maintaining efficient and effect change management.

On fifth statement we have different branding for the products most of the respondents rated lowly as indicated by 62%, while 31% rate very high followed by those who rate normal as presented by 16.25%. The statement has standard deviation of 1.1 and mean 3.2 that translate very low extend according to measurement scale. It implies the supermarket has low different branding for the products, this to maintain

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the quality and product brand of the customers and control the customer base, this help the company to build a loyal base. The findings are in line by Warner (2013) for business to have a very critical success the company should deliver a quality service to customers.

When asked if, the supermarket renames products for purpose of quality, the respondents indicated on the statement that rated very high 66.25%, 26.25 rated lowly while 7.5 rated normal. The statement has a standard deviation of 1.3 and mean of 3.0. The study noted that the average weighted mean for renaming of the products was 3.0 which translate to great extend. The study also noted from secondary data that it has large products that are renamed in order to increase sales and diversity of the products. This is spoken of in literature considering the assertion that there is the need to always engage in an innovation process that must be tailored to offer a solution to the company for, creativity, growth and sustainability (Wooldridge and Floyd, 2011).

On last statement that we offer synergistic diversification by adding products regularly the high number of the respondents rated very high 70.80%, 20% lowly rated whereas 8.75% indicated normal. The statement has a standard deviation of 1.2 and mean 3.6 The study noted that the average weighted mean for offering synergistic diversification is 3.6 which translate to great extend according to measurement scale, that implies diversification strategies have influence on overall performance of the company. This implies that marketing of the new products to the market industry. This is in line with Uyarra and Oakey (2012) asserted that diversification in different sectors creates more synergies which leads to increased organizational performance. Furthermore the academic entrepreneurs develop diversification strategies that help in generating synergies between multiple academic entrepreneurial activities.

4.4.2 Technology Innovation and Performance of Tuskys Chain of Supermarket.

The second objective of the research study was to find the effect of Technology innovation on Performance of Tuskys' chain of supermarket.

Table 4.3Technology Innovation strategies and performance of Tuskys chain of supermarket

Statement	VL		L		N		H		VH		Mean	Std. Dev.
	F	*%*	*F*	*%*	*F*	*%*	*F*	*%*	*F*	*%*		
The idea creation and innovativeness that has led to increase of performance in the supermarket	7	8.75	10	12.5	6	7.5	20	25	33	41.25	3.0	1.2
The influence of E-commerce has led to increasing of revenue sales of supermarket.	7	8.75	6	7.5	7	8.75	39	48.75	23	28.75	2.9	1.4
The processes and the systems are adequately supported By ERP in the supermarket and influences on performance.	7	8.75	12	15	6	7.5	42	52.5	13	16.25	3.2	1.0
There is support from top leadership on	6	7.5	9	11.25	8	10	17	21.25	40	50	2.7	1,2

Technology innovation in the supermarket.											
The staff is trained to use E-commerce usage that leads to increase of sales revenue in the supermarket.	14	17.5	9	11.25	4	5	20	25	33	41.25	3.1	1.0
Total (//Average)	41	10.25	46	11.5	31	7.75	158	33.5	141	35.5	2.98	

Source: *Survey data (2019)*

From the findings the study respondents were asked to indicate how the idea creation and innovativeness that has led to increase of performance in the supermarket influence the general performance of the firm. Majority of the respondents rated very high as presented by 66.25%, 20.80 rated very low, while 7.5 rated normal. The statement has standard deviation of 1.2 and a mean of 3.0. The study noted that the average weighted mean of idea creation and innovativeness of 3.0 that translate great extent accordance to measurement scale; this implies that the supermarket has idea creation and innovating technologies that have helped to run organization effectively. It is also a strategic management practice that scholars have argued is exerting but necessary for the improvement of quality and overall performance*(*Burke & Litwin, 2011*)*. On the second statement that the influence of E-commerce has led to increasing of revenue sales of supermarket majority of the respondents 75.50%, 15.80 rated lowly, whereas 8.75 rated normal.The statements has standard deviation of 1.4 and mean of 2.9 which implies that from our study that organization uses various E-

commerce systems in serving and managing customers of supermarket industry. Furthermore this has led to increase of Sales revenue. The findings from Kurnia*et al*., (2014) significance influence of environmental pressure on the adoption of various electronic commerce technologies. The research further says organizational and national readinesses have different influence across diverse Electronic commerce technologies, while the influence of industry readiness is shown to be insignificant.

On the third statement that the processes and the systems are adequately supported By ERP in the supermarket and influences on performance 68.80% of the respondents rated very high, 23.75 %rated lowly, while 7.5% rated normal. The statement has standard deviation of 1.0. and mean of 3.2. This was great extent accordance to measurement scale; this implies, organization supports the processes and systems by ERP in the supermarket hence improving the performance. Basically, notwithstanding the fact that supermarkets had formed an incentive for real provision of products, that had not automatically translated into high efficiency of the said processes. This is spoken of in literature considering the assertion that there is the need to always engage in an innovation process that must be personalized to provide the necessary solutions for creativity to increase growth and create organizational sustainability (Wooldridge and Floyd, 2011).

Furthermore 71.25% rated that there is support from top leadership on Technology innovation in the supermarket, while 18.30 rated lowly while 10% rated normal.The statement has standard deviation of 1.2 and mean of 2.7 that translate to great extent as according to measurement scale; this implies the firm's top leadership provides strategic plan towards technology innovation, hence it promotes creativeness and innovation. Our research is in agreement with Pikkarainen *et al* (2011) asserted that innovation has gained a lot of fame and organizations are finding ways to become

innovative. Most organizations in the current market are seeking to employ innovative managers who can bring innovative ideas to the organization. Schools and colleges are focusing on innovative trainings to produce innovative graduates. With the application of innovative ideas, organizations will be able to increase their organizational performance.

On last statement 66.25% of the respondents rated very high, 28.30% rated very low and 5% rated normal that the staff have knowledge and skills in E-commerce that has led increase of sales revenue in the supermarket. The findings portray that technology together with innovation plays a crucial role as far as performance of the organization is to be realized. The statement has standard deviation of 1.0 and a mean of 3.1. Which thereby translate to great extent according to measurement scale, this indicates that firm has focused train the employees in order to gain skills and knowledge that are essential in improving the performance. The findings concurs with Kelerman (2009) observed that there is a need for organizations to increase the level of awareness in implementation to include better training schedules. Organizations should have a consistent training activity for its employees. Training should be carried out at specified times and not during implementation stage. The organization should provide sufficient induction to the new employees and provide refresher courses at regular intervals to ensure that workers know what to do. Again, this is agreement to literature with McNamara (2011) explaining that training has an important impact as it influences the way which humans behave. Training contributes to other benefits to the organization such as improved motivation and job satisfaction. With sufficient job satisfaction, employee morale improves and leads to better performances. Quality practices entail consistent training to increase quality performance. Organizations that have invested in training have better and advanced quality performance. Moreover,

the last result shows that training offered in the supermarkets did not assist in making

capabilities match with vision.

4.4.3 Business Partnerships and Performance of Tuskys Chain of supermarkets.

The third objective of the research study was to find the effect of Business partnership

strategies on performance of Tuskys chain of the supermarkets.

Table 4.4.Business Partnerships strategies and performance of Tuskys chain of supermarket

Statement	VL		L		N		H		VH		Mean	Std. Dev.
	f	*%*	*f*	*%*	*f*	*%*	*F*	*%*	*f*	*%*		
The Extent that you will rate your organization involvement with Business partners.	5	6.25	11	13.75	5	6.25	23	28.75	36	45	2.9	1.2
The rate which joint ventures practices is carried in the supermarket.	7	8.75	8	10	5	6.25	40	50	24	30	3.0	1.1
The rate that Franchising of your products is mostly done locally	43	53.75	13	16.25	4	5	9	11.25	11	13.75	2.7	1.4
How would you rate the partnership with most retail stores in the country?	40	50	8	10	9	11.25	17	21.25	10	12.5	3.2	1.1

To what extent has the supermarket partnered with major distributors in locally that facilitates performance	13	16.25	10	12.5	2	2.5	21	26.25	33	41.25	3.1	1.5
The extent which Mergers and acquisitions has led to an increase of performance of supermarket.	7	8.75	11	13.75	4	5	32	40	26	32.5	2.8	1.3
The rate which strategic alliances between the other supermarkets have had impact on performance of your supermarket	27	33.75	15	18.75	18	22.5	13	16.25	7	8.75	3.0	1.2
Total(Average)	142	24.46	78	13.57	47	8.39	155	27.67	147	26.25	2.6	

Source: *Survey data (2019)*

From the above table 4.7 it is evidenced that predominant no. of the respondents 73.75% rated very high,20% rated very low,6.25 rated normal that the rate their organization get involved with Business partners. The statement has standard deviation of 1.2 and mean of 2.9. Which thereby translate to great extend according to them measurement scale that indicates the firm's has fully focused on building partnership with other retail sector in the country that include with likes of Ukwala.

The study is an agreement with Cardilohn *et al* (2005) reported that collaboration is a solution for many retailers that are struggling with inefficient practices with respect to demand management, promotional planning and inventory control.

On the second statement 80% rated very high,18.75% rated very low ,while 6.26 rated normal that joint ventures practices is carried in the supermarket. The statement has a standard deviation of 1.1 and mean of 3.0. Which thereby translates to great extend according to measurement scale, that indicates that the supermarket has fully focused on joint practices with other retail supermarkets in the industry. The study findings agree with those Inkpen (2005) found out that international enterprises would able to profit from local information that partners could provide. They reports life cycles of manufacturing of the subsidiaries are not able understand both knowledge of local culture and economy.

On third statement 25% of the respondents rated very high, 70% rated very low, while 5% rated normal that the franchising of products is mostly done locally. The statement has a standard deviation of 1.4 and a mean of 2.7. Which thereby translate to very extent as per measurement scale that implies that the company has not focused on franchising of their products locally within Nairobi City County. The study findings disagree with those of. Lee *et al*(2015) studied on association that exist among the top managers, the relationship existing between franchisors and market orientation strategies and their influence to organizational performance in the context of Korean franchisor firms. Research findings indicate that the market orientation that takes the concept of franchising has a high level of differentiation and utilizes cost strategies that help the business achieve better financial performances.

Furthermore 60%(50% rated very low,10 rated low), 33.30%(21.25% rated high 12.5% rated very high ,while 11.25 rated normal that the level of partnership with most retail stores in the country. The statement has standard deviation of 1.1 and means 3.2. That thereby translates to low extend according to measurement scale. That indicates that the supermarket has not focused on having partnership with the most retails in retail Industry. This is study is in disagreement with Grimaldi (2010) who studied on Knowledge based on inter-organizational collaborations described global competitive and its complexity of the current economic state as arriving firms to device which is quicker profitable solutions. The research study findings further indicate firms to focus on exclusive result of knowledge and capability. The exigency that exists between the business enterprises drives them to go beyond the geographical boundaries, traditional ways and organization boundaries

On fifth statement majority of the respondents 67.50% rated very high, 28.30% rated lowly while 2.5 rated normal that the level which supermarket partnered with major distributors in locally that facilitates performance. The statement has a mean of 3.1 and standard deviation of 1.5. Which thereby translate to great extent as per the measurement scale that implies that the supermarket has fully focused on partnership of with major distributors locally in order to expand their business within the County. Belik and dos Santos (2002) noted that a rise in the demand of retail products relies on factors such as quality of products, the need for convenience and a rise in the opportunity cost that comes with the entry of women in the labor force. The rise of income among households has enabled them to have a better access to vehicles and refrigeration facilities.

On sixth statement majority of the respondents as indicated by 72.5% rated very high,22.50 % rated lowly,13.7% rated normal that to the level which Mergers and

acquisitions has led to an increase of performance of supermarket. The statement has standard deviation of 1.3 and mean of 2.8. that translate to great extent according to measurement scale that indicates how the supermarket has fully focused on merging and acquisitions that would help the business to manage its levels of flexibility in terms of timing and capacity to increase growth exponentially within a short and long period. This is in line with Rogers(1984) did a study in North American supermarkets where he found out that acquisitions and Mergers are proceeding space but most importantly there is a great deal of diversification in format forms with the emergence of the membership warehouses stores and super house stores. He concludes that they are considerable similarities in the grocery industry trends in the North America and the UK.

On last statement 55.50%(33.75% of the respondents rated very low, 18.75% rated lowly,25%(16.25 rated high, 8.75% rated very high while 18.75 rated normal the strategic alliances between the other supermarkets have had impact on performance of your supermarket. The statement has a standard deviation 1.2 and a mean of 3.0. That translates to low extent accordance to measurement scale. The findings implies although partnership is key for success of any business to thrive and produce excellent performance many organization have not embraced it in their organization. The research study disagree with Numa (2013) reported that growth in branch networking was very high followed by growth in alternate business channels. Then growth in product growth in product range, product mix, agency, market share, customers loyalty & sales revenue.

4.4.4 Market Penetration and Performance of Tuskys Chain of Supermarket.

The last aim of the research was to find the effect of Market penetration on performance of Tuskys' chain of supermarkets.

Table 4.5. Market penetration strategies and performance of Tuskys chain of supermarket

Statement	VL		L		N		H		VH		Mean	Std. Dev.
	F	*%*	*f*	*%*	*F*	*%*	*f*	*%*	*f*	*%*		
What is extent do you use Advertisement in promoting the products you have in your organization?	5	6.25	12	15	4	5	19	23.75	34	42.5	3.2	1.6
The rate in which sales promotion is carried out in order to improve performance of supermarket.	39	48.75	23	28.75	7	8.75	7	8.75	6	7.5	3.0	1.1
What extent does the business use public relations in order to improve customer relationship?	4	5	15	18.75	6	7.5	39	48.75	16	20	2.7	1.0
The rate which the organization have sales people in most	8	10	11	13.75	9	11.25	15	18.75	37	46.25	3.2	1.4

branches to improve the performance of the supermarket											
Total	56	17.5	61	19.06	28	18.13	80	25	93	21.87	3.025

Source: *Survey data (2019)*

From the results it is evidenced that most of the research participants rated very high as presented by 65.80% ,21.25% rated very low and 5% the level in which they the use advertisement in promoting the products you have in their organization. The statement has standard deviation 1.6 and mean of 3.2. that translates to great according per measurement scale. That implies that supermarket uses the media like Gazette, social media to advertise their products to the consumers. The study findings agree with those Tellis (2004) who asserts that the growth in market share occurs as a result of effectively using strategies such as advertising, secure distribution channels, improved communication and enhanced promotional strategies. Efficient marketing and communication experiences challenges in almost every organization. However, proper planning and finding experienced individuals for the task can help resolve the problem. With efficient communication strategies with the customers, there will be an increase in brand awareness which contributes to increased market share.

On the second statement 57.50% of the respondents rated very low that the sales promotion is carried out to advance performance of supermarket, 15.80% rated very high, while8.75% rated normal. The statement has a standard deviation of 1.1 and mean of 3.0. Thereby it translates to medium extent according to measurement scale. That implies that supermarket uses less sales promotion methods because of its establishment of retail chain, through every major avenue in Nairobi City County. The

findings disagree with Felgate and Melane (2012) discovered that using promotional strategies in retailing has been on the rise in the current times. Additionally, organizations are producing products and implement strategies that ensure these products reach the targeted market segments.

On the third statement majority of the respondents rated that 68.75% very high, 23.75% rated very low, whereas 7.5% rated normal that the business use public relations in order to improve customer relationship. The statement has standard deviation of 1.0 and mean of 2.7. That translates to large extent according to measurement scale. That implies the supermarket uses public relations in order to improve customer relationship; this is done by addressing issues raised by consumers and always maintaining constant feedback. Hsieh and Li (2008) studied on controlling consequence of brand image to the perceptions and customer loyalty, the findings indicate that consumers' perception of an organization' public relations practice is precursor of customer loyalty. Hence the influence of public relationships and the discernment on customer allegiance is significant when there is a favorable brand image.

On fourth statement 65% rated very high followed by those who rated low 23.75% .while 11.25% the rate which the organization have sales people in most branches to improve the performance of the supermarket. The statement has a standard deviation of 1.4 and mean of 3.2. That translates to high extent according per measurement scale. This suggests that supermarket chain branches have highly invested on innovation in human effort to increase the sales on products rendered in most branches. This is spoken of in literature considering the assertion that there is the need to always to have salespeople. Training on specific methods that focus on customized selling can help to enhance organizational performance. Additionally, selling

products while focusing on the needs of the customers will positively influence organizational performance. Creating a good relationship between the customers and the sales force will also contribute to enhanced organizational performance (Ruiz*et al.,* 2002).

The findings imply that market penetration is the key is determining the performance of the firm as far is concerned, however companies has done very little in terms of market penetration as well as marketing their product in bid of refining the general performance of the company.

4.4.5 Performance of Tuskys' chain of supermarket

The Performance of Tuskys chain of supermarkets comprises the dependent variables.

Table 4.9 results are seen below;

Table 4.6 Performance of Tuskys chain of supermarket

Statement	VL		L		N		H		VH		Mean	Std. Dev.
	F	*%*	*F*	*%*	*F*	*%*	*F*	*%*	*f*	*%*		
They have been increase in sales recently due to market penetration	6	7.57	11	13.135	7	8.75	21	26.25	31	38.75	3.3	1.1
The supermarket uses current technology to increase the quality of our food products	7	8.75	8	10	7	8.75	38	47.5	22	27.5	2.9	1.0
The level ofsustainability over the past year has been incredible due to mergers and other retail industry.	42	52.5	13	16.25	6	7.5	7	8.75	12	15	3.0	1.2

The rate of the sales revenue has been shooting up for longer period of time due to diversification of the products.	9	11.25	6	7.5	4	5	20	25	41	51.25	2.7	1.1
The level of new brands on the product has led to increase of profitability.	33	41.25	16	20	8	10	10	12.5	7	8.75	3.3	1.0
Total	93	24.26	54	15.98	32	40	30	24	104	28.25	3.04	

Source: *Survey data (2019)*

From the findings above most of the research respondents indicated rated very high 65 %(38.75 very high, 26.25 high, while 20.10%(13.5 rated low ,7.5) rated very low and 8.75% rated normal that they have been increase in sales recently due to market penetration The statement has standard deviation of 1.1 and mean of 3.3. Thereby that translates to great extent accordance to measurement scale. That implies that supermarket chain industry has focused on Market penetration that leads to increase of sales of products hence increase performance of supermarket. This study is in agreement with Alvarez and Casielles (2005) found out that legitimately executed sales increase methods which help retailers to help to urge clients to disparage their stores in order to experiment with the items and the administrators being advanced, consequently it will help the retailers and the producers to accomplish their targets

On the second statement majority of the respondents rated 54.10% rated very high, 17% rated very low and 8.75 rated normal that the supermarket uses current technology to increase the quality of our food products. The statement has standard deviation of 1.0 and mean of 2.9. Thereby it translates to great extent accordance per measurement scale. That indicates that supermarket has majorly focused on Technology innovation that includes Quality management systems to improve performance of the organization. This idea agrees with Pikkarainen *et al* (2011) who asserted that innovation has gained much significance for businesses that need to grow and survive in the current economic times. Therefore, most businesses have shifted on the employment strategy and they now focus on finding innovative managers who can help in transforming their businesses. Schools and universities have also established innovative strategies in the teaching models to make innovative

graduates. With changes in technology, there has been an advanced level of innovation development in the technological industry.

On third statement predominant number of the respondents rated 68.30% rated very low, 23.75% rated very high while 7.5% rated normal that the level of sustainability over the past year has been incredible due to mergers and other retail industry. The statement has a standard deviation 1.2 and mean of 3.0. Thereby that translates to great extent accordance to measurement scale. That implies that supermarket has majorly focused on merging with other retailers that has led to sustainability of great heights of the supermarket. This again implies that there were efforts to be innovative in the supermarkets to enhance quality of food products. Rose (2010) argues that various forces related to industrialization, globalization and standardization have contributed to an increase in the resource and skills need. Globalization creates an opportunity for the movement of innovative skills in various parts of the world at a low cost. Standardization and industrialization on the other hand creates an opportunity to alter the products and enhance processing mechanisms at reduced costs

On the fourth statement majority of the respondents rated very high 76.25% followed by those who rated very low as indicated by 18.30% and 5% for those rated normal that the rate of the sales revenue has been shooting up for longer period of time due to diversification of the products. The statement has a mean 2.7 and standard deviation of 1.1. Thereby that translates to great extent according to measurement scale. That suggests that supermarket has majorly focused on diversification of the products that is leading to increase of the sales revenue. The study is in agreement with those of Escuer and Aleson (2005) who discussed the effect of product diversification strategy on corporate performance of 103 large non - financial Spanish companies. Findings show that firms that are at the intermediate level of production

and diversification perform better while companies with lowest levels of diversification have low performance rates.

On last statement majority of the respondent's majority of the respondents rated very low as indicated by 61.25%, 20.80% rated very high while 10% rated normal that the level of new brands on the product has led to increase of profitability. The statement has standard deviation of 1.0 and mean of 3.3. That translates to great extent according to the measurement scale. Hence indicates that supermarket introduction on new brands has led to increase of sale of the most products in shelves hence profitability is maximized. The study is in agreement with Cronin (2012) studied on examination on relative impact of growth strategies on profit performance, the findings on the research on marketing strategies have a profit performance as opposed to strategic debt utilization, asset management and margin management and the structural approaches are used to assess areas that deserve the greatest attention in the process of making strategic decisions.

4.5 Regression Results

The study applied a regression model in establishing the statistical association that exists between the independent and dependent variable. The model focused on the R^2 value, ANOVA and regression coefficients (Beta).

Table 4.7: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.908[a]	.817	.823	.035

Source: *Research (2019)*

The above table 4.7 presents model summary. The table results shows diversification strategies, technology innovation, business partnerships and market penetration have positively and statistically significant link with performance of Tuskys' chain of supermarkets as enacted by Pearson Correlation, value of R=0.908, the proportion of variance is explained by multiple regression models is by R squared=0.817. that represents proportion of 82.7 per cent of variable under study.

Table 4.8: ANOVA table

Model	The Sum of squares	Df	M. square	F	Sig
Regression	1.065	4	.266	18.545	.000
Residual	17.729	95	.187		
Total	18.794	99			

The study utilized Analysis of Variance (ANOVA) in testing the goodness fit of the model and its major significance of the association that exists between variables at a 5% significance level. To determine whether the model was fit for the collected data, analysis of Variance was used. According to the study finding, p-value was 0.000 which is less than 0.05 and the model used was proved to be reliable in how the independent variable (Diversification strategies, Technology innovation strategies and market penetration) influence the performance of Tuskys chain of supermarkets. Further, the F-calculated (18.545) was more than the F-critical (2.46) which means that this model was fit in looking into the effect of the diversification strategies, technology innovation, and Business partnerships on performance of Tuskys chain of supermarkets.

Table 4.9: Regression Model coefficients

Model	Unstandardized Coefficients	Standardized Coefficients	T	Sig.	
	B	Std. Error	Beta		
(Constant)	.116	.078		1.487	.002
Diversification strategies	.330	.053	.511	6.226	.000
Technology innovation strategies	.421	.049	.691	8.592	.000
Business partnerships strategies	.219	.036	.317	E.083	.001
The market penetration strategies	.235	.051	.712	6.613	.0002

Table 4.8 presents the regression coefficient from the study. The outcomes show that the association between the diversification strategies, the technology innovation strategies, the business Partnership strategies and the Market Penetration strategiesand organisation performancewas positive and statistically significant. There was a positive relationship which implied that a positive change in the factors leads to increase in organizational performance.

In order to identify the relationship between performance of organization and the diversification strategies, technology innovation, business partnerships and market penetrationperformance, the researcher did a multiple regression analysis.

The regression equation

$(Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + e)$ It now becomes

$Y = 0.116 + 0.330X_1 + 0.421X_2 + 0.219X_3 + 0.235X_4 + 0.05$

Based on the regression equation and taking the study constant, and placed at zero, organisation performance would be 0.116 indicating that with the absence of diversification strategies, 11.6% of organisation performance is influenced by other factors that this study has not considered.The findings of 33% of the organisation performance can be explained into detail by a unit change in the diversification strategiesand has a P-value of 0.000 which is less than 0.05 standard value implying that the diversification strategies is positively and statistical significantly related to organisation performance. The findings agree with those by Arasa (2014) who found that diversification positively influences the performance of KCB group. With an increase in income from diversification practices, the total profits from banks also increase.

On the technology innovation strategies, the model showed that the regression coefficient for the variable was 0.421 and that implies that 42% of the organizational performance can be explained by a unit change in technology innovation strategies. The p-value was 0.000 which is less than the 0.05 standard p-value that implying that non-financial services are significantly and positively related to the organization performance. The finding are in line with Wanjiru (2018) who recommended that supermarket in Nairobi should embrace technology as well as innovation to its business process which in turn will not only cut cost but also increase the company performance. Creating credit and financing opportunities as well providing raining services to entrepreneurs on ventures to adopt for business can enhance the growth and performance of SMEs.

This model further shows that 21.9% of the organizational performance can be better explained by a unit change in the business Partnership strategies. The P-value for variable was 0.001 which is less than the 0.005 standard value implying that the business Partnership strategies positively and statistically significantly related to organizational performance of Tuskys' supermarket The finding were on agreement with those of Kibet (2014) who concluded that Strategic Partnership and Information technology adoption have significant influence in the way Tuskys chain of supermarkets perform.

Moreover, the model further shows that 23.5% of the organizational performance can be explained by a unit change in the market penetration strategies since the P-value for the variable was 0.002. This value is less than0.05 standards value and therefore implies thatthe market penetration strategiesis have a positive and statistical significance to organizational performance of Tuskys' supermarket. The findings agree with those of Mwiti(2011) that concluded   the company has managed to compete well with communication industry by adopting market penetration strategies.

CHAPTER FIVE

SUMMARY OF FINDINGS CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

The chapter looks on the summary of the research study findings according to study objectives. From the findings and conclusions were drawn. The recommendation was drawn from research findings, where they are much relevant for practice and policy. Lastly it looked on suggestions on further studies where the academicians and scholars will look at.

5.2 Summary of Findings

The research was to establish the impact of the growth strategies and organization performance of Tuskys chain of supermarkets. As per objective of the study, the findings are discussed below.

The first objective was to analyze the impact of diversification and organization performance of Tuskys chain of supermarkets. The results indicates that the supermarket have ventured into fully product diversification which has led increased growth of Tuskys chain of supermarket. The respondents agreed that the organization meets international standards when packaging and have different packages for their products. The respondents agreed that organizations E-commerce through ERP has a major influence on performance of Tuskys supermarket. Few of the respondents agreed that organizations have quality of assurance department and the chain supermarkets have modern equipment that helps in performance of Tuskys chain of supermarket. The respondents agreed there is investment of Technology in systems and processes. Regression &correlation results indicate that (beta=0.511, p value-

0.000) which identifies their significance and great positive between Organization performance and diversification of Tuskys chain of supermarket.

The second aim of the research was to investigate the effect of technology innovation and performance of Tuskys chain of supermarkets. The study findings indicate that technology is the main key driver in determination of the performance of Tuskys supermarket. The respondents agreed that the Employers have a centre for idea generation and innovation. They also agreed that their staffs are trained to use the E-commerce, hence innovation equipment meet the international standards and the top leadership supports the technology and innovations. The correlation and regression results are as (p value=0.0000, beta=0.691) that proved there is significant and positive relationship between technology innovation and performance of Tuskys chain of supermarkets.

The third aim was to investigate the influence of Business partnerships on performance of Tuskys chain of supermarket. The respondents partially agreed that they form partnerships with interested business partners while few disagreed. They agree that the company have joint ventures in licensing, franchising and other distributors in Organization. The respondents also agreed that the organization participates in mergers and acquisitions while others disagreed on the same. They also partnered with most of the retail stores in City, they also licensee of their product on strategic alliances with other supermarkets. According to correlation and regression results (p value=0.0000, beta=0.317) which indicates there is a positive and significant relationship between business partnership and performance of Tuskys chain supermarket.

The fourth aim of the research was to analyze the effect of market penetration on performance of Tuskys chain of supermarket. The research findings indicated that market penetration is key determining performance of the Company. The respondents agreed that the products are promoted through advertisement and sales promotion which are highly carried out to market the company products. The respondents also pointed out that customer relationship is improved through public relations and the branch normally works with government agencies for clearance for their business. The finding from the study indicated that 70% of respondents in Tuskys supermarkets were highly motivated by endorsers in communication and promotion advertisements. The respondents also agreed that most products can easily be located and most visible in most branches, and their products have been improved to increase the sales. Further on the study the Supermarket offers better products with lowering of prices and offering product usage training and discounts to the product. The correlation and regression results (P-value=0.000, beta=0.712) indicates there is positive and significance relationship that is with market penetration strategies and organization performance of Tuskys company.

5.3 Conclusions

In explaining the performance of Tuskys supermarket, the study of diversification was found to be statistically significant. Hence the research concludes that there is a high level of diversification on the performance of Tuskys supermarkets, was supported by respondents that agreed that they have different diversification in organization like branding of product attributes, synergistic diversification and renaming of their products for the purpose of the quality. The research therefore can conclude that the management in order to increase the performance the organization should venture into

product diversification. This can be enhanced through ensuring the company to have packaging, repricing standards that meet international standards.

The research concludes further that the Tuskys chains of supermarkets had a quality assurance department and have different product qualities for markets. It was highly ranked by the respondents who agreed they have quality assurance department and their products quality meets the international standards. Hence this leads reaching various customers hence creates increase of sales

The study of technology innovation was found to be statistically important in increasing the performance of Tuskys chain of supermarket in Nairobi city. Technology has been listed as lifeline of a success company that does efficiency operations. The company investment on ERP which is management information system facilitates the flow of the information. By embracing the technology has led to doing business online which is faster and easier to use of new technological changes. With help of top level management which allocates resources to technology has been a huge lift to the performance of supermarket, hence the improve of market sales was due to high technology innovation in the Organization. Hence this leads to competitive advantage over its rivals which enhances profits, customer satisfaction, market share and sales growth. In order to pursue efficiency of supermarket chains in industry should continue to update technology and equipments.

Business partnerships from the findings are statistically while explaining the performance performance of Tuskys chain of supermarket. The research concludes that Tuskys supermarket has formed partnerships with other companies in Chain industry which have the experience and knowledge with other markets can have results from such arrangements. They are various benefits a company gains can lead to form long term trustworthy relationships such as communication is enhanced and

development of interpersonal ties leads to increased market information to be widely shared between the parties involved. The parties 'objective are easily understood in the relationship and thus provides opportunity to expand the relationship as whole.

The research therefore concludes that the companies should embrace and engage in business partnerships as a means in improving reputation and credibility. The study also highlighted that business partnership in Tuskys supermarket need to be more ventured and exploited into fully, this was agreed by the respondents that retail stores should be increased through partnerships. Therefore, the management should able to establish a framework to assist in indentifying the right partners in key foreign chain industry.

The research is able to conclude that market penetration is statistically significant in explaining the performance of Tuskys chain of supermarket. The research finding indicates that the industry has good marketing strategies and promotional mixes so as to aid in penetrating in the market industry. Hence the research study concludes that the Tuskys supermarket should do more research on best promotional and marketing mixes to venture and embrace the performance. Hence will assist in making the products are well packaged and presented in their retail shelves as a way of building visibility and image. The Chain industry should adopt or invest in marketing and promotion so as to know other relevant information on strategies from other firms in same industry. Advertising is integral in quality of product that leads to increased in brand equity. From the study it's clear that chain supermarket need to have adequate international marketing on penetrating into local and international market.

The conclusion from the study of Tuskys supermarket management has its way of winning strategies this by targeting the middle class. The supermarket has been

increasing supermarket chain all over the country for their friendly prices than their competitors. The supermarket has been resilient and its brand has been increasing consequently creating different distributors and rapid growth portfolio of 63 chain supermarkets all over the Country. The supermarket has put a lot effort in quality products and has got good growth strategies in form Diversification, technology innovation, Business partnerships and Market penetration. The study concludes that great value has been created due to good strategies laid by the management

5.4 Recommendations.

The study found Diversification is significant in explaining on performance of organization. The study therefore recommends that Tuskys chain of supermarket to adopt more on product diversification in order to increase their product range. This will help the chain industry to grow drastically into international stage hence increasing its revenues.

The technology innovation is significant in explaining the supermarket performance as technology is revolution in the world in all faculties. The management of Tuskys chain of supermarket should enhance the use of technology in all of its areas of their operation. The government should support the chain industry by reviewing the taxes in order to ensure that the chain industry is flourishing in providing quality products.

Business partnership is recommended in this study enhanced to ensure the company expanding almost to every region of target market. The management should ensure that set policies and regulations can stabilize the business environment and lower cost of doing business. The management should also collaborate with government and other policy makers so that they can promote international markets through drafting the agreements with other chain industry internationally. The study recommends that

for the chain industry to market their commodities, they should continuously practice licensing so as to improve their capability. The Joint ventures need to be continuously optimized in accessing new technology, core competency, specialized and access to emerging chain industry.

Market penetration should be enhanced by the chain industry management so as to improve the company. For the organization to survive and prosper in this drastic changing environment, it should strive to meet customer's diverse preferences and needs. Therefore the organization should implement the best market penetration strategies and take initiative in regard having competition from the rivals. For the competitiveness in chain industry to improve, the government needs to create conducive environment for business growth. The government should assist in packers in branding and distribution strategies which can help to promote the chain industry and forming global agencies.

5.5 Areas for further Research

The research study only focused on effect of growth strategies and organization performance of Tuskys chain of supermarket. Another further research study could be done to critically analyze factors affecting the adoption of technology innovation in Naivas supermarkets in Kenya. An in-depth study sector differences between different competitors should be necessary.

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APPENDIX I: COVER LETTER

Brian Atuti Ogero,
Kenyatta University,
Department of Business Administration,
P.O Box 43844
Nairobi

Dear Respondent,

RE: PARTICIPATION IN RESEARCH

I wish to carry out a study on growth strategies and performances of Tuskys' chain of supermarkets in Nairobi City County, as the partial fulfillment of requirements for the award of Masters of Business Administration at Kenyatta University.

I request your cooperation to fill in this questionnaire as honestly and accurately as possible. For the study to successful it needs your total support and cooperation. The questionnaire attached its only purpose of the study, therefore the feedback and responses shall be absolutely confidential and will take a form of a survey. You are not required to give your name. Please complete all sections as part of your input and support.

Thanks for support

Yours faithfully,

Brian Atuti Ogero

GROWTH STRATEGIES AND PERFORMANCE OF TUSKYS' CHAIN OF SUPERMARKETS

Section A. General Information

Please fill all the questions by ticking in spaces provided.

1. **Age**
   a) 18-25{ }
   b) 26-35   { }
   c.) 36-45   { }
   d.) 46-55   { }
   e. Above 55   { }

2. **Gender**

a. Male   [   ] b. Female   [   ]

3. **High level of education attained**

a. Diploma   [   ]

b. Bachelors   [   ]

c. Masters   [   ]

d. Doctorate   [   ]

e. Others (please specify)…………………………

4. **Years of experience in retail industry?**

a. less than 3 years   [ ]

b. 3-5 years   [ ]

c. 6-10years   [ ]

d. More than 11 years   [ ]

5. Position in the organization

a. Board of directors   [ ]

b. Middle level management   [ ]

c. General staff   [ ]

d. Senior Management   [ ]

B: GROWTH STRATEGIES

SECTION B: Diversification and performance of Tuskys chain of supermarkets in Nairobi City, County Kenya.

This section below covers questions on the effect of Diversification on performance of Tuskys chain of supermarkets.

Please tick your response below per each question asked

Where rates are given as 1=very low, 2=low, 3=normal, 4=high, 5=very high

Activity/Rate	Very low(1)	Low (2)	Normal (3)	High (4)	Very high (5)
The rate of meeting the international standards with Diversification on the supermarket.					
The rate your retail chain supermarket towards the use product attributes of branding on supermarkets.					
Tuskys' chain supermarket use of Brand and product extensions in promoting their products hence leading to increased performance.					
The rateofcontribution of quality assurance department towards organization performance.					
We have different branding for the products					
We rename our Products for purpose of quality					
We offer synergistic diversification by adding products regularly					

Section B: Technology innovation and performance of Tuskys chain supermarkets in Nairobi City, County Kenya.

This section questions on the effect of Technology innovation on performance of Tuskys' chain of supermarkets.

Kindly tick your response for every question in the boxes below.

Activity/Rate	Very low(1)	Low (2)	Normal (3)	High (4)	Very high (5)
The idea creation and innovativeness that has led to increase of performance in the supermarket.					
The influence of E-commerce has led towards increasing of revenue sales of supermarket.					
The processes and systems are adequately supported by ERP in your supermarket and its influence on performance.					
There is support from top leadership on Technology innovation in the supermarket.					
The staff is trained to use E-commerce usage that has led to increase of sales revenue in supermarket					

Where rates are given as 1=very low, 2=low, 3=normal, 4=high, 5=very high

SECTION C: Business Partnerships and performance of Tuskys' chain of supermarkets in Nairobi City, County Kenya

This section below covers questions on the effect Business Partnerships on organization performance of Tuskys' chain of supermarkets in Nairobi City, County Kenya.

Activity/Rate	Very low(1)	Low (2)	Normal (3)	High (4)	Very high (5)
The extent that you will rate your organization involvement with business partners.					
The rate Joint ventures practices are carried in the market.					
The rate that franchising of your products is most done locally.					
How would you rate the partnership with most retail stores in the Country?					
To what extent has the supermarket partnered with major distributors in locally that facilitates organization performance?					
The effectiveness of the licensing in your supermarket towards achieving organization performance.					
The extent or mergers and acquisitions have led to increase of the performance of supermarket.					
The rate which strategic alliances between other supermarkets					

Where rates are given as 1=very low, 2=low, 3=normal, 4=high, 5=very high

SECTION D: Market penetration and performance of Tuskys' chain supermarkets in Nairobi City, County Kenya.

This section below covers questions on the effect of Market Penetration on organization performance of Tuskys' chain of supermarkets in Nairobi City, County Kenya.

Kindly tick your response for every question in the boxes below

Where rates are given as 1=very low, 2=low, 3=normal, 4=high, 5=very high

Activity/Rate	Very low(1)	Low (2)	Normal	High	Very high
What is extent do you use Advertisement in promoting the products you have in your organization?					
The rate in which sales promotion is carried out in order to improve performance of supermarket.					
What extent does the business use public relations in order to improve customer relationship?					
What is rate in which the branch works closely with government agencies for promotional of the products sold?					
The rate which the organization have sales people in most branches to improve the performance of the supermarket					

APPENDIX 5: LIST OF TUSKYS CHAIN OF SUPERMARKETS IN NAIROBI

Activity/Rate	Very low(1)	Low (2)	Normal	High	Very high
They have been increase in sales recently due to market penetration					
The net profit has increased significantly due to use of the technology while the customers					
The level of sustainability over the past year has been incredible due to mergers and alliances of other retail industry.					
The rate of the staff size has increased rapidly due to expansion.					
The level of the sales revenue has been shooting up for longer period of time due to Diversification of the products.					
The level of new brands on the products has lead to increase of the profitability.					

SECTION C: PERFORMANCE OF TUSKYS CHAIN OF SUPERMARKETS

1	Tuskys Adams	Ngong Road/ Woodley City
2	Tuskys BebaBeba	Mondlane Street In Cbd
3	Tuskys Chap Chap	MuindiMbingu Street In CBD
4	Tuskys City Stadium	Along Jogoo Road
5	Tuskys Eastleigh	General Waruingi Street Or Eatleigh 1st Avenue
6	Tuskys Eastlands	Buruburu Along Mumias Road
7	Tuskys Embakasi	Along Embakasi Road
8	Tuskys Express	Along Sheikh Karume Road
9	Tuskys Greenspan	Dolhom
10	Tuskys Hakati	Junction Of Mfangano Street And Hakati Road
11	Tuskys Haile Selassie	Along HailleSellassieAvenue
12	Tuskys Imara	Junction Of Tom Mboya Street Accra Road
13	Tuskys Jirani	Along Kangudo
14	Tuskys Karasha	Along Kenyatta Avenue
15	Tuskys Libra	Along Mombasa Road

That marks the end of the Questionnaire. Thank you for your time, kindness and participation.