The research was investigating the industry competitiveness in bus transport companies in Kenya and its effect on the types of strategies formulated. Though transport plays a key role in economic development in any country, little research in the business field has been done particularly on bus transport operations. The objective of this study was to investigate the industry competitiveness in bus transport companies in Kenya and find out its effect on the types of strategies formulated. There are various stakeholders mainly bus transport companies, Government institutions especially Ministry of Transport and Local Authorities, members of public and the academic fraternity who will benefit from this study. A population of seventy five respondents drawn from different bus companies comprised of chief executives and branch managers was selected. Chapter one creates a general overview of the study and its importance. Chapter two covers the literature review. Chapter three provides the research methodology used in the study so as to achieve the objectives. Chapter four presents the data analysis and results with chapter five giving a summary of findings, conclusions and recommendations. To carry out the research, descriptive survey design was adopted. Data collection was by means of questionnaires.