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ABSTRACT

The study aimed to examine the effect of generic strategies on performance of Kenya breweries Limited Nairobi Kenya. The specific objectives were; to examine the effect of cost leadership strategy, differentiation strategy and focus strategy on the performance of Kenya breweries limited Nairobi Kenya. The scope of the study was Kenya Breweries Limited Company located in Nairobi Kenya The study was guided by porters competitive advantage theory, resource based theory and dynamic capability theory. This investigation utilized a descriptive research design. The study targeted 260 employees from Kenya breweries limited company. Simple random sampling method was utilized to get a sample of 78 that represents the total population of 260 employees. Questionnaires were employed to get information from the respondents. Data validity was verified using Cronbach| Alpha of at least 0.70 level of validity. SPSS version 27 was utilized to assess the data, which was then demonstrated in tables and figures. The study found that there was a strong and positive correlation between cost leadership strategy (β=0.0521, p= <0.05), differentiation strategy (β=0.1064, p= <0.05) and focus strategy (β=0.2305, p= <0.05) and the performance of Kenya Breweries Limited in Nairobi, Kenya. The study concludes that cost leadership strategy allows the company to offer its products at lower prices than its competitors which help the Kenya Breweries Limited attract more customers and increase its market share. Differentiation strategy leads to increased customer loyalty and brand recognition which result in higher sales volumes and increased market share, ultimately leading to improved operational outcomes. The company aims to improve its overall performance and achieve sustainable growth in the competitive beverage industry by focusing on specific goals and objectives. The study recommends that the KBL should focus on optimizing their supply chain to reduce costs which may involve negotiating better deals with suppliers, implementing efficient inventory management systems, and improving logistics and distribution processes. Kenya Breweries Limited should invest in research and development to create unique and innovative products that cater to specific customer needs and preferences. The company should tailor their products and marketing strategies to better meet the needs and preferences of these specific groups through identifying specific niche markets within the larger consumer base.

Key Words: *Cost Leadership, Differentiation Strategy, Focus Strategy*

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INTRODUCTION

Performance is the use of available resources to produce quality outcomes. Ceglinski (2020) asserts that a company's capacity to attain above-average performance is based on the innovative and unique approach it selects. One performance indicator that combines operational and financial metrics is the Balanced Score Card (BSC) (Ceglinski, 2020). Four views are used to assess the performance of a corporation: the customer perspective, the financial perspective, the perspective of targeted operational measurements, and the perspective of innovation and learning.

Organizations develop and implement generic strategies in order to distinguish the firm from its competitors and achieve superior organizational outcomes (Amit & Zott, 2017). In this regard, Johnson, Muzellec, Sihi and Zahay (2019) notice that greater performance is typically recorded in organizations that utilize generic strategies. The organizations that have appropriate generic strategies have a strong probability of seizing the opportunity presented to them, giving giving them a head start over rivals in the market. Generic tactics provide a framework for organizations to align their strategic goals with specific approaches aimed at gaining competitive advantage. Eromafuru (2022) asserts that, in the current era, a company's ability to generate a significant improvement in the modern measure of organizational performance through product or service augmentation is the ultimate litmus test for industry or market leadership.

Significant shifts in the European beer industry are requiring breweries to rethink their approaches. Employing the Generic Strategies Framework and Porter's Model, Cadez (2020) examined the shifts in the German and Croatian brewing sectors. There was little to moderate competition in the German brewing sector. In its native market, there is an increasing demand for beer, and consumers strongly favour traditional local brands. Aggressive low-cost strategies are tolerated, but marketing and product innovations are lacking. A wide range of competing strategies and increasing competitive pressures in both markets are revealed by the investigation. The outcomes revealed that while the cost leadership had gained market share in Germany, Differentiation techniques have a big impact on the Croatian market of medium-prized local brands.

In Rwanda, Afrika (2020) showed that differentiation strategy contributes 95% of the performance in MTN Rwanda product. The customer base is growing annually, rising by 35% in 2015 compared to 16% in 2014. This may be attributed to strong brand recognition, nationwide exposure, advertising, and promotion, as well as roadshows to encourage more people to use MTN Rwanda products. The research explained a strong positive significant of differentiation strategy on the performance, this leading to a rise in market share. A study of the organizational strategy and performance of brewing companies in southeast Nigeria was conducted by Atilla, Kovásc, and Beredugo in 2024. Noted that the brewing sector is fiercely competitive, with a uniqueness of brands and products available on the market. In order to thrive in such a setting, these businesses need to implement differentiation strategies that help them stand out from rivals, obtain a competitive advantage, and adjust to shifting consumer tastes and market conditions. As part of the strategic planning process, deciding on the sequence in which specified goals should be completed would assist the organization in realizing its declared vision (Mishra & Mohanty, 2020). Strategic, as defined by Gios (2021), are the steps or actions that a firm must do in order to accomplish its objectives and set goals for its employees.

Atikiya (2017) carried out research on how strategies affected Kenyan manufacturing companies' performance. The study's findings demonstrated a substantial and favourable connection amongst differentiation, focus and cost leadership strategies and the production of Kenyan manufacturing companies. Kanyugi and Gudda (2019) establish East African Breweries Limited

(EABL) has numerous obstacles that lower its degree of competitiveness because the market in which it works is extremely competitive which impact the performance. The EABL has achieved to remain fruitful and good by pursuing several generic strategies that have helped it to become a leading marketing in the beer sector in several nations. Nyanchama and Murigi (2019) assert that firms operating in beer manufacturing industry are facing higher competition in market share. Kenya seems to be going through some difficult times in terms of competition. This has led to generally poor profitability throughout the economy, and the beer manufacturing sector is a good example of this. The companies have to position themselves strategically by employing generic strategies to edge competitors and gain market share (Mutambi, 2017).

As per Wanjiku and Deya (2021) generic strategies play a significant role in influencing organization's performance. However successful implementation requires careful consideration of the company's resources, capabilities, and competitive environment. The link concerning generic approaches and organization performance is closely intertwined, as the strategic choices an organization makes can have a direct influence on its capacity to fulfill its aims and objectives (Mohammed, Gichunge & Were, 2017).

Organizational performance is the efficacy and efficiency with which particular organizations conduct their business. Due to its complexity and multidimensionality, organizational performance continues to be a challenging topic to define and quantify (Taiwo & Idunnu, 2017). Victory is a vital factor in organizational performance because it demonstrates the ability to respond appropriately to market fluctuations and demands, without which unwanted performance is attained. The degree to which is indicated by performance, a corporation obtains results that are also good or undesirable in terms of financial or non-financial compared to their aims (Mazzarol, Rebound & Souter, 2019).

The top producer of branded beer and spirits in Kenya is Kenya Breweries Ltd. It is a component of East African Breweries Ltd. as a whole. The sector of beverages is among those experiencing rapid expansion, projected to achieve a yearly growth rate of 10.5% from 2017 to 2021. Kenya Brewery Limited posted a 21% decline in its net profit for the full year ended 30th June 2023 to KSh 12.32 billion. The listed brewer also cut is dividend pay-out cheque size to final dividend of KSh 5.5 per share from KSh 11.00 per share paid out the prior financial year. Kenya's beer and spirit excise taxes increased by 10% and 20%, respectively, in July 2022 as a result of the 2022–2023 Budget. As part of the annual inflationary adjustment, beer and spirits consumers faced an additional 6.3% excise tax increase in October 2022. A compound annual excise tax increase of 23% for beer and 34% for spirits resulted from an annual upward adjustment to the excise in 2021, which was followed by these increases.

Statement of the Problem

Breweries industry in Kenya has been experiencing significant upheaval in maintaining market competitiveness and sustaining growth and development. Increasing competition, evolving consumer preferences, market access, sector regulatory policies, production efficiency and economic uncertainties have affected performance of players in the industry. In the recent past, the Kenya Brewery Limited posted a 21% decline in its net profit for the full year ended 30th June 2023 to KSh 12.32B. Other companies such as Keroche industries have been affected tax and government regulation which has affected performance, (Cheruiyot, 2024). Unforeseen global events like the inflation, foreign exchange and specifically COVID-19 pandemic which had significant reduced sales on the alcoholic beverage industry through Lockdowns, restrictions on social gatherings, and economic uncertainty which projected a drop of sales annual GDP growth to reduce due to the Covid-19 epidemic, to 2.4% in 2020, with a potential for negative growth in the first quarter.

Numerous studies on Kenya's brewing business have been conducted, however the results have been conflicting and unclear due to the use of various measurement factors. Baraza (2017) conducted research on how competitive strategies affected East Africa Breweries Limited's performance. In 2019, Kanyugi and Gudda conducted research on the tactics used by EABL in the Country. It performance and commercial reaction tactics during the COVID-19 pandemic were studied by Wanjala and Awuor (2021). The impact of generic strategies on Kenya Breweries Limited's performance has not been the subject of any of the previously stated research, despite the study's assumption that these strategies, when properly developed and put into practice, can significantly improve the organization's overall performance. By examining the impact of generic tactics on Kenya Breweries Limited's performance, the study aimed to close this gap.

Objectives of the Study

The goal of the investigation was to examine the effect of generic strategies on performance of Kenya breweries Limited Nairobi Kenya. The study was guided by the following specific objectives:

- To examine the effect of cost leadership strategy on the performance of Kenya breweries limited Nairobi Kenya.
- To determine the effect of differentiation strategy on the performance of Kenya breweries limited Nairobi Kenya.
- To examine the effect of focus strategy on the performance of Kenya breweries limited Nairobi Kenya.

LITERATURE REVIEW

Porter's Competitive Advantage Theory

Porter (1980) proposed the theory. The theory elucidates the market forces impacting a firm's competitive advantage and productivity. This theory emphasizes three strategies a company can employ in response to competition. Service and production organizations can employ generic strategies, such as focus, differentiation, or cost leadership. The strategies were designed to surpass competitors and secure a market advantage. By possessing a genuine competitive advantage, a business can increase profits through higher pricing and/or more efficient operations.

The theory is essential in the study because it guides firms in formulating strategies based on the characteristics of the environment that surrounds them. To enhance the company's success in the market, goods or services manufactured must add value, through price or quality. Developing an image with unique features from competitors in the industry operating in. Further, the theory applies to the research because it discusses the generic strategies that are core components of the study. The theory emphasizes the importance of adopting these strategies by organizations in their business models. Generic strategies give businesses a competitive edge, enhancing productivity inside the company.

Resource Dependency Theory

This theory's proponents were Salancik and Pfeffer (1978). This theory is a framework within an organization that examines how organizations depend about external resources and the methods they use to control these dependencies. According to the theory, an organization's extent of dependency on the outside world is unexpected, especially on the resources it needs to function. An organization manages the environment proactively for dependence and unpredictability. The ability of an organization to obtain essential resources from outside sources is a valuable element in evaluating its growth and longevity. The foundation of resource dependency theory is companies or business entities acquire resources and need to transact with other people and businesses in their immediate vicinity. While these sorts of interactions may have advantages, they may also cause negative reliance.

According to the theory, an evaluation is carried out for the make-or-buy decision, allowing an organization to ascertain whether the resources needed have few suppliers, resulting in the resource providers becoming dependent on them. Determining whether the firm needs to outsource the required resources owing to supply and existence uncertainty is also crucial. Selecting a resource with more providers and little uncertainty is essential when a firm decides to outsource (Freeman, Dmytriyev & Phillips, 2021). If a resource is limited and only a handful of suppliers possess it, enterprises must identify other suppliers, protected by rules and guidelines that suit both parties. The strategic management should evaluate the resource's significance by weighing its value against the organization's financial consequences and supplier availability.

Dynamic Capability Theory

The theory was put forward by Teece and Pisano (1994). This theory emphasizes an organization's capacity to innovate, learn, and change its strategies and operations to maintain or enhance its performance over time. It centers on the capacity of an company to adapt, assimilate, and rearrange its assets and skills in reaction to changing circumstances and prospects. According to this view, businesses must constantly modify their plans in response to shifting environmental circumstances. It means that tools for monitoring the environment, detecting changes, and modifying plans should be incorporated into strategic planning procedures rather than being static.

Dynamic Capability Theory emphasizes how important it is to match the skills of a company with its chosen generic strategy (Chowdhury & Quaddus (2017). As markets and competitive landscapes evolve, an organization's generic strategy might need adjustments to remain effective. Dynamic capabilities allow organizations to adapt their strategies while leveraging existing strengths to navigate changing conditions effectively. Organizations pursuing a differentiation strategy benefit from dynamic capabilities that foster innovation (Chien & Tsai, 2012). By continually developing and refining unique products, features, or services, they can maintain their differentiation advantage. Dynamic capabilities enable the company to remain ahead of rivals in terms of innovation and maintain high performance by meeting evolving customer demands.

Balanced Scorecard Theory

David Norton and Robert Kaplan created the Balanced Scorecard in 1992. The BSC was unveiled as an integrated system that combined traditional financial performance metrics that looked backward and more forward-looking non-financial metrics that measured internal operations, customer satisfaction, learning, and growth. The balanced scorecard transforms a company's corporate objectives into a set of performance targets that are then often assessed, modified, and reviewed to ensure the goals are met.

The theory focused on four Performance Indicators ((learning and development, internal procedures, factors pertaining to customers, and financial aspects (Kaplan & Norton, 1992). In their analysis, the proponents aimed at improving established financial measurements with forward-looking financial performance indicators. (Asiedu, 2015) also agreed that the instrument worked well for tracking and assessing performance metrics whose drivers were personnel, internal business, and customer value. The BSC theory makes use of a four-balanced perspective dimension because, according to Gawankar et al. (2015), organizations must consider all four perspectives simultaneously in order to improve inclusivity, as each perspective's unique contributions are essential to the overall sustainability of an institution. The idea enhances the alignment of non-financial and financial measurements by helping to realize and integrate the contributions of all pertinent organizational value drivers.

The Balanced Scorecard is therefore substantial to the investigation since it allows organizations to measure and track customer satisfaction. By focusing on customer satisfaction, a company is able to gauge how well it is meeting the expectation and needs of its customers, which is often a leading indicator of future financial success.

Empirical Review

Cost leadership strategy and Organization Performance

In Pakistan, a research by Hunjra, Faisal and Gulshion (2017) on the impact of cost leadership strategy on organizational achievement in services Sector. The study utilized correlational research design. The investing, banking, and insurance firms registered on the Karachi Stock Exchange comprised the case population. The case's conclusions indicate that the cost leadership strategy significantly and favorably affects the services sector's financial performance. In this context, the study was conducted in Pakistan, but in order to close any research gaps, a new study would be carried in Kenya. Kurt and Zehir (2016) conducted a investigation in

In Nigeria, Gorondutse and Gawuna (2017) undertook a survey to investigate out how the strategy of cost leadership affected hotel performance. The study utilized cross-sectional and survey designed using the quantitative method. The unit of analysis was organization. The study used census sampling technique where all 58 respondents were involved in the study. PLS analysis, the ideas were processed by one of the statistical analytic techniques of the second generation. The survey conclusions show a strong, direct correlation between cost leadership approach and hotel performance. The investigation was carried in Nigeria whereas the continuing case is done in the Country using descriptive research design.

In Kenya, Njuguna and Waithaka's (2020) investigation into the connection among firm's performance and cost leadership strategy. The investigation was covered in insurance firms in Nyeri. The investigation embraced descriptive research design. The Theory of Dynamic Capabilities and Porter's Five Forces. All 25 insurance companies that operate in the county were the topic of a census study. There were 125 responders in the sample. The study evaluated the insurance companies' non-financial performance over the course of five fiscal years, from 2014 to 2018. Primary data was gathered via surveys, while secondary information was accessed by reviewing financial records, management reports, and other important company publications via a document review guide. The statistic were analysed descriptively and inferentially. The results portrayed that there is a very substantial and strongly association amongst cost leadership and organizational success ($r=0.791$, $p= 0.01$). However, this create a study gap since the investigation was conducted in Insurance companies although the present investigation was done at Kenya Breweries Limited.

Differentiation Strategy and Organization Performance

In 2016, Spencer, Salmon and Joiner and evaluated the association amongst organizational performance & differentiation strategy in Australia. The experiment employed a descriptive design. Surveys were used in the case to gather data, and 200 manufacturing enterprises were chosen from the Business Review Weekly list of Australia's biggest companies to participate in the survey. Manufacturing companies were chosen for the study because, at the time, it was becoming clear that the manufacturing industry was facing significant environmental uncertainty as a result of fierce competition brought on by globalization, especially in Australia. The research findings showed that companies in Australia used both non-financial and financial performance metrics, and they pursued a strategy of differentiation (product adaptability or customer service emphasis).

Gorondutse and Hilman (2017) assessed the effect of Nigerian hotels' performance on differentiation strategy. The case used a quantitative design, and its target population consisted of 83 managers from Kano hotels. Open and closed questionnaires were employed in the investigation to gather data. The results showed a significance association amongst performance and differentiation approach. According to the study, companies can outperform their competitors if they focus on neither a strategy

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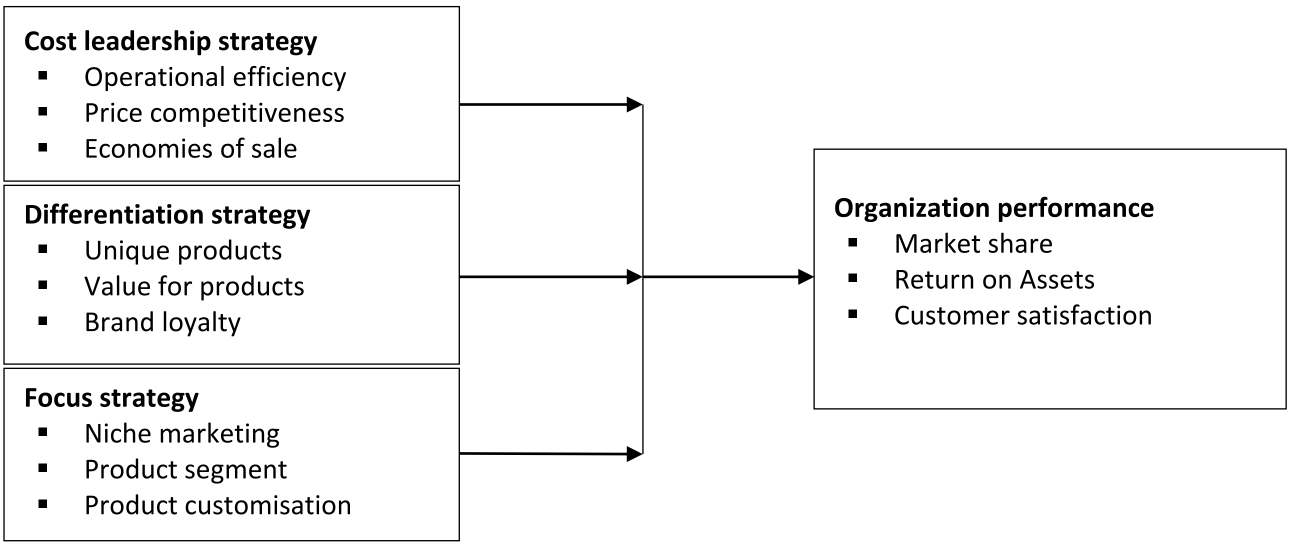
of differentiation or cost leadership. However, Merging the two approaches might make it challenging and confusing for companies to choose between offering high-cost or low-cost service differentiation. In context, the review was directed in Nigeria, though the current investigation would take place in Kenya specifically focusing at Kenya Breweries Limited.

Focus Strategy and Organization Performance

Fathali (2016) evaluated the influence of the cost-focused strategy on the effectiveness of the Iranian automotive enterprise in Iran. Assessments were conducted on four general approaches: cost leadership, differentiation, differentiation emphasis, and cost focus. The case focused on SAIPA and Iran Khodro, two significant Iranian automakers. The associations between the variables were found using regression and correlational analysis. The financial success of the automotive industry is positively correlated with the implementation of a cost focus approach, according to the findings. The survey was carried in Iran, and the one that was piloted now was in Kenya.

A study by Okwemba (2023) regarding the evaluation of emphasis strategy on Western Kenyan universities' performance. The design used in the investigation was a descriptive. Western region public universities are among the universities included in the study's sample. 409 administrative staff members overseeing academic programs at universities in the Western Kenya region were the population targeted. A size of 120 sample was derived from these. Through basic random sampling methods that were stratified, the sample was determined. There was use of both secondary and primary information. A systematic questionnaire was accessed to gather primary data. The public universities performance was explained statistically significantly by the focus strategy, according to the outcomes of the linear regression analysis. The case comes to the conclusion that focus strategy, when combined with other general strategies like cost leadership and differentiation strategy, can help institutions perform better.

Conceptual Framework



Independent variables **Dependent variable**

Figure 1: Conceptual Framework

(Source: Author 2023)

METHODOLOGY

The investigation embraced descriptive design. as it is more exact, adaptable, effective and efficient and reliable. The investigation's intended target group was 260 respondents who fall in the respective working categories at Kenya Breweries Limited. The research used 30% of the targeted population as a sample size. Therefore, 78 respondents was sampled. Questionnaires were used to gather primary data. A total of 10% of the population targeted were purposefully chosen for the pilot study. The study determined the dependability of the data gathering tool by applying Cronbach's alpha, based on internal consistency

The gathered information was accessed through both qualitative techniques and quantitative techniques. Descriptive statistic was utilized to access the quantitative data that was collected. A quantitative analysis of the statistic was also conducted using inferential analysis.

FINDINGS AND DISCUSSIONS

Response Rate

Table 1 displays the results on return rate of the questionnaires administered to 70 respondents in the sample.

Table 1: Response Rate

Category	Frequency	Percentage
Response	69	88.5
Non response	9	11.5
Total	**78**	**100**

Source: Research Data (2024)

Table 1 shows that 69 out of 78 respondents responded, for an 88.5% response rate, while 9 did not respond, for an 11.5% non-response rate. Data analysis can be done with a response rate of 80% or more, according to Orodho (2005). Thus, it was decided that the 88.5% study response rate was appropriate for data analysis. Hence, the study's research findings were welcomed and deemed credible because of the high rate of response.

Descriptive Statistics Results

The quantitative data results were displayed using Mean (M) and Standard Deviation (SD) from SPSS in this study. The following part contains the detailed statistics.

Cost Leadership and Performance

The descriptive statistics obtained on cost of leadership strategy are presented in table 2.

Table 2: Cost leadership and Performance

Statements	M	SD
The firm has cut down unnecessary cost through acquiring local raw materials	4.55	0.45
The company manages its prices accordingly	4.15	0.85
The company has a well outlined framework for price regulation and control.	4.08	0.92
Firm invests a significant amount of money in marketing and branding their products	4.05	0.95
The firm consistently funds initiatives meant to reduce expenses and boost internal process effectiveness by accessing external funding	4.50	0.50
Company has well outlined framework for economics of scale by sourcing raw materials locally	3.94	1.06
Our company effectively manages production costs to remain competitive.	4.84	0.16
The company has embraced cost leadership strategy to enhance competitive edge	4.05	0.95
The firm has cut down unnecessary cost through acquiring local raw materials	4.28	0.72
The company manages its prices accordingly	4.02	0.98
Aggregate mean and standard deviation score	**4.25**	**0.754**

Source: Research Data (2024)

The results presented in table 2 indicate that the aggregate mean and standard deviation score was 4.25 and 0.754 respectively. This shows that the respondents generally agreed on statements describing the effect of cost leadership strategy on the performance of Kenya Breweries Limited Nairobi Kenya based on a 5-point Likert scale. The finding agrees with the findings of a research by Hunjra, Faisal and Gulshion (2017) on the impact of cost leadership strategy on organizational achievement in services sector. The study's conclusion indicate that the cost leadership strategy significantly and favourably affects the services sector's financial performance.

The statements strongly concurred by the respondents were; their company effectively manages production costs to remain competitive (M=4.84, SD=0.16), the firm has cut down unnecessary cost through acquiring local raw materials (M=4.55, SD=0.45), the firm consistently funds initiatives meant to reduce expenses and boost internal process effectiveness by accessing external funding (M=4.50, SD=0.50). The outcomes concurred with Kurt and Zehir (2016) study in Turkey that examined the correlation between the performance of micro and SME located in İstanbul and Gebze and their cost leadership strategy. The conclusions indicate that performance is strong and statistically meaningfully impacted by cost leadership.

The responses' agreed-upon statements were; The firm has cut down unnecessary cost through acquiring local raw materials (M=4.28, SD=0.72), the company manages its prices accordingly (M=4.15, SD=0.85), the company has a

well outlined framework for price regulation and control (M=4.08, SD=0.92), the firm invests a significant amount of money in marketing and branding their products and the company has embraced cost leadership strategy to enhance competitive edge (M=4.05, SD=0.95) respectively, the company manages its prices accordingly (M=4.02, SD=0.98), the company has a well outlined framework for economics of scale by sourcing raw materials locally (M=3.94, SD=1.06). The outcomes concur with Njuguna and Waithaka's (2020) investigation into the connection among firm's performance and cost leadership strategy. The results portrayed that there is a very substantial and favourable correlation amongst cost leadership and organizational success.

Differentiation Strategy and Performance

The descriptive statistics obtained on differentiation strategy are shown in Table 3.

Table 3: Differentiation Strategy and Performance

Statements	M	SD
This enterprise adds value for customers by providing premium goods and services together with superior items at competitive costs.	4.65	0.35
The company's unique packaging and quality products attracts customers	4.55	0.45
The company has increased it's value by developing unique features for their goods to satisfy market niche.	3.87	1.13
The company markets its products through corporate social responsibility through sponsoring sports.	4.44	0.56
The company has the best customer services.	4.51	0.49
The company uses the best sales and marketing channels that reaches their customers.	4.04	0.96
Buyers believe that our goods and services are more valuable than competing offers,	4.35	0.65
The company rewards its customers through product promotion.	4.11	0.89
The company has adopted and implemented differentiation strategy.	3.65	1.35
Aggregate mean and standard deviation score4.65	**4.24**	**0.759**

Source: Research Data (2024)

The results presented in Table 3 indicate that the aggregate mean and standard deviation score was 4.24 and 0.759 respectively. This shows that the respondents generally agreed on statements describing the effects of differentiation strategy on the performance of Kenya Breweries Limited Nairobi Kenya based on a 5-point likert scale. The finding agrees with Gorondutse and Hilman (2017) study on the effect of Nigerian Hotel's performance on differentiation strategy. According to the study, companies can outperform their competitors if they focus on neither a strategy of differentiation or cost leadership.

The statements strongly agreed by the respondents were; this company adds value for customers by providing premium goods and services together with superior items at competitive costs (M=4.65, SD=0.35), the company's unique packaging and quality products attracts customer (M=4.55, SD=0.45) and the company has the best customer services (M=4.51, SD=0.49). The outcomes concurs with Spencer, Salmon and Joiner (2016) which evaluated the association amongst organizational performance and differentiation tactics in Australia. The research findings showed that companies in Australia used both non-financial and financial performance metrics, and they pursued a strategy of differentiation (product adaptability or customer service emphasis).

The responses' agreed-upon statements were; the company markets its products through corporate social responsibility through sponsoring sports (M=4.44, SD=0.56), Buyers believe that our goods and services are more valuable than competing offerings alternatives (M=4.35, SD=0.65), The company rewards its customers through product promotion (M=4.11, SD=0.89), the company uses the best sales and marketing channels that reaches their customers (M=4.04, SD=0.96), the company's has increased its value by developing unique features for their goods to satisfy market niche (M=3.87, SD=1.13) and the company has adopted and implemented differentiation strategy (M=3.65, SD=1.35). The finding agree with Githumbi (2017) undertook a case on the effect of differentiation tactics on the operations of rice factory facilities located in County of Kirinyaga. The outcomes demonstrated that the differentiation approach had a favorable impact on the performance of major rice milling companies.

Focus Strategy and Performance

The descriptive statistics obtained on focus strategy are shown in Table 4.

Table 4: Focus Strategy and Performance

Statements	**M**	**SD**
The firm has the best approaches to service its market niche for buyers	4.52	0.48
The company has a variety of quality products to serve its customers	4.63	0.37
The company has sustainable product segments that gives it a competitive edge	3.96	0.445
The company has mechanization that advocates for innovation in product mechanization that is value-adding operations.	4.43	1.219
The company continuously emphasize on product specialty marketing	4.10	1.67
The business analyses the market to choose which product to provide.	4.69	0.51
The selection of goods is tailored to meet consumer desire.	4.08	0.74
Our company effectively differentiates itself from competitors within our target market segment.	4.27	0.73
The company has adopted and implemented focus strategy	4.53	0.47
Aggregate mean and standard deviation score	**4.36**	**0.737**

Source: Research Data (2024)

The results presented in Table 4 indicate that the aggregate mean and standard deviation score was 4.24 and 0.759 respectively. This shows that the respondents generally agreed on statements describing the effect of focus strategy on the performance of Kenya Breweries Limited Nairobi

Kenya on a 5-point Likert scale. The finding agrees with Fathali (2016) study which evaluated the effectiveness of the Iranian automotive firms in Iran. The financial success of the automotive industry is positively correlated with the implementation of a cost focus approach, according to the findings.

The responses' agreed-upon statements were; the business analyses the market to choose which product to provide (M=4.69, SD=0.51), the company has a variety of quality products to serve its customers (M=4.63, SD=0.37), The company has adopted and implemented focus strategy (M=4.53, SD=0.47), the firm has the best approaches to service its market niche for buyers (M=4.52, SD=0.48). The finding concurs with Akin Tokunbo (2018) who carried out research to look at the correlation between the organizational performance of telecommunication businesses in Port Harcourt and their marketplace focus approach. The results showed that, in Port Harcourt's telecommunications enterprises, focus strategy and organizational performance had a very good and significant link.

The responses' agreed-upon statements were; the company has mechanization that advocates for innovation in product mechanization that is value-adding operations (M=4.43, SD=1.219), Our company effectively differentiates itself from competitors within our target market segment (M=4.27, SD=0.73), the company continuously emphasize on product specialty marketing (M=4.10, SD=1.67), The selection of goods is tailored to meet consumer desire (M=4.08, SD=0.74), the company has sustainable product segments that gives it a competitive edge (M=3.96, SD=0.45). The outcomes concurred agrees with the findings of a case by Okwemba (2023) regarding the evaluation of emphasis strategy on Western Kenyan universities' performance. The performance of public universities was explained statistically significantly by the focus strategy, according to the outcomes of the linear regression analysis.

Organizational Performance

The descriptive statistics obtained on organizational performance are shown in Table 5.

Table 5: Organizational Performance

Statements	M	SD
The company has increased its market share	3.06	1.84
The company return on asset is on the right track	3.24	1.76
The customers are satisfied with the company products	2.67	2.33
The company is experiencing an increase in total sales	3.09	1.81
The company has effective policies for profit sustainability	3.42	1.58
The company products/services offer good value for the price leading to customer satisfaction	3.33	1.67
The company communication about product updates, promotions, or changes in our services in a timely manner and improves on performance	3.29	1.71
The company’s performance is on the right track	3.45	1.55
Aggregate mean and standard deviation score	**3.19**	**1.78**

Source: Research Data (2024)

According to Table 5 's results, the overall mean and standard deviation scores were 3.19 and 1.78, respectively. This demonstrates that the participants generally moderately agreed on statements describing the performance of Kenya breweries limited Nairobi Kenya based on a 1-5 likert scale. The finding is in contrary to Atikiya (2015) observation that three criteria for evaluating the performance of a company. First, there is financial performance, which is determined by sales volume and profitability; second, there is business performance, which measures market share, innovation, diversification, and value-added processes by combining financial and operational performance; and third, there is organizational effectiveness, which gauges management performance in terms of financial, business, employee satisfaction, and environmental responsibility.

Multiple Linear Regression Analysis Results

The results analysis of regression that sought to establish the extent which independent variables influenced the dependent are presented in the following Tables 6, 7 and 8.

Table 6: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.880[a]	.774	.761	1.009

Source: Research Data (2024)

Table 6 indicates an adjusted R-square value of 0.761, suggesting that 76.1% of Kenya Breweries Limited in Nairobi, Kenya's performance variation can be linked to cost leadership, differentiation and focus strategies. It is inferred that 23.9% is due to unexamined variables.

Table 7: Analysis of Variance

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	102.235	3	34.108	52.397	0.000
	Residual	42.312	65	0.651		
	Total	144.637	68			

Source: Research Data (2024)

The significance level is less than 0.05 at 0.000a. Furthermore, the findings show that the statistical F value (52.397) exceeds the statistical mean square value (34.108) at a significance level of 5%, validating the importance of the model.

Table 8: Coefficients

		Unstandardized Coefficients		Standardized Coefficients		
Model		B	Std. Error	Beta	**t**	**Sig.**
1	(Constant)	.601	.315		1.908	.000
	Cost Leadership Strategy	.774	.224	.0521	3.455	.001
	Differentiation Strategy	.705	.194	.1064	3.634	.002
	Focus Strategy	.783	.229	.2305	3.419	.001

Source: Research Data (2024)

Table 8 showed that with the independent variables held constant, Kenya breweries limited in Nairobi, Kenya would have a performance of 0.601. The regression coefficients show that enhancing cost leadership, differentiation strategy, and focus strategy would enhance Kenya Breweries Limited's performance in Nairobi, Kenya by 0.774, 0.705, and 0.783, respectively.

The resulting regression equation was as follows;

Performance = 0.601 + 0.774 (cost leadership strategy) + 0.705 (differentiation strategy) + 0.783 (focus strategy)

Table 8 displays results indicating a strong and positive correlation amongst cost leadership strategy and the performance of Kenya Breweries

Limited in Nairobi, Kenya, with beta values demonstrating significance (β=0.0521, p= <0.05). This finding concurs with a Gitau and Mang'ana (2021) study on how Kenya's commercial banks in Nairobi County performed differently as a result of the cost leadership approach. From the findings, it was shown that the P-value was below 0.05, the cost leadership had a large impact on the performance of commercial banks in Nairobi County, Kenya.

The study outcomes demonstrate and important and positive correlation among the differentiation strategy and the performance of Kenya Breweries Limited in Nairobi, Kenya, indicated by beta values (β=0.1064, p= <0.05). The finding concurs with Githumbi (2017) study on a case on the influence of differentiation strategies on the operations of rice factory facilities located in County of Kirinyaga. Since the P-value was below 0.05, the findings demonstrated that the differentiation approach had a favourable influence on the performance of major rice milling companies.

The survey found a strong and positive correlation amongst the focus strategy and the performance of Kenya Breweries Limited in Nairobi, Kenya, with beta values indicating significance (β=0.2305, p= <0.05). The finding relates with Fathali (2016) surve which evaluated the impact of the cost-focused strategy on the effectiveness of the Iranian automotive firms in Iran. The financial success of the automotive industry is positively correlated with the implementation of a cost focus approach, according to the findings.

CONCLUSIONS AND RECOMMENDATIONS

The investigation concludes that cost leadership strategy allows the company to give its goods at affordable cost than its competitors. This helps the Kenya Breweries Limited attract more customers and increase its market share. Additionally, by reducing costs, the company can improve its profit margins and generate higher returns for its shareholders. A cost leadership strategy also helps Kenya Breweries Limited improve its operational efficiency. The firm can reduce its production costs and improve its overall productivity by streamlining its processes and eliminating waste. This leads to faster production times, higher quality products, and better customer satisfaction.

The investigation concludes that differentiation tactics leads to increased customer loyalty and brand recognition which result in higher sales volumes and increased market share, ultimately leading to improved operational outcomes. A differentiation strategy enables Kenya Breweries Limited to command higher prices for their products. This additional revenue can be reinvested into the business to improve operational efficiency, invest in new technologies, or expand production capacity. Furthermore, implementing a differentiation strategy helps Kenya Breweries Limited to reduce price sensitivity among customers and also drive innovation within Kenya Breweries Limited.

The study concludes the company aims to improve its overall performance and achieve sustainable growth in the competitive beverage industry by focusing on specific goals and objectives. By concentrating on key areas of the business, such as production processes, supply chain management, and marketing initiatives, the company aims to streamline operations and maximize productivity. The company aims to enhance its operational performance and achieve long-term success in the market by narrowing its focus on core competencies and strategic priorities. The company aims to improve its operational processes, boost earnings and keep a competitive advantage in the industry by aligning its resources and efforts towards specific objectives.

Recommendations of the Study

According to the investigation, the KBL should concentrate on streamlining their supply chain in order to cut expenses. This may entail settling on more favourable terms with suppliers, putting in place effective inventory control systems, and improving logistics and distribution processes. KBL should invest in technology to automate and streamline their production processes. This can include implementing advanced manufacturing technologies, such as robotics and automation, to increase competence and cut labour costs. KBL should establish continuous improvement programs to identify and eliminate waste in their operations. This may entail putting lean manufacturing concepts into practice, doing frequent process audits, and promoting employee involvement in identifying cost-saving opportunities.

The survey recommends that Kenya Breweries Limited ought to spend money on R&D in order to create unique and innovative products that provide to specific customer demands and taste. This can involve introducing new flavours, ingredients, or brewing techniques that set their products apart from competitors. Kenya Breweries Limited should invest in branding initiatives that communicate the company's values, quality, and unique selling propositions through developing a strong and distinctive brand image is crucial for differentiation. Providing exceptional customer service and creating memorable experiences can differentiate Kenya Breweries Limited from competitors. This can involve training staff to deliver personalized and knowledgeable service, organizing brewery tours or tasting events, and engaging with customers through social media platforms.

The survey recommends that the company should modify their offerings and promotional tactics to better suit the requirements and inclinations of these specific groups through identifying specific niche markets within the larger consumer base. This could involve conducting market study to comprehend the distinctive traits and inclinations of several client groups, and then developing products and marketing campaigns that specifically target these group. Kenya Breweries Limited can ensure that their products are prominently displayed and readily available to consumers by working closely with these partners. This can help to increase brand visibility and drive sales, ultimately leading to upgrading performance.

Suggestions for Further Studies

According to the findings of the regression model, it is evident that 23.9% of the variation is still unaccounted for and can be ascribed to additional elements not considered in the model. Consequently, this investigation strongly advocates for conducting additional studies to bridge this gap. Furthermore, the study proposes exploring other breweries companies besides KBL in future investigations.

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