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Analysis of Product Differentiation Strategy Influence on Organizations' Competitiveness of Sugar Firms in Kenya

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Abstract
As a result of liberalization and deregulation, organizations are faced with a lot of challenges in their effort to remain competitive and the Kenyan sugar firms are no exemption. The purpose of the study was to analyze influence of differentiation strategy on organizations' competitiveness of sugar firms. To be able to achieve the study objective, the associations between the different variables associated with the study variables in relation to sugar firms was done hence descriptive cross-sectional research design was used in this study. The study's target respondents were twenty (20) managers from every sugar firm and its affiliated farmers' sugar cane out grower firms. According to Krejcie & Morgan's table, when the population is 240, then the sample size should be 148. Therefore the sample size of this study was 148. Questionnaires were the data collection instrument of this study mainly to collect the primary data and they were administered to the respondents by the researcher himself. Correlation analysis was carried out in order to measure strength of association between cost leadership strategies. Product differentiation strategy had explanatory power over organizations' competitiveness of sugar firms' because it accounts for 41.3 percent of organizations' competitiveness of sugar firms' change (R square = .413), hence the study rejected hypothesis H_{02} and states that the influence of differentiation strategy on organizations' competitiveness was statistically significant. The study therefore concluded that there was a statistically significant influence of differentiation strategies on organization competitiveness therefore this study conclude that sugar firms management in Kenya should make more efforts in employing differentiation strategies in an efforts to improve on organizations' competitiveness.

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Keywords: Product Differentiation Strategies, Organizations' Competitiveness, Sugar Firms, Kenya

1.1 Background of the study

Due to increased competition which is brought about by liberalization and deregulation, organizations are faced with greater demands to be flexible, responsive and efficient in order to be more competitive. As a result of this, organizations are faced with a lot of challenges in their effort to remain competitive and the Kenyan sugar firms are no exemption. Ochieng (2012) is of the opinion that Kenya sugar industry is facing a number of challenges which include ineffective production procedure, accumulated debt, as well as inflexible competition coming from low cost producers such as Malawi, Mauritius, Sudan and Zambia. The sugar firms are facing intense competition from low cost sugar producers mainly from the COMESA region and other low cost producers of sugar in the world. Kenya Sugar Board (2016) estimates that the producing one tons of sugar in Kenya to be will cost about $ 570 (Ksh. 51300) whiles to produce a tons of sugar in Egypt cost $240 (Ksh. 21600). In an effort to overcome these challenges, the sugar firms in Kenya have employed various generic strategies.

Competitiveness is where firms produce their products more economically than their competitor (Barney, 2010). Competitiveness by the sugar firms refers to the ability to convert input into output. Pearce & Robinson (2016) is of the opinion that sugar firm that want to have a competitive advantage over its rivals must work hard to remain low cost leaders within the industry in which they are operating in. This definitely makes them able to charge lower prices for their products and service hence gaining market share through increased sales (Pearce and Robinson, 2010). Thompson et al (2011) proposes that firm competitiveness is where a firm creates more worth for its clients.

Thompson (2011) asserts that differentiation if used well may result into the using firm being able to be safeguarded against rivalry because it leads to gaining more customer loyalty. Once a firm gains competitive advantage, it will lead to increased sale because customer no longer remain focused on the prices of the products. This is a strategy that makes a firm's product completely different from the product of other firms in the same industry. According to Thompson and Strickland (2007), product differentiation is one of the best ways to compete effectively any time the buyers needs are very many to be satisfied. A firm need to acquire enough

knowledge on its clients behavior especially what they consider vital and what they are ready and willing to pay for. The value chain activities in the industry will always give an opportunity for successfully use differentiation.

Njoroge (2006) states that the most common places in the value chain where differentiation can be done include purchasing and procurement activities, where high quality raw materials are procured, manufacturing activities that reduce product shelf life, allow better warranty coverage and result in more end user convenience and enhance product appearance, marketing sale and customer service activities that results in such differentiating activities as superior technical assistance to buyer, faster maintenance and repair services, more and better information provided to customers, quicker order processing, more frequent sales calls and greater customer convenience. With differentiation, superior performance is achieved by serving customer needs differently.

1.2 Statement of the problem

Sugar firms in Kenya use various forms of differentiation strategies to help them be more competitive and also improve the organizations' performance. According to Dlamini (2010) there are numerous factors that determine sugar firm's profitability and competitiveness states sugar firms in Africa have adopted various generic strategies in an effort to organizations' competitiveness. A comparative study done by Kenya Sugar Board (2016) on performance of the sugar firms shows that the sugar industry production capacity had a decrease by 8.3% in 2013 compared to 2015. The sugar sales in the same period was 135,610 tons compared to 143,077 tons and sugar closing stock was fourteen thousands six hundred and fifty eight tons compared to twenty one thousands seven hundred and twenty six tons. Sugar firms have employed differentiation strategies in their operations hence this study aims at finding out the contribution of these differentiation strategies in making sugar firms have a competitive advantage.

1.3 Objective of the study

The main objective of study was to assess differentiation strategy influence on organizations' competitiveness of sugar firms' in Kenya.

1.4 Hypotheses

The study tested the null hypothesis: H_{01}: Influence of differentiation strategy on organizations' competitiveness is not statistically significant.

2.1 Theoretical Review

2.1.1 Generic Framework Theory

According to Porter (1980) this theory gives ways to analyze industries and competitors. The theory may be used to come up with a best position for a firm in the sugar manufacturing and contributing factors to a firm's prosperity are said to be pleasant appearance of to the environment in which the firm operates. The framework is not industry dependent hence it is called generic. A firm ought to do an analysis of the firms' strengths as well as weaknesses in an effort to identifying its competitive advantage. Porter (1980) suggests that a business's strength should be on cost reduction advantage. Porter (1980) suggests that there are mainly three aggressive spirited road maps which firms should implement in order to be able to handle their rivals which are low cost, differentiation and focus strategies.

According to Thompson *et al.* (2010), firms with high relative market shares normally have greater competitive strength than those with lower shares. Barney (2010) suggests that market share can be defined as the percentage of a market accounted for by a specific entity and it is an advantageous way of measuring business competitiveness since it is less dependent upon macro environmental variables such as the state of the economy or changes in tax policy. Market share is a key indicator of firm competitiveness in that it shows how well a firm is doing against its competitors. Last but not least is production expansion which is the ability of a firm to convert input into out using its available human and physical resources. The capability of a firm to offer price, product, place and promotion utilities and at the same time being able to meet firm's objectives of production expansion (Thompson *et al.* 2010). Production expansion means enhance in ability of a firm to convert input into output in a better way than its rivals.

2.2 The conceptual Framework

This influence of differentiation strategies on organizations' competitiveness of sugar firms' was the main objective of this study. In this study, differentiation strategy was the independent variable while organizations' competitiveness was dependent variable as revealed in figure 2.1.

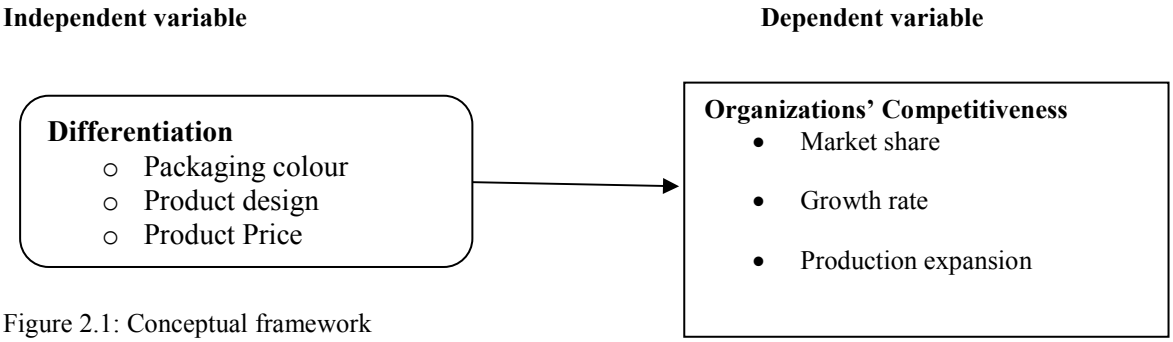

Figure 2.1: Conceptual framework
Source: Primary Data

3.1 Methodology and Design

Descriptive cross-sectional research design also enables examination for important relationships between the study variables and come up with generalizations regarding the target population (Kotler and Keller, 2011). This study design consequently gives a chance to assess the influence of generic strategies and organizations' competitiveness and also assess the extent to which the relationship between generic strategies and organizations' competitiveness is moderated by institutional characteristics. The description of the relationship between generic strategies, institutional characteristics and organizations' competitiveness will be the outcome of the correlational descriptive research. This kind of research design has in the past been used by researchers in social science studies including Wilfred (2014), Kabare (2014) and Kuria (2011).

3.2 Target Population

This study focused on the sugar firms which were operating in Kenya by 30th June 2017 and all the production, marketing, finance and general managers as well as their assistants of every sugar firm and its affiliated farmers out grower firms. According to Kenya Sugar Board (2017), there are twelve (12) sugar firms in Kenya as well as twelve affiliated farmers out grower firms; hence the target population was all the twelve sugar firms with two hundred and forty (240) managers. The study's target respondents were twenty (20) managers from every sugar firm and its affiliated farmers' sugar cane out grower firms as offered in Table 3.1.

Table 3.1 Target Population

Sugar firm		MM	PM	FM	GM	AMM	APM	AFM	AGM	ST
1.	Mumias	2	4	2	2	2	4	2	2	20
2.	Nzoia	2	4	2	2	2	4	2	2	20
3.	West Kenya	2	4	2	2	2	4	2	2	20
4.	Miwani	2	4	2	2	2	4	2	2	20
5.	Chemilil	2	4	2	2	2	4	2	2	20
6.	Muhoroni	2	4	2	2	2	4	2	2	20
7.	Kibos	2	4	2	2	2	4	2	2	20
8.	Sony	2	4	2	2	2	4	2	2	20
9.	Butali	2	4	2	2	2	4	2	2	20
10.	Transmara	2	4	2	2	2	4	2	2	20
11.	Kwale	2	4	2	2	2	4	2	2	20
12.	Sukari	2	4	2	2	2	4	2	2	20
TOTAL										**240**

MM= Marketing Manager, PM= Production Manager, FM= Finance Manager, GM= General Manger, AMM= Assistant Marketing Manager, APM=Assistant Production Manager, AFM= Assistant Finance Manager, AGM= Assistant general Manager and ST=Sub Total.
Source: Kenya Sugar Board, 2017: Ministry of Cooperative Development & Marketing 2017

3.3 Sampling Procedure and Techniques

The sample size for this study was determined using a formula developed by Krejcie & Morgan (1970). In order to simplify the process of sample size determination for researchers, Krejcie & Morgan (1970) created a table (Appendix IV) based on the formula which shows the population of study and the expected sample size. According to the table, when the population is 240, then the sample size should be 148. Therefore the sample size of this study was 148 as presented in table 3.2.

Table 3.1 Target Population

Sugar firm		Population	Sample size
1.	Mumias	20	13
2.	Nzoia	20	13
3.	West Kenya	20	13
4.	Miwani	20	12
5.	Chemilil	20	12
6.	Muhoroni	20	12
7.	Kibos	20	12
8.	Sony	20	12
9.	Butali	20	13
10.	Transmara	20	12
11.	Kwale	20	12
12.	Sukari	20	12
Total			**148**

Source: Researcher, 2017

3.4 Proposed Data Analysis Techniques and procedure

In striving to test quantitative hypotheses, this study adopted a positivistic research philosophy. Positivists' place a powerful emphasis on quantification of constructs and considers that best or the only method to measuring properties of a phenomenon is by quantitative measurement. The principal features of positivistic philosophy are the coming up with quantitative data which is based on theory and hypothesis testing. The correlation analysis and hypotheses testing on the study variables relationships were done at 95% confidence level (5% level of significance). Qualitative methods were used to analyze qualitative data while qualitative data which data that cannot be measured in a quantitative manner was analyzed qualitatively. In this study, qualitative data was collected through the open ended questions and grouped according to certain patterns and then be given numbers to make them measurable.

Relationship between research variables was expected to pursue linear regression model as follows;

$OC = a + b_1PD + +\varepsilon$

Where:

OC = Organizations' Competitiveness (Dependent variable)
a = the y-intercept; constant
b_1 = the slope coefficient
PD = Product differentiation strategy
ε = Error term.

4.1 Study Findings

4.1.1 Descriptive Statistics of the Study Variables

The product differentiation strategy was assessed by eleven statements as shown in Table 4.1. Table 4.1 presents the relevant result which shows that on the scale of 1 to 5 (where 5= the greatest extent and 1 is the lowest extent).

Table 4.1 Product Differentiation Strategy

	N	Mean	Std. Deviation
Our sugar produce are differentiated from the rest by packaging in unique color	107	3.934	1.0025
Customers view our sugar as different from the rest	107	4.000	.8126
Our establishment has skilled and creative product developers team to help customers differentiate our product	107	3.710	1.1327
Our product and services have superior technical specifications as compared to others in the market	107	3.934	1.0025
Our sugar is designed in an unique way from the rest	107	4.046	.9846
The sales team strong with the ability to communicate the strengths of our product design	107	4.140	1.0228
We have access to leading scientific research	107	3.579	1.1330
The product design of our sugar produce is unique	107	3.934	1.0025
Our products prices are different from those of our competitors	107	3.729	1.2329
We offer our products at a lower price than our competitors	107	3.747	1.1823
Price differentiation makes our customers identify our products from those of our competitors	107	3.420	1.2288
Mean Score		**3.834**	

Source: Primary Data, 2017

Most of the respondents were to a great extent of the view that our sugar is designed in a unique way from the rest (Mean 4.140) and was followed by customers view our sugar as different from the rest (mean 4.000). However, price differentiation makes our customers identify our products from those of our competitors (mean 3.420) and we have access to leading scientific research (mean 3.579) all had moderate intensity. Overall, the intensity of differentiation strategy was moderately high (3.834).

4.1.2 Organizations' Competitiveness

Organizations' competitiveness was assessed through fourteen statements and Table 4.8 presents the relevant result which shows that on the scale of 1 to 5 (where 5= the greatest extent and 1= the lowest extent).

Table 4.2 Organizations' Competitiveness

	N	**Mean**	**Std. Deviation**
Firm creates more economic value than its rivals	107	3.710	.9906
The firm enjoys a larger customer base than its competitors	107	3.785	.8581
The firm has a cutting edge over their rivals as a result of the diversification strategies employed by the firm	107	3.850	.8881
The firm competitors offer their product at a price higher than ours.	107	3.710	.9906
Our sugar firm market share is comparatively higher than other sugar firms in Kenya.	107	3.785	.8581
The firms' grown rate has been on increase in the last five years.	107	3.766	1.2024
The customer base has increased for the past five years	107	3.327	1.1957
Firm posts a higher sales turn-over in comparison with the other firms	107	3.719	1.2270
Firm has a comparatively higher growth rate than other sugar firms.	107	3.766	1.1702
Firm posts a higher sales turn-over in comparison with the other firms	107	3.355	1.1994
Production capacity of the firm has greatly increased in the last five years	107	3.766	1.2020
The generic strategies have resulted in reduction of various costs such as production costs hence expansion	107	3.327	1.1957
The new business have led to greater efficiency and effectiveness of the firm leading to production expansion	107	3.719	1.2270
production has been on increase in the last five years	107	3.766	1.1702
Mean Score		**3.655**	

Source: Primary Data, 2017

The results in Table 4.8 show that tangibility had the highest mean score (Mean 4.452) and it was followed by assurance (mean 4.050). However, Responsiveness (mean 3.050) and Reliability (mean 2.950) all had moderate intensity. Overall, the intensity of organizations' competitiveness measures was considerably high (mean 3.655).

4.2 Factor Analysis

Product differentiation strategy constructs were exposed to factor analysis and the outcome presented in Table 4.3. All the constructs of differentiation strategy were subjected to factor analysis. KMO & Bartlett's Test of

sphericity is a measure of sampling adequacy and is used to check the case to variable ratio for the analysis being conducted. KMO ranges from 0 to 1, however, a minimum index of .5 is acceptable (Field, 2003). From the results, KMO has an index of .641 implying that factor analysis is appropriate for these data. According to Field (2003) Bartlett's test of sphericity relates to the significance of the study and thereby shows the validity and suitability of the responses collected to the problem being addressed through the study. For statistical analysis to be recommended suitable, the Bartlett's Test of sphericity must be less than .05. The indicators of differentiation strategy were subjected into factor analysis and the results presented in Table 4.3.

Table 4.3: Factor Analyses for Differentiation Strategy

Kaiser-Meyer-Olkin and Bertlet's tests of sampling adequacy		.641
Bertlet's tests of Sphericity	Approx. Chi-square	98.423
	Degrees of freedom	8
	Significance(p-value)	.000

Total Variance explained in differentiation strategy

Table 4.3b Total Variance Explained

	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings
Component	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total
1	3.602	51.460	51.460	3.602	51.460	51.460	3.535
2	1.747	24.950	76.410	1.747	24.950	76.410	2.026
3	.852	12.178	88.588				

Extraction Method: Principal Component Analysis.
Source: Primary Data, 2016

Table 4.3c Component Matrix(a)

	Component	
	1	2
Packaging colour	.318	.887
Packaging design	.314	.772
Price	.936	.221

Extraction Method: Principal Component Analysis.
a 2 components extracted.
Source: Research Data, 2017

The initial Eigen values associated with each factor were extracted and explained the variance specific to a particular linear component. From the study results, factor one accounts for 51.460% while 24.950% for factors two respectively of the total variance. Cumulatively, 76.410% of the variance was accounted for by the two factors. Rotation has the effect of optimizing the factor structure and states the relative importance of the factor. This implies that from the study results, the system has identified the two as important factors to be loaded in the analysis. From the rotated matrix, factor one has is highly and positively correlated with price (.936). However, Packaging colour and Packaging design were highly correlated with factor two .887 and .772 respectively.

4.3 Correlation Analyses

The strength of the relationship between product differentiation strategy and organizations' competitiveness of sugar firms was determined using Pearson product moment correlation. As revealed in Table 4.4, the correlation between all the measures of between product differentiation strategy and organizations' competitiveness of sugar firms was statistically significant. Product design and product price with organizations' competitiveness of sugar firms which was statistically significant ($r = .123$, $p < .05$) and ($r = .336$, $p < .01$) respectively. The study results shows a positive correlation between Packaging colour and organizations' competitiveness of sugar firms was statically significant ($r = .0116$, $p < .01$).

Table 4.4 Correlations between Product Differentiation Strategy and Organizations' Competitiveness

		1	2	3	4
1	Competitiveness	**1**			
2.	Packaging colour	.116**	1		
3.	Product design	.123*	.321**	1	
4.	Product price	.336**	.196*	.228*	1

** p< .01 level (2-tailed), * p< .05 level (2-tailed)

Source: Research Data, 2017

To test for multicollinearity, correlation between independent variables was considered. According to Cooper and Schindler (2010) multicollinearity problem occurs on condition that correlation coefficient between any two standalone variables is greater than 0.8. As is evident from the results in Table 4.4, although the correlation coefficients are significant at even one percent level, the problem of multicollinearity does not exist since none of these coefficients is greater than r= 0.8.

4.4 Regression Analysis and Hypotheses Testing

The study's objective was to assess influence of product differentiation strategy (Packaging colour, product design and product Price) on organizations' competitiveness (market share, growth rate, production expansion) of sugar firms. Respondents were required to indicate how product differentiation strategy (Packaging colour, product design and product Price) had affected organizations' competitiveness of their sugar firms. In order to do so, the study had formulated the following null hypothesis;

H_{02}: Influence of product differentiation strategy on organizations' Competitiveness is not statistically significant.

The aggregate mean score of organizations' competitiveness measures (dependent variable) of sugar firms; were regressed on the aggregate mean score of product differentiation strategy and the relevant research findings presented in Table.4.5.

Table 4.5 Regression results of Product Differentiation Strategy against Organizations' Competitiveness

Model Summary (Table 4.5a)

R	R Square	Adjusted R Square	Std. Error of the Estimate
.643[a]	.413	.358	.11759

a. Predictors: (Constant), Product differentiation strategy (Packaging colour, product design and product Price).

ANOVA (Table 4.5b)

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	.040	1	.040	2.857	.037[b]
	Residual	.028	2	.014		
	Total	.068	3			

a. Predictors: (Constant), Product differentiation strategy (Packaging colour, product design and product Price).

b. Dependent Variable:Organizations' competitiveness (*market share, growth rate, production expansion*)

Coefficients (Table 4.5c)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.735	1.386		1.974	.087
	Product differentiation strategy	.352	.385	.643	.914	.037

Dependent Variable: Organizations' competitiveness (*market share, growth rate, production expansion*)

Source: Primary Data, 2017

The study coefficients results (Table 4.5c) revealed a statistically significant positive influence of product differentiation strategy on organizations' competitiveness of sugar firms (β = .643, p-value = .037). This is a demonstration that product differentiation strategy had an overall statistically significant and positive influence on organizations' competitiveness of sugar firms. The influence was found to be significant since p-value was less than .05 (p – value = .037). The hypothesis criteria was that reject Hypothesis two if p-value is less than .05

and $\beta \neq 0$ or else don't reject H_{02} in case p-value > .05. Based on the study results, $\beta \neq 0$ and p-value < .05, the study rejected H_{02} and states that product differentiation strategy had an influence on organizations' competitiveness of sugar firms.

Model summary or goodness of fit model (Table 4.5a) results also demonstrated that product differentiation strategy had a positive influence on organizations' competitiveness of sugar firms (R = .643). Product differentiation strategy had explanatory power over organizations' competitiveness of sugar firms' because it accounts for 41.3 percent of organizations' competitiveness of sugar firms' change (R square = .413). An F statistic of 2.857 indicated that the overall model was significant and it was supported by a p-value = .037 since its p-value was < .05. This model applied can significantly predict the change in organizations' competitiveness of sugar firms'. This is in disagreement with a study done by Khaled (2012) who empirically examined how differentiation strategy influences organizational performance of industrial companies which were listed at Amman Stock Exchange. To investigate this relationship, the measures of differentiation strategy were regressed against organizational performance measures. The study found out that differentiation strategy had no statistically significant effect on organizational performance of companies and the relationship was not statistically significant although the study was done in Amman but the current study was done in Kenya.

At overall level, ANOVA results (Table 4.5b) showed that the Influence of product differentiation strategy on organizations' Competitiveness was statistically significant p-value < .05 (p – value = .037). Arising from the results in Table 4.18, the resulting single regression equation that can be used to predict the level of organizations' competitiveness of sugar firms' for a one standard deviation improvement in product differentiation strategy can be expressed as:

OC = 2.735+ .352PDS+ ε.

Where:

OC = Organizations' Competitiveness
2.735 is the y-intercept; constant
.352 is the beta or the slope coefficient
PDS is the product differentiation strategy
ε = Error term

The standardized beta coefficient .352 represents the expected improvement in organizations' competitiveness of sugar firms for a unit improvement in product differentiation strategy. This means that, holding other factors constant, a one unit improvement in product differentiation strategy would raise the level of organizations' competitiveness of sugar firms by a factor of approximately .352.

4.5 Discussion on the Study Results

The measures of product differentiation strategy were found to have positive and influence on organizations' competitiveness. There is a positive and statistically significant correlation between product differentiation strategy and organizations' competitiveness was statistically significant. At overall level, ANOVA results showed that the influence of product differentiation strategy on organizations' competitiveness of sugar firms was statistically significant in that the p-value was less than the set value of .05. The study results concur with Khaled (2012) who empirically examined how differentiation strategy influences organizational performance of industrial companies which were listed at Amman Stock Exchange. To investigate this relationship, the measures of differentiation strategy were regressed against organizational performance measures. The study found out that differentiation strategy had no statistically significant effect on organizational performance of companies and the relationship was not statistically significant. This study was done in Amman but the current study will be done in Kenya. The study results also go hand in hand with Mohammed (2014) who carried out a research work to establish the strategies which were being used by the EAPC. The study found out that East African Portland Cement Company used differentiation, cost leadership strategy and focus strategy to be more competitive. The study also found out that the company was facing various challenges in implementing the strategies. The study was on competitive strategies in the cement manufacturing industry but the current study will be on generic strategies and organizations' competitiveness of sugar firms.

The model summary or goodness of fit model results also shows that product differentiation strategy had explanatory power on organizations' competitiveness of sugar firms in that it accounted for its variability. The study results agree with a study done by Prajogo (2012) who examined the how strategic intent affect quality performance of Australian manufacturing firms. The major intention was to look at entity result of product separation on cost management and interaction effect on quality performance. The study results showed that the differentiation strategy had explanatory power over product quality.

5.1 Summary of the Findings

The study's objective was to assess influence of product differentiation strategy on organizations' competitiveness of sugar firms. The study results showed that influence of product differentiation strategy on

organizations' Competitiveness was statistically significant in that the p-value <.05. The model summary or goodness of fit model results also shows that product differentiation strategy had moderate explanatory power on organizations' competitiveness of sugar firms since it explained organizations' competitiveness change. The study result is in line with those of another study done by Dirisu (2013) who carried out a study to determine differentiation practices adopted by industries in Zimbabwe. They concluded that organizations need to pay more attention on product innovation and quality designs of the products their firms were manufacturing. Differentiation strategy needs to be used as an instrument for enhancing competitive advantage for a company. In order to remain viable, manufacturing companies should embrace a strategy for product differentiation based on efficiency and price. The study was carried out on industries in Zimbabwe while this study will cover sugar industry in Kenya.

The result of this study concurs with Mohammed (2014) who carried out a research work to establish the strategies which were being used by the EAPC. The study found out that East African Portland Cement Company used differentiation, cost leadership strategy and focus strategy to be more competitive. The study also found out that the company was facing various challenges in implementing the strategies. The study was on competitive strategies in the cement manufacturing industry but the current study will be on generic strategies and organizations' competitiveness of sugar firms.

5.2 Conclusion

The study sought to assess influence of product differentiation strategy (packaging colour, Product design and product price) on organizations' competitiveness of sugar firms in Kenya as its objective. The regression results revealed that product differentiation strategy had an explanatory power on organizations' competitiveness of sugar firms and study therefore concluded that there was statistically significant influence of product differentiation strategy (packaging colour, Product design and product price) on organizations' competitiveness of sugar firms in Kenya ($p < .05$).

5.3 Recommendation

Based on the above conclusions of the findings of the study, the following recommendation was made. Since the study concluded that there was a statistically significant influence of product differentiation strategy (packaging colour, product design and product price) on organizations' competitiveness of sugar firms in Kenya, the recommendation of this study is that sugar firms in Kenya should enhance product differentiation strategy (packaging colour, product design and product price). The sugar firms in Kenya produce white sugar for export and brown sugar for local market. According to Kenya Sugar Board (2017), there is a deficit of 300,000 metric tonnes in the local sugar market hence this study recommends that sugar firms should strive to bridge this deficit before embarking on export market.

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