THE ROLE OF GLOBAL MARKETING STRATEGIES IN THE COMPETITIVENESS OF THE HOSPITALITY INDUSTRY IN KENYA: A CASE OF SAROVA GROUP OF HOTELS

BY

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UNITED STATES INTERNATIONAL UNIVERSITY - AFRICA

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A Project Report Submitted to the Chandaria School of Business in Partial Fulfillment to the Requirement for the degree of Masters in Business Administration (MBA).

UNITED STATES INTERNATIONAL UNIVERSITY- AFRICA

SUMMER 2015
STUDENT’S DECLARATION

I declare that this is my original work and has not been submitted to any other university or college institution except the United States International University- Africa in Nairobi for academic credit.

Signed: ____________________________         Date: __________________________

Venessa Kariuki (I.D 642914)

This project has been submitted for examination with my consent as the appointed supervisor.

Signed: ____________________________         Date: __________________________

Prof. Francis Wambalaba

Signed: ____________________________         Date: __________________________

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ABSTRACT

This research report sought to assess the influence of global marketing strategies on the competitiveness of the hospitality industry in Kenya. One of the objectives of the research was to assess how global marketing strategies had influenced the competitiveness of the hospitality industry in Kenya. The second objective of the research was to analyze the effect of economic forces based on Porters’ model on the competitiveness of the industry. The last objective of the research was to examine the challenges against implementing global marketing strategy in the hospitality industry.

The research used a descriptive research design. The target population included 300 employees from Sarova Hotels. The sample size that was used was 102 employees. The data collection method that was used in this study was a questionnaire. This study used a stratified random sampling technique. The data was analyzed using SPSS and presented in pie charts, graphs and tables. Correlation analysis was used to determine the extent of the relationship between competitiveness and global marketing strategies.

The correlation results between competitive advantage and the independent variables show that competitive advantage is positively correlated with global marketing strategies. This indicated that implementation of global marketing strategies have increased competitiveness. Global positioning, global branding and global advertising were all effective marketing strategies, which indicated that they had a significant influence on competitiveness of the industry.

The study further showed that Porter’s economic forces can effectively be used to determine the level of competitiveness within the hospitality industry. The threat of new entrants into the industry posed a significant threat to the level of profitability in the industry. The more suppliers there were in the market the weaker the buyer’s position became in terms of negotiating. Buyer preferences and needs had an impact on the way the organization did business and competition in the industry increased as the number of new entrants increased.
The study showed that there are challenges against global marketing that require mitigation in order to successfully market globally. Challenges such as new entrants in the industry increased the level of competitiveness in the industry. The intangibility of services makes it a challenge to effectively market the service. It was also found that competitive intensity greatly affects a firm’s entry and advertising strategy in different markets.

It was concluded that global marketing strategies were influenced by competitive pressures and had an impact on the level of competitiveness the firm within the industry. The five forces were effective in analyzing and determining the competitiveness within the industry. It was further concluded that global marketing encountered challenges against it and required mitigation of these challenges for successful implementation.

It was recommended that firms in the hospitality industry should employ global marketing strategies to enhance their competitiveness on a global scale. Firms should ensure that their local marketing strategies are successful before embarking on global ones. Competitive pressures should be considered before making decisions on the positioning strategies that are selected.

It can also be recommended that Porter’s economic forces be used to judge the level of competitiveness in the hospitality industry. Using global marketing strategies can decrease the level of threats from substitutes. Lower prices from suppliers in competing industries should be taken advantage of by players in the hospitality industry. Buyer behavior should be closely monitored in order to measure a change in their needs and preferences.

Lastly, the study recommends that organizations should understand the challenges that face their global marketing efforts in order to be able to mitigate them. Employees should undergo proper use of various global marketing strategies. Additionally, digital and social media should be used in place of other global marketing avenues to effectively reach the target audience desired. Firms should consider shifting from single channel to multiple channel marketing campaigns for global marketing success.
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**ACRONYMS AND ABBREVIATIONS**

<table>
<thead>
<tr>
<th>ILO</th>
<th>International Labor Organization</th>
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<tr>
<td>UNWTO</td>
<td>United Nations World Tourism Organization</td>
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CHAPTER ONE

1.0 INTRODUCTION

1.1 Background of the Study.

The hospitality industry has often been perceived as one of the most global in the service sector (Whitla, Walters and Davies, 2007). According to the International Labor Organization (2010), the hospitality and tourism industry is one of the largest and most dynamic industries in today’s global economy. The industry is expected to provide more than 235 million jobs in 2010, contributing to 8 per cent of global employment. According to the ILO, international tourist arrivals have increased by 4.3 per cent between the years 2008 and 2014. The rate of tourists arriving in Africa however, has remained low compared to other continents like Europe and the United States. For example, Europe remains the most popular destination in the world, followed by Asia, the Pacific then America, while Africa commands the lowest market share (United Nations World Tourism Organization, 2007). According to Taleb Rifai the UNWTO Secretary-General (2015), ‘In order to fulfill Africa’s hospitality and tourism potential, key challenges such as the full usage of modern technologies to maximize marketing and services needs to be addressed.’

In recent years, many firms have ventured into global markets (Bartlett and Ghoshal, 1989). According to Brotherton(2012), the hospitality industry is becoming increasingly internationalized. The strategic management and marketing literature show that hospitality firms need to employ defensive strategies to discourage market entry of new competition or defend their markets once new rivals emerge (Yeung, 2003). Hospitality firms that want to develop their business across national and international boundaries should understand what globalization means. Firms should have the ability to react quickly to market opportunities, regardless of where they present themselves and apply business concepts that have been proven in the context of a global situation. Global marketing strategies are therefore important in order to compete effectively within the hospitality industry.

As competition in the hospitality industry increases, the importance for hotels to invest more in marketing activities in order to attract and retain guests and differentiate themselves from their competitors in the industry is increasing (Keh, Chu, & Xu, 2000; Brown & Ragsdale,
2002). Global marketing includes the process of planning, pricing and promoting a company’s products or services in a worldwide market. The management team of a firm is supported by marketing in creating business strategies by identifying market opportunities and developing and executing marketing strategies and plans that support achievement of a firm’s goals. Global marketing allows firms in the industry to assess their competitive surroundings, customer trends and demands and gives them the opportunity to redevelop their products to meet the changing and highly competitive marketplace.

The need for companies to become global players may be even more important in services than manufacturing industries. According to Peter, Steyn and Mostert (2008), businesses should develop formal global marketing strategies and policies, including strategic goals and objectives to achieve success in global markets. Success in global markets depends on a firms ability to maintain competitive advantage against other firms in the industry globally (Gillespie, 2011).

The hospitality industry is thus at the center of the globalization of local business. Hospitality firms need to consider the global context in which they operate and must be prepared to address the questions that arise from this constantly evolving environment (Bowie and Buttle, 2011). Organizations should continuously plan their global market strategies as new markets open up.

The ability to market products and services globally brings huge business opportunities. When a firm goes outside national borders, it is able to take advantage of customers from countries experiencing economic and population growth. This allows firms to replace domestic sales with international ones in order to balance their cash flows and grow their business (Neelankavil, 2007). Global marketing is thus essential in the achievement of competitive advantage of the hospitality industry against its worldwide competitors. Without global marketing, the role of this industry in developing countries would pale in comparison to its global competitors.

According to Brotherton (2012), the globalization of the hospitality sector poses interesting challenges for marketers. Industry players and existing firms face the prospect of high levels
of competition given the relative ease with which new players the market. Unlike the goods industry, service industries face competition from their respective industries as well as from their clients who often question themselves whether or not they should engage a service at all. According to Reid and Bojanic (2010), coordinating marketing, operations, human resource efforts and foreign environmental factors is a difficult task.

According to Kotler and Armstrong (2012), the emergence of the global consumer has redefined marketing in almost every way. Marketers have to carefully craft a competent global local balance and incorporate more technologies such as social media marketing to successfully compete against rivals. Consumers are expanding their global networks and are embracing their national culture which makes it more challenging to develop effective marketing strategies.

The main challenge of global marketing is to provide a marketing message that is relevant both locally and globally. Hence, firms are faced with the challenging task of combining their marketing strategies into an integrated and effective marketing message. Although challenges exist in all forms of marketing, the marketing of services faces specific challenges that are more often difficult to overcome due to the nature of services being different to that of goods (Onkvisit and Shaw, 2009). Marketing in the hospitality industry is especially challenging as customers are often doubtful of the quality of services provided. It is important for firms to be able to overcome challenges of global marketing strategies as they are inherently important for the development and growth of business.

There are examples of global firms that have successfully applied global marketing strategies which have ensured their competitiveness in their industries. One of these companies is the global fast food chain McDonald’s. They are a franchise that has succeeded in implementing global marketing strategies by integrating the cultural differences of each country they operate in, into their overall global marketing strategies. McDonald’s success in global marketing has been as a result of global marketing strategies that appear globally, but are tailored to fit the targeted market. For instance in India it has been positioned as a family restaurant while in Hong Kong, McDonalds has built up a distinctive image aimed at
targeting trendy, independent teenagers seeking affordable meals. Their strategy involves visual advertising that relates to their international markets (Knicker, 2013).

In another example, the South African Government in 2001, initiated the brand South Africa project and established the International Marketing Council to effectively deliver their brand initiative. The Brand South Africa project was based on a need for a single-minded, integrated positioning message to sell South Africa to the world. The country therefore, formulated a specific positioning statement for tourism and hospitality together with a full marketing and branding strategy to successfully communicate this message globally in order to increase their competitive advantage in Africa (Carolus, 2007). Namibia is another country that has implemented marketing strategies in order to set itself apart from the rest by capitalizing on building a brand of a luxury tourist destination. Travel packages offered by tour operators usually target visitors from high end tourism markets. Tourism exhibitions allow the player in the industry to be able to market their services. This allows players to assess and keep up to speed with the competition as well as changes in the market (http://www.euromonitor.com).

In the case of East Africa, countries like Tanzania and Uganda have tourism boards to carry out marketing campaigns in order to market and promote domestic and international tourism. This includes plans to identify target markets and influence the selected targeted market segments in order to promote the images of these countries. Tanzania has positioned itself as a leading destination for wildlife viewing and hunting expeditions (Mussa, 2011). In Uganda, the Ugandan Tourism Board has created a platform for the industry to market itself worldwide. Based on the varying needs, structures and stage of development of individual markets, each market is approached with a mix of marketing activities such as consumer and trade promotional activities such as advertising, publicity best suited to market conditions (Ministry of Tourism; http://tourism.go.ug/). These marketing efforts enable these countries to maintain competitive advantage against other East African countries that are competing for the same markets.

In spite of the recent global economic crisis, the tourism industry has continued to register promising figures and is one of the key pillars of the Kenyan economy (Kenya Association of
Hotel Keepers and Caterers, 2012). In Kenya, agriculture is the only source of foreign exchange revenue larger than the hospitality and tourism industry (Kenya National Bureau of Statistics, 2014). The industry has grown at a steady pace over the years and has contributed majorly to the foreign exchange earnings of the country as well as contributing to over 12% of the Gross Domestic Product (GDP). In the years 2011 to 2013, hotel rooms available in the country increased from 10,190.0 to 11,430.1 thousand and the room occupancy rate from 36.3% to 41.9% (KNBS, 2014).

In Kenya, the rapid development of tourism has presented challenges to the hospitality industry in the provision of hospitality services. The challenges include provision of hospitality services to groups with differing interests from both within the country and internationally. Competition from global firms is also a prevalent issue within the industry. This is further hampered by marketing, promotion and servicing strategies that are below competitors' standards. Conclusively, there is an increasing need to review the status of the industry in the country and how global marketing can help in its continued development.

Sarova Hotels, Resorts and Game Lodges was set up over 30 years ago, and are the operators of a number of hotels, resorts and lodges. Sarova Hotels is one of the leading players in Kenya’s hospitality industry with over 1,000 hotel rooms. Sarova Hotels comprises of 8 properties spread out through Kenya that attract thousands of guests in every year (Sarova Hotels, 2012). It is an experienced firm within the hospitality industry in Kenya which has made the group of hotels an ideal subject for the study. The study focused on gaining information from the management employees of the hotel as they had the knowledge required to answer the study questions.

1.2 Problem Statement

Past research in global marketing has examined a very limited group of industries (Michael Porter, 1986). It is clear that competitiveness in the international and local hospitality industry is on the increase, due to a combination of political, external and policy failure effects that occur individually or simultaneously over a period of time (Kareithi 2003).
Competitive environments intensify challenges to the industry, and often complicate these challenges.

Global competitors are challenging not only the large international markets but also regional markets and markets that local firms thought were safe from such competition. Firms that want to compete in global markets must come up with effective marketing strategies, stick to them and allocate resources in ways that support these strategies. Studies on global marketing mainly focus on goods rather than services. There are very few studies that investigate global marketing and the challenges of its implementation within the hospitality industry.

To the researchers’ best knowledge there is no known local study that has been done on the role of global marketing strategies and the challenges facing global marketing in the hospitality industry. This study thus sought to fill the existing research gap by conducting and by answering the questions of the role and challenges of international marketing in the hospitality industry.

1.3 Purpose of the Study

The purpose of this research was to analyze the influence of global marketing strategies on the competitiveness of the hospitality industry in Kenya.

1.4 Research Questions

1.4.1 How have global marketing strategies influenced the competitiveness of the hospitality industry in Kenya?

1.4.2 How do the economic forces based on Porters’ model affect competitiveness in the industry?

1.4.3 What are the challenges against implementing global marketing strategies in the hospitality industry?

1.5 Significance of the Study
Previous studies have not documented the influence of global marketing on the competitiveness of the hospitality industry in Kenya. This is a very important issue to be the addressed as the industry is a major contributor to the country’s economy. Global marketing strategies play an important role in the promotion and development of the hospitality industry within the region and globally as they allow the industry access to markets all over the world. This study therefore sought to establish the influence of global marketing strategies on the hospitality industry and the challenges it faces in marketing itself to the world. The following are the intended beneficiaries of this study:

1.5.1 Management and Marketers of Hotels and Other Hospitality Institutions.

The outcome of this research should therefore be beneficial to the management and marketers of hotels and other hospitality institutions in guiding them in coming up with global marketing strategies that can help them develop and internationalize successfully as well as enlightening them on the possible challenges facing their international operations and marketing strategies and solutions that will help them overcome those challenges.

1.5.2 Stakeholders in the Hospitality Industry.

The study will be of great importance to stakeholders in the international and local hospitality industry. It will assist them in designing policies that will help hospitality organizations overcome the challenges of marketing themselves internationally.

1.5.3 The Government of Kenya.

The Government of Kenya will also find this study a valuable source of information as the hospitality industry is a major contributor to the economy. The analysis of the challenges will help the government come up with ways to mitigate them and support the development of the industry.

1.5.4 Multinational Corporations.

This study will be of value to multinational corporations especially those in the hospitality industry as it will give an insight into the effect of global marketing strategies on their
performance. It will also assist them to be able to determine their competitive position in their industry.

1.5.5 Scholars and Academicians.

The study will be of importance to future scholars and academicians as it will add on to the growing body knowledge and form a basis for additional research. This will act as a reference base for studies to be done on challenges facing international marketing operations in this particular industry.

1.6 Scope of the Study

The study focused on the influence of global marketing strategies on the competitiveness of the hospitality industry in Kenya. The study reviewed literature over the last five years or older where it applied. The study used structured questionnaires to collect data. The constraints of the research study included the timeframe given and since the study sampled a particular group, it may not necessarily have reflected the views of the whole industry. The study focused on the service industry and the results may not be applicable to tangible goods industries. The data used in this study was collected from 102 management employees of Sarova Hotels over a period of one week during the month of July 2015.

1.7 Definition of Terms

The following are definitions of key terms used in this paper.

1.7.1 Global Marketing.

A market in the hospitality industry can be defined as a group of people who require a place to stay eat or drink (Wearne and Morrison, 1996). According to Onkvisit and Shaw (2009), Global marketing can be defined as the process of conceiving and then conveying a final product or service globally with the intentions of reaching global markets.

1.7.2 Hospitality Industry.
The hospitality industry encompasses all forms of travel, tourism, lodging, eating, drinking, entertainment and recreation activities (Wearne and Morrison, 1996). It consists of firms that serve guests away from home either domestically or internationally (Chon and Maier, 2010).

1.7.3 Competitiveness and Competitive Advantage.

Competitiveness in the tourism and hospitality industry can be defined as the competitive position of the tourism industry of a nation, in relation to the international market of tourist industries in other nations. This is regardless of whether they are developed or developing countries, which leads to an increase in the economic prosperity and standard of living of its citizens (Hong, 2008).

1.8 Summary of the Chapter

This chapter discussed the background of global marketing and the competitiveness of the hospitality industry. It also discussed the importance of the study to marketing managers, industry stakeholders, the government and researchers. It included the scope of the study and definitions of the terms used.

The next chapter reviews literature based on the research objectives of the study which are to establish the influence of global marketing strategies on the competitiveness of the hospitality industry in Kenya, examine how the economic forces based on Porters’ model affect competitiveness in the industry and to determine the challenges against global marketing strategies in the hospitality industry. Chapter three describes the research design used in the study. Chapter four discusses the results and findings of the research questionnaire, while chapter five covers discussions, conclusions and recommendations.
CHAPTER TWO

2.0 LITERATURE REVIEW

2.1 Introduction
This chapter reviewed existing literature on the influence of global marketing on competitiveness of the hospitality industry. In particular the study reviewed the analysis of competitive advantage in the industry and challenges facing global marketing by hospitality marketers.

2.2 Global Marketing Strategies Influence on Competitiveness.
The world is increasingly more globalized due to markets around the world opening up. This globalization has caused major changes in the global business environment. Service industries such as hospitality are aiming to grow their businesses based on foreign markets and are widely accepting global marketing strategies to stay competitive (Hollensen, 2013). Marketing strategies play an important role in increasing efficiencies and integration of challenging activities across markets (Porter 1985).

According to Keegan, Seringhaus and Rolf (1999), globalization is a certainty that almost all firms face. In industries all over the world, firms experience the weight of global competition at home as well as in global markets. In Kenya, local hospitality firms especially hotels and restaurants are facing stiff competition from foreign owned franchises that are slowly taking over the domestic market. As a result, firms need to readjust and come up with new strategies in order to counter these globalizing forces. Adoption of a different perspective means that managers should no longer focus on countries as individual markets only but on the world as a unified market (Tsiotsou and Goldsmith, 2012). In the hospitality industry, firms target global market segments. That is, customers in different countries with similar tastes and preferences.

As markets become more integrated, changes in the markets increase, new competitors come up, and competitive pressures are increasingly felt in the firm. The changes happening in the global marketing environment are opening up new opportunities and ways of operating in these markets. This greatly affects how marketing strategies are developed by firms. (Bertoli
and Resciniti, 2012), found that global marketing is a growing and changing process. Hence, global marketing strategies are important tools for any firm, to adjust to the changing aspects of business as a result of globalization.

The hospitality industry is one of the largest industries in Kenya. It encounters considerable competition from players all over the world. Global marketing allows the industry to gauge its competitive environment, and gives it the chance to compete in the highly competitive market place. This paper reviews the growing importance of global marketing in strategic hospitality organizations. It concentrates on the ability of firms to employ global marketing strategies to achieve organizational goals by achieving competitive advantage.

At the global marketing level, firms employing these strategies are faced with many challenges when creating global marketing plans. Firms cannot hold the same position against their competitors in all markets and therefore it is impossible to launch identical marketing plans globally (Font, Japper and Cochrane, 2006). Global marketing strategies commonly used by firms include market segmentation, pricing, personal selling, direct selling, positioning, branding, advertising and composite strategies which combine two or more of the strategies. The following are global marketing strategies that will be focused on this study as they are more prevalent in the hospitality industry in Kenya.

2.2.1 Global Positioning
Positioning can be defined as the arrangement of a product or service to occupy a clear, separate and desirable place in relation to competing products or services in the minds of customers (Horner and Swarbrooke, 2005). It is the act of building the image of a firms’ product or service with the intention of placing the product or service in a preferable position in the mind of the customer in relation to its competitors. Global positioning is used when different demand patterns, customer motives and competitive pressures across nations leads to the need for positioning products or services in order to differentiate them from those of competitors in different markets (Kotler and Armstrong 2010).

The main aim of positioning is to have an effect on the customers’ way of thinking. Good brand positioning helps guide marketing strategy by explaining what a brand is all about,
how it is unique and similar to competing brands and why customers should purchase or consume the brand over the competitors brand (Rao, 2011). It is what you do to the mind of the prospective customer. Firms should work out an effective positioning strategy to influence the minds of the people to develop positive perceptions towards the service brand.

In order to make a customer’s decision easy and to develop brand preference, firms should ensure that the brand is recalled by consumers when purchase decision-making concerning the product or services is made (Mentz, Strydom and Kloppers, 2013). The identified attributes of the firm for positioning should be capable of communicating specialized brand values and image identity of the company. However, global positioning without taking into account the preferences of local markets can result in marketing strategies and plans being unsuccessful. Positioning is a major factor in the success of firms and can often be a challenge to marketers.

2.2.2 Branding

According to Kotler and Armstrong (2004), branding is a combination of a name, term, symbol or design intended to distinguish goods or services of a firm from those of its competitors. It is the use of a phrase, image, design or combination of these factors to position the identity of a product or service in the minds of consumers (Khan; Prideaux, Moscardo and Laws, 2006). In the hospitality industry, branding has become a highly effective marketing strategy. It has become so popular that the concept of a brand has become synonymous with the word hotel in the minds of consumers across the globe (Khan 2006; Prideaux, Moscardo, Laws, 2006).

According to Dev (2012), the choice of brand name is an important issue in global marketing. A firm’s brand strategy can be to vary its brand name globally, to keep the same brand name or not to brand at all depending on the target market and customers they want to draw in (Lamb, Hair and McDaniel, 2008). Brands should be able to portray value to the customer. This value however, takes time and effort to build. The difficulty of building and maintaining a brand is one of the reasons why managers the world over tend to avoid
spending much time or money on branding. However, a well managed brand strategy can overcome almost any other competitive advantage.

A brand can be seen as a first view of the products or services being offered to the customer (Ali, 2012). Brand success can be built on three important factors namely, determining the values, needs and wants that are important to the customer, knowing how to interpret those values, wants and needs and finally, being able to successfully integrate those values, wants and needs into the brand. Successful global branding increases profitability by adding values that entice customers to buy, enhance product loyalty, enhance self-image, encouraging repeat purchases and identifying and locating products and services easier for customers (Ghodeswar, 2008).

2.2.3 Advertising
According to Hansen and Christensen (2003), Kotler (2000) defined advertising as any form of non-personal communication and promotion of ideas, goods or services by a firm. McCabe (2009), states that advertising is a form of marketing communication which delivers an important and relevant message about a firm and its products or services to the attention of the target market. The way in which a firm chooses to advertise is a major factor when coming up with a global marketing strategy. A completely dispersed approach would result in different means of advertising for various countries, which can be costly as well as risk the message not being effectively delivered.

Today, firms have the option to choose from a wide range of possible advertising avenues to market their goods and services. These avenues range from radio, television and print to online and digital advertising which includes social media marketing through sites such as Facebook and Twitter that have become important platforms for marketers all over the world (Wharton, 2014). Selecting the right form of advertising requires the firm to undertake market research which is important in order to determine the appropriate combination and customization of different mediums to use to reach the required target market.
The degree of customization firms should attempt in advertising campaigns meant to cross national boundaries is an important concern for global advertisers. According to O’Guinn, Allen and Semenik (2008), globalized campaigns involve little customization among countries whereas localized campaigns require heavy customization for their markets. Global firms should avoid uncoordinated approaches towards advertising and global marketing as a whole. The best position for marketers to take when handling global markets is to discern the needs of the local markets, and integrate marketing strategies into one strategy that can be used worldwide (Choi, 2010). Advertising is important in raising a firm’s target demographics’ awareness of its brand and global presence.

2.3 Effect of Economic Forces on the Competitiveness of the Industry.

The world we currently live in is marked by globalization and the increasing importance of relations among nations and firms has led to the need for adoption of new rules of conduct among them. The growth of nations and firms is based on their competitiveness and their ability to integrate in the worldwide value chains in global markets. Therefore, the issue of competitiveness is one of importance for all stakeholders in an economy, from the national level to one of the firm. Competition in a business environment refers to rivalry among firms operating in a market to fill similar customer needs (Jain, 1998).

From a national viewpoint, competitiveness can be described as the degree to which a nation can produce goods and services that meet the requirements of international markets while at the same time maintaining or improving its real income (Waheeduzzman and Ryans, 1996; Enright and Newton, 2005). According to Enright and Newton (2005), management literature views the firm instead of the country, as a competitor. It therefore focuses on an array of firm and management specific factors for competitive advantage such as firm specific resources, firm structure and competitive environment of the firm.

Porter (1990), concentrates on the competitiveness of specific industries in different locations rather than competition between national economies. According to Enright and Newton (2005), De Holan and Phillips (1997), recommend including Porter’s framework, specifically when examining tourism and hospitality in developing countries. This study is therefore
aligned with Porter’s framework, as it concentrates on the competitiveness of one specific industry in different national locations.

Porter’s model illustrates the rules and conditions of competition in various industries. Competitive strategy emerges from an applied understanding of the rules and conditions of competition that determine an industry's attractiveness. Porter (1985), however states that a firm is not a complete captive of industry structure. The five forces framework concentrates on key economic factors within an industry and directs firms towards areas that are most important to long term competitive advantage.

There are numerous industry specific factors that would influence the firm’s competitiveness that is highly attributed by industry competition. Hence, a thorough analysis of these specific factors’ is highly recommended for the firms as a means of measuring the severity of each factor. In order to better perform this analysis in a simplified and practical way, firms should choose among the various models developed by researchers in the business world. The model chosen for this study is the five competitive forces model developed by Michael Porter. According to (Hitt, Irelany and Hoskisson, 2015), whether a firm is offering products and services or functioning in the domestic or global market, the forces that determine the profitability of an industry include the threat of new entrants, the threat of substitutes, the rivalry among firms, the bargaining power of suppliers and the bargaining power of buyers.

**2.3.1 Threat of New Entrants**

According to Porter (1985), threat of new entrants refer to barriers to entry which include economies of scale, differentiating a product or service in the minds of customers, costs of switching goods or services, limited access to resources, government policy such as licensing and regulations and expected retaliation from existing competitors. The threat of new entrants refers to the prospect that new players will enter an industry (Enz, 2010). This will generally lead to a decline in profits of the industry.

The ability of new entry is low if an industry has high capital requirements, saturated distribution channels, large economies of scale and prohibitive government regulations. An
expectation of hostile responses from competitors reduces the threat of new entry (Hollensen, 2013). To compete in a new industry the firm needs to meet the capital requirements of that industry. However, the capital required for successful market entry may not be available for a firm to pursue a possible market opportunity. According Hoskisson, Hitt and Ireland (2007), switching costs are onetime costs that a customer incurs when they purchase from a different supplier. When entering an industry, new entrants must offer considerably lower costs or much better products and services to attract buyers in the market. The strategic relevance of cost advantages of competitors independent of scale such as desirable locations, government subsidies and sophisticated technology should be reduced in order to successfully compete in the industry.

According to Cheng (2013), the hospitality industry displays high entry barriers restricting new entrants, especially due to the joined factors of economies of scale and high cost of capital for entry. New entrants face a dilemma when confronting current competitor’s economies of scale. Entry with small economies of scale places them at a cost disadvantage while large scale entry risks strong competitive reaction. In Kenya the threat of new entrants in the hospitality industry is high with international brands such as the Hilton, Marriott, Radisson Blu and Kempinski which all have a far larger average size of hotel than the others in the country overcoming the barriers to entry and successfully entering the market(http://www.africa-conference.com).

2.3.2 Threat of Substitute Products
Porter (1985), found that substitute products or services are products or services already in the market that can fulfill the customer’s needs. In theory, substitute products perform the same function, have a similar range in costs, and provide the same or higher quality performance (Porter, 1985). Firms must consider the viability of substitutes. Substitute products and services offers customer’s an array of choices and allows them options in and out of the industry that may fulfill a similar need. When close substitutes are available, firms must devise ways to make their services more attractive than the substitute.
In a situation where there are competitive substitutes for the firms’ products or services, the firm will be unable to determine their prices for the product or service. There is higher competition when there are more substitutes in the industry and therefore profits are inclined to decrease.

Factors that affect the threat of substitute products include relative price and performance of substitutes, buyers switching costs and buyers propensity to substitute (Sinha and Sinha, 2008). Customers are more likely to move to a substitute product or service if there are little or no switching costs. If substitutes are priced more reasonably or have better quality, then customers will be more likely to change products. All of the above factors can only have an effect if there are actually substitutes available in the market.

To identify potential threats from substitutes, the firm needs to be creative in its decision making process. According to Cheng (2013), there are few substitutes that are a threat to a firms specific goods and services. However, players in the hospitality industry face a high level of competition from new entrants and high quality substitutes that threaten their market share and profitability.

2.3.3 Bargaining Power of Suppliers
Porter (1985), emphasized that suppliers to an industry may have greater influence in an industry, if they are more concentrated than their customers and their customers do not command a significant share of their business. Firms in this case, would face differentiated products and services or high switching costs. Also, if changes in goods and services made the customer think that the quality has lessened or that the image of the product or service is different, then the customers perception and service would be affected (Kotler, 2000).

Suppliers have a higher bargaining power when there are more suppliers than customers who in this case, are the firms in the market, when few close substitutes exist or when there is high product differentiation in suppliers goods and services, when the costs of switching to another supplier are high, when they begin producing the product themselves, if they have specific expertise or technology needed to manufacture goods and if there are strong end
users who can exert power over the organization in favor of a supplier (Enz, 2010). In all of these cases, when the bargaining power of suppliers is high they can demand higher prices and set their own timelines for delivery of goods or services.

Cheng (2013), states that in hospitality firms, many key suppliers emerge from industries that have a high level of competitiveness. This assists in keeping the prices of those suppliers low. When a firm’s suppliers’ have significant power over the value chain, the way a company serves its own customers can be directly impacted. This can affect product prices, product quality and quantity available depending on the extent of the suppliers’ power. Alternatively, if suppliers’ power is weak, firms in the industry can force input prices down and demand higher quality inputs such as productive labor. The ability of suppliers to make demands on a company depends on their power relative to that of the company.

2.3.4 Bargaining Power of Buyers

According to Porter (1985), the buyers of goods and services from an industry may have a greater impact on the industry, if they are greater in number than the players within that industry and are able to force down prices as well as reduce the industry’s profits. The buyers can force down prices through purchasing from the industry in large volumes or demand for higher quality products and services to drive up costs.

Buyers have bargaining power when they are strong enough to be able to put collective pressure on the companies producing a product or a service. This power is increased when buyers are able to gather together and amount for a large percentage of the firms’ sales revenue or when there are a number of suppliers providing the same type of product (Hill and Jones, 2009). When a group of buyers with large purchasing power is present in the market, it can considerably impact a company’s product and selling strategies. The strongest power that buyers can exert on the industry and the firm is to lower prices, which negatively impacts the profit potential. Buyers can also increase competitiveness by forcing different companies to engage in competitive pricing strategies. These factors eventually diminish the attractiveness of the industry by lowering its profitability.
This is the case in the hospitality industry. Enz, (2010) states that buyers have leverage when firms offer substitute products and services, when there are low switching costs and when there are few buyers or when buyers purchase in large volumes. According to Hill and Jones, (2009), when buyer’s position of power is diminished, firms in the industry can raise prices and reduce their costs by lowering product and quality and service, thus increasing profits. In addition, many firms try to neutralize buyer’s power by offering loyalty programs that offer customers extra benefits for remaining loyal to the firm. These programs are put in place to dissuade customers from moving to competitors.

2.3.5 Rivalry amongst Current Competitors

According to Porter (1985), intensity of rivalry is dependent on number and size of direct competitors as numerous competitors may lead to strong competition. This is as a result of business growth sought being greater than the growth rate of the industry. Global industries face stiff competition from their regional and international counterparts. The rivalry for market share becomes intense when product or service differentiation is low.

Rivalry amongst current competitors puts pressure on firms in the industry. This pressure leads to limits on the profit potential of these firms. When there is fierce competition in an industry, there are efforts from firms to get the highest profit and market share from each other. This can end up decreasing the potential for profit for all of the companies. The structure and nature of an industry may determine the nature of the competitive rivalry that may exist in it. Factors that may make an industry competitive include multiple competitors, slow growth within the industry, high fixed costs, product and service switching costs, capacity increases, diversity of competition and barriers to exit.

Rivalry increases when industry growth is low as companies need to draw customers from other firms in order to meet growth objectives (Enz, 2010). If customers can easily switch among providers or if there is lack of differentiation of products and services of the firm and its competitors, firms have to lower their prices in order to increase their competitive advantage. Competitiveness can be fought using price, advertising and promotional spending, product and service design and after sales services and support.
2.4 Challenges against Global Marketing Strategies.

Firms in global markets face a myriad of challenges in their operations. Authors have identified areas of distinct importance to the global manager seeking to meet the challenges of global markets especially in the service industry. These include market size, governance and regulatory barriers, political and economic climate, entry of competitors into local markets, the need to follow customers going abroad and the ability to operate in a market with a variation of consumer tastes (Cravens, 2006).

According to Neves, Castro and Consoli (2010), customers from different parts of the world require different services due to their individualized tastes and requirements. Customized global strategies for each market is challenging due to the limited resources available to managers. Global marketing strategies require a mix of uniform and customized strategy as competitive powers of rivals varies throughout the world. For the purpose of this paper, the author chose to look at the following issues that are major challenges in global marketing especially to Kenyan hospitality firms.

2.4.1 Entry of Competitors into Local Markets

According to Hult, Tomas, Cravens and Sheth (2001), competitive considerations include entry of competitors into overseas markets and into local markets. These considerations are perhaps the most important in developing marketing strategy. If they are not properly taken into account they may cause the failure of the strategies set to be implemented.

The main reason for a firm to adopt marketing strategy is competition. In industries dominated by a single firm, only minimal marketing is required to increase market share (Saxena, 2009). For a long time services industries engaged in markets which allowed them to use the same marketing techniques globally and locally in order to maintain their competitive advantage as well as profits . According to Reid and Bojanic (2010), service industries have fairly steady market positions and constant demand which enabled them not to prioritize marketing efforts. Today, most firms face stiff competition, as industries have
become more global and therefore have no choice but to engage in serious marketing efforts to maintain their industry positions.

The solution to this is that marketers need to monitor the actions of major competitors to determine what specific strategies competitors are using and how those strategies affect their own. Competitive intensity influences a firms’ strategic approach to markets. According to Ferrell (2012), monitoring guides firms in developing competitive advantages and in adjusting current marketing strategies and planning new ones.

2.4.2 Digital and Social Marketing
Technology in the world today is evolving at a fast pace. According to Scott (2013), avenues to market such as the internet and social media require managers to have training in how to use them. This is in order for them to be able to maximize their marketing potential. However, many marketing managers today have little or no training or experience on how to fully take advantage of digital or online marketing methods. (Saxena, 2009), states that digital and social marketing have a wide array of benefits such as lower costs of advertising compared to other marketing methods and the ability to reach markets all over the world at a click of a button. This is especially helpful in global marketing.

There are various channels of digital marketing such as through email, blogs, podcasts, search engine marketing, social media, text message marketing and application based mobile marketing (Zarrella, 2010). Markets are increasingly getting globalized thanks to the emergence of digital marketing. Today, few firms cannot stay in business without taking advantage of social media marketing. However, it incurs huge costs and is constantly evolving.

According to Tagg, Stevenson and Vescovi (2013), marketers need to identify what would work for them in the short run as well as in the long run, and work together with the other organization functions to effectively use the channels made available by digital marketing. Managers need to undergo training on how to use of digital marketing methods to effectively
market their firms. Once the challenges of digital marketing are overcome it can help firms to differentiate themselves from competitors and grow in their industry.

2.4.3 Marketing Services vs. Goods
Marketing services as opposed to good presents its own set of challenges. Hospitality marketing is a subset of service marketing (Brotherton, 2012). The main challenge of service marketing is that services are intangible and therefore customers are unable to accurately judge the satisfaction they will get from purchasing the service. This makes it difficult for marketers to convince potential customers of the ability to meet their needs.

According to Pride and Ferrell (2012), products and services have some essential differences that influence what goes into marketing them. Goods have physical specifications and features unlike services which do not, so customers with access to this information are able to compare the value they are getting and decide on the best option. This is a major challenge for service marketers, who are tasked with communicating the message that their service brand is preferable for potential customers.

Good marketing for a service therefore emphasizes what the service provider offers that no one else does and why this differentiation needs to be what the customer cares about. Maintaining a good image for the service provider is therefore an important aspect of service marketing (Pride and Ferrell, 2012). Products and services are two closely aligned but definite concepts. The ability to discern the differences and particular challenges of marketing goods versus services can help firms in establishing the right marketing approach for marketing in each case.

2.4.4 Political and Economic Climate
Political and economic climates can greatly hinder the implementation of marketing strategies both in the home country and abroad. According to (Caraganciu, 2013), harsh or unfavorable political and economic climates can deter guest from wanting to visit a country, therefore making managers efforts to market their firms difficult. A sudden change in political climate in a potential or current market may want to make marketers shift focus to
other markets. For example in the case of Kenya, terrorist threats on the security of the country have greatly affected the hospitality industry.

Global and national factors affect almost all industries. The state of the economy will determine how buyers and other organizational stakeholders make decisions in business. Service products tend to be more affected by this than goods as they are more risky for the consumer. This climate is also always constantly changing.

Marketers need to be constantly aware of their surrounding business and national environments in order to tackle the constant changes and unpredictable events that may occur. Bhandari (2013), states that marketers should be able to forecast future plausible changes in the global and local environment. Therefore marketers need to be able to plan ahead and be aware of all regulations and possible changes in the global and local environment in order to implement successful marketing strategies.

2.4.5 Selecting the Right Marketing Strategies
Marketing strategy refers to the plan of action of a firm that enables the distribution of resources in an attempt to increase profits through using various avenues to place the image of certain products and services in the mind of customers relative to those of the competition (Egan, 2007). Marketing strategy facilitates the achievement of the company’s goals and visions. Marketing strategy aims to help a firm reach its long term company objectives and goals. Marketing strategies are relied on by companies to communicate information about the existing and newly introduced products and services.

Marketing includes an array of decisions that affect consumer interest in a firm. Hence, selecting the right marketing strategy is crucial to the success of its marketing efforts. Marketers can ensure they select the right marketing strategies by focusing on the greater global benefits and shift from single channel marketing campaigns to more dynamic multiple channel approaches. Firms should align directions for growth and restructure marketing strategies seeing as new markets and competitor dynamics are emerging (Paliwoda and Thomas, 2011).
In conclusion, marketing strategies are exceedingly important in maintaining competitive advantage. Firms in the hospitality industry should analyze their competitive environment using the Five Forces model in order to properly plan their strategy. Challenges in the implementation of global marketing as a competitive strategy are prevalent in the hospitality industry but can be overcome by adequate analysis of competitive environments, intensive market research and execution of the marketing strategies (Lockyer, 2013).

2.5 Summary of the Chapter

This chapter reviewed the existing literature on the influence of global marketing on competitiveness of the hospitality industry. The literature review discussed the theoretical foundation of the study. It also discussed the effect of Porter’s five competitive economic forces model in the industry and the challenges against global marketing by hospitality marketers.

The methodology used in the research will be reviewed in the next chapter. It includes the research design that will be used, population and sample size of research. It will also describe the data collection and analysis methods.
CHAPTER THREE

3.0 RESEARCH METHODOLOGY

3.1 Introduction

In the previous chapter, the literature review of this study was presented. This chapter discusses the research procedures and methods that will be used in conducting the study. This chapter will also cover the research design, the target population, sample size and sampling techniques, analysis and presentation of data.

3.2 Research Design

Research design is described by Kumar (2002) as a plan for collecting and analyzing data in an economic and efficient manner. It is a detailed blueprint used to guide a research study towards its objective (Aaker et al, 2000; Bajpai, 2011). This study used a descriptive research design. According to Tripodi and Bender (2010), descriptive research describes the characteristics of a sample and relationships between variables and events observed by the researcher. The outcome is to provide data about the sample that describes the basic relationships in order to increase understanding of the questions asked (Rubin and Babbie, 2011). The research design was a descriptive study of the Sarova Group of Hotels in Nairobi.

The descriptive research design was adopted as it provided a detailed description of the nature of the relationship between global marketing strategies and the competitiveness of Kenyan hospitality firms by focusing on Sarova Hotels. The study will provide the basis for the application of a more realistic response since it will provide a methodology that integrated with working processes. The independent variable was competitiveness while the independent variables include the global marketing strategies mentioned in this study.

3.3 Population and Sampling Design

3.3.1 Population

Neelankavil (2007), describes population as the totality of objects or items under consideration in a study. It is the total number of elements relevant to the research project. It
is the group of people or other unit of analysis that is the focus of the study (Jupp, 2006). The population of this study consisted of 300 employees of the Sarova Hotels Group at their head office in Nairobi. The population was selected as they have valuable information concerning the topic of research and were more accessible. It included managers and other knowledgeable employees.

3.3.2 Sampling Design

Sampling is a procedure that entails studying a select portion of elements in a given population and using the results as a basis for drawing conclusions about the whole population. It is a subset of the units in a population (Neelankavil, 2007). The study used sampling for reasons such as improving the accuracy of results, lowering the cost of research, and easily accessing the population elements, as well as enabling faster data collection.

3.3.2.1 Sampling Frame

A sampling frame is a list of eligible respondents in the population from which a sample is selected (Jupp, 2006). A sampling frame was developed from the staff list provided by Sarova Hotels. The sampling frame identified the target population from which the sample was derived.

3.3.2.2 Sampling Technique

Sampling techniques are the methods used by researchers to select samples that are representative of the population of the study (Cooper and Schindler, 2011). Stratified random sampling method was the technique used in the study. The population was divided into several strata making it easier to make deductions about the relevant groups of the population. This sampling method was used as each member of the stratified population had an equal opportunity to become part of the sample. Thereafter, proportional allocation was used to determine the number of respondents in the sample of each stratum.

3.3.2.3 Sample Size
The sample size must be representative of the population selected (Babin and Carr, 2012). According to Adams and Schvaneveldt (2007), the sample size can be derived from a population using the following formula:

\[
\text{Sample Size} = \frac{N}{1 + (N \times (e)^2)}
\]

Where \( N \) is the population and \( e \) is the margin of error.

Using a confidence of 95% and margin of error of 8% and applying the above formula, a sample size of 102 employees was obtained.

### 3.4 Data Collection Methods

Due to the nature of information needed and the size of the population, the study applied the use of a questionnaire survey as the data collection method. The researcher found that this was the best method to use for this study. A questionnaire is defined as a series of questions on a specific topic, based on specific information needs or research goals, that a respondent answers (Neelankavil, 2007). A questionnaire was chosen as it is highly reliable and has a higher rate of return.

The questionnaire was arranged into four sections. The first section contained demographic information about the respondents. The second, third and fourth sections contained questions that will require responses based on the Likert scale and numerical scale and concerned the first, second and third research questions. According to Bryman and Bell (2007), a likert scale is a test item in which test subjects indicate their attitude or opinion toward a particular statement by choosing one of a small number of alternatives.

### 3.5 Research Procedure

According to McBurney and White (2011), research procedure involves the steps that the researcher undertakes in translating the research design into action. The research procedure highlights the steps that will be followed in carrying out the study. The researcher developed and presented the interview schedule after identifying the sample size. The researcher then distributed the questionnaire among the respondents.
Respondents who participated in the study were given an ample time to respond to the questions asked in order to avoid errors and inaccuracies in their answers. The data gathered was treated with confidence, so that the respondents were more willing to give honest answers.

3.6 Data Analysis

The study applied a quantitative approach in analyzing data. The study applied descriptive statistics in the form of frequencies, percentages, mean and standard deviations to analyze and present the data that was collected. This involved analysis of data to summarize the findings and relationships found between data. Before the questionnaires were processed, the questionnaires were examined to determine whether they are complete and accurate.

The data was then coded, entered and cleaned using MS Excel. The complete data set was then exported to SPSS for further analysis. The frequency of the responses was identified and thereafter a percentage representation of the frequency of the sample population was arrived at.

After the data was collected, graphs, pie charts and tables were used to present the findings of the study. Bar graphs and pie charts were used to indicate the frequency of responses and in which particular order responses appeared in the study. Short analyses also preceded the graphs and tables to give a clear understanding of the data gathered. Proper codes of ethics were also observed in carrying out the research.

3.7 Summary of the Chapter

This chapter described the research methodology that was used in the study. It described the design that was used and has identified the population and sample that was used in the survey. The chapter discusses the data collection method that will be used as well as the research procedure and the data analysis method that was used. The next chapter will present the findings of the research undertaken.
CHAPTER FOUR

4.0 RESULTS AND FINDINGS

4.1 Introduction

This chapter presents the data analysis and findings of the study. The purpose of this study was to evaluate the influence of global marketing strategies in the competitiveness of the hospitality industry in Kenya.

The findings of the study have been organized according to the research questions as follows: how have global marketing strategies influenced the competitiveness of the hospitality industry in Kenya; how do the economic forces based on Porters’ model affect competitiveness in the industry; and what are the challenges against implementing global marketing strategies in the hospitality industry?

4.2 General Information

The sample size of this study was 102 members of staff working at Sarova Hotels. Out of 102 individuals, 80 comprehensively filled and returned the questionnaires. This represents a 78% response rate and a 22% non response rate. This correlates with the view that a response rate of 70% and over is good. This shows that the response rate in this study is good and hence the responses can be used to make inferences in relation to the influence of global marketing strategies on the competitiveness of the hospitality industry in Kenya.

![Figure 4.1: Percentage of Responses from Respondents](chart.png)
This section will cover the general information that respondents were require to give which includes the gender of the respondents, level of employment, departments in which the selected respondents work and whether the organization has a marketing department.

4.2.1 Gender of the Respondents
The respondents were requested to indicate their gender. From the findings illustrated in figure 4.2, 62% of the respondents indicated that they were male while 38% indicated that they were female. This showed that majority of the respondents were male.

![Figure 4.2: Gender of the Respondents](image)

4.2.2 Level of employment
The respondents were asked to indicate their current level of employment. According to the findings as shown in figure 4.3, 15% of the respondents are managers, 6% are assistant managers, while 79% were other administrative staff. The findings therefore show that most of the respondents were administrative staff.
4.2.3 Department of the Respondents

The respondents were required to indicate the department to which they belong. According to the findings shown in figure 4.4, 25% of the respondents belonged to the marketing and sales department, 16% to the operations department, 13% to the finance department and 46% of the respondents belonged to other departments within the company.

4.2.4 Marketing Department in the Organization
The respondents were required to indicate whether or not their organization had a marketing department. From the responses 99% of the respondents said that the organization has a marketing department while only 1% said that there was no marketing department. This therefore shows that the organization has a marketing department.

**Figure 4.5: Marketing Department in the Organization**

### 4.3 Global Marketing Strategies Influence on Competitiveness.

The study sought to establish global marketing strategies influence of competitiveness within the hospitality industry in Kenya.

#### 4.3.1 Most Used Global Marketing Strategy

The respondents were required to identify the most used global marketing strategy by their organization. The study showed that global branding is the most used global marketing strategy with 45% of the respondents selecting it, followed by global advertising at 32% and global positioning at 23%. This shows that branding is the most used global marketing strategy. The findings are shown in figure 4.6.
4.3.2 Most Effective Global Marketing Strategy

The respondents were asked to indicate what global marketing strategy is the most effective in maintaining competitiveness. From the findings illustrated in figure 4.7, global branding was the most effective at 48%, global advertising at 33% while global positioning was least effective at 19%. This therefore shows that branding is the most effective global marketing strategy.

4.3.3 Global Positioning

4.3.3.1 Global Positioning Works better if Local Preferences are Considered First
Respondents were required to give their level of agreement or disagreement regarding global positioning. Findings in table 4.1 indicate that 38% of the respondents agreed to the statement that global positioning works better if local preferences are considered first. 33% strongly agreed and therefore total of 72% agreed with the statement. Still, 23% disagreed and yet 2% strongly disagreed with the statement. Finally, 3% selected that the statement was not applicable.

**Table 4.1: Global Positioning Works Better if Local Preferences are Considered First**

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Agree</td>
<td>27</td>
<td>34</td>
</tr>
<tr>
<td>Agree</td>
<td>30</td>
<td>38</td>
</tr>
<tr>
<td>Disagree</td>
<td>18</td>
<td>23</td>
</tr>
<tr>
<td>Strongly Disagree</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Not Applicable</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>80</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

**4.3.3.2 Customers Demand Patterns Influence Positioning Strategies**

In relation to the statement that customer’s demand patterns influence positioning strategies, findings indicate that 28% of the respondents agreed to the statement. 23% strongly agreed and therefore a total of 51% agreed with the statement. 18% disagreed and 13% strongly disagreed with the statement. Finally, 18% selected that the statement was not applicable. The findings are presented in table 4.2.

**Table 4.2: Customers Demand Patterns Influence Positioning Strategies**

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Agree</td>
<td>18</td>
<td>23</td>
</tr>
<tr>
<td>Agree</td>
<td>22</td>
<td>28</td>
</tr>
<tr>
<td>Disagree</td>
<td>15</td>
<td>18</td>
</tr>
<tr>
<td>Strongly Disagree</td>
<td>10</td>
<td>13</td>
</tr>
<tr>
<td>Not Applicable</td>
<td>15</td>
<td>18</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>80</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>
4.3.3.3 Competitive Pressures Influence Positioning Strategies

Findings in table 4.3 show that 43% of the respondents strongly agreed to the statement that competitive pressures influence positioning strategies. 34% of the respondents agreed and therefore a total of 77% agreed with the statement. Still, 17% disagreed and 4% strongly disagreed with the statement. 2% of the respondents selected that the statement was not applicable.

Table 4.3: Competitive Pressures from the Industry Influence Positioning Strategies

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Agree</td>
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<td>43</td>
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<tr>
<td>Agree</td>
<td>27</td>
<td>34</td>
</tr>
<tr>
<td>Disagree</td>
<td>14</td>
<td>17</td>
</tr>
<tr>
<td>Strongly Disagree</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Not Applicable</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>80</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

4.3.3.4 Global Positioning as an effective Marketing Strategy

Regarding the statement global positioning as an effective marketing strategy, findings show that 33% of the respondents strongly agreed to the statement that global positioning is an effective marketing strategy. A 46% majority agreed. A total of 79% respondents agreed with the statement. 14% of respondents disagreed and 7% strongly disagreed with the statement. None of the respondents selected that the statement was not applicable. Table 4.4 displays the findings.

Table 4.4: Global Positioning as an Effective Marketing Strategy

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Agree</td>
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<td>33</td>
</tr>
<tr>
<td>Agree</td>
<td>37</td>
<td>46</td>
</tr>
<tr>
<td>Disagree</td>
<td>11</td>
<td>14</td>
</tr>
<tr>
<td>Strongly Disagree</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>Not Applicable</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>80</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>
4.3.4 Global Branding

4.3.4.1 Choice of Brand Name Influences Success in the Market
The respondents were asked to indicate their level of agreement regarding the statement that the choice of brand name influences a firm’s success in the market. Findings illustrated in table 4.5 indicate that of the respondents 45% strongly agreed to the statement. 37% agreed and therefore total of 82% of the respondents agreed with the statement. Still, 9% of respondents disagreed and yet 9% strongly disagreed with the statement. Finally, none of the respondents selected that the statement was not applicable.

Table 4.5: Choice of Brand Name Influences Success in the Market

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Agree</td>
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<td>45</td>
</tr>
<tr>
<td>Agree</td>
<td>30</td>
<td>37</td>
</tr>
<tr>
<td>Disagree</td>
<td>7</td>
<td>9</td>
</tr>
<tr>
<td>Strongly Disagree</td>
<td>7</td>
<td>9</td>
</tr>
<tr>
<td>Not Applicable</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>80</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

4.3.4.2 Organizations Brand can be Recognized Globally
Respondents were required to give their level of agreement or disagreement regarding the statement that their organizations brand can be recognized globally. The study shows that 45% of the respondents strongly agreed to the statement that the organizations brand can be recognized globally. 29% agreed and therefore a total of 74% agreed with the statement. Of all the respondents, 18% disagreed and yet 6% strongly disagreed with the statement. 2% selected that the statement was not applicable. Table 4.6 presents the findings.
Table 4.6: Organizations Brand can be Recognized Globally

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Agree</td>
<td>36</td>
<td>45</td>
</tr>
<tr>
<td>Agree</td>
<td>23</td>
<td>29</td>
</tr>
<tr>
<td>Disagree</td>
<td>14</td>
<td>18</td>
</tr>
<tr>
<td>Strongly Disagree</td>
<td>5</td>
<td>6</td>
</tr>
<tr>
<td>Not Applicable</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>80</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

4.3.4.3 Understanding Key Customer Values is Essential in Managing a Brand

Findings as shown in Table 4.7 regarding the statement that understanding key customer values is essential in managing a brand, indicate that 23% of the respondents strongly agreed and 36% agreed. A total of 59% agreed with the statement. Still, 21% disagreed and 15% strongly disagreed with the statement. 5% selected that the statement was not applicable.

Table 4.7: Understanding Key Customer Values is Essential in Managing a Brand

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Agree</td>
<td>18</td>
<td>23</td>
</tr>
<tr>
<td>Agree</td>
<td>29</td>
<td>36</td>
</tr>
<tr>
<td>Disagree</td>
<td>17</td>
<td>21</td>
</tr>
<tr>
<td>Strongly Disagree</td>
<td>12</td>
<td>15</td>
</tr>
<tr>
<td>Not Applicable</td>
<td>4</td>
<td>5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>80</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

4.3.4.4 Branding as an Effective Marketing Strategy

Findings indicate that the majority of 57% of the respondents strongly agreed to the statement that branding is an effective marketing strategy. 32% of the respondents agreed and thus a total of 89% agreed with the statement. However, 7% disagreed and 2% strongly disagreed with the statement. 2% of the respondents selected that the statement was not applicable. Table 4.8 below illustrates the findings.

Table 4.8: Branding as an Effective Marketing Strategy
<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Agree</td>
<td>46</td>
<td>57</td>
</tr>
<tr>
<td>Agree</td>
<td>26</td>
<td>32</td>
</tr>
<tr>
<td>Disagree</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>Strongly Disagree</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Not Applicable</td>
<td>1</td>
<td>2</td>
</tr>
<tr>
<td>Total</td>
<td>80</td>
<td>100</td>
</tr>
</tbody>
</table>

4.3.5 Global Advertising

4.3.5.1 Mode of Advertising is important in Determining its Effectiveness

Respondents were required to give their level of agreement or disagreement regarding statements on global advertising. The study as shown in table 4.9, indicates that a majority of 45% agreed to the statement that the mode of advertising is important in determining its effectiveness. 37% of the respondents strongly agreed. A total of 82% agreed with the statement. 12% disagreed and 3% strongly disagreed with the statement. 3% selected that the statement was not applicable.

Table 4.9: Mode of Advertising is important in Determining its Effectiveness

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Agree</td>
<td>30</td>
<td>37</td>
</tr>
<tr>
<td>Agree</td>
<td>36</td>
<td>45</td>
</tr>
<tr>
<td>Disagree</td>
<td>10</td>
<td>12</td>
</tr>
<tr>
<td>Strongly Disagree</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>Not Applicable</td>
<td>2</td>
<td>3</td>
</tr>
<tr>
<td>Total</td>
<td>80</td>
<td>100</td>
</tr>
</tbody>
</table>

4.3.5.2 Advertising Methods need to be Customized Across Boundaries

Regarding the statement that advertising methods need to be customized across boundaries, findings in table 4.10 show that 48% of the respondents agreed to the statement. 29% of the respondents strongly agreed and a total of 77% agreed with the statement. 10% of
respondents disagreed while 10% strongly disagreed with the statement. Of the respondents, 3% selected that the statement was not applicable.

Table 4.10: Advertising Methods need to be Customized Across Boundaries

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Agree</td>
<td>23</td>
<td>29</td>
</tr>
<tr>
<td>Agree</td>
<td>38</td>
<td>48</td>
</tr>
<tr>
<td>Disagree</td>
<td>8</td>
<td>10</td>
</tr>
<tr>
<td>Strongly Disagree</td>
<td>8</td>
<td>10</td>
</tr>
<tr>
<td>Not Applicable</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>80</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

4.3.5.3 The Organization has Embraced Online Marketing

The respondents were asked to indicate their level of agreement regarding the statement that their organization has embraced online marketing. Findings indicate that 34% of the respondents agreed to the statement. 46% strongly agreed and therefore total of 80% agreed with the statement. However, 14% disagreed and 6% strongly disagreed with the statement. None of the respondents selected that the statement was not applicable.

Table 4.11: The Organization has Embraced Online Marketing

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Agree</td>
<td>37</td>
<td>46</td>
</tr>
<tr>
<td>Agree</td>
<td>27</td>
<td>34</td>
</tr>
<tr>
<td>Disagree</td>
<td>11</td>
<td>14</td>
</tr>
<tr>
<td>Strongly Disagree</td>
<td>5</td>
<td>6</td>
</tr>
<tr>
<td>Not Applicable</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>80</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>

4.3.5.4 Advertising as an Effective Global Marketing Strategy

On the statement of advertising as an effective global marketing strategy, the findings illustrated in table 4.12, show that 49% of the respondents strongly agreed to the statement
that advertising is an effective marketing strategy. 40% agreed and a total of 89% agreed with the statement. However, 7% disagreed and yet 4% strongly disagreed with the statement. None of the respondents selected that the statement was not applicable.

Table 4.12: Advertising as an Effective Global Marketing Strategy

<table>
<thead>
<tr>
<th>Response</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strongly Agree</td>
<td>39</td>
<td>49</td>
</tr>
<tr>
<td>Agree</td>
<td>32</td>
<td>40</td>
</tr>
<tr>
<td>Disagree</td>
<td>6</td>
<td>7</td>
</tr>
<tr>
<td>Strongly Disagree</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Not Applicable</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>80</strong></td>
<td><strong>100</strong></td>
</tr>
</tbody>
</table>


The study sought to find out the effect of the five economic forces on the competitiveness of the hospitality industry.

4.4.1 Forces Used to Analyze the Industry

The respondents were asked to rank the economic forces that were used to analyze the competitive environment of their industry. Rivalry amongst competitors received the highest ranking with 34%, threat of new entrants 23%, bargaining power of suppliers 20%, threat of substitutes 18% and bargaining power of buyers had the lowest score with 5%. This shows that rivalry amongst competitors is the most widely used measure of competitiveness while bargaining power of buyers is the least used.
4.4.1 Threat of New Entrants

The respondents were required to rate from 1 as the highest rank to 4 as the lowest rank, the extent to which the threat of new entrants threatened the profit in their industry. From the findings, 42% of the respondents rated the statement with a score of one, 28% with a score of two, 23% with a score of 3% and 7% gave it the lowest score of 4. Table 4.13 shows the findings.

Table 4.13: Threat of New Entrants

<table>
<thead>
<tr>
<th>Extent to which the threat of new entrants threaten the profits in the industry.</th>
<th>Frequency</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Percentages</td>
<td>34</td>
<td>22</td>
<td>18</td>
<td>6</td>
</tr>
<tr>
<td></td>
<td>Percentages</td>
<td>42</td>
<td>28</td>
<td>23</td>
<td>7</td>
</tr>
</tbody>
</table>
4.4.2 Threat of Substitute Products

The respondents were asked to indicate their level of agreement with various statements regarding the threat of substitute products. According to the findings, the respondents agreed with a mean of 4.017 and a standard deviation of 0.313 that the threat of substitutes limits the control the organization has over its prices. Further, the respondents agreed with a mean of 4.523 and a standard deviation of 0.134 that customers switching costs will affect the success of substitutes. Also they agreed with a mean of 3.959 and a standard deviation of 0.584 that the propensity to substitute will affect the success of substitutes. Lastly, the respondents agreed with a mean of 4.346 and a standard deviation of 0.421 that low threats from substitutes reduce the level of competition in the industry. This shows that the threat of substitutes does affect pricing and lower threats from substitutes lowers the level of competition.

Table 4.14: Statements in Relation to Threat of Substitute Products

<table>
<thead>
<tr>
<th>Statement</th>
<th>Mean</th>
<th>Std Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>The threat of Substitutes limits the control my organization has over its prices.</td>
<td>4.017</td>
<td>0.313</td>
</tr>
<tr>
<td>Customers switching costs will affect the success of substitutes.</td>
<td>4.523</td>
<td>0.134</td>
</tr>
<tr>
<td>Propensity to substitute will affect the success of substitutes.</td>
<td>3.959</td>
<td>0.584</td>
</tr>
<tr>
<td>Low threats from substitutes reduces the level of competition in the industry.</td>
<td>4.346</td>
<td>0.421</td>
</tr>
</tbody>
</table>
4.4.3 Bargaining Power of Suppliers

The respondents were required to rank statements in relation to the bargaining power of suppliers. Table 4.15 shows that the statement on the organization forcing down input prices received the highest ranking with a mean of 4.272. The statement on suppliers from competitive industries offering lower prices was second with a mean of 4.019. The statement on the power of suppliers was ranked third with a mean of 3.567. Lastly, the statement on the ability of my suppliers to make demands depends on their power relative to that of my company was ranked last with a mean of 3.348.

Table 4.15: Bargaining Power of Suppliers

<table>
<thead>
<tr>
<th></th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>Suppliers in an industry are more powerful if they are more concentrated than buyers.</td>
<td>46.3%</td>
<td>22.8%</td>
<td>12.00%</td>
<td>18.9%</td>
<td>3.567</td>
</tr>
<tr>
<td>Suppliers from competitive industries offer lower prices</td>
<td>30.9%</td>
<td>37.2%</td>
<td>10.4%</td>
<td>21.5%</td>
<td>4.019</td>
</tr>
<tr>
<td>My organization forces input prices down when supplier’s power is weak.</td>
<td>29.0%</td>
<td>28.9%</td>
<td>0.0%</td>
<td>42.1%</td>
<td>4.272</td>
</tr>
<tr>
<td>Ability of my suppliers to make demands depends on their power relative to that of my company.</td>
<td>21.7%</td>
<td>45.6%</td>
<td>0.0%</td>
<td>32.7%</td>
<td>3.348</td>
</tr>
</tbody>
</table>

4.4.4 Bargaining Power of Buyers

The respondents were asked to indicate their level of agreement with various statements concerning the bargaining power of buyers. The study found that, the respondents agreed with a mean of 2.965 and a standard deviation of 0.376 that losing one customer will not
affect the organizations success. The respondents agreed with a mean of 4.473 and a standard deviation of 0.182 that their organizations products are unique in the market. The respondents also agreed with a mean of 3.779 and a standard deviation of 0.161 that a strong group of buyers in the market significantly influences their organization’s selling decisions. Lastly, the respondents agreed with a mean of 4.665 and a standard deviation of 0.072 that their organization offers loyalty programs with the aim of retaining customers.

Table 4.16: Statements in Relation to Bargaining Power of Buyers

<table>
<thead>
<tr>
<th></th>
<th>Mean</th>
<th>Std Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>My organization has enough customers such as losing one will not affect our success.</td>
<td>2.965</td>
<td>0.376</td>
</tr>
<tr>
<td>My organizations products are unique in the market.</td>
<td>4.473</td>
<td>0.182</td>
</tr>
<tr>
<td>A strong group of buyers in the market significantly influences my organizations selling decisions.</td>
<td>3.779</td>
<td>0.161</td>
</tr>
<tr>
<td>My organization offers loyalty programs with the aim of retaining customers.</td>
<td>4.665</td>
<td>0.072</td>
</tr>
</tbody>
</table>

4.4.5 Rivalry amongst Current Competitors

The respondents were asked to indicate their level of agreement with various statements concerning rivalry amongst current competitors. The respondents in the study agreed with a mean of 4.622 and a standard deviation of 0.134 that, rivalry intensity depends on the number of competitors in the industry. In addition, the respondents agreed with a mean of 3.913 and a standard deviation of 0.066 that the rivalry intensity depends on the size of competitors in the industry. The respondents further agreed with a mean of 4.028 and a standard deviation of 0.046 that their organization is faced with rivalry from international competitors. Lastly, the
respondents agreed with a mean of 4.779 and a standard deviation of 0.335 that marketing strategies are important in competing against major rivals.

Table 4.17: Statements in Relation to Rivalry amongst Current Competitors

<table>
<thead>
<tr>
<th>Statement</th>
<th>Mean</th>
<th>Std Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rivalry intensity depends on the number of competitors in the industry.</td>
<td>4.622</td>
<td>0.134</td>
</tr>
<tr>
<td>Rivalry intensity depends on the size of competitors in the industry.</td>
<td>3.913</td>
<td>0.066</td>
</tr>
<tr>
<td>My organization is faced with rivalry from international competitors.</td>
<td>4.028</td>
<td>0.046</td>
</tr>
<tr>
<td>Marketing strategies are important in competing against major rivals.</td>
<td>4.779</td>
<td>0.335</td>
</tr>
</tbody>
</table>

4.5 Challenges Against Global Marketing Strategies.
The study sought to establish the challenges against global marketing strategies. The respondents were required to rank the following statements from 1-7, 1 being the highest ranking and 7 being the lowest ranking.

4.5.1 Global Marketing Strategies Face Challenges
From the findings of the study, the statement global marketing strategies face challenges in their implementation was ranked first with a mean of 4.765 as shown in table 4.18 below.
### Table 4.18: Global Marketing Strategies Face Challenges

<table>
<thead>
<tr>
<th>Frequency</th>
<th>1(Highest)</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7(Lowest)</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global marketing strategies face challenges in their implementation.</td>
<td>57.3%</td>
<td>23.7%</td>
<td>11.6%</td>
<td>0.0%</td>
<td>7.4%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>4.765</td>
</tr>
</tbody>
</table>

### 4.5.2 Use of Digital or Social Marketing

Table 4.19 shows that the statement regarding the use of digital or social marketing was ranked second with a mean of 4.456.

### Table 4.19: Use of Digital or Social Marketing

<table>
<thead>
<tr>
<th>Frequency</th>
<th>1(Highest)</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7(Lowest)</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>My organization heavily uses either digital or social media marketing.</td>
<td>47.6%</td>
<td>30.4%</td>
<td>11.9%</td>
<td>0.0%</td>
<td>7.6%</td>
<td>2.5%</td>
<td>0.0%</td>
<td>4.456</td>
</tr>
</tbody>
</table>

### 4.5.3 Entry of Competitors into an Industry

Further, the statement regarding entry of competitors into an industry was ranked third with a mean of 4.322. Table 4.20 below displays the results.

### Table 4.20: Entry of Competitors into an Industry

<table>
<thead>
<tr>
<th>Frequency</th>
<th>1(Highest)</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7(Lowest)</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>Entry of competitors into an industry poses a challenge to marketers.</td>
<td>43.0%</td>
<td>31.8%</td>
<td>15.5%</td>
<td>8.4%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>1.3%</td>
<td>4.322</td>
</tr>
</tbody>
</table>
4.5.4 Competitive Intensity’s Influence on a Firms Approach to Markets

Additionally, table 4.21 shows that the statement concerning competitive intensity and its influence on a firms approach to markets was ranked fourth with a mean of 4.292.

Table 4.21: Competitive Intensity’s Influence on a Firms Approach to Markets

<table>
<thead>
<tr>
<th>Frequency</th>
<th>1(Highest)</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7(Lowest)</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>Competitive intensity influences a firms approach to markets.</td>
<td>48.2%</td>
<td>25.3%</td>
<td>20.4%</td>
<td>5.0%</td>
<td>0.0%</td>
<td>1.1%</td>
<td>0.0%</td>
<td>4.292</td>
</tr>
</tbody>
</table>

4.5.5 Understanding the Different Attributes of Goods and Services

The statement on understanding the different attributes of goods and services was ranked fifth with a mean of 3.762 as shown in table 4.22 below.

Table 4.22: Understanding the Different Attributes of Goods and Services

<table>
<thead>
<tr>
<th>Frequency</th>
<th>1(Highest)</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7(Lowest)</th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td>Understanding the different attributes of goods and services can help managers market their services better.</td>
<td>34.6%</td>
<td>38.7%</td>
<td>14.4%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>0.0%</td>
<td>12.3%</td>
<td>3.762</td>
</tr>
</tbody>
</table>

4.5.6 Intangibility of Services

Table 4.23 shows that the statement on intangibility of services was ranked sixth with a mean of 3.531.
Table 4.23: Intangibility of Services

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1(Highest)</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7(Lowest)</td>
</tr>
<tr>
<td>The intangibility of</td>
<td>27.5%</td>
<td>36.3%</td>
<td>9.3%</td>
<td>4.1%</td>
<td>6.4%</td>
<td>0.0%</td>
<td>16.4%</td>
</tr>
<tr>
<td>services makes it a</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>challenge to</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>effectively market</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>the service.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

4.5.7 Single Channel to Multiple Channel Marketing Campaigns

Lastly, table 4.24 below shows that the statement on single channel to multiple channel marketing campaigns was ranked seventh with a mean of 2.856.

Table 4.24: Single Channel to Multiple Channel Marketing Campaigns

<table>
<thead>
<tr>
<th></th>
<th>Frequency</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th>Mean</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1(Highest)</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7(Lowest)</td>
</tr>
<tr>
<td>For marketing</td>
<td>27.3%</td>
<td>15.4%</td>
<td>4.2%</td>
<td>8.2%</td>
<td>8.0%</td>
<td>11.6%</td>
<td>25.3%</td>
</tr>
<tr>
<td>success, firms</td>
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<td>should shift from</td>
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<td>single channel to</td>
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<td>multiple channel</td>
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<tr>
<td>marketing campaigns.</td>
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<td></td>
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</tr>
</tbody>
</table>

4.6 Correlation Analysis

Correlation analysis was used to establish the extent of the relationship between competitiveness and global marketing strategies. The correlation results between competitive advantage and the independent variables are presented. Results in table 4.19 show that competitive advantage is positively correlated with all the independent variables. This indicates that implementation of global marketing strategies have increased the competitiveness. The competitiveness was positively correlated with positioning where the correlation coefficient was 0.210 and a p-value of 0.008. The study also found that the
branding correlates positively with correlation coefficients of 0.543 and p-value of 0.023. The study further established that there is a positive relationship between advertising and competitiveness with a correlation coefficient of 0.324 and p-value of 0.014.

**Table 4.25: Correlation Analysis**

<table>
<thead>
<tr>
<th></th>
<th>Competitiveness</th>
<th>Positioning</th>
<th>Branding</th>
<th>Advertising</th>
</tr>
</thead>
<tbody>
<tr>
<td>Competitiveness</td>
<td>Pearson Correlation Sig. (2-tailed)</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Positioning</td>
<td>Pearson Correlation Sig. (2-tailed)</td>
<td>.210</td>
<td>1</td>
<td>.435</td>
</tr>
<tr>
<td></td>
<td></td>
<td>.008</td>
<td>.012</td>
<td>.009</td>
</tr>
<tr>
<td>Branding</td>
<td>Pearson Correlation Sig. (2-tailed)</td>
<td>.534</td>
<td>.356</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td></td>
<td>.023</td>
<td>.011</td>
<td>.312</td>
</tr>
<tr>
<td>Advertising</td>
<td>Pearson Correlation Sig. (2-tailed)</td>
<td>.324</td>
<td>.132</td>
<td>.434</td>
</tr>
<tr>
<td></td>
<td></td>
<td>.014</td>
<td>.007</td>
<td>.004</td>
</tr>
</tbody>
</table>

49
4.7 Chapter Summary
This chapter presented the results and findings of the study. The chapter began with an introduction followed by general information, global marketing strategies influence on competitiveness, effect of economic forces on the competitiveness of the industry, challenges against global marketing strategies and correlation analysis. Chapter five will discuss the summary of the findings, discussion of key data findings, conclusion and recommendations.
CHAPTER FIVE

5.0 DISCUSSIONS, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction
The previous section presented the analysis and interpretation of the data. This chapter presents the discussions, conclusions and recommendations of the study. It discusses the findings of the study based on the research questions. From the discussions, conclusions are drawn and recommendations made for further improvement and further studies.

5.2 Summary of the Study
The purpose of the study was to examine the influence of global marketing strategies on the competitiveness of the hospitality industry in Kenya. The aim of the study was to answer the following research questions: How have global marketing strategies influenced the competitiveness of the hospitality industry in Kenya? How do the economic forces based on Porters’ model affect competitiveness in the industry? And lastly, what are the challenges against global marketing strategies?

The research used a descriptive research design. The population consisted of 300 employees of Sarova Hotels. Stratified sampling technique was used. A sample size of 102 respondents was used in the study. Data was collected using a questionnaire survey. The data was then analyzed using descriptive and inferential statistics. Inferential statistics were used in the form of correlation analysis to determine the relationship between variables. Descriptive statistics used were mean, standard deviation, frequency and percentages. The data was then presented using pie charts, bar graphs and tables.

The correlation results between competitive advantage and the independent variables show that competitive advantage is positively correlated with all the independent variables. This indicates that implementation of global marketing strategies have increased competitiveness. The study found that competitive pressures influence the positioning strategies in an industry. Results indicate that the most used global marketing strategy is branding followed by advertising and positioning. When it comes to global positioning, the majority of respondents agreed that global positioning works better if local preferences are considered first. Study
results also show that global positioning, global branding and global advertising are all effective marketing strategies. The study also showed that the choice of brand name does not necessarily influence success in the market. Selecting the right mode of advertising is important in determining its effectiveness. In addition, advertising methods need to be customized across boundaries. Finally, the study showed that online advertising has been embraced by the organization.

The study found that Porter’s economic forces can effectively be used to determine the level of competitiveness within the hospitality industry. The study indicated that the threat of new entrants into the industry posed a significant threat to the level of profitability in the industry. Also, the threat of substitutes limits the control over prices. The study also found that customers switching costs will affect the success of substitutes. Further, low threats from substitutes reduce the level of competition in the industry. The study found that suppliers’ power in an industry is greater if they are more concentrated than buyers. Moreover, the ability of the supplier to make demands depends on their power relative to that of the organization. The study showed that a strong group of buyers in the market significantly influences an organization’s decision. Larger competitors tend to have more intense rivalry than smaller ones as they have more market power. Moreover, the study shows that marketing strategies are important in competing against major rivals.

The study also found that there are challenges against global marketing that require mitigation in order to successfully market globally. Entry of competitors into an industry poses a challenge to marketers. New entrants in an industry increased the level of competitiveness in an industry therefore making it more difficult to pass on marketing messages to customers in favor of competitors. The study showed that the organization heavily uses either digital or social media marketing. The intangibility of services makes it a challenge to effectively market the service. Competitive intensity greatly affects a firm’s entry and advertising strategy in different markets. Understanding the different attributes of goods and services can help managers market their services better. Finally, the study results indicate that global marketing is more successful with the use of more than one marketing strategy.
5.3 Discussions of Key Findings

5.3.1 Global Marketing Strategies Influence on Competitiveness.
The first research question of the study sought to establish global marketing strategies influence on competitiveness. Results indicate that the most used global marketing strategy is branding followed by advertising and positioning. This is in agreement with Khan (2006); Prideaux, Moscardo & Laws (2006), that branding has become synonymous with hotel industry globally. This is also in line with the findings of the study that branding is the most effective marketing strategy.

When it comes to global positioning, the study results show that the majority of respondents agree with the statement that global positioning works better if local preferences are considered first. This shows that global positioning will be more effective if the goods or services are positioned locally in relation to competitors before embarking on a global strategy. This therefore suggests, that a firms positioning strategy cannot be successful globally if it is not successful locally (Schlikel, 2013). Positioning is influenced by customers demand patterns and therefore customer considerations must be taken into account before formulating positioning strategies. The study also indicated that competitive pressures influence the positioning strategies in an industry. This shows that global marketing strategies can be influenced by competitive pressure as well as have an impact on the level of competitiveness. This is in line with the views of Kotler and Armstrong (2010), that demand patterns and competitive pressures are factors that influence the use of global positioning and have an effect on the competitiveness of a firm against its competitors.

Study results also show that global positioning, global branding and global advertising are all effective marketing strategies. This is indicates that they have a significant influence on competitiveness. The findings agree with those of Hollensen (2013), who stated that industries are widely accepting global marketing strategies in order to stay competitive. The study also showed that the choice of brand name does not necessarily influence success in the market. This shows that an organizations success in the industry is dependent on other factors other than brand name. This finding contradicts the statement by Dev (2012), that a firm’s
brand name is an important issue in global marketing. In order to successfully manage a brand the customers’ key values must be understood in order to attract and keep them. The firm can make an effort to understand their customers more by asking for feedback on how best they can improve their services.

In addition, the study shows that the mode of advertising is important in determining its effectiveness. Online and digital advertising which includes social media marketing should be embraced as they are important platforms for reaching customers globally (Wharton, 2014). Also, different modes of advertising can be designed to reach different target market demographics. The study also indicates that advertising methods need to be customized across boundaries. This is in agreement with the view of O’Guinn, Allen and Semenik (2008), that both local and global marketing campaigns require some degree of customization although local campaigns require more than global ones. This implies that marketers need to take into account the characteristics of their target markets before formulating and implementing global marketing strategies in order to compete effectively. Moreover, the study shows that online advertising has been embraced by the firm. This shows that online and digital advertising is becoming more popular and a more effective way to reach customers anywhere in the world.

5.3.2 Effect of Economic Forces on the Competitiveness of the Industry.

The study shows that all five forces are used to analyze the industry but in different degrees. Competition in any industry depends on these five forces and their intensity determines the ultimate profitability of the industry (Porter, 1985). The study indicated that the threat of new entrants into the industry posed a significant threat to the level of profitability in the industry. This is in agreement with Cheng (2013), that new entrants are placed at a cost disadvantage within the industry and therefore have a difficult time gaining profit. This implies that the higher the number of new entrants into the industry, the lower the level of profits. Therefore, the company’s profits will slowly decline unless the demand for their services increases to match the supply from new entrants. The study found that the threat of substitutes limits the control over prices. This suggests that players in the industry are unable to set prices freely without taking into consideration competitive substitutes in the market as well as their
competitive environments. Substitutes that are priced lower, will force the company to lower its prices as well in order to maintain their competitive advantage.

The study also found that customers switching costs will affect the success of substitutes. This is in line with the statement made by Sinha & Sinha, (2008) that switching costs affect the threat of substitute products. This means that the higher the switching costs, the less likely customers will be to switch to a substitute. Further, the study also found that low threats from substitutes reduce the level of competition in the industry. This implies that a highly competitive market place will have more substitutes which present a greater challenge to an organization.

Suppliers’ power in an industry is greater if they are more concentrated than buyers. This shows that the more suppliers there are in the market, the weaker the buyer’s position becomes in terms of negotiating for quality of goods and services (Enz, 2010). The opposite of this is true when the supplier power is weak, as buyers can take advantage and drive down the prices. Moreover, the study also indicates that the ability of the supplier to make demands depends on their power relative to that of the organization. This implies that the more power a buyer has in the industry the less likely they become subject to price changes made by suppliers.

With regards to the bargaining power of buyers, the study showed that a strong group of buyers in the market significantly influences an organizations decision. This implies that buyer preferences and needs will have an impact on the way an organization does business and is an important factor in selecting a marketing strategy (Ferraro, 2010). This is also in line with the views of Hill and Jones (2009) that buyer power is increased when the buyers join forces to amount for a large percentage of a firm’s revenue. Further, the study shows that loyalty programs are offered with the intent of keeping customers. This implies that loyalty programs work to retain customers and influence their decisions to keep coming back for repeat purchases of goods and services.
On statements concerning rivalry amongst competitors, the study indicates that the intensity of rivalry depends on the number of competitors. This implies that competition in an industry increases as the number of new entrants increases. The increase in competition makes it more challenging for firms to maintain competitive advantage and can greatly impact their profits. Additionally, the study shows that the intensity of rivalry depends on the size of the competitors industry. This is in agreement with Porter (1985), who stated that the number and size of competitors has an impact on the strength of the competition. Larger competitors tend to have more intense rivalry than smaller ones as they have more market power. Moreover, the study shows that marketing strategies are important in competing against major rivals. Marketing strategies are important in putting competitors ahead of each other in the customers’ mind (Mital, 2007). They enable competitors to showcase the best attributes of the goods and services in order to win over customers and retain old ones.

5.3.3 Challenges against Global Marketing Strategies.
The study found that global marketing strategies face challenges in their implementation. Global marketing can be a complicated and intensive process that takes into account numerous factors in order to formulate the most appropriate strategy. Entry of competitors into an industry poses a challenge to marketers. This is in agreement with the statement made by Hult, Tomas, Cravens and Sheth (2001) that entries of competitors are included in competitive considerations. New entrants in an industry increase the level of competitiveness in an industry therefore making it more difficult to pass on marketing messages to customers in favor of competitors. The study shows that the organization heavily uses either digital or social media marketing. Digital marketing is increasingly used today to reach target markets globally as it is a cheaper and more effective method of communication today (Saxena, 2009).

The intangibility of services makes it a challenge to effectively market the service. This is in line with the view of Pride and Ferrell (2012,) who state that products and services have different attributes that affect how they are marketed. Services unlike goods cannot be felt or seen and therefore make it hard for customers to trust the quality they get. This makes it harder for marketers to convince customers to purchase them. The study found that
competitive intensity influences a firm’s approach to markets. Competitive intensity greatly affects a firm’s entry and advertising strategy in different markets.

Understanding the different attributes of goods and services can help managers market their services better. The better the understanding marketers have of their goods and services the easier it is to market them. This is in agreement with Pride and Ferrell (2012), who suggest that product and services differences have an influence in what goes into their marketing. A good understanding of product and service attributes enables the marketer to know which aspects of the product or services will best appeal to the customer and will also enable them to select the most effective global marketing strategies. Moreover for marketing success, firms should shift from single channel to multiple channel marketing campaigns. This, according to Paliwoda and Thomas (2011), is essential as new markets and competitive dynamics are ever increasing on the global stage. Firms should engage in multiple channel marketing such as advertise both online and in print in order to increase their competitive advantage and to reach customers they would not have otherwise reached using a single channel.

5.4 Conclusions

From the above discussions, the following conclusions can be made.

5.4.1 Global Marketing Strategies Influence on Competitiveness.

The study findings indicate that the relationship between global marketing strategies and competitiveness is positive. It is therefore possible to conclude that global marketing strategies increase the competitiveness of an organization. From the study, global branding is seen as the most effective strategy and therefore is the most recommendable global marketing strategy to be used. In addition, global marketing strategies can be influenced by competitive pressure as well as have an impact on the level of competitiveness. Global positioning, global branding and global advertising are all effective marketing strategies. The study also established that the success of a firm is dependent on other factors other than brand name. In order to successfully manage a brand, the firm should make an effort to understand their customers by asking for feedback on how best they can improve their
services. Moreover, the mode of advertising is important in determining its effectiveness as different modes of advertising can be designed to reach different target market demographics. Marketers need to take into account the characteristics of their target demographic before formulating and implementing global marketing strategies in order to compete effectively. Finally, online and digital advertising are an effective way to reach customers worldwide and therefore should be adopted into an organization’s global marketing plan.

5.4.2 Effect of Economic Forces on the Competitiveness of the Industry

The study established that all five forces are effective in analyzing the industry. Therefore, it can be concluded that competitiveness in any industry depends on these five forces. Prices are affected by the level of competition in the industry. A highly competitive market place will have more substitutes which present a greater challenge to an organization. Additionally, the more suppliers there are in the market the weaker the buyer’s position becomes in terms of negotiating for quality and price of goods and services. When there are fewer suppliers in the market, the buyers’ power increases and the buyer is therefore in a better position to negotiate for quality and price of goods and services. The study also indicates that the ability of the supplier to make demands depends on their power relative to that of the organization. Moreover, buyer preferences and needs will greatly affect the method of doing business of an organization. Loyalty programs work to retain customers and influence their decisions to keep coming back for repeat purchases of goods and services. Finally, competition in an industry increases as the number of new entrants increases and that marketing strategies are an important factor in competing against major rivals.

5.4.3 Challenges against Global Marketing Strategies

The study has found that there are numerous challenges against global marketing strategies. New entrants in an industry increase the level of competitiveness in that industry to a point where the profitability of firms in the industry is significantly threatened. Digital and online marketing are effective methods of communication and are increasingly being used in firms today. The attributes of services compared to those of goods make them more difficult to market since customers are unable to make accurate judgments about value. In addition, a
better understanding of goods and services makes it easier to market them and will also enable the selection of the most effective global marketing strategies. This therefore increases a firm’s competitiveness. Competitive intensity greatly affects a firm’s entry and advertising strategy in different markets. The more competitive an industry is the more difficult it becomes to successfully implement effective marketing strategies. Finally, firms should engage in multiple channel marketing, rather than marketing using a single channel to attract more customers and eventually assist them in increasing their competitive advantage.

5.5 Recommendations

5.5.1 Recommendations for Further Improvement

5.5.1.1 Global Marketing Strategies Influence on Competitiveness
Following the study results, it is recommended that companies in the industry should employ global marketing strategies to become more competitive within their industries. Global positioning, global branding and global advertising are all effective marketing strategies that should be implemented to achieve effective competitiveness globally. Global branding in particular, is the most successful global marketing within the hospitality industry. Firms should ensure that their local marketing strategies are successful before embarking on global ones. Competitive pressures should be considered before making decisions on the positioning strategies that are selected. In addition, the mode and customization of advertising needs to be determined in order to determine its effectiveness across boundaries. Firms should also use multiple advertising channels rather than a single channel in order to attract the attention of more customers and expand their global presence.

5.5.1.2 Effect of Economic Forces on the Competitiveness of the Industry
In regards to the effect of economic forces on the competitiveness of the industry, it can be recommended that Porter’s economic forces be used to adequately judge the level of competitiveness in the hospitality industry. The threat of substitutes can be minimized by minimizing switching costs and decreasing the propensity of customers to substitute. Using global marketing strategies can decrease the level of threats from substitutes but increase the
level of competitiveness in the industry. Lower prices from suppliers in competing industries should be taken advantage of by players in the hospitality industry. In addition, the organization should take advantage of a weak supplier power and force input prices down. Organizations should manage supplier relationships so as not to succumb to their demands when market conditions change. Additionally, buyer behavior should be closely monitored in order to measure a change in their needs and preferences. Finally, the competitive environment should be constantly monitored in order to assess competitor’s moves and be able to match them.

5.5.1.3 Challenges against Global Marketing Strategies
From the study it can be recommended that organizations should understand the challenges that face their global marketing efforts in order to be able to mitigate them. Organizations should train their employees on the proper use of various marketing strategies to ensure their efficiency and effectiveness. A good understanding of the nature of goods or services being marketed can also help mitigate the challenges faced. In addition, digital and social media should be used in place of other traditional forms of global marketing in order to effectively reach the target audience desired. Lastly, it can be recommended that firms should shift from single channel to multiple channel marketing campaigns for global marketing success.

5.5.2 Recommendations for Further Studies
This study was focused on analyzing the influence of global marketing strategies on the competitiveness of the hospitality industry in Kenya. It was further limited to the Sarova Group of Hotels. This study recommends that further studies be carried out on other players in the industry and not just hotels. This will ensure that the findings obtained represent most players in the industry. Studies should also be conducted on the influence of other global marketing strategies other than the ones covered in this study. Further studies should also be done on ways to mitigate the challenges against global marketing strategies.
REFERENCES


**Web References:**


APPENDIX I

Research Questionnaire

This research seeks to establish how global marketing strategies have influenced the competitiveness of the hospitality industry in Kenya. The research will therefore be carried out on employees of Sarova Hotels a hospitality firm based in Kenya.

All information collected will be for academic purposes and high confidentiality will be observed.

*(To be ticked and filled in appropriately)*

Section I: Demographic Profile.

1. Gender:
   - Male □
   - Female □

2. Level of employment
   - Manager □
   - Assistant Manager □
   - Other/ Specify □

3. Department.................................................................

4. Does your organization have a marketing department?
   - Yes □
   - No □

Section II: Global Marketing Strategies Influence on Competitiveness.

5. To what extent is your involvement in selecting the global marketing strategies used by your organization? Rate on a scale of 1-4.
   - 1- very high □
   - 3- low □
   - 2- high □
   - 4- very low □

6. To what extent does your organization use the following marketing strategies?
   Rank on a scale from 1 as highest to 3 as lowest.
   - Global positioning □
   - Branding □
   - Advertising □
7. To what extent are these strategies effective in maintaining the competitiveness of your organization? Rank on a scale from 1 as highest to 3 as lowest.

- Global positioning
- Branding
- Advertising

<table>
<thead>
<tr>
<th>Global Positioning</th>
</tr>
</thead>
<tbody>
<tr>
<td>Please indicate your level of agreement or disagreement with the following statements regarding global positioning.</td>
</tr>
<tr>
<td>Strongly Agree</td>
</tr>
<tr>
<td>------------------</td>
</tr>
<tr>
<td>8. Global positioning works better if local preferences are considered first.</td>
</tr>
<tr>
<td>10. Competitive pressures from the industry influence positioning strategies.</td>
</tr>
<tr>
<td>11. Global positioning is an effective global marketing strategy.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Global Branding</th>
</tr>
</thead>
<tbody>
<tr>
<td>Please indicate your level of agreement or disagreement with the following statements regarding global branding.</td>
</tr>
<tr>
<td>Strongly Agree</td>
</tr>
<tr>
<td>----------------</td>
</tr>
<tr>
<td>12. Choice of brand name influences success in the market.</td>
</tr>
<tr>
<td>13. My organization's brand can be recognized globally.</td>
</tr>
<tr>
<td>14. Understanding key customer values is essential in managing a brand.</td>
</tr>
</tbody>
</table>
15. Branding is an effective marketing strategy.

16. On a scale of 1-4, to what extent does your organization use the following forms of advertising? Rank from 1 as highest to 4 as lowest.

Radio  
Print  
Online/ Digital marketing  
Television  

Other (Please specify)………………………………….

<table>
<thead>
<tr>
<th>Global Advertising</th>
<th>Strongly Agree</th>
<th>Agree</th>
<th>Disagree</th>
<th>Strongly Disagree</th>
<th>Not Applicable</th>
</tr>
</thead>
<tbody>
<tr>
<td>17. The mode of advertising is important in determining its effectiveness.</td>
<td></td>
<td></td>
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<tr>
<td>18. Advertising methods need to be customized across boundaries.</td>
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<tr>
<td>19. My organization has embraced online advertising.</td>
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<tr>
<td>20. Advertising is an effective global marketing strategy.</td>
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</tr>
</tbody>
</table>

21. Identify any other strategies or tools you use to compete effectively in the market.

…………………………………………………………………….

22. To what extent can poor implementation of global marketing strategies lead to the failure of an organization?

1- very high  
2- high  
3- low  
4- very low

<table>
<thead>
<tr>
<th>Effect of Economic Forces on Competitiveness</th>
<th>Strongly Agree</th>
<th>Agree</th>
<th>Disagree</th>
<th>Strongly Disagree</th>
<th>Not Applicable</th>
</tr>
</thead>
<tbody>
<tr>
<td>Please indicate your level of agreement or disagreement with each of the following statement regarding Porters economic forces and competitiveness within industry.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

23. Ability to compete effectively in the industry greatly contributes to success of the firm.  

24. Competitiveness in industry increases the need for global marketing strategies.  

25. How does your organization measure the level of competition within the industry?  

26. Rate on a scale of 1-4 with 1 as highest and 4 as lowest, to what extent the method stated above is accurate.  

<p>| | | | | | |</p>
<table>
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<th></th>
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<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
<td>3</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td></td>
<td>4</td>
<td></td>
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</table>

27. Rate on a scale of 1-4 with 1 as highest and 4 as lowest, to what extent do new entrants threaten the profits of my organization.  

<p>| | | | | | |</p>
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</thead>
<tbody>
<tr>
<td>1</td>
<td></td>
<td>3</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td></td>
<td>4</td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

28. My organization uses the following five economic forces to analyze the industry: (Rank from 1-5, 1 as highest and 5 as lowest)  

a) Threat of new entrants  
b) Threat of substitute products  
c) Bargaining power of suppliers  
d) Bargaining power of buyers  
e) Rivalry amongst current competitors
<table>
<thead>
<tr>
<th><strong>Threat of Substitute Products</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Please indicate your level of agreement or disagreement with the following statements in relation to threat of substitute products.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Strongly Agree</th>
<th>Agree</th>
<th>Disagree</th>
<th>Strongly Disagree</th>
<th>Not Applicable</th>
</tr>
</thead>
<tbody>
<tr>
<td>29. The threat of Substitutes limits the control my organization has over its prices.</td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>30. Customers switching costs will affect the success of substitutes.</td>
<td></td>
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</tr>
<tr>
<td>31. Propensity to substitute will affect the success of substitutes.</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>32. Low threats from substitutes reduces the level of competition in the industry.</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Bargaining Power of Suppliers</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>33. Rank each of the following statements in relation to the bargaining power of suppliers according to the one you think is most true from 1 as highest to 4 as lowest.</td>
</tr>
<tr>
<td>a). Suppliers in an industry are more powerful if they are more concentrated than buyers.</td>
</tr>
<tr>
<td>b). Suppliers from competitive industries offer lower prices.</td>
</tr>
<tr>
<td>c). My organization forces input prices down when supplier’s power is weak.</td>
</tr>
<tr>
<td>d). Ability of my suppliers to make demands depends on their power relative to that of my company.</td>
</tr>
</tbody>
</table>

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<thead>
<tr>
<th><strong>Bargaining Power of Buyers</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Please indicate your level of agreement or disagreement with the following statements in relation to bargaining power of buyers.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Strongly Agree</th>
<th>Agree</th>
<th>Disagree</th>
<th>Strongly Disagree</th>
<th>Not Applicable</th>
</tr>
</thead>
<tbody>
<tr>
<td>34. My organization has enough customers such as</td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>
losing one is not critical to our success.

35. My organization's products are unique in the market.

36. A strong group of buyers in the market significantly influences my organization's selling decisions.

37. My organization offers loyalty programs with the aim of retaining customers.

### Rivalry amongst Current Competitors

Please indicate your level of agreement or disagreement with the following statements in relation to rivalry amongst current competitors:

<table>
<thead>
<tr>
<th></th>
<th>Strongly Agree</th>
<th>Agree</th>
<th>Disagree</th>
<th>Strongly Disagree</th>
<th>Not Applicable</th>
</tr>
</thead>
</table>

38. Rivalry intensity depends on the number of competitors in the industry.

39. Rivalry intensity depends on the size of competitors in the industry.

40. My organization is faced with rivalry from international competitors.

41. Marketing strategies are important in competing against major rivals.

### Section IV: Challenges against Global Marketing Strategies.

42. Rank each of the following statements regarding challenges against global marketing strategies according to their accuracy/truthfulness from 1 as the highest or most accurate to 7 as the lowest or least accurate.

<table>
<thead>
<tr>
<th></th>
<th>Rank</th>
</tr>
</thead>
</table>

a). Global marketing strategies face challenges in their implementation.
b). Entry of competitors into an industry poses a challenge to marketers.

c). My organization heavily uses either digital or social media marketing.

d). The intangibility of services makes it a challenge to effectively market the service.

e). Competitive intensity influences a firm's approach to markets.

f). Understanding the different attributes of goods and services can help managers market their services better.

g). For marketing success, firms should shift from single channel to multiple channel marketing campaigns.

43. Any other comments about the research topic?

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Thank You.