

**STRATEGIC FACTORS ADOPTED BY TOYOTA MOTOR DEALERS TO
GAINING COMPETITIVE ADVANTAGE IN MOMBASA COUNTY, KENYA**

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DECLARATION

This thesis is my original work and has not been presented for a degree or any other award in any other university.

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DEDICATION

I affectionately dedicate this thesis to my entire family for the unwavering support during my studies.

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ABSTRACT

The explored strategic considerations that Toyota Motor Dealers implemented in Kenya to acquire a competitive advantage. The purpose of this study was to determine strategic factors adopted by Toyota Motor Dealers to gaining competitive advantage in Kenya. In the course of the research, both RBV theory and Schumpeter's Innovation Theory were utilized. A descriptive survey was the method of research that was used for this study's research design. The participants in this study were ten reputable car dealerships located in the central business district of Mombasa, each of which had ninety sales representatives. As part of the study, interviews were conducted with forty-five sales representatives. The method of sampling utilized in the study was stratified random sampling. The most important instrument for data collection in this study was the questionnaire. The study was based on secondary data that was found on Toyota's website and in its newsletters, as well as on the websites and newsletters of car dealers. SPSS version 23 was used to create and analyze the data, which included descriptive statistics including frequencies, means, and standard deviations. The findings were presented in a variety of formats, including tables, bar graphs, and pie graphs, as well as frequency and percentage breakdowns. The respondents indicated their approval, and the researcher reached a consensus with them regarding the manner in which the data would be utilized as well as the publication and dissemination of the results. According to the findings of the study, there is a positive and significant link between Toyota Motor Dealer strategic aspects (including Product differentiation, Risk taking, Proactiveness, and Innovativeness) and the achievement of competitive advantage in Kenya. Findings from the study suggest that Toyota's innovative nature may be traced back to the company's desire to participate in and promote the development of novel concepts and inventive methods, which could lead to the creation of new market possibilities. Toyota's innovativeness can be attributed in large part to its openness to try new things. Toyota may be able to get a competitive advantage in the market if it pursues a product differentiation strategy that includes inventing and producing vehicles of superior quality and design. As a consequence of this, Toyota has been successful in developing a powerful brand image that, when viewed by prospective clients, evokes mental pictures of durable automobiles that are of a very high level of quality. The business is able to maintain its position as the industry front-runner thanks to the creation of a varied lineup of automobiles targeted toward a wide variety of pricing points and market niches.

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CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

The ability to generate greater value for both the firm and the shareholders of that company is one of the benefits of having a competitive advantage over other organizations in the same industry. A firm is able to gain competitive advantage when it obtains or develops a trait or collection of characteristics that give it an advantage over its rivals in terms of performance (Geneva, 2017). It is feasible for a corporation to get an advantage over its rivals by utilizing resources and capabilities that are not available to the rival company. A corporation needs to be capable of developing a set of competitive tactics that can be maintained over time in order to successfully adopt a cost leadership, differentiation, or focus strategy. These are the three types of strategies (Bharathwaj, 2017).

As competition becomes more acute, dynamic, and global in scope, managers are compelled to develop competitive techniques that increase their competitive advantage. In order to maintain a competitive edge, managers must acquire critical resources that are relevant to their operation and function in order to keep one step ahead of their competitors. Organizations must reinvent their goodness of fit within the macro- and micro-operating environments as the operating environment changes if they are to remain relevant in this setting (Peteraf, 2018).

Innovation is one of the most essential building blocks for gaining a competitive edge. Inventions that are commercially successful set a company apart from its competitors by bestowing upon it something that is wholly unique, so enhancing or developing a competitive advantage. There are two ways to use a company's competitive advantage: either to differentiate itself from the competition by charging a higher price, which would

allow the company to sell its product at a lower price, or to use that advantage to reduce costs, which would allow the company to sell its product at a lower price while still maintaining profitability. Both of these strategies allow the company to sell its product at a lower price while still maintaining profitability (Calof & Wright, 2016).

When a corporation innovates in the manufacturing process, it can reduce the time it takes to develop its offering while simultaneously enhancing or adding efficiency to the product or service. Improvements in the performance, durability, and dependability of a product or service can be made directly, or indirectly, by increasing the efficiency with which a product or service can be integrated into an organization's processes, allowing the organization to add features to a product or service at a lower cost (Tanev & Bailetti, 2016).

It is necessary for a company to possess a variety of assets in order for it to continue to be competitive. These assets include robust research and development and engineering capabilities, expertise in product design and development, and marketing expertise. Additionally, the company must have strong ties with distribution channels and incentives based on subjective measures that communicate the importance of financial institution characteristics. Financial services providers are always looking for new and better ways to acquire data and create competitive financial solutions in order to maximize customer happiness and income.

Existing businesses face a level of rivalry in the automotive industry that may be characterized as both severe and intense. In this sector, there is a suitable range of options available from which to choose among the available rivals. Because of the substantial amount of initial capital expenditure, a business that chooses to withdraw from the automotive industry runs the risk of suffering considerable financial losses. Because of

this, a company will often stay in the automotive industry for the entirety of its existence, or it will exit the industry if it experiences financial difficulties. The level of rivalry in the automotive industry has increased as current manufacturers are reluctant to leave and new entrants are emerging (Seventy 2018).

When it comes to the automotive business, the vast majority of customers are individual consumers. However, the bargaining power of corporations and governments is stronger than that of individual consumers because these entities frequently purchase large fleets of vehicles. In addition, if the products of an industry are standardized and not differentiated in any way, and if the cost of moving to a different supplier is relatively low, then customers are more likely to migrate to a different provider easily (Monteverdi & As a direct result of the impact of rising oil prices, recent developments in the automotive sector indicate that consumers are looking for cars with better fuel efficiency (Monteverdi, 2020). As a direct result of the impact of rising oil prices, recent developments in the automotive sector indicate that consumers are looking for cars with better fuel efficiency (Monteverdi & Shiny, 2018).

The pursuit of efficiency was a significant factor in the growth of the automotive industry. This search initially resulted in the conception of mass production, which was attained through the practice of verticalization in the automotive process (Womack et al., 2021). Subsequently, the Toyota system of production added a degree of customization as a product value, and more recently, the idea of flexible production was developed. The implementation of quality practices, which led to a production that was more effective, as well as the lean manufacturing philosophy, were, in point of fact, some of the significant

outcomes of innovation in the processes and products, and their effects were felt by manufacturers all over the industrialized world (Ibusuki, 2019).

Placed in an industry with a known need for technical and technological skills, the Brazilian automotive industry was notable for its innovative capacity and its ability to assimilate new information. This was primarily attributable to the interaction that took place both within the company and with outside parties, which was built upon a strong foundation of primary knowledge (Gonzalez & martins, 2014). The distinction can be made by cultivating inventive capabilities, recruiting great individuals, and building beneficial relationships within the sector. The Brazilian subsidiaries of some of the largest manufacturers in the world have adapted vehicles and parts that were formerly only manufactured in other countries to the economy, geography, and climate conditions of south American countries, thereby transforming them into global projects that are integrated into global structures of manufacturing and assembling (Consoni & Carvalho, 2018).

There was a significant increase in the number of suppliers connected to global companies that had previously collaborated with automobile manufacturers. The largest suppliers also began their R&D endeavors in conjunction with other companies or under the guidance of their international head offices (Vasconcelos, 2019).

Key players in the automotive industry's network, such as workers' and employers' syndicates, had a significant impact on the use of technological development models, which resulted in improvements in work, decisions to make things better, and changes in processes and products in the ABC region and So José do Campos factories. Another benefit of bringing automotive stakeholders from around the world together was the

development of a new approach for systems to communicate with one another (Conceição, 2018).

There are six key ways that a corporation can excel over other competitors in the automotive sector, including cost, quality, service, brand, innovation, and comfort (McCrimmon, et al., 2018). Companies across the globe, including those in the automotive industry, use a variety of techniques to acquire a competitive advantage. Product development and strong leadership are the two most important aspects of Ford Motor Company's overall business strategy. They are concentrating on developing a plan that will assist in mitigating the cost advantages pricing for customers. General Motors focuses on innovation and high-quality goods with decentralized decision-making control as their primary strategy. This tactic enables the company to concentrate on product quality and innovation. Toyota's quality and products are what make it stand out (Hopkins, et al., 2019)

A motor vehicle brand plays a significant part in both enhancing the quality of life for customers and growing the value of the company. The responsiveness and responsibility that customers sometimes may be two similar product branding are based on the valuation of their way to be different is something that can be demanded by natural or legal consumers from producers or suppliers when using the brands (Kim, et al., 2018). Some of the benefits of branding for the company include: increasing client loyalty; increasing profitability; preventing the entry of new competitors; reducing vulnerability to competitors; and reducing advertising expenses (Keller, 2019).

To gain an advantage over their rivals in the automotive sector, Toyota employs a comprehensive approach that emphasizes on product differentiation and cost reduction.

Toyota has a wide market reach that encompasses almost every customer demographic that is now in the market for a new automobile. When it comes to going after a large market share, Toyota is able to achieve so since their product lineup offers something for each and every customer (Koufteros, 2018).

For consumers who are environmentally conscious and concerned with the preservation of the environment, Toyota provides a broad selection of vehicles to choose from. These options include four-wheel-drive pickup trucks and sport utility vehicles (SUVs) for people who enjoy being outdoors and living in regions that are prone to experiencing severe weather, hybrid models such as the Prius for people who are environmentally conscious and concerned with the preservation of the environment, and standard cars for general, everyday use. Toyota satisfies the needs of a diverse group of customers by producing a wide variety of automobiles, ranging from the affordable Toyota Corolla line of automobiles to the luxurious Lexus brand of automobiles and sport utility vehicles (SUVs). Toyota provides a diverse selection of automobiles, ranging from the more budget-friendly Corolla lineup to the more opulent Lexus lineup of sedans and SUVs, in order to cater to the requirements of each individual consumer (Imai, 2016).

Toyota differentiates itself from its rivals in a number of different ways, some of which are as follows: To begin, Toyota has been extremely successful in differentiating itself from its competitors by utilizing superior design and production quality. This has been one of the company's primary competitive advantages. As a consequence of this, Toyota has developed a very powerful brand image, one that, when potential buyers see it, immediately prompts thoughts of durable, high-quality automobiles on their part. This has allowed Toyota to build a very strong brand image. Because Toyota was the first firm to bring a

hybrid vehicle to consumers' attention, the corporation was able to amass a substantial portion of the market for hybrid automobiles (Klibi, et al., 2018).

In addition to keeping a close eye on the economy and the demographic landscape, Toyota also commissions its researchers to engage in in-depth conversations with people who have recently purchased automobiles. By keeping a close ear to the ground, a manufacturer can ensure that they will continue to be in the best position possible to foresee growing client preferences and future trends as they arise (Liker & Meier, 2018).

Toyota has established themselves as the low-cost leader in their business as a direct result of placing an undue emphasis on low costs. Because of this, Toyota has lost market share, and as a consequence, they have also lost the capacity to maintain their market positioning as a manufacturer of exceptional design and quality. In the past, Toyota has utilized a differentiation strategy in order to acquire market share, but now they are unable to do so. Toyota's goal is to achieve cost leadership in its industry, and in order to do so, the company employs a variety of strategies, such as the use of lean manufacturing processes, stringent supplier selection and control, efficient distribution, and low servicing costs as a result of the development of high-quality goods. The single most essential goal that Toyota must strive to achieve is to prevent their cost-cutting plan from leading to a decline in the outstanding level of design and production quality that has come to be associated with the brand (Koufteros, 2016).

Since the law regulating public transportation was put into effect in 2004, there has been a significant shift in the way that the motor vehicle transportation industry in Kenya is managed. There has been a consistent rise in the number of new businesses that have

entered the market. As the level of competition in the industry continues to rise, the only suppliers who will be able to survive are those that have developed competitive strategies that are successful. As a result of rising rivalry in the industry, players are being compelled to battle more fiercely than ever for anything that can differentiate them from the other participants in the market.

1.2 Problem Statement

There is a lot of competition throughout the world in the automotive business. In a number of different markets, Toyota is up against fierce competition from rival automobile manufacturers. It is projected that the globalization and consolidation of the automobile industry will result in an improvement in competition among the major automakers (Miser, 2019). When it comes to the level of competition, it is essential to take into account everything from product quality and features to the amount of time required for the development of new products and innovation, in addition to factors like cost and other financial considerations such as reliability and safety. It is possible that the company's financial health and operating results would suffer as a direct result of the heightened level of competition, which will inevitably lead to a greater inventory (Miser, 2019).

There is a great deal of rivalry in Kenya's market for the purchase of automobiles that fall under the category of compact saloons. Even if they appear to be the same, the fact that different companies have selected different brand positions demonstrates competition. Kenyan car dealerships have spent millions of shillings on marketing in an effort to attract the attention of clients, which they think will lead to market dominance and penetration (Imai, 2017).

A number of global automakers are developing assembly plants in Kenya as a result of Kenya's approval of new legislation to stimulate foreign investment in the automobile sector, which has resulted in the East African nation being a more attractive location for foreign automakers. Kenya's new regulations are to blame for this development (Toyota Tsusho Africa Kawaraban ,2019). The establishment of Toyota's first service center in Kenya, which was located on Thika Road and opened in 2018, was a part of the company's aim to better compete in the automotive market of Kenya (Gikonyo, 2019). By constructing a new facility that will provide spare parts, repair and maintenance, the business plans to buck a trend in which the majority of city car owners seek these services from garages that are not related to Toyota. If the cost of the transfer is kept at a reasonable level, there is a significant likelihood that local automobile garages will be required to make price reductions (Gikonyo, 2019).

A partnership between Toyota Kenya and Suzuki Motor Corp. was announced at the beginning of 2019, and it resulted in the first five Suzuki automobiles being marketed and sold under the Suzuki brand in the Kenyan market. In the wake of CMC Holdings' reign as the country's sole distributor of Japanese automobiles, Toyota collaborated with another Japanese automaker, Suzuki, to become the country's second distributor of Suzuki vehicles. Toyota Motor Corporation has employed a variety of strategic factors in order to achieve a competitive edge in the market in Kenya.

The Toyota Motor Corporation served as the primary research subject for this study due to the company's status as the largest automaker in the world as well as the global market leader in both technological innovation and global sales of automobiles. Consumers can

rely on Toyota Kenya Limited to deliver a service that is responsible and dependable wherever they go in the country. Toyota has contracted the services of the majority of Kenya's logistics firms in order to guarantee that their automobiles and spare parts are always easily accessible. As a result of their relentless focus on quality and compliance with Toyota's international standards of excellence, Toyota Kenya Limited is able to compete in the marketplace.

To the knowledge of this researcher no study has been done to determine strategic factors adopted by Toyota Motor Dealers to gaining competitive advantage in Kenya. Kariuki and Mahmood (2017) investigated the characteristics that contribute to competitive advantage among savings and credit cooperative societies in Nairobi's north region. Ligasi and Kariuki (2018), researched the criteria that lead to competitive advantage among Kenyan pharmaceutical manufacturing enterprises. Auto parts suppliers in Mexico's state of Nuevo Leon were studied by Mutuku (2018) for their ability to retain a competitive manufacturing position. This study seeks to fill this gap.

1.3 Purpose of the study

The purpose of this study was to determine strategic factors adopted by Toyota Motor Dealers to gaining competitive advantage in Mombasa County Kenya.

1.4 Objectives of the study

- i. To determine the effect of product differentiation on gaining competitive advantage in by Toyota Motor Dealers to gaining competitive advantage in Mombasa County Kenya.
- ii. To determine the effect of risk taking on gaining competitive advantage by Toyota Motor Dealers to gaining competitive advantage in Mombasa County, Kenya.

- iii. To analyze the effect of pro-activeness on gaining competitive advantage by Toyota Motor Dealers to gaining competitive advantage in Mombasa County, Kenya.
- iv. To establish the effect of innovativeness on gaining competitive advantage by Toyota Motor Dealers to gaining competitive advantage in Mombasa County, Kenya.

1.5 Research Questions

- i. To determine the effect of product differentiation on gaining competitive advantage by Toyota Motor Dealers to gaining competitive advantage in Mombasa County, Kenya.
- ii. To determine the effect of risk taking on gaining competitive advantage by Toyota Motor Dealers to gaining competitive advantage in Mombasa County, Kenya.
- iii. To analyze the effect of pro-activeness on gaining competitive advantage by Toyota Motor Dealers to gaining competitive advantage in Mombasa County, Kenya.
- iv. To establish the effect of innovativeness on gaining competitive advantage by Toyota Motor Dealers to gaining competitive advantage in Mombasa County, Kenya.

1.6 Significance of the Study

The study findings will also be valuable to the managers of other car dealers as they were able to understand strategic factors adopted by Toyota Motor Corporation to gaining competitive advantage. The recommendations given in the study will help the car dealers by equipping them with adequate tools to get the solutions to the problems posed by the identified factors.

The findings of the study will aid management of automotive industry in the development of new business concepts, the improvement of service delivery, and the adoption of technical advancements within the sector. These can assist in modifying the business

models that have been in place for a long period of time and foster more innovation in the process.

1.7 Limitations of the Study

Some respondents may fail to disclose information as they may regard such information as confidential, which would breach the confidentiality clause by responding to the questionnaire. Some respondents feared that information they will give would end with their competitors hence reluctance to respond to the questionnaires. To be able to get the necessary information the researcher will assure the respondents of confidentiality of the information to be given.

1.8 Scope of the Study

The researcher conducted a study with 10 long-established Mombasa Central Business District (CBD) car dealerships to identify the strategic factors that Toyota Motor Corporation utilizes in order to gain a competitive advantage

1.9 Operational Definition of Terms

Competitive advantage - An ability that allows a company to do better than its competitors. This allows a company to make more money than its competitors and make money for the company and its shareholders.

Innovativeness- The willingness and ability of a company to quickly implement new ideas that improve the company's competitiveness and long-term viability into its business processes.

Pro-activeness- Taking measures to address a potential problem before it arises. In order to be proactive, one must identify and take advantage of prospective possibilities, as well as take preemptive action against potential threats.

Risk refers to uncertainty in the future about the potential for earnings or results that differ from those predicted.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter discusses existing theory's and conducts an analysis of previously established knowledge in order to provide an organized grasp of the major concerns and previous investigations in the associated field of study.

2.2 Theoretical Framework

Discrete Choice Theory of Product Differentiation

Anderson, Palma, and Thisse established the Discrete Choice Theory of Product Differentiation (1992). The theory states that customer decision-making is affected by product distinction, which may be done by qualities such as quality (packing), colour (design), utility (utility), and style.

When it comes to reaching a decision, the discrete choice technique relies on economic and probabilistic models of consumer behaviour. Every item has its own distinctive flavor, which is imparted to the consumer in a manner that is entirely personal. A demand function can be derived by aggregating the decisions of individual consumers, whereas a welfare function can be derived by aggregating the profits and losses of a business. According to Anderson and colleagues (2017), the customer's choice and decision-making process are greatly influenced by these factors. Because customers base their purchasing decisions on their own preferences, marketers should keep in mind that they must have an awareness of what influences consumers' behavioral choices.

According to Anderson, et al., (1992), having a grasp of the dynamics of product diversification is essential to having an appreciation for how contemporary market economies function in order to have an appreciation for how contemporary market economies function. They go on to say that discrete choice models of consumer behavior provide the most accurate analysis for differentiated markets. They say this because the discrete choice method provides a suitable avenue for demonstrating in detail the demand for differentiated items. Discrete choice models of consumer behavior provide the most accurate analysis for differentiated markets.

Product differentiation occurs when a good or service provides a significant advantage to the consumer in addition to superior performance, as determined by the company that produces the good or service (Kotler, et al., 2008). After that, Kotler explains that the benefit to the customer could be either tangible or intangible in form, and that it should be something that the market requires or values. In addition, he emphasizes that this benefit should be something that the client desires. The customer's perception of their own advantages will play a role in determining the degree to which they remain loyal to a particular brand.

According to Anderson and his colleagues (1992), the degree to which an organization is competitive is proportional to the effectiveness with which it can capitalize on both the strengths and the weaknesses of its own structure. Porter et al., (1980) provides a list of some of the methods that corporations use to differentiate their products from those of their rivals in the marketplace. Customers with similar demands may become attached to a company through brand loyalty, which helps to reduce the rate at which competitor enterprises in the marketplace are able to substitute products for one another (Makadok, 2010). As a result of the demand for variety among customers, product differentiation already exists and will continue to expand (Beath & Katsoulacos, 1991). Product differentiation can be accomplished through a wide variety of methods, such as image building, the creation of distinctive items, high quality, superior products and services, after-sales services, one-of-a-kind packaging and design, product availability, product dependability, and ease of payment, amongst others. Pricing is a crucial component of product differentiation strategy since it determines the degree to which and the degree of complexity of the difference that can be created on a product (Yaprak, 2001).

When consumer preferences are projected onto an assortment of exogenous product features, the magnitude of the estimation problem is significantly diminished as a result of this projection. When it comes to determining whether or not there is a correlation between the customer valuations of various products, the fundamental qualities are the ones that matter the most in markets where customers have a wide variety of options to choose from. In many product markets, such product features may not be available, or the underlying attributes may be too ethereal for exact measurement. Both of these scenarios are possible. There is the possibility of either of these two outcomes. When faced with circumstances such as these, it is possible to formulate an estimation of a group of hidden product features. In order to provide an accurate picture of how brand preferences are shared between families, researchers use a method known as factor analysis. This is crucial because the intangible brand valuations that are associated to packaged goods are usually the only factor that differentiates one product from another (Elrod et al., 1998).

Cohen (2000) made the premise that the normal simultaneity issues involved with calculating supply and demand systems do not have an impact on individual demand. This assumption was based on the fact that the author found no evidence to support the hypothesis. Particularly, individual decisions are seen as being too insignificant to have an effect on the total aggregate demand, and as a consequence, the prices that are paid as a result of that demand. On the other hand, it has been shown that individual choice models are susceptible to bias as a result of the omitted variable bias. This bias has been demonstrated. Several writers have developed limited information instrumental variables strategies with the goal of overcoming the endogeneity problem. This goal was their

motivation for developing these techniques. In these processes, extra external elements that are connected with prices are taken into consideration (Nevo et al., 2001).

Alternately, there are many people who have modeled the entire process of data generation, which involves modeling the demand equations in addition to the equilibrium price equations. This is something that many people have done (see BLP 1995 for market-level data, and Villas-Boas and Zhao 2001 for consumer-level data). By explicitly modeling the price equilibrium, it is possible to get around the issue of prices being endogenously determined. The fundamental limitation that these methods for determining instrumental variables impose is the requirement that appropriate instruments be easily accessible. In order for an instrument to be regarded genuine, it must have a connection with prices, but this association should not exist with the variables that were omitted (e.g. unobserved attributes). Pricing information for elements and information on exogenous production-related cost variables can frequently be acquired from a variety of sources, such as the Bureau of Labor Statistics (BLS). It is a widely held belief that gadgets of this kind have the ability to affect marginal costs, which, in turn, cause prices to move in a certain direction.

The extent to which various sectors are able to discover appropriate cost-related instruments varies significantly from one another. Alternately, where there is a broad variety of quantifiable product features that can be used, the functions of these attributes can be used in accordance with assumptions of the market competitiveness (BLP 1995). Others have used information from other markets, such as prices, when neither prices nor attribute combinations perform successfully as instruments. One example of this would be using information from the stock market. Nevo et al.,(2001), for instance, factors in pricing

information from a number of different regional markets into his research. This approach is based on the supposition that unobserved features, which are not taken into consideration in the model yet are found to correlate with prices, are independent from one market to the next. In the same vein, the price correlations across different marketplaces are a reflection of the information that is communicated regarding the associated expenses.

The discrete choice theory of product differentiation is relevant to this topic since it focuses on differentiation strategies and customer commitment. This theory was developed to explain product differentiation. According to Anderson et al., this theory makes it possible to develop a more nuanced understanding of the existing, and frequently highly technical, analysis of differentiated markets and discrete choice models, while also extending the analysis to develop a meaningful theoretical foundation for research in imperfect competition markets. The idea places a premium on differentiation tactics, competitive advantage, uniqueness, superior performance, and positioning, which all lead to market share growth.

Resource-Based Theory

The theory of resource-based view lays an emphasis on an organization's own internal assets, rather than external ones (Madhani, et al., 2009). The resource-based approach holds that a company's performance is more closely tied to its own internal resources and abilities than it is to external resources and abilities. This is the perspective that the method that is based on resources takes (Barney, 2009). This way of thinking, which is frequently referred to as the resource-based view (RBV), is the cornerstone of a company's competitive advantage. This advantage is largely predicated on the application of a collection of

valuable tangible or intangible resources that the organization possesses and can draw upon (Prahalad, 2015).

By utilizing the RBV, a company has the ability to identify and isolate specific resources that are complex, intangible, and dynamic. These resources allow the company to achieve and maintain a competitive edge over its rivals, and the company can use these resources to achieve and maintain this edge (Barney, 2009). The singular collections of assets that make a company stand out from its rivals confer upon it a competitive edge that those other businesses are unlikely to be able to duplicate, hence assuring the company's viability in the market over the long term (Wernerfelt, 1984). According to what is mentioned in the RBV, prosperous businesses will find their future competitiveness through the cultivation of distinctive and abilities, which are frequently unspoken or intangible by their very nature (Wernerfelt, 1984).

According to Barney (1991), the resources of a company comprise not only its tangible assets and capabilities, but also its organizational procedures, firm qualities, information, and knowledge. The company has complete control over all of these aspects, and it is via these aspects that the company is able to devise and put into action strategies that will improve both its efficiency and its effectiveness. The ability of a corporation to keep hold of resources that are distinctive, valuable, and difficult to acquire is the cornerstone of a sustainable competitive advantage. The concept of making use of one's resources in order to achieve a competitive advantage is one of the cornerstones of the resource-based paradigm (Barney, 2002). A competitive advantage can be gained by a company if it possesses one or more resources that enable it to differentiate its products and services, or even originality, which is valued by a number of customers (Gouvea & Kassicieh, 2001).

In order for organizations to be successful, they need to cultivate resources and capabilities that are unparalleled, exceptional, irreplaceable, and one-of-a-kind. The net result of this will be that businesses will be able to sustain a yield that is higher than the norm for a significantly longer period of time (Barney, 1991). According to Ayuso et al. (2011), when a company adopts and implements these strategies, it is likely to acquire a competitive advantage via the available resources. These resources may include a strong reputation, corporate tradition, or long-term connections with stakeholders. According to Mahoney and Pandian (1992), an organization's RBV will emphasize its ability to achieve competitive advantage and produce sustainable growth when capital will be managed properly. In a situation like this, it will be difficult for competitors to replicate the method, which will result in a barrier to competition in the future.

According to Oliver (1997), a company's ability to regulate the environment in which it chooses its resources is what provides it a competitive advantage over other companies in its industry. He then moves on to analyze the elements that drive economic conduct, such as social influences, organizational beliefs, interim and state relations, and the way in which all of these factors interact with one another. According to Rindova and Fombrun (1999), internal domain-enterprise-specific know-how and skills are very significant in the formation of a competitive advantage. Resource-based theories provide logical support for this point of view, highlighting the significance of these factors. In order for businesses to produce their goods with more effectiveness and/or cater to the requirements of a greater number of clients, they need to have access to sufficient resources and a well-developed infrastructure.

Both the idea of economic rent and the concept of a corporation as a collection of capabilities are taken into consideration in the resource-based theory, which is the currently dominant perspective of business strategy. Resource-based theory is also known as the resource-based view (RBV) of enterprises. This understanding of strategy places it in a far better position than other systems of strategic decision-making in terms of its effectiveness when it comes to coherence and integration of its components. In their research, Ganotakis and Love (2010) applied the Resource Based Theory (RBV) to explain why human capital is so crucial to entrepreneurship. RBV was used to explain why human capital is so vital to entrepreneurship. According to RBV, the human capital of entrepreneurial firms is seen as a potential source of a competitive advantage. The ownership of firm-specific assets might make it easier for a company to develop a competitive advantage and strengthen its position in the market. As a direct consequence of this, one-of-a-kind endowments of private resources are produced (Barney, 2009).

To achieve both low-cost and differentiation advantages, tangible resources can be leveraged with the assistance of activity drivers such as scale, location, and capacity utilization; improving the efficiency of service provision and customer care; and making spare parts readily available and affordable when they are required. The company was able to achieve superior customer responsiveness as a result of the location of the service complex, the size of the service workshop, the presence of financial resources that enabled bulk purchases, and the stock of spare parts. All of these factors contributed to the company's overall core competence and source of sustainable competitive advantage (Barney, 2009).

An investment in a company's ability to discover and keep a competitive advantage over its rivals is the consistent training and development of its human resources. By utilizing human resources that have been effectively taught and developed, it is possible to attain high levels of customer response. This responsiveness can be quantified using a customer satisfaction index. The primary goals of the company's sales, service, and spare parts divisions were to provide excellent customer service and to retain as many customers as possible. This was done in order to earn the trust and commitment of the company's clientele. Customers who are kept as clients increase the likelihood that goods and services, such as vehicles, parts, and repairs, would be purchased in the future (Hitt, 2017).

The identified tangible resources led to the development of core capabilities, which laid the groundwork for a sustainable competitive advantage. These capabilities enabled the business to better respond to the needs of its customers, which in turn led to an increase in the level of satisfaction experienced by those customers. The company is able to differentiate its service offerings in the motor service industry by developing four core competencies, namely superior operating efficiency, quality after-sales service, service process innovation, and superior responsiveness to customers. This allows the company to compete effectively in the motor service industry. This enables the company to, first, cut the firm's cost structure in order to increase profits and, second, pass cost advantages on to customers in the form of competitive pricing. Those goals are accomplished simultaneously (Hill & Jones 2019).

RBV is of the opinion that a sustainable advantage in the market can only be attained by the utilization of resources that are unique in nature and cannot be replaced, that are of a tacit nature, and that exhibit synergistic behavior (Barney, 2009). For this reason, in order

to effectively manage their organizations, managers need to be able to recognize the major resources and drivers of both performance and value in the value chains and performance chains of their respective companies. According to the RBV, the source of a company's competitive advantage is the company's capability to assemble and utilize an optimal combination of resources. This capacity is what gives the company its competitive edge. They can be either tangible or intangible, depending on the kind of the resources that the company has, and they are a direct reflection of the materials that are employed in the organization's production process. Inputs that contribute to the success of a company include things like money, equipment, the skills of individual employees, patents, funding, and highly qualified management teams. Capital, equipment, the abilities of individual employees, and highly qualified management teams are also examples of inputs. In general, the size of the pool of easily accessible resources grows as a company's performance and capabilities improve. This is because more resources are available to the company. To put it another way, the more frequently these "capabilities," which are defined as the ability for a set of resources to collaborate to execute a demanding task or activity, are employed, the stronger they get, and the more difficult it is for competitors to comprehend and imitate them (Rylander, 2016).

This theory is important to the research because Toyota has been in the market for a long period of time and has been able to get the largest market share as a result of its low-cost automobiles as well as its wide range of automobiles for consumers from a variety of socioeconomic backgrounds. In addition, Toyota has a wide range of automobiles for consumers of various socioeconomic backgrounds. The firm can obtain a competitive edge

over its rivals in the automobile market by using its distinct goods and low cost structure to achieve competitive advantage.

Schumpeter's Innovation Theory

Schumpeter's innovation theory was developed in 1932. According to Schumpeter's innovation theory, a company's structural changes can be accelerated in five different ways: to make advantage of previously unavailable techniques of production or distribution; to open a new market previously unavailable to the business; to secure current sources of raw or substantially complete resources; and to align the modern industry. This may include, but is not limited to It will be necessary for companies that want to generate a lot of money to think of innovative strategies to accomplish their goals.

Schumpeter (2004) placed a strong emphasis on the significance of innovation in the process of entrepreneurship. As a consequence of this, Schumpeter urges companies to engage in creative problem-solving in order to sustain their position as market leaders. Examples of how innovation can be seen in action include the creation of new processes, new goods, and new services. As a result, Schumpeter views innovation as the sole tool at the disposal of business owners. To take advantage of change as a chance for a new business or service, entrepreneurs use innovation.

Entrepreneurs and business owners, according to Schumpeter (2004), play a crucial role in the process of creative destruction. To be successful in the world of business, one must know and apply the principles of effective innovation to one's firm, and he emphasizes this by emphasizing the necessity of looking for new sources of innovation, as well as the symptoms of these changes. It is also important to look for innovation sources, changes

and their symptoms that signal potential for successful innovation. According to Schumpeter (2008), the process of technological advancement under capitalism is both discontinuous and disruptive in its nature. As a consequence, there is an inseparable combination of short-term instability and long-term growth as a result of this process. The author of this work did not subscribe to the prevalent view of technical determinism during his time period; nonetheless, he did recognize the significance of social and organizational aspects in the cyclical process he proposed for industrial change.

According to Schumpeter, entrepreneurs, regardless of whether they worked as lone inventors or as R&D engineers for massive corporations, created the possibility for new profits through the ideas that they developed. The profit margin of the innovator would then be eaten away by a surge of investment from groups of imitators who were lured in by the prospect of super-profits. In order for the economy to achieve equilibrium again, Schumpeter postulated that a new invention or a series of innovations known as Kondratiev cycles would need to come into existence.

In contrast to economic conduct, which is more likely to be prescriptive and predictable, entrepreneurial behavior is characterized by the pursuit of novel ideas in an unconventional manner. This is in contrast to economic behavior, which is more likely to be prescriptive and predictable. He felt that change might originate from within an organization and then proceed through some kind of business cycle in order to accomplish true economic growth. This is despite the fact that economics is primarily concerned with the external consequences that organizations face. A new production function was developed, in which entrepreneurs are seen as creating new combinations of materials and forces that already exist. These new combinations can take the form of the introduction of a new product, the

introduction of a new production method, the opening of a new market, the conquest of a new source of production input, or the establishment of a new industry organization. Other examples of these new combinations include: the introduction of a new production method; the opening of a new market (Casson, 2002).

In today's culture, the availability of chances to generate goods and processes that are in line with the green idea is regarded as an absolute necessity by the majority of people. The current challenge is to guarantee the accumulation of knowledge in order to provide support for innovation projects. In order to overcome this challenge, enterprises will need to make use of the intellectual capital that is already available within their organizations. The intelligence level of every employee is taken into account (Mowery & Rosenberg, 2017).

The innovation strategy can be defined in part by the different ways in which firms operate and the resources that are put toward the innovation process. For example, medical laboratories have a tendency to develop solutions that are focused on research and development, which requires a long term of research and development effort; companies that focus on product may worry about accelerating the development of new products due to the variations of the product; and large engineering companies have a tendency to concentrate on designing and managing projects as well as the implementation steps of those projects (Tidd, et al., 2018).

When looking at the particulars of the production chain, the automotive sector seems to fit in with numerous of the different possibilities of the nature of the firm that were mentioned before. This is despite the fact that some writers argue that the fundamental pattern for the innovation steps remains the same in the automobile industry regardless of the structure of the firm. This is the case despite the fact that some authors argue that this is the case.

Different roads taken by the industry integrate both scientific knowledge and market need, and more recently, from the customer's insight as evidenced in the creation of the vehicle Mio, which was touted by Fiat as an open, collaborative, and inventive process. In other words, the industry is moving in the right direction. Using trajectories that are guided by the Demand-Pull Model, which is nourished by the consumer insights model, and which is combined with the Science Push Model, one can outline new patterns for the development of technological advancements. These new patterns can be outlined using trajectories that: (Santos, 2017). In the automotive industry, electronic suspension might be considered an example of an incremental innovation, similar to how radial tires and microprocessors are; on the other hand, the introduction of multiflex cars (using ethanol and/or gasoline) and electric cars is an example of a radical innovation (Wright et al., 2000).

However, the phase of invention has a much smaller impact on the state of an economy than does the activity of imitation and diffusion. This contrasts with the phase of innovation, which has a major impact on the state of an economy. Another advantage of innovation is that it constantly delivers a new product to the market, which encourages other competitors and followers to duplicate the concept. This is because the original thinker typically enjoys substantial typical profits as a result of innovation. In the Schumpeter theory of innovation, attempts have been made to differentiate between two important portfolios: a revolutionary change by traders, which seeks to create a profitable environment for modern ventures, and entrepreneurs who generate loans to finance the search for new innovativeness establishments. Toyota needs to keep introducing innovative technologies into its new car models on a regular basis if it wants to remain competitive in

the marketplace. Introduction of New technology in Toyota Cars will likely raise the value of the cars.

Porter competitive advantage theory

Porter is credited with developing the idea of a competitive advantage in (1985). The primary focus of Porter's theory is on the means by which businesses in a certain region may obtain competitive advantage over their peers. Porter asserts that "groups or clusters of linked organizations, suppliers, related industries, and institutions that originate in specific locales" offer a new method for businesses and governments to think about economies, assess competitive advantages of places, and set public policy. The definition of a cluster is a "group or cluster of linked businesses, suppliers, related industries, and institutions that originate in specific places" (Porter, 1990).

Porter's (1990) concept is primarily driven by four different factors: the conditions of factors and demand; linked and supporting industries; firm strategy, structure, and competition; and linked and supporting industries. A corporation needs to have the appropriate variables in place before it can compete successfully in a certain industry. The availability of qualified individuals, infrastructure, and capital are all conditions that fall within the 10 Factor umbrella. Conditions in the home market of an industry can be described as the demand for a certain product or service in that industry. The level of global competitiveness enjoyed by a nation's supply and connected sectors is the defining characteristic of its related and supporting industries. It is the fourth component that determines a country's competitiveness, and it describes how businesses are established, constructed, and managed, in addition to the type of domestic rivalry that occurs in that country. According to Porter's thesis, this is the environment in which countries may obtain

a competitive advantage in their respective industries. These determinants are laid down by Porter in a pattern that he calls a "diamond" (Porter, 1990).

According to Porter, the objectives and strategies of businesses change depending on where they are located in the world. Implementation of the appropriate goals and strategies is necessary in order for a firm to live up to the standards set by its shareholders, its managers, and its employees. To get an advantage over the competition, it is required to not only achieve one's own personal goals as well as those of the company, but also to sustain a long-term commitment to doing so. The study conducted by Porter found that a company's ability to maintain a competitive advantage depends on the company's ability to maintain a competitive advantage by constantly improving its processes and innovations. One way to gain a competitive advantage is by following the findings of Porter's study (Porter, 1990).

According to Porter (1990), the inputs that are necessary in order to compete in a particular industry are referred to as factor conditions. He categorizes the factors that contribute to production as human, physical, knowledge, financial, and infrastructural factors respectively. When defining human resources, Porter takes into account a number of factors, including the quantity and caliber of the workforce as well as the costs associated with individuals. Land, water, mineral deposits, and other physical qualities are all examples of a nation's physical resources. Other examples of physical resources include other natural attributes. Porter means when he talks about a nation's "intellectual capital" that he is referring to the wealth of information that they have. According to Porter's definition, the capital resources of a corporation include both the amount of money it spends and the total amount of money it has available to fund its operations. The last part

of Porter's definition of infrastructure is that it is the essential infrastructure for a sector to be able to compete. The infrastructures for transportation, communication, payment, medical treatment, and the delivery of packages and mail are some examples of these types of systems. There must be an efficient and effective deployment of these factors by appropriate industries in order for a nation to have a strong factor situation, according to him (Porter, 1990). Additionally, demand for an industry's products or services within its own boundaries helps to define Porter's concept of national competitive advantage. Porter (1990) proposes three primary qualities that are significant in terms of the importance of the desire for a property. The expansion of domestic demand into other parts of the world has a substantial bearing on the following three important factors (Porter, 1990).

Porter (1990) contends that local businesses have an edge over their international competitors due to domestic demand since local businesses are better able to anticipate the needs of consumers than international businesses. Local businesses are more capable of growing and changing than their international counterparts since they must do so in order to satisfy the requirements of native consumers. As the second component of the supply circumstances, "the quantity and growth pattern of demand" is the component that Porter recognizes. According to Porter (1990), "if its composition is smart and forecasts worldwide and not just local demands, the amount and pattern of development in home demand may reinforce national advantage in a sector," provided that "its composition is clever and predicts worldwide and not just local demands." It is essential to take into account the fact that the local demand is increasingly becoming internationalized. According to Porter, one way to achieve a competitive advantage is to make a nation's domestic demand available on a global scale. An industry could require the inputs that are

provided by a supporting sector in order to remain competitive. Industry-related firms make it easier for companies in different industries to share or coordinate the operations of their respective value chains. According to Porter, these collaborative endeavors could take place in a range of settings, including as the development of a product, its production, its distribution, its marketing, or its provision of service. When an industry has access to the knowledge and perspectives of adjacent industries, it improves its capacity to obtain a competitive advantage over others in linked industries (Porter, 1990).

According to Porter's analysis, the competitive advantage enjoyed by the supplier industry can be reaped in three separate ways. It's feasible that a corporation can get a competitive advantage if they have access to the most cost-effective inputs as early as possible, promptly, or preferentially. It is possible for vendors to achieve a competitive advantage in the market by maintaining close and productive relationships with their clientele.

In the critiques of competitive advantage theory presented by authors such as Durand and Giroud (2002), Meki et al., (2014) there are a few noteworthy logical issues that may be found regarding competitive advantage (). According to their findings, there is no testable theory of competitive advantage that does not require ideology. At worst, the concept of competitive advantage is merely a metaphor that is useful to the community of strategic management. They raise doubts about the viability of the idea that a competitive advantage can be understood via the lens of science. On the other hand, Liu et al (2013) utilized competitive theory to improve long-term competitive advantage in uncertain business circumstances. According to Porter (1999), continuous interaction and involvement between companies and their suppliers can help to facilitate innovation and upgrade

processes. If a supply were also a global rival, then engaging in international competition would be more beneficial to the supplier.

According to the competitive advantage idea, the unique characteristics of a company provide it an advantage over its competitors in the market environment, which in turn leads to improved operational efficiency. This concept is relevant to the research being done. As a result, the performance of a company can be improved by effectively implementing a strategy. This gives a company that already possesses a competitive advantage the ability to outperform potential or existing competitors. The business plan of a firm has a direct influence on the resources that the company has direct control over, and these resources have the ability to provide an advantage over other businesses. An advantage in the market can be demonstrated through superior results and production resources.

Competence Based Theory

Sanchez developed the competence-based theory in the year 2004. Earnings are an important indicator of a company's level of success since, according to the competence-based theory, a company's capacity is mostly defined by the competitive advantages it enjoys in comparison to its competitors (Prescott & Nzewi 2011). The goal of the competence-based theory is to explain how the business strategy of an organization might affect the level of success that that firm achieves. Because of this, it may be used to analyze a company's competitiveness and its sales, both of which are related to the enjoyment of the firm's clients, and as a consequence, the company can enhance its overall performance in the market (Lovelock & Lovelock, 2011). This approach has the potential to be helpful in the administration of a company, provided that it is carried out in the suitable manner.

In addition to this, the concept upholds the idea that the leadership and behavior of a corporation are the most essential aspects in deciding how well the organization will succeed in a market that is highly competitive (Prescott, 2011). A comprehensive plan and an in-depth understanding of what customers will desire in the years to come are two essential components that any company requires in order for it to be successful in the marketplace. Establishing a dynamic capability can involve activities such as developing a fresh perspective on potential new courses of action, making preparations for anticipated future demands placed on the organization, and configuring the market interface in a way that takes into account the preferences of customers.

However, the dynamic capabilities theory has less power of explanation in situations in which new capabilities are not underestimated or limited, change is unpredictable, and the size of their impact is small; in markets that reward short bursts of outstanding performance rather than long-term consistency; and in industries that are constantly subjected to technological changes. It is of the utmost importance to keep in mind that the processes, functions, and channels involved in this strategy are all vitally important in their own unique ways. As a general rule, the accumulation of a company's competitive advantages and DC is related to the process of the firm, competitive advantages are related to positions, assets are linked to positions, and finally, pathways comprise both the past and the future of the company (Teece, et al., 1997). Véronique and Bowman (2009) take a look at the situation from two different points of view: first, from the outside in, and then from the inside out. They approach the issue from a just two-dimensional perspective. The standing that a firm currently holds in the industry as well as the limits that it has established for itself are two examples of the external assets that a company possesses. On the other hand,

the internal position of a corporation may comprise assets that are of the financial and technological character, the institutional nature, the reputational nature, the structural nature, or the complimentary nature. The current standing of the company has a one-to-one correlation with the company's aforementioned strengths and assets.

The capacity to obtain specialized resources inside an open system that is able to communicate with the outside world is one of the benefits that companies can reap from adopting a competency-based approach. When new technology, goods, and competitors enter a market, there is no avoiding the fact that these factors will undoubtedly have an impact on a company's capacity to preserve its edge over its rivals. Both adaptation and a certain degree of flexibility are new tactics for attaining a competitive edge, and they are both a direct outcome of the progress that has been made. These new strategies are built on adaptability and a degree of flexibility (Whetton, 2011). This idea is the root cause of the lack of competitiveness that exists between businesses. To put it another way, this concept elucidates how a company might evaluate typical plans and come up with tactics for getting a competitive advantage in the market.

2.3 Empirical Review

Product Differentiation

Kamau (2019) conducted a study to determine the extent to which supermarkets located in the central business center of Nakuru town benefited from utilizing differentiation strategies. No statistically significant link was found between retail supermarkets' product diversity strategy and sales success, according to the study results that were made public. This study used a non-experimental research survey approach to obtain data, and both purposive and simple random sampling processes were used to establish the sample size of

respondents. As a result of this investigation, a report will be issued. Product and physical difference are major elements in enhancing annual sales performance in supermarkets. This was concluded by the researchers based on their findings from the study. The findings of the survey indicate that supermarkets, in order to maintain their competitive edge in the expanding market segment, will need to enhance the number of product features and physical differentiation tactics they employ.

This study sought to determine strategic factors adopted by Toyota Motor Dealers to gaining competitive advantage in Kenya

The investigation that Kamau (2019) carried out took place in a retail market, which is stocked with products sourced from a wide variety of manufacturers and distributors (retail market). In addition, the researcher does not describe how the stores were stratified and sampled, which is crucial given that each grocery store is distinct in terms of the size of its space as well as the kinds of products it provides to customers. On the other hand, the study that was conducted in order to provide the foundation for this work focused on Sameer Africa (K) Limited. This study sought to determine strategic factors adopted by Toyota Motor Dealers to gaining competitive advantage in Kenya

Shafiwu and Mohammed (2019) conducted research to determine how the differentiation of products would affect the profitability of the Ghanaian petroleum industry. The objective of the research was to establish a correlation between market differentiation and financial success in the petroleum industry. Additionally, participants were asked to indicate whether or not they made regular use of Effimax products. In this investigation, a correlational research approach was taken as the method of inquiry. In Ghana, it targeted 15 businesses owned by the government and 14 businesses owned privately, with the number of privately

owned businesses increasing over time. In order to select one company from several potential contenders, the technique of cluster sampling was utilized as the method of choice. The findings of the research led the researchers to the conclusion that, despite the fact that the petroleum industry does not appear to have distinct commodities in comparison to other industries, this does not rule out differentiation as a viable strategy for the industry in and of itself. Instead, it's probable that other factors are to blame for the low adoption rate, which is something that needs further investigation. This study sought to determine strategic factors adopted by Toyota Motor Dealers to gaining competitive advantage in Kenya

Nolega, et al., (2015) used the Kenya Seed Company as a case study to research if product diversification influences a firm's performance. They came to the conclusion that it did, and they reached this result by using the Kenya Seed Company as a case study. For the purpose of this investigation, it was determined to make use of the descriptive research strategy. It was chosen to use a simple random sample for the selection of clients and personnel at Kenya Seed Company. On the other hand, it was decided to use purposeful sampling for the selection of 140 agents. The researchers that participated in this study proved, by way of the application of descriptive analysis, how the differentiation of products influences market dominance. The findings of the study suggest that the Kenya Seed Company should broaden the variety of seed varieties they sell in order to better meet the needs of farmers who cultivate their land in a wide range of environments, both in terms of the soil and the climate. This study sought to determine strategic factors adopted by Toyota Motor Dealers to gaining competitive advantage in Kenya

The authors Dirisu, et al., (2019) explored product diversification as a way for generating competitive advantage and optimal organizational performance. They focused their attention specifically on Unilever Nigeria as the case study company for their investigation. The purpose of this study was to investigate how a product differentiation strategy may be implemented to achieve a competitive advantage and, ultimately, how this strategy influences the overall performance of an organization that is involved in manufacturing. Because of the nature of the people that participated in this investigation, it was determined that survey research would be the most appropriate method to use. In order to do this task, it was necessary to hand out questionnaires to the individuals who had been chosen. The individuals who participated in the survey constituted a sizeable fraction of the overall population, which comprised each and every customer and end-user of the products manufactured by Unilever Nigeria Plc. Following the completion of the study, it was found that there is a correlation that is both positive and statistically significant between the differentiation of a company's products and the expansion of its customer base. Because it has the potential to be a substantial competitive advantage tool against competitors in the sector and is capable of ensuring the long-term survival of the company, executives should increase their attention and investment in product differentiation in light of the findings of the study. This is because product differentiation has the potential to be a key differentiator for the company. This study sought to determine strategic factors adopted by Toyota Motor Dealers to gaining competitive advantage in Kenya

Al-alak, et al., (2020) conducted study on the interaction between customer orientation, innovation differentiation, market differentiation, and organizational performance in order to acquire a deeper knowledge of the relationship between them. As part of the empirical

inquiry, a survey was administered to sixteen different financial institutions, and the findings were as follows: Through the use of structural equation modeling and confirmatory factor analysis, it was determined that there was a relationship between the four latent components, and it was also established that this relationship did in fact exist. The findings of the study indicate that companies that focus their business strategies on the needs and wants of their clients have a greater chance of attaining the goals they set for themselves. According to the findings of this study, the influence of innovation differentiation on organizational performance was significantly greater than the influence of market differentiation on the achievement of organizational success. Gaining a greater competitive advantage while also boosting the overall performance of the company is a win-win scenario for everyone involved, with the added benefit of being a win for the business as well. This study sought to determine strategic factors adopted by Toyota Motor Dealers to gaining competitive advantage in Kenya

For the purpose of writing a paper, Kelly (2020) researched the floriculture industry's efforts to successfully expand their business. Kelly made the observation that the market leaders in the categories that they had targeted were the companies that were successful in differentiating their products on the basis of the wants of consumers. According to Kelly, the most successful flower companies in Asia distinguish themselves from the other businesses in the industry by providing one-of-a-kind goods that both attract and keep customers. According to the conclusions of the research, they were able to differentiate their products from those of other significant horticulture enterprises with the use of product diversification.

According to the findings of a study conducted by Pearce and Robinson (2018), the differentiation strategy is a method for distinguishing one product or service from the competition. This is accomplished by placing an emphasis on characteristics other than price or cost that are not directly linked to the product itself. It is standard business practice to set the first price of a new or significantly upgraded product at a higher-than-average level in order to attract new customers at the beginning of the product's sales cycle. When the demand from early adopters reduces as a direct result of skimming, prices fall as a direct result of the decrease in demand from early adopters. In essence, skimming is a means to get rid of clients who are prepared to pay more in order to get their hands on the items sooner.

Dirisu, Iyiola, and Ibidunni (2019) evaluated the relationship between product differentiation and ideal organizational performance. The researchers used Unilever Nigeria PLC as a case study for their investigation. The purpose of this study was to examine whether or not a product differentiation strategy can result in the achievement of a competitive advantage while simultaneously effecting the organizational performance of a manufacturing company. It has been demonstrated that there is a correlation that may be considered statistically significant between product differentiation and the success of a company. In any event, it is of the utmost importance to keep in mind that customers, and not corporations, are the ones who create brands. As a result, it is quite important to investigate the factors that could persuade clients to continue making use of a company's product or to suggest it to their colleagues, neighbors, and friends.

The findings of a research study that was carried out by Valipour et al. (2018) and published in the journal *International Journal of Production Economics* investigated the connection

between a cost leadership strategy and product differentiation, as well as the achievements of businesses that are traded on the Tehran Stock Exchange. In order to get a better understanding of the connection between financial leverage and a company's performance, the goal of this study was to investigate the impact that business strategies have on the connection between financial leverage and the success of an organization. The researchers came to the conclusion that there is a positive relationship between the differentiation of a company's products and the financial performance of the business. However, the study, despite the fact that it acknowledges the importance of product differentiation to the performance of the company, fails to position the customer at the center of the dialogue. As a result, an inaccurate picture of how the company achieves a competitive edge is presented.

Nolega, Oloko, Sakataka, and Oteki (2020) conducted research on the impact product diversification strategies have on the effectiveness of a company's wares. This case study focused on the Kenya Seed Company (also known as KSC), which is located in Kitale. There is a correlation between a company's uniqueness and its performance as well as its sales growth, according to the results of this study. This study focused mostly on the topic of product diversification and the connection between that and the profitability of businesses. It is not evident from the data whether the significant success of the company is due to the fact that its agents and employees have a high level of loyalty for the many brands of seeds that the Kenya Seed Company offers to farmers or whether the company's success is the result of some other reason. As a result of this, there is a lack of clarity on whether or not the purchase of unique commodities can result in the achievement of a competitive advantage.

The findings of an investigation that Shafiwu and Mohammed (2019) conducted into the impact of product differentiation on profitability in the Ghanaian petroleum industry were published in the journal *Petroleum Research*. According to the findings of the research, there was a direct link between the degree to which a company differentiated its products and its level of profitability in its petroleum sector. As a consequence of this, firms that distinguish themselves from competitors by the quality of their products are more likely to see a rise in their profitability.

Arasa and Gathinji (2019) conducted research with the intention of gaining a deeper comprehension of the connection that exists between competitive strategies and the performance of businesses. A study was carried out by the researchers so that they could determine whether or not there is a connection between competitive strategies and the overall organizational performance of businesses operating in the Kenyan mobile telecommunications industry. As a result of the findings of the study, the researchers came to the conclusion that the industry is plagued by intense rivalry, and that the methods of product differentiation and low-cost leadership, respectively, are the ones that are utilized the most frequently by competitors. The findings of the research indicate that when a company implements a product differentiation strategy, it should be consistent in supplying a distinct product or service in order to improve consumer loyalty. This is the recommendation made by the researchers. Because determining the relationship between competitive tactics and corporate success was the primary objective of this research, product differentiation and competitive advantage were not given as much consideration as they could have been (Arasa & Gathinji, 2019)

Rahma (2018) conducted research to investigate the best ways to separate one service from another in order to gain a competitive edge. The primary focus of the study was on the various ways in which airlines could expand their service offerings to better meet the requirements of passengers who have physical disabilities. According to the researchers, the purpose of the study was to increase knowledge of how airlines might differentiate their services and achieve a competitive advantage by addressing the expectations of passengers who are physically challenged and to build a model for how to do so. According to the findings of the research, a source of competitive advantage for these businesses is the differentiation of airline services to satisfy the expectations of physically challenged persons. This is particularly important considering the growth of this niche market.

Kimando, et al., (2018) carried out a study on the different strategies of competition that are used by private institutions in Kenya, and they published their findings in 2018. There were two primary goals that needed to be accomplished: one was to establish how private colleges have achieved a competitive edge through the implementation of a differentiation strategy, and the other was to determine how private colleges have employed technology as a strategy for competition. According to the findings of the research, these universities have earned a competitive edge by utilizing a differentiation strategy, which enables them to differentiate themselves from other publicly supported institutions. This advantage was achieved so that they could compete with one another.

Risk taking

In a recent study on corporate social responsibility as an antecedent of innovation (including brand reputation), performance (including financial performance), and competitive success (including financial success), Gallardo-Vázquez et al., (2019)

discovered that risk-taking allows businesses to transform themselves in response to changes in the environment with the goal of gaining a competitive advantage and long-term survival. The researchers found that risk-taking allows businesses to transform themselves in response to changes in the environment with the goal of gaining a competitive advantage and long This is owing to the fact that a mindset that is willing to take risks enables firms to launch new products and brands ahead of their rivals in the market. This study sought to determine strategic factors adopted by Toyota Motor Dealers to gaining competitive advantage in Kenya

Hoskisson, et al., (2018) carried out the research that is detailed below: Managerial risk taking geared at producing competitive advantage: In order for managers to be able to compete in a dynamic market and effectively respond to competitive threats, taking calculated risks is required, as demonstrated by the findings of a multitheoretical study and the agenda for future research. The same can be said about the research that was carried out by Putni and Sauka (2020), who discovered that responsible risk-taking is the key driver of corporate success. This finding echoes the concept of risk and return in financial investing settings. In this way, it is possible to argue that when businesses engage in new initiatives, they are assuming increasing levels of financial risk, and that higher levels of risk will result in stronger financial performance. This assertion is based on the assumption that higher levels of risk will result in higher returns. This study sought to determine strategic factors adopted by Toyota Motor Dealers to gaining competitive advantage in Kenya

Palomo and Jogaratnam (2022) looked at the effects of risk orientation and technical innovation on organizational performance in order to identify the significance of these

factors. The findings showed that managers looking out for their personal interests is an indication that the company would be able to attain a higher level of performance if there is a larger degree of professionalization inside the organization. In addition, the findings demonstrate that professionalization enhances the capabilities of businesses, making it possible for them to increase their capacity for risk-taking and, as a consequence, better react to changes in the environment. This will result in an increase in their likelihood of survival, which will, in turn, improve their performance. Indirect professionalization has an effect on performance since it increases the innovative potential of firms, which is a significant factor in deciding whether or not a company will be successful. It was also found that a greater willingness on the part of companies to take risks would lead to an increase in the amount of money invested in technological innovation, which in turn would contribute to an improvement in productivity. As a consequence of this, risk orientation has an effect, although an indirect one, on the success of the company. This study sought to determine strategic factors adopted by Toyota Motor Dealers to gaining competitive advantage in Kenya

On the basis of his research, Davis (2017) produced a taxonomy that categorizes the three different approaches to risk-taking that might be displayed by entrepreneurial enterprises. In the first instance, there was a danger associated with the borrowing of resources through the use of debt to support a project that placed financial strain on the company. This occurred because the firm's finances were put under strain because of the project. There is a danger of overcommitting resources to many investments, in addition to the risk of overcommitting resources to a single investment, which is relatively prevalent among startups and small firms. The last category is known as "venturing into the unknown," and

it is typically illustrated by companies that are involved in the process of introducing new items or technology into the market. This category is deemed to be so since there has not been a precedent set to ensure that there would be a secure demand in the market for the new product or technology.

According to Morris, et al., (2016), in contrast to commercial businesses, social enterprises do not have a bottom line; as a result, doing a risk-return analysis might be difficult because there is no bottom line. In addition, the objective of these businesses is typically outcome-based, and it is not always simple to measure the results of their work. The danger that the declared goal will not be achieved, that the organization will become bankrupt, or that the support of stakeholders will be withdrawn are all related with social entrepreneurship. As a consequence of this, the propensity that social enterprises have for taking risks have to be examined in connection with the dangers to which they are subjected. In most cases, it is measured by contrasting the quantity of resources that have been committed with the total amount of resources that are available.

According to Mahmood and Hafani (2019), the definition of risk-taking is consciously devoting resources to projects that have a high possibility of generating substantial returns but also have a high danger of failing. In other words, taking risks is putting your money where your mouth is. The world of business is fraught with danger due to the fact that many of the factors that affect its outcome are unforeseen and cannot be predicted in advance. In order for businesses to be considered to be engaging in hazardous behavior, it is necessary for them to be ready to sacrifice considerable resources in the interest of achieving substantial returns.

According to the findings of Weerawardena and Mort's (2015) research, social enterprises require risk management frameworks to assist them in coping with the hazards that they are exposed to. In the long run, the performance of those who have strong frameworks is likely to remain stable and may even improve, but the performance of those who have weak frameworks is not predicted to change. As a consequence of this, the likelihood that a company's management will not improve the company's performance increases in direct proportion to the degree to which the management is risk averse. On the other hand, the management of a manufacturing company that is less risk averse increases the likelihood that the company will become entrepreneurial and improve its performance.

According to Porter (2017), a company can acquire a cost-based competitive advantage as well as a differentiation-based competitive advantage by lowering the various costs associated with materials, labor, and operations, among other things, and by differentiating its goods and services from those of its competitors.

According to the findings of a study that was carried out by Elahi (2019), businesses have the potential to gain four distinct advantages through the deployment of an effective risk management system, which can ultimately lead to a competitive advantage. According to him, efficient risk management can provide organizations with the ability to continue providing services when others are unable to do so, to pursue riskier enterprises, to achieve excellence in daily performance, and to develop a resilient image, all of which result in a sustainable competitive advantage.

Proactiveness

As Pearce, et al., (2018) indicated in their study that proactivity will not entail anything more than the introduction of new measures that are, for the most part, imitations (2018).

Proactiveness, on the other hand, focuses more on matching products and services to the anticipated growth of the market than it does on taking advantage of the current market. In addition, the authors believe that proactiveness refers to the ability to adjust quickly (short-term changes) whereas innovation may require a more long-term approach in order to have an impact on the performance of an organization. This study sought to determine strategic factors adopted by Toyota Motor Dealers to gaining competitive advantage in Kenya.

According to the findings of the research conducted by Callaghan (2019), proactiveness in entrepreneurial endeavors is associated with market opportunity. This is because proactive entrepreneurs "take the initiative and act opportunistically in order to shape the environment, that is, to affect trends and, maybe, to create demand," as stated in the study. Characteristics that define a proactive business include an aggressive attitude toward rival companies in the same market category and the use of unconventional strategies. These businesses affect the settings in which they operate by pro-actively looking for and seizing opportunities. Companies that are proactive rather than reactive generate new goods, technologies, and administrative processes to transform their environment rather than reacting to it when it changes. Proactive companies are more likely to succeed.

According to Wisner (2014), a company's members need to be more involved in the company's marketing plans in order for the company to be considered a SME with a proactive orientation. This includes building customer trust, identifying and participating in new innovative products, keeping in closer contact with one another, and involving the entire supply chain in the marketing of the company's products and services. If these traits are effectively applied and implemented in the correct manner, then the organization will be successful.

According to the findings of a study that was carried out by Miller (2019), proactiveness is defined as the capacity to take the initiative when the circumstance asks for it. In addition to having an outlook that is focused on the future, the company has a propensity to constantly search for opportunities that will enable the launch of new products and services in anticipation of future demand. This gives the company an advantage over its rivals and enables it to gain market share. The crux of what it means for a business to be proactive is the degree to which it encourages the expected conception and execution of innovations in ahead of others, which paves the way for increased growth and enhanced performance.

According to the findings of a study that was conducted on entrepreneurial orientation and SME performance in China's changing environment by Zhai, et al., (2018), proactive businesses take advantage of opportunities before their competitors do so that they can gain a market advantage. In this respect, examples of proactive initiatives include having a high capacity for absorbing new technologies, forecasting market demands, and scanning business opportunities early than other firms. It was also determined that companies that took part in proactive initiatives provided their organizations with creative performance.

According to the findings of Amaka, et al., (2018), the degree to which small and medium-sized enterprises (SMEs) in Abuja are proactive, aware of market signals, and open to exploring new prospects has a negligible impact on their financial performance. As a consequence of this, the findings suggested that proactive management had a beneficial, if modest, impact on the performance of SMEs. An analysis of the effects of EO on the operations of Dutch small and medium-sized businesses (SMEs) revealed that proactive company behavior was a significant factor in the success of these businesses despite the ongoing global economic and financial crisis.

Lumpkin (2019) found that the consequences of proactiveness having an impact on development are statistically significant. This indicates that proactiveness has a perfect mediating influence on development, which means that proactiveness has a perfect impact on development. According to the authors, the positive impacts on product performance were greater in early stages of development. This suggests that pro-activeness is important, particularly during the introduction and growth stages of a product's development. Furthermore, the relationship between pro-activeness and performance was strongest in a dynamic and hostile environment.

An investigation of the connection between proactiveness and the prosperous operation of Kenya's micro, small, and medium-sized agro-processing businesses was carried out by Wanjau (2019). Their experience illustrates that entrepreneurship may be conceptualized as a strategy for approaching the resolution of problems and the formulation of decisions that is driven by the aspiration to make the most of lucrative business possibilities. The findings illustrate how owner-managers of small- and medium-sized agro processing businesses can practice entrepreneurial leadership by responding to changes in the business environment with proactive rather than reactive activities.

According to Kreiser and Davis (2018), in certain contexts, corporations may make use of proactive strategies to improve their competitive posture in contrast to other businesses in the market. As a result of this, the mindset of being proactive may be characterized as an attitude of anticipating changes and opportunities in the environment, which grants the organization an advantage over its rivals in terms of competitive advantage.

In their research completed in Duru, et al., (2018) investigated the influence that entrepreneurial orientation elements have on the level of success achieved by small and

medium-sized businesses (SMEs) in the city of Abuja, Nigeria. According to the findings, the degree to which an organization is proactive, inventive, and prepared to take risks in Abuja was highly associated to the level of performance that the organization achieved there. Innovation, which was only one of the characteristics, was the only one that showed a positive link with the success of small and medium-sized enterprises (SMEs). There was found to be no significant association between proactiveness and risk-taking on the side of entrepreneurs and the performance of small and medium-sized enterprises.

When businesses embrace innovation and complement it with proactive activities, the findings of a study that was conducted by Rua, et al., (2018) indicate that the businesses can obtain a competitive advantage and ultimately become market leaders in the development of new products. This can be accomplished in the process of developing new products. They recognize new opportunities to answer the needs of their consumers and anticipate the wants that those customers will have in the future. In addition, they recognize new opportunities to fulfill the wants that those customers already have. Because of this, they are able to avoid following trends. Companies, particularly those operating in the textile industries, produce new collections on a consistent basis in order to differentiate themselves among competitors in the market. This is especially true of companies operating in the apparel industry.

The findings of a study that was carried out by Amankwah-Amoah, et al., (2018) indicate that the amount of income that a company has a major impact on the manner in which the organization executes proactive activities. The amount of growth that each organization is able to attain is directly related to the number of proactive activities that they carry out. It is also essential for these managers to have the abilities necessary to make effective use of

the relevant resources in order to identify opportunities at a faster rate than their rivals. The incorporation of policies and the formulation of plans made it feasible for the company to develop these capabilities, which in turn allowed them to make products that are not only competitive but also conform to the requirements of the market.

According to the findings of Lumpkin and Dess (2021), pro-activeness has a positive and considerably positive association with both increased sales and increased profitability.

According to the findings of the study, this is because proactive businesses are in a better position to make the most of a variety of chances and to obtain a strategic advantage over their rivals than those businesses that are less proactive. According to the findings of several studies, there is a connection between proactive business practices and a competitive edge. This is due to the fact that proactive organizations have a greater awareness of their consumers' requirements and wishes, as well as a more in-depth understanding of the environment in which their market operates, than their competitors.

During the height of the global economic and financial crisis, Kraus et al., (2020) conducted research to determine the effect that EO has on the productivity of small and medium-sized businesses (SMEs) in the Netherlands. During the height of the global economic and financial crisis, their research came to the conclusion that proactive business behavior was one factor that helped to the success of small and medium-sized enterprises (SMEs).

According to Fadda and Krammer (2018), an organization in the hospitality business that takes a proactive stance toward the external environment would achieve a higher level of performance than one that does not take this approach. According to Fadda (2018), proactiveness possesses a high significant coefficient when it comes to the significant

association that exists between hotel performance and the variable in question. According to the findings of study that was carried out by Lumpkin and Dess (2021), when environmental conditions are unfavorable, companies choose to forego proactive actions in order to cut the amount of money that is spent from their limited resources. According to the findings of the study by Hsieh and Karatepe (2020), proactive behaviors are connected more favorably with firm performance in hostile business contexts than they are in stable business contexts. This is in contrast to the situation where proactive actions are connected favorably with firm performance in stable business contexts. Because of this, it is absolutely necessary for hotels with a star rating to cultivate an attitude of pro-activeness throughout their whole organizations. This is required so that the culture of the hospitality industry is not dictated by the constantly altering business situation, but rather becomes the standard.

When it comes to developing new strategies for existing markets or for entering and expanding into new ones, proactive firms strive to be the first in their field to do so, according to the findings of a study that was conducted on the subject of capabilities in business that was conducted by Forkmann, et al., (2018). The study was conducted on the topic of capabilities in business. If this is the case, then they can come to the conclusion that depending on a trustworthy network of partners to effectively establish new businesses while also sharing resources is a more advantageous method in the process of innovation.

Innovativeness

Muthoni (2017) investigated the connection between the introduction of new products and a company's ability to maintain a competitive edge in the market for fast-moving consumer goods (FMCG) using PZ Cussons as a case study. The three facets of innovation that were

being taken into consideration are product innovation, process innovation, and market innovation. According to the findings, one of the most important steps toward obtaining a competitive advantage in the market is the development of new products and their introduction to consumers. When it comes to gaining a competitive advantage, the most successful businesses were those who introduced brand new products, improved upon existing ones, and fostered an environment of inventiveness among their employees while providing resources. In addition, the study came to the conclusion that there is a beneficial and statistically significant association between process innovation and market innovation in terms of achieving and keeping a competitive advantage. As a result of this research, it was discovered that all three aspects of innovation are essential for achieving one's desired level of competitiveness in the FMCG industry in Kenya (Muthoni, 2017).

Tungbunyasiri and Ussahawanitchakit (2019) investigated the role that learning orientation, firm entrepreneurship, and research and development innovation strategy have in determining whether or not a company is able to obtain a competitive edge. In addition to this, they investigated the role that intermediaries play in terms of new product creation, consumer responsiveness, marketing efficacy, and marketing advantage. In yet another piece of research, the influence of market culture on the outcomes of an experiment was investigated. In the context of businesses that export furniture from Thailand, elements such as long-term vision, marketing resources, and technical advancement, amongst others, all have an impact on the marketing innovation approach that an organization chooses to implement. Regression analysis was utilized for the objective of determining the nature of the connection that exists between these variables. According to the findings, each individual component of a marketing innovation strategy has a distinct influence on the

results. Product development, customer response, and marketing efficiency, as well as the acquisition of a competitive advantage, can all benefit from an innovation strategy centered on research and development (R&D), as can the acquisition of a competitive advantage. Take, for instance: On the other hand, having a long-term vision positively affects marketing innovation strategy in all three aspects.

According to a report that was published by the World Economic Forum and Deloitte Global (2019), global manufacturing companies ought to pay close attention to innovation, infrastructure, and energy consumption as key areas of focus in which they ought to concentrate their efforts and get ready for challenges in the coming years. Companies and countries that are able to attract, develop, and retain the highest-skilled talent are the ones that will be able to innovate in order to stay ahead of the competition. Additionally, companies and countries that are able to develop clean energy schemes and policies will be the ones that will come out on top of the competition. According to the same report, companies and countries that are able to innovate will be able to stay ahead of the competition.

Wu et al., (2018) released the findings of an analysis that they had done on the link between technical managerial competency and new product development among Chinese service-oriented businesses. According to the findings of the study, the facets of technical managerial competence that had an impact on new product development included the abilities for seeking, selecting, implementing, and learning. These facets were especially significant. According to the findings, selecting and learning competency and learning aptitude were the most important factors that influenced the ability to develop new products and the capacity to get a competitive advantage.

According to Lin et al. (2020), service innovation has developed into a significant source of competitive advantage for businesses operating in the manufacturing sector. However, according to the authors, there is evidence that these companies are having problems implementing service innovation initiatives due to a lack of understanding of how they work. Because of this, the focus of the research was on investigating the nature of service innovation in the context of the manufacturing environment and determining the impact that the antecedents of service innovation had on the levels of firm performance in a selection of Chinese manufacturing companies. The results of the online survey, which were validated by an analysis of the data, indicated that the introduction of new services had a positive effect on the overall performance of the organization.

Noorani and Amponstira (2020) conducted a study in order to determine the fundamental components of service innovation and their impact on competitive advantage in the business-to-business B2B market. During the course of her research, she came to the conclusion that conventional business models are distinct from online business models due to the fact that the latter are built around the utilization of information technology. Moreover, Noorani (2020) discovered that in order to determine the fundamental components of service innovation and their impact on competitive advantage in the business-to-business B2. B2B enterprises' competitiveness benefits from policies and practices in the fields of information technology, human resources management, research and development, and strategic partnerships, according to the findings (Noorani, 2020).

Tuan, et al., (2018) wanted to find out how innovation affects the competitive advantage of enterprises in Northern and Central Vietnam. This was their primary research objective. The examination into these qualities included looking at innovations in product, process,

marketing, and organizational design. All of these areas were looked at as part of the study. The first thing the researchers intended to do was determine the effect that these personality traits had on an innovator's overall success. They were also interested in learning the aspects of them that people disliked. The second type of test investigates the impact on the performance of the company, which can be measured in terms of the amount of product produced, the percentage of the market it holds, and its financial standing. According to the findings, firm performance was positively affected by innovations in process, marketing, and organizational structures, while the influence of production innovation activities on firm performance was determined to be insignificant.

Research was carried out at Safaricom Limited by Mohamed Ibrahim et al., (2018) to investigate the impact that an innovation orientation has on a company's ability to maintain a competitive edge. The researchers distributed a total of 359 questionnaires to the workers who were included in the group of participants who were sampled. The findings indicate that the company's design of products and services was centered on complying with legal requirements, satisfying the expectations of users, and, as a result, establishing a competitive advantage. This is demonstrated by the findings. In order to better understand and respond to the requirements of customers, a system that collects the opinions of employees has been put into place, and a system that manages inventories has been digitalized. In addition to this, the company carried out routine quality control checks on both its products and its facilities. According to the conclusions of the researchers, there is a correlation between the introduction of new products and a company's competitive advantage.

In addition, findings from a study conducted by Giffi et al.,(2018) indicate that activities connected to manufacturing are undergoing rapid transformation in numerous nations all over the world. Manufacturing activities contribute to increased economic growth, which pushes governments to expand their efforts in developing new methods and capabilities. These efforts include making huge investments in state-of-the-art infrastructure and research facilities. Both governments and corporations are looking for ways to challenge the technology standards that have been created in order to improve their respective economic situations. As the digital and physical aspects intersect, a new generation of innovative technologies has developed as important foundations of competitiveness. These technologies include: It has been demonstrated that industries that are heavily reliant on technology are the ones that dominate the global manufacturing scene in the majority of developed nations. Furthermore, it has been demonstrated that industries that are heavily reliant on technology are an effective means of achieving or maintaining manufacturing competitiveness.

Yu et al.(2017) conducted research to investigate the connection between the process of producing new knowledge and technical innovation skills. They also investigated the ways in which this relationship influences the long-term competitive advantage of a company. This is the conclusion they came to. The results of the research indicate that technological innovation capabilities, when used to describe the dimensions of process innovation capability and product innovation capability, were found to play a role in the relationship between knowledge creation and long-term competitive advantage. This was discovered when the research used technological innovation capabilities to describe the dimensions of process innovation capability and product innovation capability.

Aziz and Samad (2018) did a research study to evaluate the impact that innovation has on competitive advantage. The data for this study came from Malaysian small and medium-sized enterprises that were engaged in the manufacture of food. The sample of 220 manufacturers was chosen through the use of processes for random selection, and the questionnaires were delivered by the postal service to those who participated in the study. Both descriptive and inferential methods of statistical analysis were carried out on the data. According to the findings, a significant influence on competitive advantage was exerted by innovation, as evidenced by the fact that it was responsible for a variance in competitive advantage that ranged from 73.5% to 100% among the different firms. Even though the age of the organization was a big mediator in the connection, the fact that this was the case indicated that food producers were employing new techniques to stay up to date with competitive problems. This was demonstrated by the findings of the study.

Alanis, et al., (2017) research on the effects of innovation on the manufacturing competitiveness of top car countries showed that the effects of innovation on the manufacturing competitiveness of top automakers. Innovation boosts the industrial competitiveness of leading automotive countries. Furthermore, innovation can be further classified into a variety of different interconnected dimensions, such as product and process innovation, regional innovation, open innovation, knowledge transfer, as well as government and consumer trends and behaviors, and finally management and organizational culture, amongst other categories.

Research conducted by Muazu and Abdulmalik (2021) on the connection between information technology skills and competitive advantage: a review of the existing research in this area According to the findings of empirical study, there is a correlation that can be

interpreted as beneficial and that demonstrates statistical significance between information technology abilities and a competitive advantage. According to the findings, the ability of an enterprise to obtain a competitive advantage is substantially influenced by the amount of investment and deployment of information technology resources that the enterprise possesses. These resources include infrastructure, human resources, and knowledge management. The management of a firm ought to put money into information technology infrastructures and provide training for its employees so that those employees can become well-versed in IT. This will make the work of the management easier. To ensure that company managers are able to take advantage of the significant relationships that were observed, the researchers proposed that enterprise managers make certain parts of IT capabilities as easy to access as possible. In order for employees to perform their duties correctly, management should ensure that information technology infrastructures are easily available and that workers receive adequate training.

Agboola (2019) conducted a research on the effects that information and communications technology (ICT) had on the Nigerian banking industry. Particular attention was paid to the nature and extent of adoption of innovative technologies; the extent to which these technologies were utilized; and the impact that ICT devices had on banks. The researchers arrived at the conclusion that technological innovation was essential to ensuring that banks remained competitive, and that greater performance was the result of more effective integration of technology within these institutions. It was brought to his attention that different banks had different levels of technological adoption, which included anything from automated teller machines and smart cards to telephone banking. Banks' reputations have been improved as a direct result of the application of information and communications

technology (ICT), which has led to an improvement in the institutions' overall levels of performance. This research group came to the conclusion that the implementation of ICT infrastructure would, among other benefits, raise the rate of service delivery to customers, improve its accuracy, and make it more convenient for those customers. Because of this, these various financial institutions now have an advantage over their rivals. The last study focused on Nigerian banks, whereas the current one is looking at how competitive the Kenyan insurance market is. Kenyan banks were the focus of the prior study.

According to Morris, et al., (2016), innovative ideas can originate in either of two distinct locations, but these locations can also be combined into a single source. The first source relates to the enterprise's orientation in meeting the societal need that is geared at the completion of the major purpose. This is the aim of the enterprise. As a result of this, we need to shift away from an approach that is focused on charity, which leads to a dependency syndrome, and toward a strategy that is more sustainable, such as capacity building, which ensures that beneficiaries become self-sufficient. In other words, we need to move away from an approach that is focused on giving away free stuff.

In his study, Kuratko (2018) says that innovation is the quest for unique, uncommon, or novel answers to difficulties. These solutions may present themselves as new products or processes being introduced into an organization. He continues by explaining that innovation is defined as the introduction of new methods to tackle the difficulties faced by consumers, methods that are advantageous to both the customer and the firm. Aspects of entrepreneurship include the initiation of processes by which entrepreneurs produce, expand wealth by experimenting with new techniques, and introduce dramatic changes in the goods to eliminate wastages and inefficiencies, cut the cost of inputs, and raise profits.

According to Helm (2017), technology-driven innovation may be broken down into two categories: administrative innovations and technical innovations. The concept of technological innovation refers to the process of coming up with new ideas that might result in the production of new goods or services, as well as the development of new methods for running businesses. On the other side, administrative innovation is concerned with changes in organizational structure and policies, both domestically and globally. These changes can occur anywhere in the world. Administrative innovation can take many forms, including the modification of policies and the establishment of new channels of communication, but one example of administrative innovation is the internal transformation of an organization. On the other hand, the external transformation of an organization involves the modification of relationships with other comparable businesses in the industry.

Alvord, et al., (2014) carried out a study with the purpose of identifying the elements that are related with successful social entrepreneurship. They concentrated on the dynamics of innovation, the characteristics of those who led the company, the activities undertaken by the firm, and the method that was utilized in expanding their business operations. Entrepreneurship with a social mission was viewed as a viable strategy for developing creative responses to complex social issues and ensuring the long-term viability of social change. They came to the conclusion that not all organizations that work to solve social issues are social enterprises. Because they are not trying to imitate other businesses, social enterprises are distinguished from other businesses by their capacity for innovation in meeting the requirements of society.

Gaining Competitive Advantage

Auto parts suppliers in Mexico's state of Nuevo Leon were studied by Mutuku et al., (2018) for their ability to retain a competitive manufacturing position. Auto component suppliers' manufacturing competitiveness is strongly influenced by six different criteria, according to the study's conclusions. The following factors are given in ascending order of importance: These are the ones to keep an eye out for: Innovation, process technology, qualified personnel, support for the car cluster, and support for information technology may all be found in this location. When carrying out research in the scientific field, one of the most important factors to take into account is the technique of measurement. In this section, further detail is provided regarding the following issues, each of which is taken into consideration as an integral part of the measuring technique.

According to Nurcahyo and Wibowo's (2015) research, they conducted a study on two kinds of competitive priorities: those that pertain to the production system, and those that pertain to product leadership. Both of these categories were examined. The manufacturing system was considered to be the most important competitive priority, followed by product leadership as the next most important objective. According to the findings of the research, there are two different kinds of competing priorities. The elements that help to integrate the production system are cost, quality, speed to market (delivery), adaptability, and long-term viability; while for product leadership, the aspects that are prioritized are the customer's point of view, innovation, and product technology. In order to gain a financial and qualitative advantage over their rivals, businesses need to first acknowledge that improving the effectiveness of their operational procedures is one of the most important

steps they can take. This is especially true in regard to the many processes involved in production.

Multinational Competitiveness Index (MCI), according to research conducted by Kabak (2014), is mostly based on the World Economic Forum's country competitiveness indicators. According to the findings of a study that the author carried out, Turkey's ability to innovate and its access to the most recent technology have a significant impact on the country's competitiveness in the automobile business. The quality of local suppliers to the automotive sector has increased as a direct result of this relationship, and the domestic automotive market in Turkey has expanded greatly as a result of this growth.

According to Le and Dang (2018), a company's competitive advantage can be defined as the presence of particular values that make it possible for the company to seize commercial chances and benefit from them. The ability of a company to deliver value to its consumers is what gives that company the upper hand in a competitive market. This value is representative of the customers' willingness to pay for the products or services being offered, and it increases when a company sells essentially the same utilities as its competitors, but at a lower price; when a company sells unique gadgets at a higher price than normal, but at a lower price than normal, while still satisfying the customers; or when a company sells essentially the same utilities as its competitors, but at a lower price than normal, while still satisfying the customers.

Nguuyen and Khoa (2021) did a quantitative analysis of the seafood exporting businesses in the province of Kien Giang, which included a total of 350 companies. According to the findings of the research, being able to respond to the needs of customers in a timely manner, as well as being able to adapt to an ever-changing business environment, are all important

factors for a seafood exporting business to be competitive. Other important factors include a company's vision and strategy, its capabilities in human resource management, its organizational capabilities, and its ability to respond to the needs of customers. The results of the study were used to establish a set of management principles for use by exporting enterprises within the context of growing economic integration on a worldwide scale.

Do (2020) utilized a qualitative research methodology with the purpose of analyzing the competitive advantages that Vietnamese seafood companies had. When Vietnam enters the next generation of free trade agreements, it will benefit from a number of factors, including tax advantages (both import and export), chances to extend markets for the export of seafood, advantages in terms of both location and labor, government attention and support, and advantages in terms of import and export taxation. In light of the findings of the study, the author of the paper says that seafood enterprises will make a significant contribution to the accomplishment of the predetermined goals and objectives if they make use of the competitive advantages they currently possess.

There is a strong correlation between the amount of money invested and the amount of money spent on MCAI; process automation is among the most significant investments made by these companies in addition to the customer involvement in determining the quality standards, target market identification and market segmentation and the target market identification and segmentation are the most significant investments made by these companies. (Singh, 2018).

According to the findings of a study that was carried out by Zeithaml and Dhurup (2015), a large number of services were somewhat shielded from the effects of competition since customers had limited choices when it came to service providers. Customers were able to

drive themselves to financial institutions such as banks, where they could open checking accounts, savings accounts, and mortgages, among other products and services. It was frequently argued that the applications for the services were limited because they could not be moved from one location to another.

Momassabiet and Yagmurlu (2015), in the course of her research on Kenyan supermarkets' ability to maintain a competitive advantage, came to the conclusion that product innovation, information, managerial capacity, and relationships with suppliers all play a significant impact. A research of private institutions in Kenya showed that Expansion and differentiation goals, as well as a firm's ability to establish and retain a competitive edge, were identified as the most crucial elements (King'oo, 2014). When analyzing a company's competitive advantage in the microfinance industry, Wambugu (2017) found that the most important factors to take into account were marketing strategies, network effects, excellent research and development capabilities, cost leadership, and defining customer value. These were the most important factors to take into consideration. Mbayeh, (2017) observed that differentiation and cost strategies are adopted most frequently, with the focus strategy being the one that is used the least frequently while conducting research on the competitive strategies of pharmaceutical businesses in Kenya.

Kariuki (2017) investigated the characteristics that contribute to competitive advantage among savings and credit cooperative societies in Nairobi's north region. According to the findings of the research, SACCOs were exposed to severe competition and were undercapitalized, which rendered them unable to provide good service to their members. This was a problem because SACCOs were formed to serve low-income communities. SACCOs did not have appropriate information technology systems in place. While some

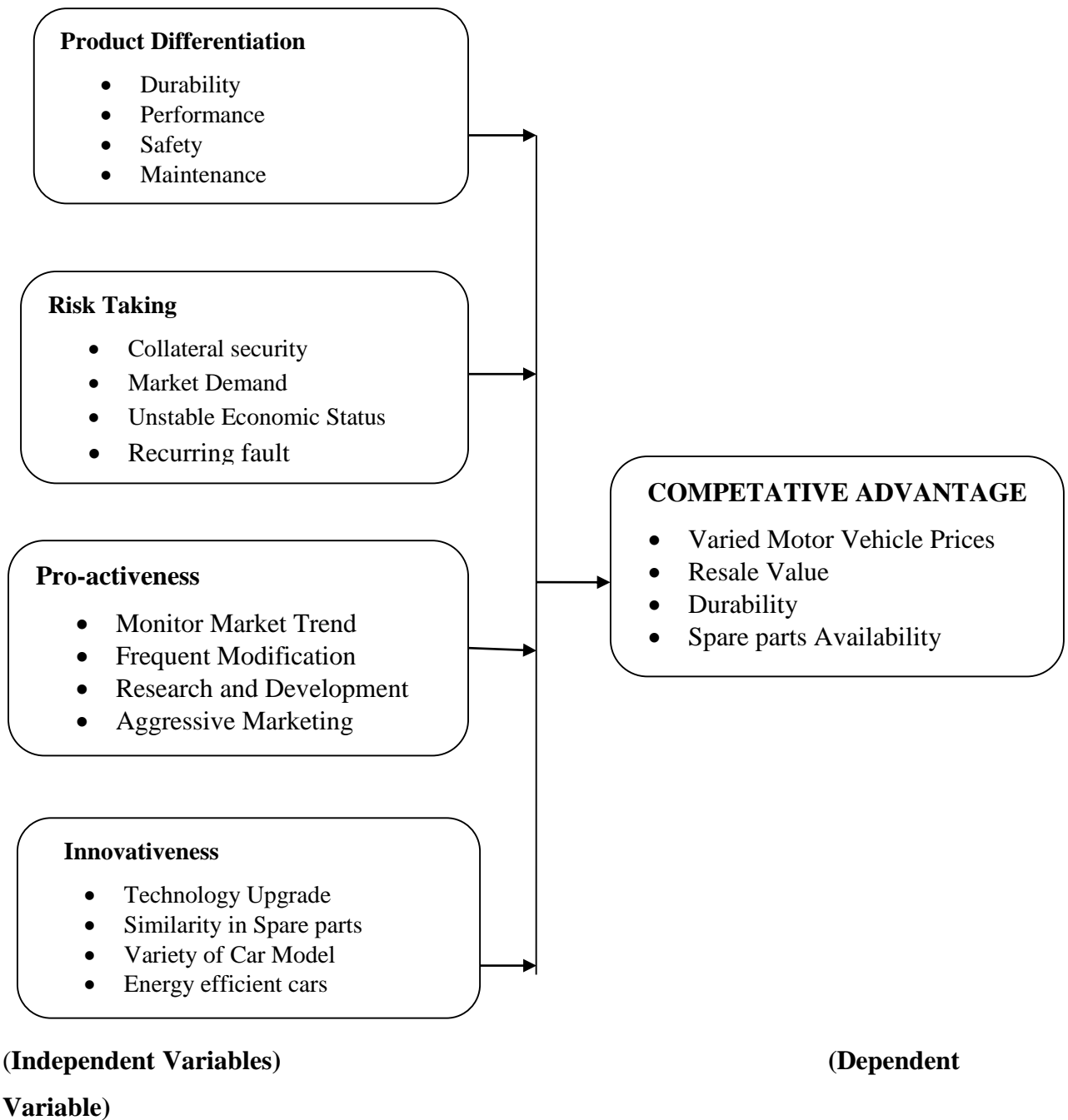
of the selected SACCOs have exhibited a robust commitment to marketing, others have shown little interest in the field. The researcher has provided a number of recommendations, some of which include the following: acquiring robust and complete information systems; opening up the common bond; utilizing marketing tools; retaining more of their earnings; and opening up the common bond so that they can attract more customers and generate cash for loaning. Saccos should cultivate partnerships with other organizations in order to put together a group of experts who can assist them in the process of developing an all-encompassing information system that would be of use to both large and small Saccos. This would be beneficial to both types of Saccos. Additionally, it was suggested that Saccos put away some of their earnings in order to contribute to the formation of capital. When it comes to marketing, it is necessary for Saccos and any other organization that is in business to publicize the products that they sell.

Ligasi and Kariuki (2018), researched the criteria that lead to competitive advantage among Kenyan pharmaceutical manufacturing enterprises. As a result of the investigation, it was found that there was a positive association between the study's independent factors and its dependent variables. [Case in point:] [Case in point:] It has been noticed that the culture of an organization is the primary factor that defines its advantage over other organizations. The organizational structure can also have an effect on a company's level of competitive advantage. Both an increase in organizational resources and the beneficial influence that innovation has on competitive advantage were seen. Both of these factors were demonstrated to promote competitive advantage.

2.4 Conceptual Framework

In Mugenda (2013)'s opinion, a conceptual framework is a model that explains the model that is being studied, as well as the relationship between the variables that are being studied and the model itself. It is the dependent variable in this study that helps businesses gain a competitive advantage. The independent variables are product differentiation and risk taking as well as Pro-activity and innovativeness.

Figure 2.1:
Conceptual Framework



CHAPTER THREE

RESEARCH METHODOLOGY

3.0 Introduction

This chapter is a blue print of the way the study was conducted. It includes the design of the study, the population targeted, size considered for the sample, technique used in arriving at the sample, procedure of collecting data, instrument of collecting data, reliability and validity of the study, analysis of data, examination procedures and moral contemplations.

3.1 Research Design

The study employed descriptive research survey design, which synthesizes data to fit the research aim (Kothari, 2004). This structure endeavors to depict methodically a circumstance, an issue, or marvel, or gives data about an issue, or portrays frames of mind towards an issue (Kumar, 2005). Descriptive survey was used to get data concerning the status of a marvel to depict, "what exists" as for variables or conditions in a circumstance. The study's approach helped to collect data to answer questions about Toyota Motor Dealers's competitive advantage in Kenya. Both primary and secondary data were collected

3.2 Target Population

Population is stated by Schwab and Gudergan (2013) as a set of entities or instances, whether its people or items or incidents that comply with certain standards and are considered to furnish an acceptable base for the study. The target population in this research was 90 sale representatives working in 10 car dealers who have been in operation for the past 10 years in Mombasa CBD.

Table 3.1:

Target population

No's	Company Name
1	Toyopet Auto Mobiles K Ltd
2	Mombasa Toyota Kenya
3	Auto Selection (K) Ltd
4	Lota Motorsports
5	CMC Motors Group Ltd
6	Khushi Motors
7	Panij Motors
8	Yuasa Motors - Mombasa Branch
9	Dodhia Motors Ltd
10	Aisha Motor Dealers

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3.3 Sampling strategy and Sample size

stratified random sampling was utilized to collect data. Stratified Random Sampling aids in reducing bias in sample selection while also ensuring that no sector of the population is underrepresented or overrepresented in the samples. The study will comprise 50 percent of the target population, who will be chosen by lottery. This is supported by Mugenda's (2013) conclusion that a sample size of 10 percent or greater of the target population is sufficient for accurate data processing and testing for statistical significance of discrepancies between estimates. There were 45 respondents in the survey who worked as sales agents, making up the sample population. These respondents were considered the ideal people with the information regarding competitive advantage

Table3.2:**Sample Size**

Company Name	No. of sale employees	Percentage	Sample Size
Toyopet Auto Mobiles K Ltd	6	50%*6	3
Mombasa Toyota Kenya	5	50%*5	3
Auto Selection (K) Ltd	9	50%*9	5
Lota Motorsports	10	50%*10	5
CMC Motors Group Ltd	14	50%*14	7
Khushi Motors	11	50%*11	6
Panij Motors	15	50%*15	7
Yuasa Motors - Mombasa Branch	7	50%*7	3
Dodhia Motors Ltd	7	50%*7	3
Aisha Motor Dealers	6	50%*6	3
Total	90		45

Kenya Motor Industry Association (KMI) 2020-2021**3.4 Research Instruments**

Research instruments are methods or strategies that a researcher use to obtain information relevant to a study with the goal of establishing or refuting a hypothesis (Hakim, 2005).

The research team employed both primary and secondary data in their work.

Primary Data

The questionnaire served as the major technique of gathering primary data for this investigation. As stated by Mugenda and Mugenda (2010), questionnaires are favored over interviews since the results are collected in a standardized manner, resulting in questionnaires being more objective, at least in comparison to interviews. The study used both closed-ended and open-ended questions to focus the responses of the respondents on a certain subject matter, allowing for easier analysis.

Secondary Data

The study included secondary data from the Toyota website, printed and electronic newsletters, and vehicle dealership websites, newsletters.

3.5 Reliability of Instruments

Ogula (2015) defines reliability as the degree to which a research instrument delivers consistent measurements when administered to the same subjects or after multiple trials. The questionnaires' reliability required a pilot study. The pilot study allowed researchers to determine whether the study's goal would be reached, whether any items had ambiguities, and whether the research objectives were effectively handled. Ebrahim (2013) suggests that a pilot test is needed to examine data collection instruments' reliability. A pilot study was conducted to uncover design and instrumentation flaws and give proxy data for sample selection. A pilot study was conducted at Jeffrey Motors to determine how well the system functioned. The results of the pilot study were not included in the final analysis of the research.

Cranach's Alpha, a coefficient of reliability that provides an unbiased assessment of data generalization, was used to analyze the pilot study's data. A coefficient of dependability known as Cronbach's Alpha is a measure of the reliability of a set of data points. According to Zinbarg et al., (2015), Cronbach's Alpha gives an objective assessment of the generalisability of a set of data points. Having an alpha coefficient greater than 0.6 demonstrated that the data collected had a high degree of internal consistency and that the results could be extrapolated to represent the opinions of all respondents in the target demographic.

3.6 Validity of Instruments

According to Tavakol and Dennick (2016), content validity refers to how well an instrument's questions and answers reflect what might be asked about the material or skill being tested. Experts, experienced research assistants, and supervisors who would approve the instrument for data collection were used to validate its validity.

3.7 Data Collection Procedures

Kenya Methodist University and the National Commission for Science, Technology, and Innovation (NACOSTI) were approached for permission to conduct the research and to provide an authorization letter. The questionnaires were administered by the Kenya Methodist University and the National Commission for Science, Technology, and Innovation (NACOSTI). The researcher made an introductory visit to the sampled vehicle dealerships and obtained written clearance to conduct the research in a confidential manner for academic purposes only, which was granted. In the following step, the questionnaires were given to the respondents who had been randomly selected using the drop and choose procedure.

3.8 Data analysis and Presentation

Data analysis is the process of analyzing the results of a survey or experiment and drawing conclusions and inferences. It also involves analyzing the data and drawing conclusions (Kombo & Tromp, 2015). SPSS version 23 was used to analyze the data, and the results were frequencies, means, modes, and standard deviations. This is because the data was descriptive, so variants like means, frequencies, and percentages were used to show how the study worked out. ANOVA was used to look at the strategic factors Toyota Motor Corporation used to gain a competitive advantage in Kenya. The data was put together and

edited to make sure it was correct, complete, and uniform. Quantitative data was arranged and recorded based on the goals and research questions. It was then sorted and analyzed.

Multiple regression model was developed as follows,

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \varepsilon$$

Where;

Y = Competitive Advantage (Value of dependent variable)

β_0 = Constant Variable

X_1 = Risk Taking

X_2 = Pro-activeness

X_3 = Innovativeness

ε = An error term

$\beta_1 \dots \beta_4$ = The coefficients associated with the independent variables.

3.9 Ethical Considerations

According to Fouka and Mantzourou (2016), it is critical to adhere to ethical principles in research in order to protect human dignity and preserve human dignity. This study was conducted in accordance with ethical principles, which included maintaining confidentiality, treating respondents with dignity and honesty, and following the protocol at all stages. When it comes to researchers' ethical obligations, they are defined as the type of agreement that the researcher engages into with the subjects of their research. According to the researcher, the respondents gave consent, and in addition, the researcher and the respondents came to an agreement on the uses of the data and the method in which the analysis was produced and disseminated, among other things. As part of this effort, the researcher will ensure that respondents do not identify themselves in the questionnaire and

that the analysis is not done for each individual respondent but rather for the aggregate response of all respondents.

CHAPTER FOUR

DATA ANALYSIS AND DISCUSSION OF FINDINGS

4.1 Introduction

This chapter summarizes the outcomes of a study conducted to ascertain the strategic elements used by Toyota Motor Corporation to achieve a competitive edge in Kenya. The study's aims were to ascertain the effect of product distinctiveness, risk taking, proactivity, and innovation on attaining a competitive edge in Kenya.

4.2 Response Rate

Table 4.1:

Response Rate

Details	Frequency	Percentage
Returned Questionnaires	43	80%
Non-Returned Questionnaires	11	20%
Total	54	100%

A poll was done among 54 respondents who worked as sales representatives for 10 vehicle dealerships in the Mombasa Central Business District that had been in operation for the previous ten years. Out of the 54 surveys that were issued, 43 were completed and returned, resulting in an 80 percent response rate. According to Mugenda and Mugenda (2013), an adequate response rate is defined as 50% of the total population participating in the survey, a good response rate as 60% of the total population participating, and any other response rate greater than 70% as exceptionally good. It was determined that the response rate of 80 percent met the criterion and was regarded to be excellent. The information gathered was therefore sufficient to allow the researcher come to a satisfactory conclusion regarding the study based on the information obtained.

4.3 Reliability Analysis

The use of a piloted questionnaire in this study allowed the researchers to confirm the reliability of the questionnaire they used. The reliability of data gathering equipment, according to Ebrahim (2003), must be evaluated through the use of a pilot study. A pilot study was carried out in order to detect design and instrumentation issues as well as to provide proxy data for the selection of a sample for further investigation. The final report did not include the findings of the pilot study because they were deemed preliminary.

Table 4.2:

Reliability Analysis

Statements	No. of Items	Cronbach Alpha
Product Differentiation	5	0.732
Risk Taking	5	0.745
Pro-Activeness	5	0.791
Innovativeness	5	0.787
Competitive Advantage	5	0.721

An alpha coefficient of more than 0.6, according to Zinbarg et al., (2015), means there is a lot of internal consistency in the data and it has been generalized so that it can be used to figure out what people in the target group think. The Cronbach's alpha value for product differentiation was 0.732, risk taking was 0.745, proactivity was 0.791, and innovation was 0.787. This means that there was a lot of internal consistency in the way that people did their jobs. Competitor advantage innovation had a very high level of internal consistency. The Cronbach's alpha was 0.721, though. This was at the expense of having a lot of consistency outside of the company. It looks like all of the variables have reliability

coefficients above 0.6, which means that the variables in this study are likely to be accurate (Zinbarg et al., 2015).

4.4 Respondents Gender

Table 4.3:

Respondents Gender

Gender	Frequency	Percentage
Male	32	74%
Female	11	26%
Total	43	100%

According to the data in Table 4.3 above, the vast majority of respondents (74 percent) were male, with the remaining 26 percent of respondents being female. According to the statistics, men account for a disproportionately large proportion of sales reps in automobile dealerships.

4.5 Working Experience

Table 4.4:

Working Experience

Number of Years	Frequency	Percentage
Less than a year	3	7%
Between 1-5 years	12	28%
Between 6-10 years	17	40%
11 years and above	11	25%
Total	43	100%

Following the results in Table 4.4, majority of respondents (40 percent) indicated to have worked in the organization between one and ten years, 28 percent have worked in the organization between one and five years, 25 percent have worked in the organization for 11 years and above, and the remaining 7 percent have worked in the organization for less

than a year, respectively. It is obvious from the data that the respondents are familiar with the selling of motor cars, making them well-suited to provide their opinions on the strategic elements implemented by Toyota Motor Corporation in order to obtain competitive advantage in Kenya.

4.6 Highest Academic Credential

Table 4.5:

Highest Academic Credential

Academic Credential	Frequency	Percentage
Doctorate Degree	0	0%
Master's Degree	4	9%
1 st Degree	15	35%
Diploma	21	49%
Certificate	3	7%
Total	43	100%

According to the data in Table 4.5 above, sales agents with a Master's Degree as their highest academic qualification accounted for 9 percent of the total. Thirty-five percent of those who answered the survey indicated that a first degree was their greatest academic credential, 49 percent indicated that a diploma was their highest academic credential, and seven percent indicated that a certificate was their highest academic credential.

4.7 Product Differentiation

Table 4.6:

Product Differentiation

Product Differentiation	Mean	Std Dev
Toyota develops their vehicles with high-quality components, which increases their durability compared to other car types.	4.364	0.517
Toyota vehicles stand out from the competition because of the astounding progress they've made in terms of performance across all of their new models.	3.615	0.475
Cars from Toyota are equipped with driving aid technologies, making them safer for their customers.	4.833	0.526
As a result, Toyota's cars are popular with many people because they're easy to maintain.	4.056	0.579
Toyota ensures that both the inside and the interior style of its vehicles are appealing to its consumers.	3.627	0.621

In the table above, the purpose of the research was to investigate the influence that product differentiation has on the degree of competitive advantage achieved in the Kenyan market. It has been discovered that Toyota uses high-quality materials in the production of their automobiles, which results in those automobiles having a longer lifespan than other models of cars. The standard deviation of Toyota's score was 0.51, while the company's mean score was 4.364. Toyota's average score was 4.36. To differentiate their products from those of their rivals, Toyota claims that all of their newest models include performance that has been significantly enhanced. Car dealers reported a mean value of 3.615 and a standard deviation value of 0.475; this suggests that there is a disparity between the two groups. Driver assistance technology is standard in every Toyota car since the automaker prioritizes the well-being of its customers above everything else when developing new models. For the purpose of calculating this statistic, we used a mean score of 4.833 and a standard

deviation of 0.526. Toyota's automobiles are known for being easy on the wallet when it comes to repairs and upkeep, which is one reason for their widespread popularity. In the poll conducted by Toyota, the mean was 4.056 and the standard deviation was 0.579. Toyota has calculated a mean of 3.627 for its interior and interior style, with a standard deviation of 0.621, in order to ensure that both the interior and the interior style are appealing to its customers. This was done in order to ensure that Toyota continues to be successful.

4.8 Risk Taking

Table 4.7:

Risk Taking

Risk Taking	Mean	Std Dev
Prices of automobiles are influenced by the country's economic health..	3.624	0.538
The sales of Toyota cars change when new models come out.	4.170	0.513
We bring in a lot of Toyota cars based on what the market wants.	4.521	0.529
The longer a Toyota stays in the showroom, the worse it runs.	4.379	0.605
If a Toyota model keeps having the same problem, it will be harder to sell.	4.592	0.572

Table 4.7 above shows the study's goal: to find out how risk-taking affects gaining a competitive edge in Kenya. The study found a mean of 3.624 and a standard deviation of 0.538 for the impact of the country's economic state on car prices. In the mean and standard deviation of 4.170 and 0.513, new Toyota vehicle models have an effect on car sales. Toyota vehicles were imported in a mean of 4.521 units and a standard variation of 0.529 units in accordance with market demand. 4.379 and a standard deviation of 0.605 indicate that the amount of time a Toyota vehicle spends in the showroom has an effect on its performance. Data shows that a specific Toyota model has an average prevalence of 4.592 and a standard deviation of 0.572.

4.9 Pro-Activeness

Table 4.8:

Pro-Activeness

Pro-Activeness	Mean	Std Dev
Toyota observes the market and figures out what people will need in the future.	4.850	0.483
Toyota makes changes to its cars quickly, which makes them look better.	4.831	0.513
Toyota puts a lot of money into researching and making their cars.	4.025	0.477
Toyota makes sure its spare parts are easy to get and cheap so that it can attract and keep customers.	4.243	0.452
Toyota markets its cars in a way that makes them more popular than those of its competitors.	4.713	0.545

As seen in the above table, researchers in Kenya attempted to investigate the effect of proactiveness on gaining a competitive edge. A mean and standard deviation of 4.850 and 0.483 are used by Toyota to keep track of current market trends and anticipate future needs. The survey found that Toyota's vehicles had a mean score of 4.025 and a standard deviation of 0.477, both excellent marks. With an average of 4.831 and a standard deviation of 0.513, it was found that Toyota makes significant changes to its vehicles in a short period of time, making the vehicles more desirable. In order to attract and keep customers, Toyota promises that its replacement parts are easily available and reasonably priced, with a mean and standard deviation of 4.243 and 0.452, respectively. As a result of Toyota's considerable marketing efforts, their products have become so well-known that they consistently exceed their competitors' offerings. Toyota automobiles had a standard deviation of 0.54 and a mean of 4.713.

4.10 Innovativeness

Table 4.9:

Innovativeness

Innovativeness	Mean	Std Dev
Toyota constantly develops its technology in all of its new models in order to draw in new customers.	3.526	0.609
Toyota's management encourages its staff to come up with new and creative ways to solve problems.	4.313	0.744
Toyota ensures that the bulk of its spare parts are interchangeable so that customers don't have to spend time searching for the right part for their vehicle	4.258	0.507
Toyota offers a wide range of vehicles in an effort to appeal to as many people as possible.	4.640	0.582
Toyota's cars are competitive because of the variety of materials utilized when manufacturing its automobiles.	4.350	0.526

As indicated in Table 4.9, the goal of the study was to find out how innovativeness affects getting ahead in Kenya. an average of 3.526, with a standard deviation of 0.609 indicated that every time Toyota makes a new model, the company upgrades its technology in order to attract new customers. . A mean of 4.313 and a standard deviation of 0.744, show that Toyota's leadership encourages and helps its employees come up with new ideas. Toyota makes sure that most of its spare parts are the same so that the customer doesn't have to worry about looking for parts. The mean of the data was 4.258 and the standard deviation was 0.507. Toyota makes many different kinds of cars so that it can sell to as many people as possible. The mean for Toyota was 4.640, and the standard deviation was 0.582. Toyota used many different kinds of materials in their cars so that they could keep their prices low and stay in business. The cars made by Toyota had a mean of 4.350 and a standard deviation of 0.526.

4.11 Competitive Advantage

Table 4.10:

Competitive Advantage

Competitive Advantage	Mean	Std Dev
Toyota has a competitive advantage over its rivals due to the extensive selection of products it offers	4.387	0.712
Toyota's low cost of production gives it a leg up on the competition.	4.275	0.707
Toyota is able to gain a competitive advantage over its competitors because to the readily available spare parts.	4.662	0.549
Toyota's competitiveness in the market is made possible by the high resale value of Toyota automobiles	4.019	0.783
Toyota's competitiveness in the market is made possible by the high resale value of Toyota automobiles	3.678	0.721
Toyota Motor has an edge over its competitors because its cars last longer than those of its rivals.	4.76	0.870

The researcher made an effort to determine how Toyota Motor Vehicle achieves a competitive advantage in Kenya by presenting the findings of his investigation in the form of Table 4.10, and he did so with the intention of sharing the results of his analysis. With a mean of 4.387 and a standard deviation of 0.712 for each product, the findings of the study indicate that Toyota has a competitive advantage over its rivals due to the extensive selection of products it offers, which has a standard deviation of 0.712. The mean and standard deviation of Toyota's prices, which are 4.275 and 0.707, respectively, show that the company is able to gain a competitive advantage over its rivals when it comes to the pricing of its automobiles. This is evidenced by the fact that the mean price is lower than the standard deviation. According to the data, the mean and standard deviation of Toyota's marketing strategies, which enable the firm to achieve a competitive edge over its competitors, were 4.6622 and 0.549, respectively. This advantage allows Toyota to acquire a market share greater than that of its rivals. The fact that Toyota replacement parts are

readily available gives the company an advantage over its rivals in the market. This is demonstrated by the availability of Toyota spare parts having a mean of 4.01 and a standard deviation of 0.78, respectively. The average resale value for Toyota automobiles in the United States was 3.678, with a standard deviation of 0.721; this value allows the company to maintain its competitive position in the market. Because Toyota automobiles are known for their exceptional longevity, the company is in a position to achieve a market share advantage over its rivals. Both the mean and the standard deviation came in at 4.76, and the standard deviation came in at 0.870.

4.12 Correlation

Table 4.11:

Correlation

		Competitive Advantage	Product Differentiation	Risk Taking	Pro-activeness	Innovation
Competitive Advantage	Pearson Correlation	1				
	Sig. (2 tailed)	.000				
	N	43				
Product Differentiation	Pearson Correlation	.507**	1			
	Sig. (2 tailed)	.000				
	N	43	43			
Risk Taking	Pearson Correlation	.562**	.513**	1		
	Sig. (2 tailed)	.000	.000			
	N	43	43	43		
Pro-activeness	Pearson Correlation	.523**	.413**	.511**	1	
	Sig. (2 tailed)	.000	.000	.000		
	N	43	43	43	43	
Innovation	Pearson Correlation	.519**	.453**	.565**	.622**	1
	Sig. (2 tailed)	.000	.000	.000	.000	
	N	43	43	43	43	43

** Correlation is significant at the level 0.05 (2 tailed)

The results demonstrated a high correlation between the dependent variable and each of the independent variables. Product differentiation has a positive correlation coefficient ($r = 0.507$, $P = 0.000$) with the ability to gain a competitive advantage in the vehicle sector ($r = 0.507$). An very substantial association ($r = 0.562$, $P = 0.000$) between risk taking and

the ability to acquire an advantage in the marketplace was found in this study. To put it another way, the greater the risk taken, the greater the chance of gaining a competitive advantage. It was discovered that Toyota's competitive advantage was positively connected with proactiveness. ($r = 0.523$, $p\text{-value}=0.000$) This demonstrates that increasing Toyota's pro-activeness can help the corporation gain a competitive advantage in the automotive industry. In terms of acquiring a competitive edge, successful innovation was substantially associated with success ($r = 0.519$; $P=0.001$). According to this substantial positive association, innovation in the automotive industry has a significant impact on establishing a competitive advantage.

4.13 Model Summary

Table 4.12:

Model Summary

Model	R	R Square	Adjustment R Square	Std. Error of the Estimate
1	.753 ^a	.567	.561	1.756

a. Predictors: (Constant), Product differentiation, Risk taking, Pro-activeness and Innovativeness.

b. Dependent Variable: Gaining Competitive Advantage.

Using the R-Square, or coefficient of determination, the independent variables accounted for 56.7 percent of the dependent variable's variance. As a result, other variables not examined in this study account for 43.3% of the variance, and further research is needed to examine those variables not covered by the 43.3% of the variance explained by other variables not examined in this study.

4.14 ANOVA

Table 4.13:

ANOVA

	Model	Sum of Squares	df	Mean Square	F	Sig.
1	Regression	4.531	4	4.531	15.843	0.000
	Residual	11.720	38	0.286		
	Total	16.251	42			

a. Dependent Variable: Gaining Competitive Advantage.

b. Predictors: Product differentiation, Risk taking, Pro-activeness and Innovativeness.

According to the findings of the ANOVA test, the strategic factors that Toyota Motor Corporation utilized to achieve competitive advantage in Kenya had a statistically significant impact on the company's ability to do so, as demonstrated by the findings of the study which are presented in Table 4.13 above. The fact that the true value of the P-value was 0.000, which was lower than the criterion of significance set at 5%, indicates that the findings cannot be considered statistically significant. The F-value of 15.843 and the significance level of 0.000 are sufficient to conclude that Toyota Motor Corporation's strategic variables had a significant impact on the company's ability to gain a competitive advantage in Kenya.

4.15 Regression Coefficients

Table 4.14:

Regression Coefficients

Model		Unstandardized Coefficients B	Std. Error	Standardized Coefficients Beta	T	Sig.
1	(Constant)	3.527	1.538		2.675	.000
	Product Differentiation	.301	.214	.093	1.549	.017
	Risk Taking	.418	.318	.115	1.872	.029
	Pro-activeness	.147	.156	.021	.438	.041
	Innovativeness	.288	.324	.069	1.357	.038

Dependent Variable: Gaining Competitive Advantage.

$$Y = 3.527 + 0.301X_1 + 0.418X_2 + 0.041X_3 + 0.288X_4$$

The findings of the research indicated that product differentiation achieved statistical significance at a level of 0.029, which is significantly lower than the traditionally accepted level of significance of 0.05. This study found a strong link between product differentiation and the ability to achieve a competitive advantage, which is in line with previous findings. Results from a previous study by Dell'Era and Verganti (2019) support these outcomes by indicating that a distinctive and differentiated design makes a car more competitive and this gives the manufacturer an advantage over the competition. That study's findings are also in line with these results. The combination of a vehicle's aesthetic and emotional appeal with innovative new features not only gives the manufacturer an advantage over the competition but also gives the customer a completely new and unique driving experience. The findings are consistent with the outcome of a study by Buss (2017) that found that the whole automotive industry is undergoing changes in both the exterior and interior design of cars in order to appeal to new generation customers. Rather of focusing on the quality

and performance of the vehicles they purchase, these clients select automobiles that fit their personality.

The threshold of significance for risk taking was found to be 0.017, which is significantly lower than the typical level of significance of 0.05 that is used. According to these statistics, there appears to be a high correlation between taking risks and earning a competitive advantage in the marketplace. This is the conclusion that can be drawn from the analysis of the data. It was found by Sadalia, et al., (2021) that taking risks can have a positive and significant effect on a company's ability to sustain its competitive edge. This was found in the context of a company's ability to stay ahead of the competition. Companies that are successful are those that are willing to take risks, look for and obtain a competitive advantage, generate high returns, and then successfully manage risk in order to maintain high returns while simultaneously minimizing risk. On the other hand, a low rate of return on investment is the outcome of a company's inability to build a distinctive advantage over its competitors. Risk-taking is sometimes done by organizations that aren't very successful. According to the findings of an investigation into the connection between enterprise risk management practices and firm performance carried out by Yang, et al., (2018), the enterprise risk management practices of small and medium-sized businesses have a significant impact not only on the competitive advantage of these businesses but also on their overall performance (SME). In addition to this, they discovered that a person's level of financial literacy had a moderating effect on the link. In order to gain a competitive advantage and improve their overall performance, businesses need to establish formal processes for managing the risks associated with the enterprise. Top-level managers of an

organization need to have proper financial training in order to carry out risk management policies in an efficient manner and keep the business competitive.

We found that the level of significance for pro-activeness is far lower than the standard level of significance, which is 0.05 percent; it's only 0.041 percent. The research revealed that there is a correlation, which can be considered statistically significant, between taking proactive measures and achieving competitive advantage in the market. Narver, et al., (2019) found that proactive companies gain a competitive edge by better understanding their customers, according to their study on proactive and responsive market orientations and new-product success. Their investigation on proactive and responsive market orientations. Because of this knowledge, businesses have the capacity to cater to the consumers' covert desires, predict the demands that they will have in the future, and offer them an increased level of customer value over the course of their relationship with the company. According to the findings of a study that was conducted by Day (2020) on the topic of lowering the marketing capability gap, businesses are able to increase the amount of proactivity in their market strategies and, as a result, achieve both a competitive advantage and a competitive advantage. This allows the businesses to better create customer value. These inferences can be supported by Day's findings.

And the significance level for innovation was determined to be 0.038, which is a substantial amount lower than the traditional significance threshold of 0.05, which is the level at which anything is thought to be statistically significant. In addition, there seems to be a correlation, which is statistically significant, between product differentiation and a competitive advantage in the market. The majority of businesses, according to the findings of a survey that was carried out by Lumpkin, and Dess (2018), believe that innovation is

necessary for gaining and maintaining a competitive advantage in the market that exists today. It is possible that the complexity level of the competitive race will increase as a direct result of adopting a design-driven innovation strategy. This will likely result in a reduced level of overall competition. In order for manufacturers to keep their competitive position over the long run, according to the findings of an Oliver Wyman (2020) study on automobile industry innovation, they need to concentrate their efforts on generating brand-defining attributes through innovation. According to the findings of the study, continued engineering specialization on the part of manufacturers could lead to a reduction in technological product differentiation.

Discussions

It was found that a good response rate of 80% meant that the condition was met. As a result, the information gained was adequate for the researcher to draw a satisfying conclusion about the study from the data collected. Product differentiation had a Cronbach's alpha value of 0.732, risk-taking had a value of 0.745, proactivity had a value of 0.791, and innovation had a value of 0.787. This indicates that there was a great deal of internal consistency in how people carried out their tasks. Innovation with a competitive advantage was extremely internally consistent. The results showed a strong link between each independent variable and the dependent variable, as measured by the correlation coefficient. The ability to acquire a competitive advantage in the automotive industry and product differentiation have a positive link ($r = 0.507$, $P = 0.000$). This study discovered a strong correlation ($r = 0.562$, $P = 0.000$) between taking risks and having the ability to gain a competitive edge. These results concur with those of Agboola (2019), whose research

examined the impact of information and communications technology (ICT) on the Nigerian banking sector.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter presented final findings as well as discussion, conclusions, and suggestions from the research. The findings of the study were used to develop conclusions that were in keeping with the research questions of the study. Based on the findings and recommendations of the study, some key recommendations are created in regard to the subject matter covered.

5.2: Summary and findings

In order to accomplish the first goal, it was important to investigate the effect that product differentiation had on the achievement of a competitive advantage in Kenya. The outcomes of the study indicated a positive and statistically significant link between product differentiation and attaining a competitive advantage in Kenya. This was proved by the findings of the study.

The second goal of the study was to evaluate the influence that taking risks has on attaining a competitive edge in Kenya. The outcomes of the study indicated a positive and statistically significant correlation between taking risks and developing a competitive edge in Kenya. The findings also proved that this association exists. It was found out that the third goal was to investigate the effect that being proactive has on increasing one's chances of succeeding in a business climate that is highly competitive in Kenya. The researchers found that there is a correlation that is both positive and statistically significant between being proactive and having a competitive edge in Kenya. This correlation was found by the researchers in Kenya.

It was established that, in order to realize the fourth objective, it would be necessary to investigate the connection that exists between inventiveness and achieving a competitive advantage in the Kenyan market. The researchers made the startling discovery that there is a correlation in Kenya that is both positive and statistically significant between innovativeness and the attainment of a competitive edge in business.

5.3 Conclusion

The automotive industry faces a significant challenge that must be overcome if it is to achieve a competitive edge in the world's automobile industry while maintaining stability in the current highly competitive environment of today's markets.

The Toyota Motor Corporation has put in a lot of effort in order to accomplish this goal, which is to establish cost leadership and a competitive advantage in the automobile industry. The corporation decided to apply the Toyota Manufacturing System in order to achieve this objective. This system enables the production of differentiated products that are difficult to reproduce and, as a result, difficult to copy. On the other hand, the company's participation in market penetration and product development has been tremendously advantageous in achieving a considerable global market share, which has enabled it to sell at reduced price. This is a direct result of the company's involvement in these two activities.

The Toyota Motor Corporation is able to gain a competitive advantage by following a product differentiation strategy that includes the production of automobiles with outstanding design and manufacturing quality. This approach involves the production of automobiles. In addition, the company is able to get a competitive advantage by producing

automobiles for a varied assortment of market groups and price ranges. This allows the company to better meet the needs of its customers.

When Toyota is able to forecast future demand and build new car models to meet those needs in advance of the competition, the firm demonstrates its proactive nature. This enables Toyota to achieve advantageous positions in sourcing, funding, and access to markets before its rivals.

The pursuit of a competitive advantage has driven Toyota Motor Corporation to engage in innovation. This has assisted the company in becoming the dominant player in the automotive industry and has made it possible for the company to operate in an industry that places a high demand on technological capabilities. At the moment, the market for the technologically advanced industry has reached a point in which customers are confronted with a multiplicity of possibilities from a variety of automakers. Toyota's propensity to participate in and encourage the discovery of new ideas and creative processes that may lead to the formation of new markets is evidenced by the company's innovativeness.

5.4 Recommendations

The Toyota Motor Corporation ought to allocate a large percentage of its resources to the process of product development in order to make certain that the goods it puts on the market possess both a distinct identity and the ability to attract the attention of potential buyers. Toyota will be able to realize its product differentiation goals with the assistance of this strategy, and as a result, it will be able to keep its advantage over its competitors in the market. In order for the company to realize this objective, they will have to significantly boost the amount of money they spend on research and development in order to ensure that

they will be able to produce high-quality goods that are also kind to the environment in the years to come.

Through its dealers, Toyota Motor Corporation in Kenya should evaluate how it may adapt its business strategies to become more environmentally friendly by producing environmentally friendly creative goods and processes that will assist them in achieving and maintaining a competitive edge. This would help to further distinguish Toyota from its competitors, as well as improve the company's ecological and social performance, and consequently, its image and repute in the marketplace.

Toyota needs to develop dealer networks that are based on entrepreneurs who are focused on a specific geographic area, selling Toyota brands, and providing full service for all of Toyota's brands while utilizing parts that are of good quality and are not prohibitively expensive in order for the company to be successful. When it comes to making a purchase, customers are willing to make concessions in terms of product quality in order to achieve cost savings. In addition, Toyota is able to keep their advantage in channel-driven support by avoiding common blunders, such as placing an excessive number of dealers in close proximity to one another, and by applying industry-standard best practices for customer service.

It is necessary for Toyota Motor Corporation to use information systems tools to analyze dealer sales history in order to determine the optimal amount and mix of vehicles (including option packages) to hold in inventory in order to capture and commercialize this next-generation vehicle while remaining competitive in the automotive industry. This is necessary in order for Toyota Motor Corporation to determine the optimal amount and mix of vehicles to hold in inventory in order to determine the optimal amount and mix of

vehicles to hold in inventory. Most importantly, dealers can increase future demand visibility as well as their accuracy in predicting by using updated information systems and marketing strategies to manage customer data, lease renewal marketing campaigns, and historical data on the performance of sales promotions.

The executive team of Toyota Motor Corporation is required to provide active support for the organization's culture of innovation and technology management. This ensures that the most significant activities receive the greatest amount of focus and attention. As a consequence of this, top executives have a greater propensity to be engaged in technology management and innovation, as well as to devote themselves to these areas.

5.6 Recommendations for further studies

In order to acquire a competitive advantage in the automotive sector, additional research should be conducted on the impact of green technology strategy, which represents the next frontier.

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APPENDIX I : INTRODUCTION LETTER

Shehryaar S Tarmohamed

Masters of in Business
Education

KeMU Mombasa campus

Dear Respondent,

**RE: ASSISTANCE WITH STUDY FOR MASTERS DEGREE RESEARCH
PROJECT**

I am a student pursuing a master of education in leadership and education management at Kenya Methodist University Mombasa Campus. I am carrying out a research on the **“strategic factors adopted by Toyota motor corporation to gaining competitive advantage in Kenya”** I will be grateful if you allow me to involve some of your staffs in my study. The information obtained will be used for the purposes of Research and the identities of the respondents will be kept confidential. Your cooperation will be highly appreciated.

Thanks for your support in this study.

Yours faithfully,

Shehryaar S Tarmohamed

APPENDIX II: RESEARCH QUESTIONNAIRE

Part A: General Information

Please tick (√) appropriately.

Respondents Gender

i. Male

ii. Female

For how long have you been in the company?

i. Less than a year

- ii. Between 1-5 years []
- iii. Between 6-10 years []
- iv. 11 years and above []

What is highest Academic Credential?

- i. Doctorate Degree []
- ii. Master's Degree []
- iii. 1st Degree []
- iv. Diploma []
- v. Certificate []

PART B: Product Differentiation

Indicate the level of your agreement or disagreement against every statement given below. React on the items provided by using the scale given. Please tick (√) appropriately.

1=Strongly Disagree, 2=Disagree, 3= Moderate, 4=Agree, 5=Strongly Agree

Product Differentiation	1	2	3	4	5
Toyota builds its cars with quality materials hence making them more durable than other car models.					
Toyota cars boasts breathtaking improvement on the performance of all its new models hence making them different from other car dealers					
Toyota ensure that all its cars are installed with driving Aid technology hence making them Safety for its customers					
Toyota manufacture cars which are cheap to maintain hence making them attractive to many people					
Toyota ensures that both its interior and interior style are appealing to its customers					

PART C: RISK TAKING

Indicate the level of your agreement or disagreement against every statement given below. React on the items provided by using the scale given. Please tick (√) appropriately.

1=Strongly Disagree, 2=Disagree, 3= Moderate, 4=Agree, 5=Strongly Agree

Risk Taking	1	2	3	4	5
The economic status of the country affect the price of the vehicle					

Introduction of new Toyota car models affects the sale of the cars					
We import many Toyota cars depending on the market demand					
Over stay of a Toyota vehicle in the show room affects its performance					
Recurring fault on a particular model of a Toyota affects its sale					

PART D: PRO-ACTIVENESS

Please tick the numerical value corresponding to your personal opinion for each statement.

Use the scale provided to guide you. Please tick (√) appropriately.

1=Strongly Disagree, 2=Disagree, 3= Moderate, 4=Agree, 5=Strongly Agree

Pro-activeness	1	2	3	4	5
Toyota monitors its market trends and identifies future needs					
Toyota modifies its cars in a very short period of time making the cars attractive					
Toyota invest a lot on research and development of their cars					
Toyota ensures that its spare parts are ready available and affordable so as to attract and retain its customers					
Toyota use aggressive marketing on its cars hence making it popular that its competitors					

PART E: INNOVATIVENESS

Please tick the numerical value corresponding to your personal opinion for each statement.

Use the scale provided to guide you. Please tick (√) appropriately.

1=Strongly Disagree, 2=Disagree, 3= Moderate, 4=Agree, 5=Strongly Agree

INNOVATIVENESS	1	2	3	4	5
Toyota improves its technology in all its new models so as to attract its customers					
Toyota leadership supports innovative ideas from its employees					

Toyota ensures that majority of its spare parts are similar so as to off load the customer the burden of looking for the spare parts					
Toyota has a variety of cars with an aim of attracting as many customers as possible					
Toyota used different types of materials on its cars so as to make their cars affordable hence being competitive					

PART F: COMPETITIVE ADVANTAGE

Please tick the numerical value corresponding to your personal opinion for each statement.

Use the scale provided to guide you. Please tick (√) appropriately.

1=Strongly Disagree, 2=Disagree, 3= Moderate, 4=Agree, 5=Strongly Agree

COMPETITIVE ADVANTAGE	1	2	3	4	5
Toyota varied products enables it to achieve competitive advantage over its rivals					
The price of Toyota cars enables it to achieve competitive advantage over its rivals					
The marketing approaches used by Toyota enables it to achieve competitive advantage over its rivals					
Availability of Toyota spare parts enables it to achieve competitive advantage over its rivals					
Durability of Toyota Motor vehicle enables it to achieve competitive advantage over its rivals					

Thank you