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**INFLUENCE OF CUSTOMER FOCUS ON COMPETITIVENESS  
OF FOOD AND BEVERAGE MANUFACTURING FIRMS IN  
KENYA**

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Strategy

# **INFLUENCE OF CUSTOMER FOCUS ON COMPETITIVENESS OF FOOD AND BEVERAGE MANUFACTURING FIRMS IN KENYA**

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## **Abstract**

**Purpose:** Manufacturing firms are critical to the economic growth and development through provision of products and employment. Their competitiveness is therefore critical. The firms have been facing steep competition from foreign companies due to increased globalization. Strategic drivers have been found to be key enablers of firm competitiveness and performance. It is on this basis that the study sought to establish the influence customer focus on the competitiveness of food and beverage processing companies in Kenya.

**Methodology:** The study was informed by commitment trust theory. Empirical studies were reviewed to provide the basis for research gaps to be filled by the current study. Descriptive research design was employed while the target population was the 187 food and beverage processing firms in Kenya. A census was used where all the 187 companies were contacted. Structured questionnaire was used to obtain the primary data which was analyzed through mixed method analysis. Descriptive statistics were used to analyze quantitative data while qualitative data was analyzed through content analysis. Inferential statistics were used to analyze the relationship between variables through the regression model. The findings were presented in form of tables, pie-charts and bar-graphs.

**Findings:** It was established that customer focus was upheld in most of the surveyed food and beverage processing companies where after sale services, customer engagement and customer contacting were the main platforms applied. It was concluded that while most of the food and beverage processing firms recognized key strategic drivers (customer focus) as a major aspects of

competitiveness, most of the firms did not practically embrace the drivers which could explain their continued lack of competitiveness.

**Unique contribution to theory, practice and policy:** The study recommended that for the food and beverage processing companies to take their place in the local and global market, the management should embrace and keenly focus on customer focus.

**Key words:** *strategic drivers, customer focus, competitiveness, manufacturing firms*

## INTRODUCTION

### Background of the study

In the current turbulent and fast paced business environment, strategy has become the way of operation with every organization seeking to unveil new strategies as well as enhance the existing strategy as a way of steering up their performance through competitiveness (Afèche, Zhe & Costis, 2018). Holmes and James (2010) define strategy as the unique planned action that an organization takes as a way of coming up with better ways of operating to foster performance and gain competitiveness. Thompson and Strickland (1997) posits that a firm's strategy is the game plan that management has for positioning the company in its chosen market arena, competing successfully, pleasing customers and achieving good business performance. Strategy consists of all those moves and approaches that a firm has and is taking to attract buyers, withstand competitive pressure and improve its market position (Thompson & Strickland, 1997).

Strategic drivers have been portrayed as the pillar of organizational competitiveness and performance through which an organization plans and strives towards achieving its goals regardless of the dynamism in the modern market (Mapetere, Mavhiki, Nyamwanza, Sikomwe & Mhonde, 2012). In Egypt, Oltra and Flor (2010) analysed the moderating effect of business strategy on firm performance and found that business strategy such as availing financial and human resources and adoption of information technology had a direct influence on firm performance. According to Oltra and Flor (2010), business strategy can best be viewed as a strategic driver of business growth and performance and can be viewed in terms of the firm's ability to analyse the ability and strengths of the competitors and make decisions that exceed the thinking of the competitors. In Nigeria, Oditia and Bello (2015) argued that a strategic driver of business performance is any move that a business through the management takes so as to enhance its efficiency and customer service with the sole aim of increasing the sales revenue.

Lazzarini and Cronin (2007) define firm competitiveness as the ability of a firm to do better than benchmark companies in terms of profitability, sales, or market share. Similarly, Webb (2013) consider competitiveness to be synonymous with a firm's long-run profit performance, its ability to compensate employees and generate superior returns for shareholders. One of the main goals of every modern organization is to achieve competitiveness. Firm competitiveness according to Zoubi (2012) is the ability of an organization to offer products and/or services that exceed those of their competitors or offer products with the same quality as their competitors but at a lower cost. This means that for an organization to gain competitiveness, it must either invest on systems and

processes to enhance quality or focus on saving costs to minimize the cost of production while matching the quality with that of the competitors (Dávila, North, & Varvakis, 2016).

The competitive theory approach outlines on the need for organizations to focus on producing high quality products and selling them at higher prices so as to cater for their quality achievement efforts (Rothaermel, 2018). Competitiveness rests on the notion that cheap labor is ubiquitous and natural resources are not necessary for a good economy. Competitiveness is necessary for satisfied customers who will receive higher value in delivered products for higher income what the owners request from management and such requirements can be fulfilled with organization of production, higher application and as low as possible production costs (Rose, Abdullah & Ismad, 2010).

Firms under the same business strive to establish superiority to their customers. Each firm implements new ideas to improve its productivity and services to the customers over the other firm. According to Smith, Ferrier and Ndofo (2014), competition is the activity in which two or more parties, mostly organizations, individuals, animals, entities or economic groups strive to win something over the others. Therefore, firm competition, as the term competition is described by Smith *et al.* (2013), means the condition of the firms under one business striving to increase its output over the other firms. Mutunga, Minja and Gachanja (2014) described firm competition as a process in which two or more firms in the same insomnia business undergo to improve customer needs and provide better services for big output. Moghli, Abdallah and Muala (2012) refer firm competition to an embedment in relationship among firms with network of suppliers, buyers as well as competitors that help them to gain competitiveness in the sales of product and services.

Small businesses and entrepreneurs can profit, for instance, when upstream firms go up against one another for the chance to supply an item to a downstream independent company or business person. On the off chance that a business person pitches its items to downstream firms as opposed to end-clients, it would profit by there being a more noteworthy number of downstream firms to which it can move items the more noteworthy the quantity of downstream firms, the better the capacity to arrange a decent cost for the items it moves. Along these lines, regardless of whether the plan of action of a business visionary is business-to-business or business-to-customer, rivalry among upstream firms and among downstream firms enables the business visionary to develop his or her business by making and catching an incentive in the commercial center (Ismail, Che Rose, Abdullah & Uli, 2010).

The food & beverage industry is the largest sector and constitutes 22 percent of total KAM membership, the sub-sectors under this includes; dairy products, alcoholic beverages, spirits, juices, bakers & millers, water, cocoa, carbonated soft drinks, chocolate & sugar (K.A.M 2016). Food processing entails the transformation of raw ingredients into food or transformation of food into other forms that can be consumed by humans or animals. Traditionally food processing was meant to make food more digestible and preserve food during times of scarcity. Food processing typically takes clean, harvested crops or butchered animal products and uses these to produce attractive, marketable and often long shelf life food products.

According to Munguti, (2014) the field of food manufacturing, there involves beverages, dairy products, foods, vegetables, fruits, meat, nuts, mushroom among others. The sub-sector makes over 30% of Kenya' manufacturing sector. It is one of the major channels of value addition of the agricultural products thus it is interdependent with the agricultural sector. This is to mean that for the food processing sector to grow, there ought to be high rate of agricultural productions while at the same time for the agricultural sector to make more returns the food sector ought to penetrate more markets and offer high value products.

### **Statement of the Problem**

The Kenyan food and beverage manufacturing sector has recorded dismal performance compared to other sectors. Statistics from the Kenya National Bureau of Statistics showed that the sector performed dismally compared to other sectors with a growth rate of 3.5% between the year 2014 and 2017 as compared to Agriculture which posted 4.4 percent, energy 6.5 percent, transport and storage 7.2 percent and building and construction at 9.2 percent (KPMG, 2017; ROK, 2018; KAM, 2018).

Previous evidence shows that strategic drivers are key aspects that immensely contribute to firm competitiveness (Mengistie, 2012; and De Jorge & Castillo, 2015). The main argument goes that strategic drivers enable a firm to create innovations, take advantage of new opportunities as well as improve its business model for better performance (Ribau, Moreira & Raposo, 2018).

In their study on effects of strategic management drivers on the performance of hotel industry in Kenyan Coast, Mutindi, Namusonge and Obwogi (2013) found that adopting key strategic drivers such as Information Communication Technology and customer relationship management had a significant influence on firm competitiveness. Chijioke, Vu and Olatunji (2018) influence of strategic drivers on performance of government organizations in Malawi found that as a result of focusing on human capital and customers as strategic drivers, firm strategies were achieved thus enhancing competitiveness. On the other hand, Porck, Knippenberg and Groenen (2020) in their study on strategic management drivers and firm performance; a case of financial institutions in Pakistan established that strategic drivers only contributed to minimal success of a strategy and had insignificant direct relationship with firm competitiveness. Decramer (2015) while looking for the value of strategic drivers in firm performance and competitiveness found that focusing on strategic drivers shifted the competencies and capabilities of the firms to the drivers more than to the strategies themselves thus affecting competitiveness and performance negatively. Tafirei (2014) on a comparative study of strategic drivers of SMEs and large-sized business organizations found no direct relationship between strategic drivers and competitiveness of firms in Sweden.

The above studies present a contradictory argument on the relationship between strategic drivers and organizational competitiveness. This therefore puts across the need for a study to fill the existing gaps and clear the doubt on the influence of strategic drivers on firm competitiveness. It is on this background that the study sought to answer the question; can the strategic drivers be the solution to the competitiveness of food and beverage manufacturing firms in Kenya?



### **Objective of the study**

To assess the influence of Customer Focus on competitiveness of Food and Beverage Processing Companies in Kenya

## **LITERATURE REVIEW**

### **Theoretical Review**

The Commitment-trust theory posits that two important factors, trust and commitment must prevail for the firm to establish a good relationship with its customers (Cook & Whitmeyer, 1992). Day (1989) hypothesizes a decent connection between the client and the firm forms solid bonds between the clients through fulfilling their needs and respecting their duties. Not at all like focusing on transient benefits organizations is progressively worried about holding their clients by giving quality administrations that address their issues. Trust is certainty between two gatherings in a relationship. Firms create trust by structure a degree of certainty with their clients. This depends on various factors, for example, unwavering quality, consistence and fulfillment. Stone, Woodcock and Machtynger (2000) clarified that a client is sure about a firm from the different connections and connections that they have had previously. This helps the firm to pull in more clients, increment deals and upgrade hierarchical execution.

Responsibility is a long haul need to keep up a decent relationship. This need is basic in inspiring the firm to create and keep up its association with the clients. This is reliable to Hunt (2009) who contended that better connections are characterized through ceaseless arrangement of administrations to the purchasers. This improves client reliability and certainty. This includes guaranteeing that the clients are happy with the administrations or the items offered and a comprehension of their needs. Kumar, Batista and Maull (2011) placed that clients ought to be treated in a way that makes them feel esteemed; this aides in holding existing clients and pulling in new ones. This can be accomplished by being receptive to the requirements of the clients when structuring items and administrations. Trust is improved by the accomplice's altruism, notoriety, activities and practices, shared qualities, standards and kindheartedness. A few investigations have alluded to 'altruism trust' as fellowship that includes companionship between two gatherings and making penances for the other party.

Relationship duty is a piece of client relationship the executives which is seen as a basic segment in setting up long haul connections between gatherings. Morgan, Robert and Shelby (2005) place that full of feeling duty is a sort of responsibility that is increasingly close to home, it includes social collaborations among people. The attitudinal part of full of feeling responsibility is significant in creating trust, commonality, uprightness and solidarity which is basic in supporting long haul connections between two gatherings. This contributes emphatically to improved execution. Social communication limits vulnerability between people; this improves the nature of the connection between the firm and the clients thus add to improved customer satisfaction and performance (Stone et al., 2007). This theory is adopted in the study to help pinpoint the need for customer focus as a strategic driver and how it enhances firm competitiveness.

### **Empirical Review**

Understanding how firms can profit from their customer relationships is highly important for both marketing practitioners and academics. Customer Relationship Management enables the firm to obtain in-depth information about its customers and then use this knowledge to adapt its offerings to meet the needs of its customers in a better way than does its competitors thereby enhancing their business viability. Frow, Nenonen, Payne and Storbacka (2015), emphasize that one major element in any Customer Relationship Management system is the measurement process. Although the ultimate objective of any measurement process is to increase shareholders value, one of the real advantages of Customer Relationship Management measurement process is that the firm normally also obtain measures such as customer lifetime value, acquisition and retention costs, which relates to the value dual-creation process (Drew & Burton 2002).

Yaacob (2014) discussed the effect that customer focus has on organizational performance, operating upon the premise that customer satisfaction is an end result of other relevant performance measures such as employee satisfaction, innovation, and cost benefits. Data were collected from 205 managers within the public service sector, all of whom were directly involved with the process of customer focus. The results of this study revealed that customer focus is a significant predictor of employee satisfaction, innovation, and customer satisfaction. The structural model developed also indicated that there is an indirect relationship between customer focus and customer satisfaction, as determined by employee satisfaction. In addition, the effect of customer focus on innovation is mediated by employee satisfaction. Therefore, this model implies that the practice of customer focus may enable public firms to increase their levels of performance.

Lado, Paulraj and Chen (2011) investigate the extent to which a firm's customer focus drives several interlinked facets of supply chain management and their relationships to customer service and financial performance. This study's empirical validity is enhanced by collecting data from over 200 US manufacturing firms and testing the model using SEM. This empirical investigation documents significant positive relationships between customer focus and supply-chain relational capabilities; customer focus and customer service; supply-chain relational capabilities and customer service, and (d) customer service and financial performance.

Subramanian, Gunasekaran, Cheng and Ning (2014) studied the impact of customer satisfaction and the Chinese electronic retailers (E-retailers) competitiveness using quality factors. Two conceptual models based on asset-process-performance (APP) competitive theoretical framework have been proposed. This study uses both exploratory and confirmatory factor analysis and suggests that to be competitive Chinese E-retailers have to focus more on the delivery of products (logistics) compared to other intangible service quality factors. The study validated the APP framework for E-retailers' competitiveness. On the practical front, the outcome of the study would be highly beneficial to the Chinese E-retailers to fine tune their strategy to satisfy the growing demand.

In Australia, Coltman, Devinney and Midgley (2011) studied customer relationship management and firm performance what's more, found that client relationship the board (CRM) speaks to a uniquely genuine case of a firm-level capacity that is supported by explicit mechanical,

hierarchical and human abilities. CRM depends on an expansive scope of strategic approaches, every one of which can be viewed as a lower-level ability in itself. Payne and Frow (2015) list the accompanying works on supporting CRM: (1) the astute utilization of innovation, information and expository techniques to procure client learning; (2) the transmission of this learning to those chiefs and representatives settling on choices about clients; (3) the utilization of this information by supervisors and workers to choose and target clients for advertising purposes; and (4) making associations crosswise over offices to help coordinated effort and produce new client esteem. CRM is progressively imperative to partnerships as they keep on putting resources into specialized advantages for better deal with their collaborations and pre-and post-exchanges with clients (Bohling, Bowman, LaValle, and Mittal, 2016). In any case, despite the fact that the market for CRM programming and bolster stays solid (Maoz et al., 2017), there is impressive suspicion with respect to business analysts and scholastics as to its definitive incentive to the organization and clients.

Bligh and Turk (2014) report that CRM is overhyped and a few scholastics guarantee the idea is on a very basic level defective on the grounds that most clients don't want an association with a firm (Dowling 2012). Observational examinations looking at the accomplishment of CRM have neglected to lighten this distrust as examinations to date length a restricted scope of exercises and are perceptibly quiet on the degree to which CRM venture adds to firm execution (Maoz et al., 2017). Zablah, Bellenger and Johnston (2004) contend that CRM inquire about is neglected by decision makers and that further efforts to address its mobilization and alignment are not only warranted but desperately needed.

## METHODOLOGY

The study employed a positivist research philosophy since it deals with quantitative data which is precise and therefore can be easily compared thus generating reliable evidence from the responses collected through use of questionnaires. According to Ashley and Orenstein (2005), the positivism school of thought is grounded on the philosophy that only one reality exist though can only be known imperfectly due to human limitations and researchers can only discover this reality within the realm of probability.

This study employed a descriptive research design. A descriptive research design is used when the problem has been well designed and where the researcher can engage in a field survey by going to the population of interest in order for the respondents to explain certain features about the problem under study (Creswell, 2013). The design was therefore considered appropriate since it is more precise and accurate as it involves description of events in a carefully planned way (Babbie, 2012). Population is a group of individuals, objects or items from which samples are taken for measurement. The target population for this study was the food and beverage processing firms in Kenya. These are manufacturing firms that deal with production, packaging and distribution of food and related products and beverages (KAM, 2016).

As of December 2018, there were 187 food and beverage processing firms in Kenya registered under KAM (KAM, 2018). The unit of analysis therefore was 187 food and beverage processing



firms. the study focused on one staff member at the management level in the one-hundred and eighty seven (187) food and beverage processing firms in Kenya, this being the unit of observation. A Census survey was conducted on all the 187 Food and Beverage processing firms registered with the Kenya Association of Manufacturers being the unit of analysis. The unit of observation comprised of one senior manager in the relevant field for the 187 Food and Beverage processing firms. This gave a total sample size of 187 respondents.

Primary data was used for this study and was collected using structured questionnaires. The questionnaires included both closed and open ended questions. A register of questionnaires was maintained showing the ones which are issued and the ones received. The questionnaire was administered using a drop and pick later method to the respondents. This study as well carried out a pilot test. This was done by use of 10% of the sample size which totaled to 19 firms. These were not included in the final study. Content analysis was used in processing of this data and results presented in prose form. The quantitative data in this research was analyzed by descriptive statistics using statistical package for social sciences (SPSS). Descriptive statistics captured included mean, frequency, standard deviation and percentages to profile sample characteristics and major patterns emerging from the data.

## FINDINGS AND DISCUSSIONS

### **Response Rate**

A total of 187 questionnaires were issued to the respondents and a total of 132 questionnaires were recollected for analysis. This makes a response rate of 71% which was considered adequate for analysis.

### **Customer Focus**

The study sought to find out the resultant impact of customer focus on the firm competitiveness. The specific elements that the study addressed were: customer after sale services, quality/level of attention given to customers, customer focus, flexibility to deal with dynamic customer needs, contact network for the customers, contact center to raise complaints and/or compliments, adequacy of feedback to the customers, and active platform engagement to customers. The rates of the measures were assessed on the practice of the measures.

### **After-sale services offer**

The research assessed the after sale services offer culture to the firm customers. The illustrations in Table 1 revealed that the majority (81%) were in agreement that after sale services are offered to all the customers in the organization, 11% had a neutral opinion whereas 8% disagreed with the After sale services offer practices in the organizations. The mean of the statement response was 4.1 whereas the standard deviation was at 0.95. Terho (2015) indicated that the organization engagements such as those of after sale services is considered as one of the most important practice in providing quality services to its clients a conduct that eventually leads to creation of customer loyalty.

### **After sale services impact**

The study examined that after sale services impact on customers to come back for firm services. It was found as per Table 1 that the majority respondents (73%) were in agreement that the customers have cited after-sale services to have made them repeat customers, 13% had a neutral opinion over the statement whereas 14% disagreed with the statement opinion. The mean of the statement response was 3.8 whereas the standard deviation was at 1.14. Similarly, Ekundayo (2014) revealed that the impact of after sale services such as free delivery and warranty time of product increases the customer trust in an organization a scenario that increases the organization competitiveness in the market

### **Quality attention to the customers**

The study examined the firm attention to the customers and the quality of the offered attention. According to Table 1, the majority of the respondents (72%) were in agreement that the quality/level of attention given to customers after the business has enhanced repeat business in the firm, 10% had a neutral opinion whereas 18% were in disagreement with the quality attention level. The mean of the statement response was 3.8 whereas the standard deviation was at 1.29. Ekundayo (2014) similarly revealed that keeping customer contact platform plays a critical role in enabling the organization to maintain the relationship with customers with a strategy towards ensuring that the customers are well and frequently contacted.

### **Customer focus impact**

The study examined the resultant impact customer service rendered in the organization. The illustration in Table 1 revealed that the opinion of the majority respondents (82%) were in agreement that the customer focus rendered in the respective firms have contributed to competitiveness, 5% had a neutral opinion whereas 13% disagreed on the opinion that customer focus have improved competitiveness of the firms. The mean of the statement response was 4.2 whereas the standard deviation was at 1.13. Hinterhuber and Liozu (2012) noted that a well customer focused organization as the capability of understanding their customers, align their strategies, systems as well people to deliver according to the customer needs to uphold the organization in the competitive market.

### **Customer needs responsibility**

The research aimed to assess the customer needs address responsibility in the respective organizations. The findings in Table 1 reveal that the majority (74%) of the respondents were in agreement that the focusing on customer needs is every employee's responsibility in our organization, 12% had a neutral opinion whereas 14% disagreed with the statement. The mean of the statement response was 3.8 whereas the standard deviation was at 1.13.

### **Organization flexibility to customers**

The research assessed the organization flexibility to fit the customer needs. Majority of the respondents (73%) as per Table 1 were in agreement that the organizations are flexible enough to deal with dynamic customer needs, 9% had a neutral opinion over the statement whereas 18% disagreed with the statement. The mean of the statement response was 3.8 whereas the standard deviation was at 1.29. Similarly, Coltman, Devinney and Midgley (2019) studied customer

relationship management and firm performance and noted that CRM depends on an expansive scope of strategic approaches, every one of which can be viewed as a lower-level ability in itself.

### **Follow-up customer network**

The research assessed the firm contact follow up with the firm customers. The findings in Table 1 revealed that the majority (84%) were in agreement that the firms have a contact network for the customers to ensure follow-up, 5% had a neutral opinion whereas 11% were in disagreement with the statement. The mean of the statement response was 4.3 whereas the standard deviation was at 1.1. Etzion and Gummerson (2015) noted that one of the real advantages of Customer Relationship Management measurement process is that the firm normally also obtain measures such as customer lifetime value, acquisition and retention costs, which relates to the value dual-creation process and follow-up made on customers as a priority in the organization.

### **Customers contact center**

The study examined the establishment and facilitation of contact center for customers in the respective firms and illustrations given in Table 1. Majority of the respondents (76%) were in agreement that the customers are provided with a contact center to raise their complaints and/or compliments, 10% had a neutral opinion whereas 14% disagreed with the statement that the contact centers are functional. The mean of the statement response was 4.0 whereas the standard deviation was at 1.26. Ekundayo (2014) noted that keeping customer contact platform plays a critical role in enabling the organization to maintain the relationship with customers. This is a strategy towards ensuring that the customers are well and frequently contacted. Boulding, Boulding, Staelin & Jonson (2015) indicated that customer relationship management enables the firm to obtain in-depth information about its customers and then use this knowledge to adapt its offerings to meet the needs of its customers in a better way than does its competitors thereby enhancing their business viability.

### **Customer feedback adequacy**

The study examined the adequacy and quality of feedback given back to the customers. The illustrations in Table 1 revealed that majority (85%) were in agreement that the management gives adequate feedback to the customers and addresses their concerns, 9% had a neutral opinion whereas 6% disagreed with the statement. The mean of the statement response was 4.3 whereas the standard deviation was at 1.09.

### **Customer engagement**

Customer engagement opens the firm to suggestion of product modification to suit the customer needs. The illustrations in Table 1 revealed that the majority of the respondents (75%) were in agreement that the firms have an active platform to engage the customers and seek their opinions, 11% had a neutral opinion whereas 16% were in disagreement that the firms conduct customer engagement. The mean of the statement response was 3.9 whereas the standard deviation was at 1.18. According to Samra, Shain and Bilsker (2012), customer engagement is the process of collecting information from the customers and keep them in touch by seeking their opinion in any decision that affects them in one way or another. Through this, the customers embrace the organizational products which again is essential for gaining competitiveness.

**Table 1 Customer focus**

<b>Statement</b>	<b>Strongly Disagree</b>	<b>Disagree</b>	<b>Neutral</b>	<b>Agree</b>	<b>Strongly Agree</b>	<b>Mean</b>	<b>Std. Dev</b>
After sale services are offered to all the customers in our organization	1.50%	6.80%	10.60%	40.90%	40.20%	4.1	0.95
Our customers have cited after-sale services to have made them repeat customers	7.60%	6.10%	13.60%	44.70%	28.00%	3.8	1.14
The quality/level of attention given to our customers after the business has enhanced repeat business in the firm	9.80%	8.30%	9.80%	34.10%	37.90%	3.8	1.29
The customer focus rendered in our firm has contributed to competitiveness	3.80%	9.10%	4.50%	26.50%	56.10%	4.2	1.13
Focusing on customer needs is every employee's responsibility in our organization	6.80%	6.80%	12.10%	45.50%	28.80%	3.8	1.13
The organization is flexible enough to deal with dynamic customer needs	9.80%	7.60%	9.10%	34.80%	38.60%	3.8	1.29
The firm has a contact network for the customers to ensure follow-up	3.80%	7.60%	4.50%	25.00%	59.10%	4.3	1.1
The customers are provided with a contact center to raise their complaints and/or compliments	9.10%	5.30%	9.80%	30.30%	45.50%	4	1.26
The management gives adequate feedback to the customers and addresses their concerns	5.30%	3.00%	6.80%	21.20%	63.60%	4.3	1.09
We have an active platform to engage our customers and seek their opinions	6.80%	6.80%	11.40%	35.60%	39.40%	3.9	1.18

**Correlation between Customer Focus and firm competitiveness****Table 2 Correlation test of Customer Focus**

		Customer Focus	Firm competitiveness
Customer Focus	Pearson Correlation	1	.792**
	Sig. (2-tailed)		0.000
Firm competitiveness	Pearson Correlation	.792**	1
	Sig. (2-tailed)	0.000	

\*\* Correlation is significant at the 0.01 level (2-tailed).

The results in Table 2 revealed that there was a positive and significant association between customer focus and firm competitiveness ( $r = 0.792$ ,  $p = 0.000$ ). This implies that customer focus factors have contributed to the resulted to the firm competitiveness. This correlation coefficient value was above 0.7 indicating a strong positive correlation as a factor of firm competitiveness. A 2-tailed test at 95% level of confidence had a probability value of less than 0.05 which implied that there was a significant correlation between customer focus and firm competitiveness in food and beverage processing companies.

**Regression analysis of Customer Focus on firm competitiveness**

Regression analysis was done to determine the influence of customer focus on firm competitiveness. Illustrations of the findings were presented in Table 4.53.

**Table 3 Model fitness - Customer Focus**

R	R Square	Adjusted R Square	Std. Error of the Estimate
.792a	0.628	0.625	0.334

The results in Table 3 presented the fitness of model of regression model used in explaining the study phenomena. Customer focus was found to be satisfactory in explaining firm competitiveness. This was supported by coefficient of determination i.e. the R square of 62.8%. This shows that customer focus explain 62.8% of firm competitiveness. The results meant that the model applied to link the relationship. This also implies that 37.2% of the variation in the dependent variable is attributed to other variables not included in this model.

**Table 4 ANOVA for Customer Focus**

	Sum of Squares	df	Mean Square	F	Sig.
Regression	24.44	1	24.44	219.033	.000b
Residual	14.506	130	0.112		
Total	38.946	131			



Table 4 provided the results on the analysis of the variance (ANOVA). The results indicated that the model was statistically significant. This was supported by an F statistic of 219.033 and the reported p value (0.000) which was less than the conventional probability of 0.05 significance level. The results implied that customer focus is a good predictor of firm competitiveness. Zablal, Danny and Wesley (2013) contend that CRM inquire about is neglected by decision makers and that further efforts to address its mobilization and alignment are not only warranted but desperately needed.

**Table 5 Regression of Coefficients for customer focus**

	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	0.918	0.215		4.272	0.000
Customer Focus	0.768	0.052	0.792	14.8	0.000

Regression of coefficients results in Table 5 revealed that customer focus and firm competitiveness are positively and significantly related ( $\beta = 0.768$ ,  $p = 0.000$ ). This implies that a unit change in customer focus would lead to a significant change in firm competitiveness by 0.768.

## SUMMARY, CONCLUSION AND RECOMMENDATIONS

### Summary

The third objective of the study aimed at determining the influence of Customer Focus on competitiveness of Food and Beverage Processing Companies in Kenya. The results revealed that there was a positive and significant association between customer focus and firm competitiveness ( $r = 0.792$ ,  $p = 0.000$ ). This implies that customer focus factors have contributed to the resulted to the firm competitiveness. This correlation coefficient value was above 0.7 indicating a strong positive correlation as a factor of firm competitiveness. A 2-tailed test at 95% level of confidence had a probability value of less than 0.05 which implied that there was a significant correlation between customer focus and firm competitiveness in food and beverage processing companies. Regression of coefficients results revealed that customer focus and firm competitiveness are positively and significantly related ( $\beta = 0.768$ ,  $p = 0.000$ ). This implies that a unit change in customer focus would lead to a significant change in firm competitiveness by 0.768.

Majority firms indicated that after sale services are offered to all the customers in the organization. It was noted that the customers have cited after-sale services to have made them repeat customers. The study revealed that the quality/level of attention given to customers after the business has enhanced repeat business in the firm. Therefore, the customer focus rendered in the respective firms have contributed to competitiveness. Respondents were in agreement that the focusing on customer needs is every employee's responsibility in our organization. The organizations are flexibility should be enough to deal with dynamic customer needs. Research revealed that majority

of the firms have a contact network for the customers to ensure follow-up through provision of a contact center to raise their complaints and/or compliments. Moreover, the management of the firms give adequate feedback to the customers and addresses their concerns. Majority were in agreement that the firms have an active platform to engage the customers and seek their opinions.

### **Conclusion**

Customer focus ensures that the organizations through the management are closer to the customers who are the consumers of their products and the mean reason as to why these firms exist. The study therefore concluded that customer focus was recognized as a critical strategy towards influencing the competitiveness of the food and beverage processing firms. Through offering after-sale services to the customers and upholding their needs, these firms are able to capture more market thus strengthens their operational capacity. The study moreover concluded that as much as the stakeholders such as the senior management and the employees agreed on customer focus as a driver towards achieving their organizational goals, customers should be effectively involved and engaged, a matter that could improve the competitiveness of the organizations.

### **Recommendations**

The food and beverage processing firms have thought the management ought to consider customer focus as a driver towards their continued competitiveness. The firms should embrace after-sale services and place the interests of the employees at the helm of the organization since these are the key reasons as to why the companies exist. Understanding the needs of the customers especially among the food and beverage industry would be a major attribute towards gaining the access to better and wider markets hence the management of these companies should frequently emphasize on the need for customer focus.

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