Journal of Strategic Management

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ISSN: 2616-8472

Stratford Peer Reviewed Journals and Book Publishing
Journal of Strategic Management
Volume 7||Issue 6||Page 78-90||November||2023|
Email: info@stratfordjournals.org ISSN: 2616-8472

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***How to cite this article*: Marisin, W. C., Kiplagat, N. & Njenga, G. (2023). Analysing the Effect of Increase Factors on the Performance of Tea Companies in Nandi County, Kenya, *Journal of Strategic Management,* 7(6), 78-90.** https://doi.org/10.53819/81018102t4212

Abstract

Blue ocean concept plays a critical role in strategic management in organization especially in tea industry which has led to tremendous growth over the past years. It is in regard to this strategic focus that this study sought to establish the effect of increase factors on the performance of tea firms in Kenya. The study was guided by the Value Innovation Theory and adopted a case study research design. The study population comprised a total of 99 top management staff from tea firms in Nandi County. The study used non-probability sampling design by applying a purposive sampling technique. The primary method employed for data collection was the use of questionnaires, which were self-administered by the respondents. The data collected was analysed using both descriptive and inferential statistics. Data was analysed with aid of SPSS software and linear regression model was used to determine the association between independent variable and dependent variable. The findings were presented using tables and graphs. The study found that increase factors was statistically significant to performance of tea firms (β_1=0.888, p=0.000, p<0.05). The study concludes that increase factors are statistically significant in explaining performance of tea firms in Kenya. The study recommendations was to increase the factory door sales to local markets which will likely increase the domestic consumption.

Keywords: *Increase factors, Performance, Tea Industry, Value Innovation*

1.0 Introduction

Strategic decisions influence the way organization respond to their environment. Strategy results are influenced by detailed strategic planning process. Strategy can be defined as a general direction set for the company and its various components to achieve a desired state in the future (Cooper, 2009). Strategy can also be defined as an action taken by managers to achieve one or more of the organization's goals. Companies need to develop unique strategies that enhance their capacity to maintain the high levels of profit and that distinguish them from their rivals while pursuing a significant and sustainable competitive advantage (Thompson, Peteraf, Gamble & Strickland, 2012).

According to Samsul and Mohammad (2017), Blue Ocean concept enables organizations to create innovation in their business that can assist them to thrive in financial and economic sectors which is the main concern of the firm to generate sustainable profit. However, formulating a unique and a consistent strategy is a difficult task for any management team and making that strategy operational is far more challenging. According to Porter (2008), eliminating rivals is a risky strategy. By competing in existing market, it is quite challenging for companies to establish new market space and earn profits. To avoid being trapped in old markets, organizations need to focus on attracting new customers, understand markets, and stop focusing on premium versus low-cost strategies and differentiation (Kim & Mauborgne, 2015).

With the growing infrastructural development across the country coupled with a growing middle class and national policies focused on improving agricultural sector, the tea industry may continue to witness intense competition rivalries. The Blue Ocean strategy concept of value innovation help organizations survive in the competitive market. Adapting Blue Ocean strategy is appropriate in assisting firms explore opportunities in the market space which is the root of the growth (Samsul & Mohammad, 2017). Tea industry is in need for identifying new techniques and ways for growth and makes these techniques and ways greatly recognized in the tea markets. It is expected that through adopting the concept of the Blue Ocean and applying in the tea firms, growth may occur beyond the existing level. The study aimed at identifying the possible relationship between the adopted strategies and the overall performance of the company through the examination of the implemented blue ocean strategy at tea firms in Nandi County

Globally, Companies operate in a market universe that is seen as being composed of two oceans; Red Ocean which denotes all the industries in existence today, with known products, strategies and competitors and the Blue Oceans which denotes the non-existing industries with uncontested market space, untainted by competition. It is a strategic space where the first entrant will create the product, demand, rules that will be beneficial in a long term perspective (Kim & Mauborgne, 2005). Blue Ocean strategy is a consistent pattern of strategic thinking that enables business players to create a market space so that they can go out of the red ocean competition and make the competition irrelevant (Kim & Mauborgne, 2006). Keller (2016) show-cased some real-world examples of successful blue ocean strategy applications. These include: Cirque du Soleil- a Canadian Entertainment business. By using the BOS, the company has become the largest theatrical producer in the world with over US$ 1 Billion in revenue annually as of 2011. The company achieved total return on Investment (ROI) of 35000% where investment is US $ 1.5 Million.

The Nintendo Wii - Japanese Home Entertainment Company. Nintendo took a blue ocean strategy focusing on targeting families including the elderly as opposed to the young male hardcore gamer that the industry had been focusing on. Apple - a USA technology company and the largest company in the world by market capitalization. Apple focused on manufacturing computer software systems until 2001 when it implemented BOS and launched the iPod music player which revolutionized how people listened to music. Netflix- a USA company also adopted the BOS which has enabled it to become the movie streaming service in the world with US$3.6 billion in revenue and US$ 17 million in profit in 2012. In a study in Bangladesh, Rahman & Choudhury (2019) examined the influence of blue ocean strategy on organizational performance. The study noted that there is a significant contribution of BOS to the enhancement of organizational performance.

In South Africa, Priilaid, Ballantyne and Packer (2019) examined a Blue Ocean Strategy for developing visitor wine experiences: Unlocking value in the Cape region tourism market. The study found that red ocean activities like wine estate bus-tours were less attractive to tourists than potential Blue Ocean activities like paired wine and dinner tasting. Such activities are not commonly available at the present and represent a significant blue ocean opportunity. The study concluded that blue ocean thinking should become part of the key words of tourism managers in the wine sector and that tour operators need to think about being different in a different way: looking towards designing visitor experiences offering value innovation, providing potential customers with experiences that align with their interests, motivation and wallets.

Looking at Kenya, firms especially those in hyper competition have moved to build new advantages and erode the advantages of their rivals. According to Nyambane (2012), companies should explore Blue Ocean either by creating new untapped market spaces from non-existing industry boundaries and or creating untapped spaces from within red oceans by expanding existing industry boundaries. Ndungu (2014) conducted a research study on the effects of Blue Ocean Strategy on organizational performance. A case of Liaison Group Insurance Brokers. The study noted that absence of strategic leadership amongst the top management staff hampered implementation of blue ocean strategy in the organization and this negatively affected realization of increased organizational performance. The study concluded that the major factors affecting implementation of blue ocean strategy and organization performance includes strategic leadership, core competencies and application of organizational structure.

A study by Sang (2021) conducted in Nandi County focused on Blue Ocean Strategies as panacea to sustainable performance at tea firms in Kenya. The study noted that implementing the increase factors could lead to sustainable performance of Kenya’s tea industry. The study concluded that tea branding value addition of tea, increasing domestic consumption, productivity and eliminating long and inefficient supply chain would lead to sustainable performance. The researchers also recommended that the tea industry should add value and brand its tea.

The Kenyan tea is mainly traded through the Mombasa auction by East African Tea Trade Association (EATTA) which was established in 1957 to facilitate tea auctions for the country (Tea Directorate, 2018). The membership of EATTA comprises of tea producers, buyers, brokers, warehousemen and packers and it is the largest CTC auction center in the world (Mudibo, 2014). The tea industry contributes 23% of Kenya’s Gross Domestic Product (GDP) and 2% of the Agricultural Gross Domestic Product (Tea Directorate, 2021). The domestic market is limited and accounts for only about 8% of the total production and 92% exported to other countries (Tea Board of Kenya, 2018). The main market destinations for the Kenyan tea are Pakistan, Egypt, United Kingdom and Afghanistan among other countries. Kenya is the third after only China and India in production. The global tea industry is largely dominated by India which is the largest producer and consumer of tea. Other producers include China, Sri Lanka, Kenya and Indonesia. Omari (2015) indicated that although Kenya is the 3rd largest producer of black CTC tea it leads in exportation too, an indication that local consumption is low compared to China, India and Sri Lanka. This means Kenya Tea industry should explore value addition to diversify its market and serve the untapped markets.

1.1 Statement of the Problem

The tea industry in Kenya has been characterized by intense rivalry and competition since the year 2017. This is due to the high volumes of tea being produced and exported to the global markets. According to Tea Directorate (2020) statistics, Kenya produced 570.5 million kgs of tea in 2020, 458.9 million kgs in 2019, 493 million kgs in 2018 and 439.9 million kgs in 2017. The made tea exported to other world destinations in the years 2020, 2019, 2018 and 2017 were 518.9 million kgs, 496.7 million kgs, 474.8 million kgs and 415.7 million kgs respectively. In order to compete effectively in this space, it is important to have an aggressive search and development of strategies that position the company in a competitive advantage as competitors explore both defensive and offensive strategies to protect their performance. Kim and Mauborgne (2005), indicates that Blue Ocean strategy seeks to render competition irrelevant instead of the firms competing in the flooded market spaces. It is a consistent pattern of strategic thinking behind the creation of new markets and industries where demand is created rather than fought for and the rule of competition is irrelevant (Kim & Mauborgne, 2005). It is in this perspective that this concept of Blue Ocean Strategy has been applied in various industries both locally and internationally.

Research studies have been carried out on the Blue Ocean Strategy by various researchers on different industries. Samsul and Mohammad (2017) conducted a research study on the impact of Blue Ocean strategy on organizational performance. The study confirmed that Blue Ocean strategy affects the organizational performance positively. Nyambane (2012) conducted a research study on the challenges in the implementation of Blue Ocean strategies by three large indigenous banks in Kenya. The study determined that there are challenges in implementation of Blue Ocean strategy due to factors such as organizational structure, culture and resources, the banks were able to sufficiently address the challenges. Ngaruiya (2013) studied application of value innovation as a basis of Blue Ocean strategy by Safaricom Limited. The study documented the process taken by the mobile communication company in creating sustainable value for its customers through value innovation.

Miano (2013) studied the determinants for the implementation of Blue Ocean strategy among commercial banks in Kenya. The study found that the factors that influence the application of Blue Ocean Strategy in the banks were the need to create and capture new demands, breaking the replacement of the value cost and integration of total system activities of the organization. Kiptoon (2014) conducted a research study on the impact of the Blue Ocean strategy on the performance of Bamburi Cement Limited in Kenya. The study established that the aggressive implementation of new value innovations strengthened the organization’s strategic position. Kamuhoro (2018) studied Blue Ocean strategy on sustainable competitive advantage at Coca Cola Kenya Limited. The study determined that in implementing the strategies the company has experienced a positive increase in the general performance and has gained sustainable competitive advantage. These studies have focused on analyzing the application of Blue Ocean strategy in different industries without actually analyzing the overall importance of the strategy on the organizational performance. This study therefore, aimed at evaluating the increase factors determinants of Blue Ocean strategy on the performance of the tea firms in Kenya, a case of Nandi County.

1.2 Research Objective

To establish the effect of increase factors on performance of tea firms in Kenya.

1.3 Research Hypothesis

H_0 There is no statistically significant effect of increase factors on performance of tea firms in Kenya.

2.1 Theoretical Review

The study was underpinned by Value Innovation theory.

2.1.1 Value Innovation Theory

Value Innovation is the cornerstone of Blue Ocean strategy which means pursuing differentiation and low cost simultaneously to create a leap in value for both consumer and company to shift from the competition and create new customer demand and uncontested market space (Kim and Mauborgne, 2005). For a better understanding on the explanation in pursuing value innovation that drives customer value up while lowering the company's cost, Kim and Mauborgne (2005) developed an Action Framework. This set of questions assists in the development of new value curve that differs from the existing market value consideration. The key question consists of determining what factors should be raised within the industry.

Kim and Mauborgne (2005) postulates that by pursuing the first two questions on elimination and reduction the organization achieves ways on how to manage its costs factors as compared to its competitors. The last two questions on raising and creation of some factors in the industry gives the firms new sources of value for buyers and new demand is enhanced. Amit and Zott, (2012) explains that value to buyers comes from offering utility minus its price and value to the company is generated form offering price minus its cost, value innovation is thus achieved only when the whole system of utility, price and cost is aligned. According to Amit and Zott (2012), Eliminate-Reduce-Raise-Create Grid can be applied to identify the new market, "Blue Ocean". This is a supplementary analytic to the four actions that pushes companies to create new value curve. It encourages companies to focus on raise factors while also accounting for other factors.

Blue Ocean Strategy is presumably based on the use of Value Innovations (Brady, 2005). These are actions which drive costs down while simultaneously driving value up for the buyer and how a leap in value for both the company and its buyers is achieved. However, Kim and Mauborgne (2005) stated that Value Innovation cannot be achieved only when companies can align innovation with utility, price and cost position. There should be an understanding on customers' needs and willingness and a close relationship with them. There should be a link between Value Innovation and customer values with customer satisfaction and customer loyalty.

2.2 Empirical Literature Review

2.2.1 Increase Factors and Performance

Increase factors are those factors that the firms should raise above the industry standards to give valuable meaning to customers and company. A study conducted by Sang (2021) on Blue Ocean strategies as panacea to sustainable performance at tea firms in Kenya, observed that implementing the increase factors could lead to sustainable performance of Kenya's tea industry. The study concluded that branding, value addition of the tea, increase in domestic consumption and productivity would lead to sustainable performance. The overall objective of the study conducted by Kamuhuro (2018) was to determine how the choice of Blue Ocean strategy affects sustainable competitive advantage of Coca Cola Kenya Limited. The findings of the study demonstrated that with the help of the managers, the company applies four steps in order to come up with effective marketing strategies: gathering facts, development of goals or objective and measures to be pursued, and development of strategies by having tactical plans and by performance management use of PDR through the Human resource. The study further indicated that product proper distribution, innovations uniqueness, affordable pricing

Stratford Peer Reviewed Journals and Book Publishing
Journal of Strategic Management
Volume 7||Issue 6||Page 78-90||November||2023|
Email: info@stratfordjournals.org ISSN: 2616-8472

and promotion lead to an increase in product awareness and increased sales and ultimate increased profitability.

Okechukwu, Ekwochi and Eze (2018) in their research study on the effects of Blue Ocean strategy on the performance of Telecommunication firms in South East Nigeria, revealed that BOS has a positive significant effect on market share in Nigeria telecommunication industry. Therefore, it is concluded that BOS should be adopted in the company and an increase in those factors that affect the implementation of Blue Ocean strategy should be raised. According to Samsul and Mohammad (2017), Blue Ocean Strategy positively affects the organization performance if applied in organization. Organizations therefore should increase awareness among those in strategic management positions on the need to adopt Blue Ocean Strategy within the organization in order to realize the positive effects on their performance.

Abdallah&Khali (2016) conducted a study on blue ocean strategy in Saudi Arabia Telecommunication companies and its impact on competitive advantage. The study found that there is a strong positive relationship between the competitive advantage variable and every principle of the blue ocean strategy. Therefore, an increase in application of principles of Blue Ocean Strategy would contribute significantly towards achieving a competitive advantage to the company over its competitors in the market.

2.3 Conceptual Framework

The study established independent variables which was increase factors and the dependent variable is performance of tea firms as shown in Figure 1.

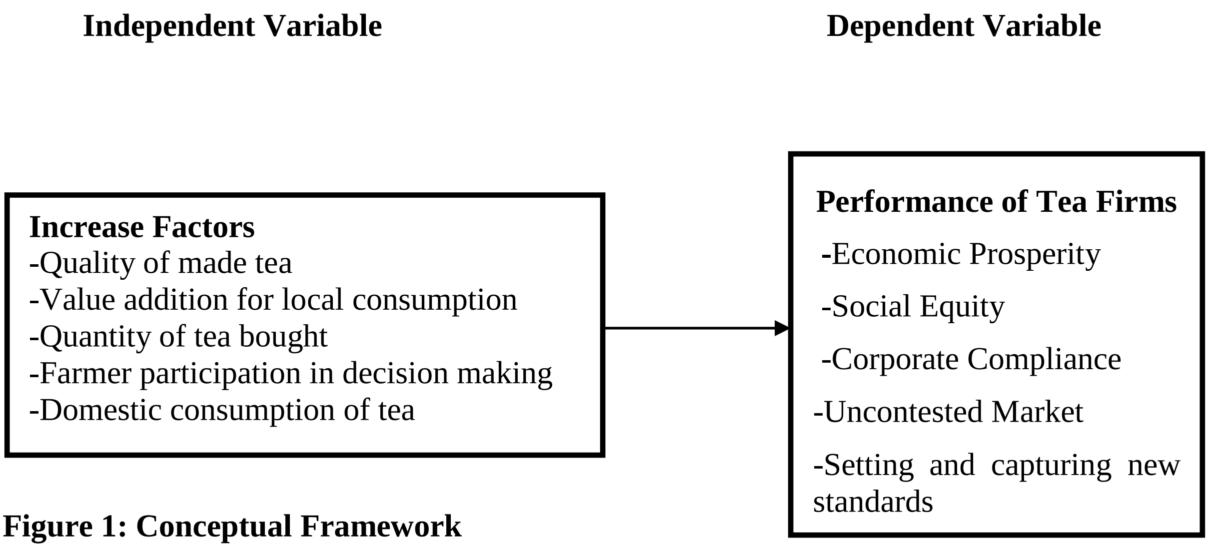

Figure 1: Conceptual Framework

Source: Researcher (2023)

3.0 Research Methodology

This study took the form of a case study of Nandi County tea firms. Case study is viewed as a holistic empirical inquiry whose goal is to gain insight and investigates complexity in phenomenon within its real-life context (Farquhar, 2012). The primary purpose of the case study is to establish the effect of increase factors on performance of tea firms. This research focused on the tea firms in Kenya as the unit of analysis and the unit of observation is Nandi County tea firms. A case study looks in depth into a phenomenon rather than emphasizing on a survey. It compresses a broad research field into a small researchable topic. This research project adopted a case study research design as Kothari (2006) explains a case study design

https://doi.org/10.53819/81018102t4212

organizes data and looks at the area of study as a whole in terms of a detailed examination of a single or a group of subjects.

The target study population were the top managers of the tea firms in Nandi County. The study specifically selected top management from the tea firms on the basis that they are more knowledgeable about strategic issues and undertake strategic responsibilities in the organization. The top managers are considered the most appropriate to answer the questions ranging from aspects of structure, strategy and performance of the organization. The target population comprised of top managers from the six departments namely; General Manager, Finance and Accounts manager, ICT manager, Production Manager, Human Resources Manager and Sales & Marketing totaling to 99 top managers from the 14 Tea Firms in Nandi County. The study employed census sampling technique Census approach was suitable to this study as the entire number of 99 top management personnel drawn from 14 firms in Nandi County was used for the study. The study used structured questionnaire developed by the researcher for the primary data collection.

The data collected were reconstructed and checked for errors and omissions. Both qualitative and quantitative methods of data analysis were used. The data responses from the questionnaire were reported by descriptive narratives arising from content analysis. Content analysis is the systematic qualitative description of the composition of the objects or materials of study. The data collected were analyzed with the aid of the Statistical Package for Social Sciences (SPSS). Inferential statistics inform of linear regression model were used to test the association between increase factors and performance of tea firms in Kenya. The respondents' insight on each determinant of blue ocean strategy on the performance were presented in graphs and tables. The regression model was as follows:

$Y = \beta_0 + \beta X + e$

Where:

Y= Performance of Tea Firms in Kenya.

β_0=Constant

β= Regression coefficients of variables

X=Increase factors

e= Error term which captures the unexplained variations in the model.

4.0 Findings and Discussion

The target population of the study was 99 top management employees of the tea firms in Nandi County. After data entry, cleaning and validation, 79 questionnaires were found complete translating to 80. The study found an alpha of 0.971. The closer the reliability coefficient gets to 1.0 the reliability is better (Sekaran, 2003). Hence, the questionnaire was deemed excellent on this basis.

The study found that 38% of the top management employees in the tea firms in Nandi County were female while 62% were male. In addition, the greatest proportion of the employees was between 35-44 years of age whose proportion was 54.4%. 25.3% of the top management level employees were between 23-34years of age while those between 45-54years of age were 11.4%. A proportion of 8.9% of the top-level management were above 55 years of age. The study noted that a large proportion of the top-level employees at the tea firms are in between 35-44 years of age. The findings showed that 64.6% of the employees had served as the top managers in the tea firms for more than three years. 24.0% had served for between 1 to 2 Years. Only 11.4% of the top managers had served for less than a year. Furthermore, the largest proportion of the top managers held degrees at a proportion of 81% while 11.4% held diplomas. 7.6% held master's degrees. This indicates that the top managers of the tea firms have attained diverse level of education ranging from diplomas to Masters Degrees and therefore they have a varied level of competencies when executing their roles according to the positions they hold.

4.1 Descriptive Statistics

Increase Factors

The study sought to determine the effect of increase factors on performance of tea firms, a total of five items was subjected to five -point Likert Scale. The results of the study are shown in Table 1.

Table 1: Increase Factors

	Strongly Disagree F N%	Disagree F N%	Neutral F N%	Agree F N%	Strongly Agree F N%
Improve quality of made tea	0 0.00%	0 0.00%	0 0.00%	13 16.46%	66 83.54%
Increase value addition for local consumption	0 0.00%	14 17.72%	0 0.00%	47 59.49%	18 22.78%
Increase the quantity of tea bought by better marketing	0 0.00%	0 0.00%	0 0.00%	22 27.85%	57 72.15%
Increase farmer participation and roles in decision-making in factories.	0 0.00%	24 30.38%	7 8.86%	38 48.10%	10 12.66%
Increase domestic consumption of tea	0 0.00%	3 3.80%	0 0.00%	62 78.48%	14 17.72%

According to the study findings, majority of the respondents agreed that improved quality of made tea should be considered as an increase factor. To ensure the quality of made tea, firms need to adhere to legislation put in place to control the quality of tea being produced in the country. This can also be done through continuous advisory services on tea production and quality enhancement to the tea production team. Likewise, majority of the respondents agreed that there should be an increase in the value addition for local consumption as shown by a proportion of 82.27% (Strongly agreed and agreed) while 17.72% remained neutral on the same issue. This can be done by adding flavor and packaging it into tea bags before being circulated to the local market shelves. The study findings are consistent with a study conducted by Maina (2018) which states that up scaling of value addition on Kenya Tea enhances its competitiveness.

The study findings further revealed that an increase in quantity of tea bought by better marketing affect the performance of tea firms in Kenya. This statement was strongly agreed by 72.15% and agreed by 27.85% of the respondents who took part in the study. This is consistent with the view of Maina (2018) that revealed that marketing enables new market development thus increasing competitiveness of Kenyan Tea in the global market.

The study revealed that the respondents who agreed to increase in farmer participation and roles in decision making in factories accounted for 60.76%, 30.38% disagreed while 8.86% remained neutral. The results also revealed that majority, 96.20% support increase in domestic consumption. However, there was 3.80% of respondents who disagreed that domestic consumption of tea should be increased.

Performance of Tea Firms

Performance was the dependent variable for the study. To analyse the variable, five questions regarding performance of tea firms were asked to assess the perception of the respondents. The findings were presented in Table 2.

Table 2: Descriptive Statistics for Performance of tea Firms

	Strongly Disagree F N%	Disagree F N%	Neutral F N%	Agree F N%	Strongly Agree F N%
Blue Ocean Strategy lead to economic prosperity of tea farmers and factories	0 0.00%	0 0.00%	0 0.00%	31 39.24%	48 60.76%
Blue Ocean Strategy leads to social equity	0 0.00%	17 21.52%	10 12.66%	36 45.57%	16 20.25%
Blue Ocean strategy leads to corporate compliance such as better environmental protection and tax compliance	0 0.00%	6 7.59%	0 0.00%	35 44.30%	38 48.10%
Blue Ocean strategy leads to creating non-competitive market space	0 0.00%	19 24.05%	7 8.86%	42 53.16%	11 13.92%
Blue Ocean strategy leads to setting and capturing new demands	0 0.00%	0 0.00%	6 7.59%	47 59.49%	26 32.91%

Majority of the respondents agreed that blue Ocean strategy lead to economic prosperity of tea farmers and factories. 60.76% strongly agreed and 39.24% agreed on this statement.

Majority, 65.82% (strongly agreed and agreed) also supported that Blue Ocean strategy leads to social equity, 21.52% disagreed and 12.66% were neutral on the same statement. The study findings indicated that majority of the respondents, strongly agreed and agreed that blue ocean strategy leads to corporate compliance such as better environmental protection and tax compliance at 92.4% while only six respondents disagreed. The study findings were in support of the study report by FAO (2013) which observed that standard-compliant tea production grew by thirty-three percent per annum from 2009 to 2012 with majority of the producers of standard-compliant tea production in 2012 at 40% in Kenya.

According to the study findings, 67.08% agreed that blue ocean strategy leads to creating non-competitive market space, while 24.05% disagreed. Similarly, majority of the respondents agreed that Blue Ocean strategy leads to setting and capturing new demands while only 6 respondents were neutral. The findings are in line with those of Hanifa, Aswanti & Octaviani (2015) which states that Blue Ocean leads the company to be the market leader because the company has an excellent strategy to compete that the competitors do not have or although the same but different in its application. This study finding also support the view of Ebele, Chigozie & Eberechukwu (2018) which stipulates that Blue Ocean Strategy enables an organization to look beyond standard competitive practices of the Red Ocean, to creating new demand in uncontested market space.

4.2 Correlation Analysis

A correlation analysis is a table showing correlation coefficients between sets of variables. The correlation analysis allows detection of pairs that are highly correlated which forms basis for further analysis and diagnostics. Table 3 below displayed the findings of the study.

Table 3: Correlation Analysis Results

		Increase	Performance
Increase	r	1.000	.926**
	p		.000
Performance	r	.926**	1.000
	p	.000	

The study correlated the variable increase factors and performance of tea firms. The study found that there was a strong positive correlation between increase factors and the performance of tea firms at 1% level of significance (r=0.926, p=0.000, p<0.01).

4.3 Regression Analysis

The study sought to find-out the effect of increase factors on performance of tea firms in Kenya. This was achieved by conducting a regression analysis. The study used simple regression analysis to help predict the outcome variable given the exploratory variable. In this context, the study intended to establish the extent to which the dependent variable is affected by independent variable. However, a major assumption in linear regression is that there must be significant linear relationship between the independent and the dependent variable.

The exploratory variables were measured using Likert items with values ranging from strongly disagree to strongly agree. The response variable, performance of tea firms was measured using the same Likert scale as well.

Hypothesis Testing

H_0: Increase factors have no significant effect on the performance of tea firms in Kenya. The study sought to find out the effect of increase factors on the performance of tea firms in Kenya. The study findings were presented in Table 4.

Table 4: Model Summary for the Hypothesis

					Change Statistics			
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	R Square Change	F Change	df1	df2	Sig. F Change
	.926[a]	.858	.851	6.643	.858	121.215	1	20	.000

a. Predictors: (Constant), Increase
b. Dependent Variable: Performance

The study found that there was a strong positive relationship between increase factors and the performance of tea firms in Kenya (Adjusted R^2= 0.851). This indicates that 85.1% variation on the performance of tea firms in Kenya was explained by increase factors. This relationship was significant at 5% level of significance (p=0.000, p<0.05) as the p-value is less than 0.05. Therefore, we reject the null hypothesis and conclude that increase factors are significant determinants in the performance of the tea firms in Kenya.

Table 5 below shows results of further study on the effect of increase factors on the performance of tea firms in Kenya.

Table 5: Coefficients for Increase Factors

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
	(Constant)	3.650	1.728		2.112	.047
	Increase	.763	.069	.926	11.010	.000

Y=3.650+0.763X

The study reveals Y=3.650+0.763X which implies that an increase in one unit of increase factors leads to an increase of 0.763 units in performance of tea firms in Kenya at 5% significance level ($\beta=0.763$, $t=11.010$, $p=0.000$). The results show that p-value is less that the critical value of 0.05 $p=0.000$, $p< 0.05$) and therefore increase factors has statistically significant effect on performance of tea firms in Kenya hence, reject the null hypothesis and the study concluded that there was statistically significant relationship between increase factors and performance of tea firms in Kenya.

Further, the study indicated that through increment in improving quality of made tea, value addition for local consumption, increase in farmer participation and roles in decision making in factories and increase in domestic consumption of made tea great performance of tea firms in Kenya would be achieved and would be sustainable. This agrees with observation by Sang (2021) which stipulates that to ensure sustainable performance, tea industry should add value and brand tea as well as increase domestic consumption and productivity.

5.0 Recommendations

From the study, a large portion of the total tea produced by the tea firms in Kenya is sold to the international markets (exported) while a small percentage is sold locally. The tea firms should increase the factory door sales to the local markets which will increase domestic consumption. The tea firms should also engage brand ambassadors to promote their brands of the local teas as well as allow the factory employees to take part in trade fair exhibitions within the county to show case their products.

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