

**EFFECTS OF STRATEGIC RESPONSES ADOPTED BY KENYA COMMERCIAL BANKSON
COMPETITIVE ADVANTAGE: (A CASE STUDY OF KENYA COMMERCIAL BANK)**

Lerine Kitema

College of Human Resource and Development,

Jomo Kenyatta University of Agriculture and Technology

P. O. Box 62000, 00200 Nairobi, Kenya

Corresponding Author email: mwotti@yahoo.com

Dr. Gladys Rotich

College of Human Resource and Development,

Jomo Kenyatta University of Agriculture and Technology

P. O. Box 62000, 00200 Nairobi, Kenya

Mr. Wycliffe Anyango

College of Human Resource and Development,

Jomo Kenyatta University of Agriculture and Technology

P. O. Box 62000, 00200 Nairobi, Kenya

CITATION: Kitema, L., Rotich, G., Anyango, W. (2017) Effects Of Strategic Responses Adopted By Kenya Commercial Bankson Competitive Advantage: (A Case Study Of Kenya Commercial Bank). International Journal of Strategic Management. Vol. 6 (5) pp 52 - 70

ABSTRACT

Commercial banks are experiencing competition from new players in the industry and unpredictable financial market. These challenges may lead to the commercial banks facing threats of operational losses and low customer acquisition and retention, which would adversely hamper their liquidity and hence financial and economic crises. In order to survive and succeed in the business, the commercial banks need to pay attention to the dynamically changing and uncontrollable external environment. The objective of the study was to assess the effects of strategic responses adopted by Kenya commercial banks towards attaining competitive advantage. This study used descriptive research design in soliciting information on strategic responses adopted and competitive advantage enjoyed by KCB. The target population was the 320 top management officers of Kenya Commercial Bank, within Central business District, in Nairobi city. The sample population was 96 respondents selected using simple random sampling. Data was collected from primary sources using structured questionnaire. Collected data was analyzed using descriptive statistics and thereafter inferential statistics obtained to estimate a study model. The study revealed that competitive advantage at KCB is high. The study concludes that adoption of new technology highly affects attainment of competitive advantage at KCB; cost reduction highly supports attainment of competitive advantage at KCB; marketing highly affects attainment of competitive advantage at KCB and customer service delivery highly affects attainment of competitive advantage at KCB. The study reveals that each of the four variables significantly influences the competitive advantage at KCB. The study recommends that the commercial banks in Kenya should; embark on investing in technology innovation, review their cost reduction strategies, develop effective marketing strategies informed by the Ansoff matrix, and empower their customer service delivery to enhance their sustainable competitive advantage over their competitors.

Key words: *Information technology, Cost control, Marketing Mix, Customer service delivery*

[Full Text PDF Format](#)