

**THE INFLUENCE OF COMPETITIVE STRATEGIES ON THE  
PERFORMANCE OF SAVINGS AND CREDIT COOPERATIVE  
SOCIETIES IN IMENTI SOUTH DISTRICT**

**NANCY WAWIRA GITONGA**

**A THESIS SUBMITTED IN PARTIAL FULFILLMENT FOR THE DEGREE  
OF MASTER OF BUSINESS ADMINISTRATION OF KENYA METHODIST  
UNIVERSITY**



**JUNE, 2013**

## ABSTRACT

The study sought to investigate the influence of competitive strategies on the performance of savings and credit cooperative societies in Imenti South District in Meru County. It was done by determining the influence of cost leadership, differentiation and focus strategies on the performance of Saccos. The study tested the hypothesis that; cost leadership, differentiation and focus strategies had no significance influence on the performance of savings and credit cooperative societies in Imenti South District. The study aimed at benefiting the management team of Saccos, cooperative industries, scholars and financial institutions. 12 registered Saccos in Imenti South district were covered. The study reviewed three theories; game theory, competitive advantage theory and resource view based theory. The empirical literature that related the past studies and this study were included. The conceptual and operational frameworks were used to illustrate the relationships between the dependent and the independent variables. The target population for the study was 155 marketing officials in 12 Saccos in Imenti South District and the accessible population included 47 marketing officials in the 12 Saccos in Imenti south district, which was 30% of the target population. Stratified random sampling design was used and a table of random numbers used to select the individual respondents for the study where 30 marketing clerks and 17 management officials were chosen on whom survey was done. The research was carried out using a questionnaire as the data collection instrument and data collected analyzed using descriptive statistics. The data analysis consisted of examining the evidence so as to address the initial propositions of the study using SPSS computerized software. Logistic regression was used to determine associations between the independent variables and dependent variables in the objectives and hypothesis of the study. The results showed that cost leadership and differentiation strategies have positive relationships with the performance of Saccos in Imenti South District while focus strategy has a negative relationship. However on hypothesis testing the findings showed that there was no significant relationship between cost leadership strategy (with a calculated value of 1.000), differentiation strategy (with a calculated value of 1.000) and focus strategy (with a calculated value of 0.600) with performance of Saccos in Imenti South District.