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COMPETITIVE STRATEGIES APPLIED BY THE RETAIL SECTOR OF THE PHARMACEUTICAL INDUSTRY IN NAIROBI

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**A research project submitted in partial fulfillment
of the requirements of the degree of Master of
Business Administration, Faculty of Commerce,
University of Nairobi.**

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DECLARATION

This management project is my original work and has not been presented for a degree in any other University.

Signed: 
NDUBAI NGEERA

Date: 1/3/2004

This management research project has been submitted for examination with my approval as the University Supervisor.

Signed: 
Prof. Evans Aosa, Ph.D

Date: 4/3/04

DEDICATION

To my wife Lilian and children Kendi and Makena for their encouragement and support.

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ABSTRACT

This study was conducted with the objective of establishing the competitive strategies being applied by the retail sector of the pharmaceutical industry in Nairobi. Firms develop strategies to help them achieve competitive advantage. These strategies reflect both external and internal circumstances of a firm. Retail pharmacies in Kenya are faced with various retail challenges. The challenges include customer demands and expectations, government laws and regulations, general economic decline and intra-industry competition. Their survival calls for some form of competitive strategies.

In order to gather data from several pharmacies, a cross-sectional survey was carried out. The pharmacies in the population were grouped into four geographical zones to see if there would be any relationship between the strategy chosen and the location of the pharmacy. Stratified sampling was done with the number of pharmacies sampled in each region corresponding to its proportion in the population. In-depth personal interviews were carried out with the aid of a questionnaire comprising both open-ended and closed questions. The data obtained was analyzed using both content analysis and descriptive statistics.

The results of the study show that retail pharmacies in Nairobi practice strategy formulation although they do it informally. This has enabled them to have various competitive strategies that they are applying in their industry sector. Cost leadership was considered a major competitive strategy among retail pharmacies in Nairobi. Differentiation strategies mainly involved service delivery. Customer service was considered the most important factor in attracting and maintaining customers. These retail pharmacies face several challenges. These challenges include unethical competition, large number of brands in the market,

undercutting on prices, dispensing medical practitioners, well as insecurity and high personnel costs.

This study was limited to 35 pharmacies out of 362 in Nairobi. A study involving more pharmacies may give results that could be generalized more accurately.

CHAPTER ONE

INTRODUCTION

1.1 Background

Since the introduction of liberalization in Kenya (Government of Kenya, 1986), firms in almost all the sectors of the economy are faced with competition. This calls for the need to devise strategies for effective competition. Only firms capable of formulating and implementing effective competitive strategies will achieve profitability and growth. The Pharmaceutical industry is divided into three main sectors, the manufacturing sector, the distributors, and the retail sector. The retailers are also referred to as Chemists or Pharmacies.

Kotler (1999) defines retailing as including all the activities involved in selling goods or services to the final consumer for personal, non-business use. A retailer or retail store is any business enterprise whose sales volume comes primarily from retailing.

Whereas the manufacturing firm will specialize in a range of her own products, the retailer is expected to stock a whole range of products available in that market. This poses an even bigger challenge to formulate successful strategies in this sector.

Wasunna (1999) states that due to non-availability or unsteady drug supplies at public hospitals, many patients have had to rely on private pharmacies. 59% urban and 56% rural poor do not seek public health care because of the unavailability of drugs (Government of Kenya, 2000). This may have led to the sharp increase in the number of retail pharmacies in the country from 1200 in 1996 to 3500 in 2001 (Mukuria, 2002). The result has been increase in the intensity of competition in this sector. This may have contributed to the winding up of some of the previously bigger pharmacies such as E.T Monks, Sigma Chemists, and Coopers Chemists. Others like Howse and McGeorge have withdrawn from retailing to purely wholesale business.

Competitive strategy is the part of business strategy that deals with management's plan for competing successfully- how to build sustainable competitive advantage, how to outmaneuver rivals, how to defend against competitive pressures, and how to strengthen the firm's market position, (Thompson and Strickland, 1996). Porter (1990) suggests that firms compete on three generic strategies: differentiation, cost leadership and focus.

Studies on local firms have revealed that competition has led to various strategic responses. At the East African Breweries Ltd., competition led to changes in the company philosophies, all aimed at serving the customer better and increase sales, (Njau, 2000). In a study of the private hospitals in Nairobi, Gakombe (2002) found that cost leadership was the most popular strategic choice for competition among hospitals. Gathoga (2001) found that banks have adopted various strategies, which included delivery of quality service at competitive prices, in appropriate locations. In a case study of one Kenyan retail pharmaceutical firm, Mukuria (2002) found that some firms used unorthodox strategies to out-compete others. Such strategies include evading licensing regulations as well as manufactures and wholesalers selling directly to the consumers, thus undercutting the retailers.

1.2 Retail Sector Strategies

Kotler (1999) defines retailing as including all the activities involved in selling goods or services to the final consumer for personal, non-business use. A retailer or retail store is any business enterprise whose sales volume comes primarily from retailing. Like any other business, retail sector also has the general strategies of survival, profitability and growth. Specific retail strategies relate to location, merchandise, price, communication, store atmosphere and layout, and customer service (Cox and Brittain, 2000). They term location as the most important strategy. This is because the other strategies can be adjusted at any time but once the location is chosen you can do nothing about it later. One has to decide on the location depending on the target market. It is a clearly defined and

profiled target market that will help in making consistent decisions on product assortment, store décor, advertising message and media, price and service level.

Strategies on merchandise have to consider the target market's shopping expectations. The retailer has to decide on product-assortment breadth and depth. Breadth refers to the number of different kinds of items while depth refers to different forms of the same item e.g. Sizes, colours and designs. Skills in demand forecasting will ensure availability of merchandise at all times and minimize expired consumable goods. Strategies on price have to be decided in relation to the target market, the product-and-service assortment mix, and competition. Most retailers fall into the high-markup, lower-volume group or the low-markup, higher-volume group (Kotler, 1999). Pricing tactics include putting low prices on some items to serve as traffic builders. Retailers also plan markdown on slower-moving merchandise. This way they attract price sensitive customers on a price 'deal'. Other customers look for exclusivity in a product and a low price might put them off by giving an impression of lower quality. For such items the retailer has to maintain high price regardless of its movement.

Communication strategies are aimed at generating traffic and purchases. They include placing advertisements, running special sales, issuing money saving coupons and running frequent shopper reward programs. Communication strategies also include training salespeople to greet customers, interpret their needs, and handle complaints. Store atmosphere and layout strategies aim at creating an 'image' for the store. This image creates a sensory reaction in the mind of a customer (Cox and Brittain, 2000). The store layout begins with the exterior side. Display on the windows indicates what items are found inside. An attractive window display will attract customers further into the store. A directional signboard is also helpful. The physical layout of the interior makes it easy or hard to move. The interior design needs to have the target customer in mind. It needs to be such that the customer feels at home and ready to purchase. The design of the shelves and arrangement of items there makes the items easy to notice.

Service strategies include pre-purchase, post-purchase, and ancillary services. Pre-purchase services include receiving orders either by telephone, e-mail or post. Post-purchase services include packaging, gift-wrapping, delivery, size adjustments, exchanges and accepting returns. Accepting credit cards and longer opening hours is a service to customers. Ability to handle complaints is also a service to customer. This gives them satisfaction and willingness to return. Further information on the item purchased will give reassurance to the customer. Hence the need to have enough staff for customers to be consult when necessary. Kotler (1999) says that in the past, retailers held their customers by offering convenient locations, special or unique assortment of goods, greater or better services than competition and store credit cards. Today they are anxious to find new marketing strategies to attract and hold customers. These include defining target market, product assortment, and procurement, service and store atmosphere, price, promotion and space.

1.3 Retailing and its Challenges

Whereas the manufacturing firm will specialize in a range of her own products, the retailer is expected to stock a whole range of products available in that market. This poses an even bigger challenge to formulate successful strategies in this sector. Davidson, Sweeney, and Stampfl (1984) say that the nature of retail business is highly competitive. This is compounded by customer expectations. Retailers must fulfil certain expectations that are relatively less important to other types of businesses. Customers need convenience in terms of location and hours. Other things being equal, they need to spend the least time to travel to the retail store. Days and hours of operation need to be convenient to the shopper. Store atmosphere need to be appropriate. Ambience for shopping should be one in which customers feel at home. Variety and availability of merchandise is of essence to customers. Other customers need further information on the items that they buy and personal interaction with store personnel gives more reassurance on the item(s) bought. This calls for more staff with appropriate product knowledge.

Currently, the Kenya government is keen on enforcing the rules on stamp duty. The rules require that any item sold whose worth is more than one hundred shillings must have a receipt issued on which a two-shilling stamp should be affixed. Akumu (2003) calls it a 'nuisance tax'. This is likely to complicate further the retail business since most retailers find even the Value Added Tax (VAT) to be enough burden.

The retail pharmacies have not been spared the retail challenges. Health Management Organizations (HMO) have introduced a new challenge to retail pharmacies by restricting their insured patients to certain pharmacies only. They do this by introducing a list of preferred providers, (Nyikal, 2001). This list consists of doctors and pharmacies that are chosen so as to reduce the cost of treatment and leave the HMO with higher profits. This is in total disregard of the quality of treatment. Rugendo (2000) says that the practice of community pharmacy in Kenya is at crossroads. As the demand for pharmaceutical services from an increasingly more educated and sophisticated populace rise, the retail pharmacies must think beyond mere supply of drugs. Their survival will depend on how well they understand their customer needs and how they tailor and differentiate their service offerings. Service delivery will be their source of competitive advantage.

Retail pharmacies in Kenya are continuously faced with new forms of competition. An increased number of medical clinics are now operating fully pledged pharmacies alongside the clinics. Previously such clinics only kept emergency medicines and issued out prescriptions after consultation. On the residential estates, many shops selling medicines have been set up. Such shops only have a sign saying "chemist" without indicating its name. Such shops are not registered and do not care for professionalism. Previously, wholesalers never used to sell medicine direct to retail customers. Nowadays it not unusual to find a wholesaler dispensing medicine direct to patients at wholesale prices. By doing this, the wholesalers undercut the retailers. Private hospitals that used to run private pharmacies to serve their hospital patients only are now dispensing prescriptions from elsewhere just like any other retail pharmacy.

1.4 Research Problem

Retail pharmaceutical firms in Kenya are faced with various retail challenges. These challenges include customer demands and expectations, government's laws and regulations, general economic decline, as well as orthodox and unorthodox intra-industry competition. Several registered and unregistered retail pharmacies have come up. Competition has also started coming from unusual sources like the medical clinics, private hospitals and nursing homes that now run pharmacies and sell medicines to anybody rather than just their private patients. Survival for the retail pharmacy sector calls for adoption of competitive strategies. Firms develop strategies to help them achieve competitive advantage. Strategies reflect both external as well as internal circumstances. What strategies are these retail pharmacies applying?

1.5 Research Objective

To establish the competitive strategies applied by the retail sector of the pharmaceutical industry in Nairobi.

1.6 Scope of the Study

Retail pharmacies are found in shopping centers and towns all over the country. This study involved such firms operating within Nairobi. The study was to investigate strategies currently being applied by players in this sector as far as competition is concerned.

1.7 Importance of the Study

This study will benefit various people. First, are the people directly involved in retail pharmacies either as owners or managers. These people will have a ready source of information on competitive strategies being applied in their industry sector.

Retail sectors of other industries will also benefit by gaining insight of competitive strategies being applied in the retail pharmacy sector.

Academically, this study will contribute to the existing knowledge in the field of strategic management in general and on competitive strategies in particular. It will also act as a stimulus for further research in the area of competitive strategies.

1.8 Organization of the Study

This project is made up of five chapters. Chapter one gives an introduction comprised of a background to the study, retailing strategies, retailing and its challenges, research problem and objective, and the scope and importance of the study. Chapter two is literature review on strategic management especially on competitive strategies applied by both local and international firms. It also gives an overview of the local retail pharmacy sector. Chapter three is on research methodology outlining the research design used, data collection and method of data analysis. Chapter four deals with the research findings, analysis and result presentation. Chapter five gives a summary of the study, conclusion and recommendation for further research.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

Strategy relates a firm to its environment. There are three levels of strategy: corporate strategy, business unit strategy, and operational strategy. Strategy serves as a guide to the organization on what it is the organization is trying to do and to achieve. Competition in any given industry is based on three generic strategies: cost leadership, differentiation, and focus strategy. Competitive strategies comprise both offensive and defensive action. Research has shown that in the face of competition, local firms have adopted various competitive strategies within their industry sectors. This research project set out to establish such strategies applied in the retail sector of the pharmaceutical industry in Nairobi. Retail pharmacies also need to have competitive strategies that they apply.

2.2 The Concept of Strategy.

According to Johnson and Scholes (1999 p.10), “strategy is the direction and scope of an organization over the long term, which achieves advantage for the organization through its configuration of resources within a changing environment, to meet the needs of the market and to fulfil stakeholder expectations”. Pearce and Robinson (2000 p.4) define strategy as a company’s “game plan.” They further say that by strategy, managers mean their large-scale, future-oriented plans for interacting with the competitive environment to achieve company objectives. Ansoff and McDonnell (1990 p.43) define strategy as “a set of decision-making rules for guidance of organizational behaviour”. Such rules are of four distinct types. First they are yardsticks by which present and future performance of the firm is measured (goals & objectives). Then there are rules for developing the firm’s relationship with its external environment (business

strategy). Next are rules for establishing the internal relations and processes within the organization (organizational concept). Finally there are rules by which the firm conducts its day-to-day business (operating policies).

There is no single definition of strategy. What emerges however is that strategy has to do with how a firm relates to its environment. This has to take into account the internal capabilities of the firm in relation to the external opportunities and threats. Whether at war or in business, strategy is all about winning against the enemy (competition). The success or failure of a strategy will depend on skillful formulation and effective implementation. All successful strategies have some common elements. Grant (1998) has summarized these elements in the following figure

Figure 1. The Common Elements of Successful Strategies



(Source: Grant 1998, P.10)

2.3 Levels of Strategy

Johnson and Scholes (1999), identifies three levels of strategy: corporate strategy, business unit strategy, and operational strategy. Corporate strategy is concerned with the overall purpose and scope of the organization to meet the expectations of the owners or major stakeholders and add value to the different parts of the enterprise. This level involves the top management of the firm, i.e. the chief executive officer and the board. Business unit strategy is about how to compete successfully in a particular market. It involves the person in charge of the business unit, e.g. the unit manager or the regional boss. Operational strategy is concerned with how the component parts of the organization in terms of resources, processes, people and their skills effectively deliver corporate and business-level strategic direction. This involves the day-to-day operations such as production efficiency and effectiveness. Thus whereas the corporate strategy and business strategy are more concerned with the general direction to be taken by the whole firm and the business unit respectively, operational strategy is more concerned with the steps necessary to reach the destination as per the direction taken.

2.4 Significance of Strategy

Thompson and Strickland (1996, p.19), quote an anonymous chief executive officer (CEO) of a successful company as saying, “in the main, our competitors are acquainted with the same fundamental concepts and techniques and approaches that we follow and they are as free to pursue them as we are. Most often than not, the difference between their level of success and ours lies in the relative thoroughness and self-discipline with which we and they develop and execute our strategies for the future”. Thus although information may be freely available in a given industry about the possibilities of success or failure, only those firms willing to formulate and implement winning strategies will survive and prosper. These firms will be the industry leaders.

Strategy provides an organization with a number of benefits. First, it provides better guidance to the entire organization on the crucial point of “what it is we are trying to do and to achieve”. It makes managers more alert to the winds of change, new opportunities, and threatening developments. Strategy provides managers with a rationale to evaluate competing budget requests for investment capital and new staff. It helps to unify the numerous strategy-related decisions by managers across the organization. Strategy creates a more “proactive” management posture, countering tendencies to be reactive and defensive – the key to better long-term performance. Aggressive pursuit of a creative, opportunistic strategy can propel a firm into a leadership position, paving the way for its product/service to become the industry standard, (Thompson and Strickland, 1996).

2.5 Porter’s Generic Model

The state of competition in an industry depends on five basic forces, (Porter, 1990). These forces include, bargaining power of suppliers, bargaining power of buyers, threat of substitute products, threat of new entrants, and jockeying for position among current competitors. Porter further suggests three generic strategies for competing within an industry. These are, cost leadership, differentiation, and focus. He calls them generic strategies because they can be applied to a firm in any industry. A cost leadership strategy is one in which a firm strives to have the lowest costs in the industry and offer its products or services to a broad market at the lowest prices. Characteristics of cost leadership include low level of differentiation, aim for average customer, use of knowledge gained from past production to lower production costs, and the addition of new product features only after the market demands them. Cost leadership has advantages. The cost advantage protects from new entrants. A price reduction can be used to protect from new entrants. The risk of cost leadership is that competitors may

leapfrog the technology, nullifying the firm's accumulated cost reductions. Other competitors may imitate the technology.

Differentiation strategy is one in which a firm offers products or services with unique features that customers value. The value added by the uniqueness lets the firm command a premium price. The key characteristic of differentiation strategy is perceived quality (whether real or not), (Coulter, 2002). This may be through superior product design, technology, customer service, dealer network or other dimensions. The advantage of differentiation is that perceived quality and brand loyalty insulates company from threats from any of the five forces that determine the state of competition in an industry. Price increases from powerful suppliers can be passed on to customers who are willing to pay. Buyers have only one source of supply. Brand loyalty protects from substitutes. Brand loyalty is also a barrier to new entrants. The risks to differentiation include imitation due to production technology. The "shelf life" of differentiation advantage is getting shorter and shorter. Customer tastes may also change and wipe out the competitive advantage.

Focus strategy involves targeting a particular market segment. This means serving the segment more efficiently and effectively than the competition. Focus strategy can be either a cost leadership or differentiation strategy aimed toward a narrow, focused market. Advantages of focus strategy include having power over buyers since the firm may be the only source of supply. Customer loyalty also protects from new entrants and substitute products. The firm adopting focus strategy can easily stay close to customers and monitor their needs. The risks involved in focus strategy include being at the mercy of powerful suppliers since such a firm will buy in small quantities. Small volume also mean higher production costs. Change in consumer tastes or a technological change could cause such a firm's niche to disappear. Cost leaders or big differentiators may also gain interest in a particular niche, eroding the advantage of the focusing firm, (Porter, 1990).

2.6 The External Environment and Strategy

The essence of formulating competitive strategy is to relate a company to its environment, (Porter, 1990). All organizations are environment dependent. They receive their inputs from the external environment. They process (transform) the inputs internally into various output products (the process called throughput). The output products are sent back to the external environment for consumption. Thus the organization cannot operate in disregard of the external environment. That's where it gets feedback on the availability of raw materials as well as the product features needed most by its customers. This way the organization can modify both its input requirements and the products it produces in order to meet the market needs. The environment of a firm is never constant. Customers' tastes and preferences keep changing. New players keep entering a given industry. Technology keeps evolving. Different environmental set-ups require different sets of strategies for a firm to succeed.

Ansoff and McDonnell (1990) say that the management system used by a firm is a determining component of the firm's responsiveness to environmental changes because it determines the way that management perceives environmental challenges, diagnosis their impact on the firm, decides what to do, and implements the decision. As the turbulence levels change, management develops systematic approaches to handling the increasing unpredictability, novelty and complexity. Management by control of performance can only be adequate when change is slow. When change accelerates, but the future remains predictable by extrapolation of the past, management by extrapolation can be applied. Management by anticipation is applicable where discontinuities appear but change, while rapid, is still slow enough to permit timely anticipation and response. Where many challenges develop too rapidly to permit timely anticipation, management is through flexible/rapid response.

When formulating strategy, a firm has to put into account the external environment in relation to its internal capabilities. The aim is to create a competitive advantage for the firm. Competitive advantage is having an edge over rivals in attracting customers and defending against competitive forces, (Johnson and Scholes, 1996). An organization will achieve competitive advantage through designing and implementing winning competitive strategies. Competitive strategies are those approaches and initiatives a firm takes to attract customers, withstand competitive pressures, and strengthen its market position. According to Coulter (2002), competitive strategy comprises both offensive and defensive actions. Offensive moves are those actions taken when an organization tries to exploit and strengthen its competitive position through attacks on a competitor's position. They include frontal assault: going head to head against a competitor in price, promotion, product features, and distribution channels. Other offensive actions are attack on a competitor's weaknesses e.g. by placing products where competitors do not compete, and all-out attack: hitting at competitors with similar products in the same market segment. Others are maneuvering around competitors and guerilla tactics: small, intermittent, seemingly random attacks that can wear down a competitor. Defensive moves on the other hand are meant a firm's competitive advantage. An example is counterattack. Others defensive tactics include giving competitors nothing to attack, e.g. by protecting products with patents, and having exclusive contracts with suppliers. Other defensive tactics include making competitors believe they will suffer if they attack as well as lowering the incentive to attack e.g. by lowering costs and hence prices. These actions could be either short-lived tactical maneuvers or long-term activities. There can be as many competitive strategies as there are competitors in a given industry. Kotler (1999) says that poor firms ignore their competitors, average firms copy their competitors, while winning firms lead their competitors.

2.7 Competitive Strategies among Local Firms

Nelson and Mwaura (1997) in a study of business strategies of medium-sized firms in Kenya found that respondents suffered a serious deficiency in marketing and customer-relation skills to handle competition at local and international levels. Some firms especially in the textile industry were forced by competition to divest and invest in other product lines where competition was less severe. Other firms had to resort to more ingenious and subtle forms of competition such as quality and flexible services. Quality and flexibility have a personal touch, which is unique to each firm and cannot be replicated.

In the motor industry, Kombo (1997) found that due to economic reforms in the country, firms had to make substantial adjustments in their strategic variables in order to survive in the competitive environment. The firms introduced new techniques in product development, differentiated their products, segmented and targeted their customers more, and improved customer service. In a study of strategic responses by firms facing changed competitive conditions, Njau (2000) found that competition led to changes in the company philosophies of East African Breweries Limited (EABL), all aimed at serving the customer better and increase sales. The priority of the company's goals has been significantly changed from growth and profitability to survival. Marketing and research and development policies have been significantly strengthened. It is worth noting that since this study was done, EABL's main challenger then, the Castle Breweries of South Africa, has closed its operations in the Kenyan market.

Mbayah (2001) says that prior to 1998, Internet Service Providers (ISPs) in Kenya operated in a fairly stable environment. They were few and demand for their services was very high. A customer remained on an account with a given ISP no matter how bad the service and no matter the cost. By the year 2000, the number of players more than doubled. Top management had to think of new strategies for

survival amidst the competition. Marketing and customer service became a priority.

Karemu (1993) in a study of the state of strategic management in the retail sector, found that there was intense competition among the supermarkets in Nairobi. The study found that service, location, and varieties of merchandise were most mentioned as creating competitive advantage. In a study of real estate firm in Kenya, Karanja (2002) found that increase in the number of players has led to increased competition. The most popular type of competitive strategy was on the basis of focused differentiation. Firms tended to target certain level of clients especially the middle and upper class who resided in certain targeted estates. Ngatia (2000) in a comparative study of service providers and customer perception of service quality in the retailing industry summarizes several authors by saying that there is consensus that the retailing strategy to create a competitive advantage is through delivery of high quality of service. In a study of competitive strategies applied by commercial banks, Gathoga (2001) concludes that the banks have adopted various competitive strategies, which include delivery of quality service at competitive prices and at appropriate locations. In a case study of one Kenyan retail pharmaceutical firm, Mukuria (2002) concludes that the key strategic response to competition centers on customer care.

All these studies indicate that Kenyan firms are increasingly faced with competition. Competition has led local firms to adopt various strategic responses. They have devised various competitive strategies to survive. Some of these strategies are common across the various industries. Others are quite unique to each industry. This study aimed at establishing such strategies being applied in the retail pharmacy sector.

2.8 The Retail Pharmacy Sector

In Kenya the pharmaceutical industry comprises of the industrial sector (manufactures), the hospital sector, the public sector (government), and the retail sector (pharmacies or chemists). The retail sector is made up of shops that stock various types of medicines (drugs). Besides medicines, the pharmacies also stock surgical items such as clutches, blood pressure measuring machines, stethoscopes, and wheelchairs. Most pharmacies also stock cosmetic items such as skin lotions, hair treatments, soaps and perfumes.

The sale of medicines in Kenya is regulated by the ministry of health through the Pharmacy and Poisons Act, Chapter 244 of the laws of Kenya, (Government of Kenya, 1989). To operate a retail pharmacy requires registration by the Pharmacy and Poisons Board. The process of registration involves the inspection of the premises where the business is to be carried on. The drug inspectors of the Ministry of Health, or the district or provincial pharmacist do this inspection. They check for the design of the shop, ventilation, availability of water, lockable cupboards etc. If the premise is approved, the applicant is required to furnish the Ministry with the details of the pharmacist who will be in charge of all the operations (Superintendent Pharmacist). He/she should not be acting in a similar capacity elsewhere. This is done in order to ensure that the pharmacist is personally responsible for the professional ethics for each pharmacy.

In recent years, the Pharmaceutical Society of Kenya (PSK) has emphasized the issue of ethics through the use of the Green Cross. This is an outward sign on those pharmacies that are certified by the society as being ethically ran (Muraah, 2001; Murichu, 1999). The particular pharmacy will conspicuously display the green cross supplied by the Society and bearing the pharmacist's registration number. This enables the members of the public to easily identify such chemists as well as report any unprofessional activities direct to the Society quoting the pharmacist's registration number.

Retail pharmacies are found in all major towns and most shopping centers. They differ in size and their level of operations. Those in town centers tend to be bigger in size. They also stock a wider range of medicines and other merchandise found in pharmacies. The smaller pharmacies will only stock the requirement for their regular customers. For the rest of the items they are referred to the more established pharmacies. By the year 2001, there were 3500 registered pharmacies in Kenya (Mukuria 2002). Today there are many more, together with many others that have no registration. Considering Kenya's population of 30 million, one pharmacy serves 8570 people. China, with a population of 1.3 billion has 120,000 pharmacies (Zakresky and He 2001). This translates to one pharmacy to 10,830 people. This means the pharmacy density is higher in Kenya than in China. Consequently, the competition among Kenyan pharmacies will be high. To cope with this competition, Kenyan retail pharmacies need to have some competitive strategies that they apply.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

A cross-sectional survey was carried out. The 362 pharmacies in Nairobi were grouped into four geographical locations and a stratified sample taken. Data was obtained using a questionnaire composed of both open-ended and closed questions. The data obtained was analyzed using both content analyzes and descriptive statistics. Comparisons were also made to find out if there was any relation between the strategy chosen and the location, size, age, and complexity of operation of the various pharmacies.

3.2 Research Design

This study intended to establish the competitive strategies applied by the retail pharmacy sector in Nairobi. This meant collection of data from several pharmacies in the city. To achieve this, a cross-sectional survey was considered most appropriate. This research design was chosen in order to provide broad and generalized information about the pharmacy retail sector in Nairobi as a whole.

3.3 Population

There are 362 pharmacies in Nairobi city alone today, (appendix 2). These pharmacies constituted the population for this study. The pharmacies are spread all over Nairobi, as is the case with those in other towns. Most of the main buildings in the city center have a pharmacy as one of the shops. The trend is similar in the city's suburbs, in the residential areas and in all the main shopping malls. There is diversity in size of the various pharmacies. Some are big in terms of space occupied and the merchandise stocked, while others are quite small.

3.4 Sample

Roscoe (1975) proposes that sample size larger than 30 and less than 500 are appropriate for most research. In order to complete this research within the time allocated a sample of 40 was considered out of which 35 responded. The sampling method used was stratified sampling. The pharmacies in the population were grouped into four geographical locations, (Appendix 2). A simple random sample was then taken within each stratum. The number of pharmacies per stratum was obtained in proportion to the total number in the population. For example, central CBD had 44 pharmacies out of a total of 362 in the population. To get the number of pharmacies from CBD in the sample of 40, 44 was divided by 362 and multiplied by 40, i.e. $(44 \div 362) \times 40 = 5$. The corresponding figures for the other locations are, Outer CBD 6, major shopping centers 3, and the estates 26 (out of which 21 responded).

3.5 Data Collection

Primary data was collected using a questionnaire. The questionnaire comprised both open-ended and closed questions. The questionnaire was administered through personal interviews with the directors or managers of the retail pharmacies in the sample. The in-depth personal interviews were to allow the respondents to reveal the competitive strategies they apply, some of which may be unique to them.

3.6 Data Analysis

Data collected was both qualitative and quantitative. The data was analyzed using content analysis as well as descriptive statistics. Comparisons were then made to find out if any relationship exists between the strategy chosen and the location, size, age and the complexity of operations of the various pharmacies.

CHAPTER FOUR

RESEARCH RESULTS AND ANALYSIS

4.1 Introduction

This chapter lays out the results of the study. It begins with a description of the nature of retail pharmacy firms in Nairobi (firm profiles) in terms of age, size, and number of employees. Then the state of competition and the methods of strategy formulation in this sector are described. Both general and specific competitive retail strategies applied by retail pharmacies in Nairobi are also described. Finally the challenges faced by retail pharmacies in Nairobi are described.

4.2 Firm Profiles

4.2.1 Age

The retail pharmacies surveyed ranged in age from one (1) to thirty-one (31) years of operation. The majority, 69% were not more than ten (10) years old, (Table 1). The older pharmacies tended to be in the central business district and the main shopping centers.

Table 1. Number of years the firm has been in operation.

No. of Years	Number of Respondents	Percentage (%)
Up to 5	10	29
6 to 10	14	40
Above 10	11	31
Total	35	100

(Source: Research data)

4.2.2 Size

The majority of the pharmacies were less than 500 square feet in size (66%), (Table 2). This is in contrast to most other industries where firms usually require larger premises.

Table 2. The size of the firm

Size (square feet)	No. of Respondents	Percentage (%)
Up to 500	23	66
Above 500	12	34
Total	35	100

(Source: Research data)

4.2.3 Number of employees

66% of the pharmacies had no more than five (5) employees. 28% had six (6) to ten (10) employees and only 6% had more than ten (10) employees. Thus retail pharmacies can be termed as small businesses.

4.3 State of competition

All the respondents stated experiencing competition. 77% of them said that competition in the retail pharmacy sector is very stiff, (Table 3).

Table 3. The state of competition among retail pharmacies

State of Competition	No. of Respondents	Percentage (%)
Very Stiff	27	77
Stiff	4	11.5
Fairy Stiff	4	11.5
Total	35	100

(Source: Research data)

4.4 Strategy Formulation

All respondents indicated that they have some vision and mission statements. However non had them in written form. They were just implied in their operations. The method of strategy formulation was mainly informal, that is the responsibility of some individual(s) and without elaborate documentation. This could be because of the nature of their ownership. The majority are family businesses usually controlled by one or two individuals even where the pharmacy is a limited liability company. Only one pharmacy responded to having formal process of strategy formulation through meetings and elaborate documentation. Its ownership structure revealed that it is a limited liability company with more than three equal shareholders.

4.5 General Competitive Strategies

4.5.1 Cost strategies

All respondents stated that their customers demand for price discounts. The nature of this demand ranges from fairly serious to very serious. 80% of respondents reported that customer were very serious in their demand. The seriousness of the demand means that should the discount be ignored, the customer may not purchase or may purchase for that day and never return for repeat purchase. Retail pharmacies have profit margin of 25% of the retail price. This profit margin is continuously being eroded by the customer demand for price discount. This demand originates from some wholesalers who have been undercutting retailers by offering lower prices to the final consumer. Table 4 below shows the kind of discounts being offered by retail pharmacies in Nairobi.

Table 4. Amounts of price discounts offered

Discount	Respondents	Percentage (%)
Up-to 5%	0	0
Up-to 10%	11	31
Up-to 15%	17	49
Up-to 20%	7	20
Total	35	100

(Source: Research data)

Price was considered by all as an important factor in attracting and maintaining customers. 21 respondents (60%) said that price was very important in attracting and maintaining customers. 20% said price was important while another 20% said it was fairly important. Thus cost leadership is a major competitive strategy in the retail pharmacy sector.

With profit margins going down the pharmacies have turned to cost cutting measures. These include minimizing costs on electricity, telephone, and staff costs by maintaining an optimal number of staff members. Negotiating with suppliers for bigger discounts and with landlords for lower rents has been undertaken. Measures to increase turnover have also been applied. These include longer opening hours. Some pharmacies especially in Westlands (a major shopping center) are open up midnight. Seeking corporate customers was seen as a way of increasing sales as well as reducing on the discount demands. Corporate customers usually have their medicine dispensed on account and their company pays on monthly basis. This means that individual customers do not demand for discounts. If any, this is negotiated directly with the company and is fixed, usually at no more than ten percent (10%). Other cost cutting measures include reducing on expiring merchandize by making smaller but frequent purchases and checking on product movements to minimize pilferage.

4.5.2 Differentiation

All respondents indicated that they attempt to create a unique image of their pharmacies. Since they all sell similar products, differentiation was mainly on service. This included making products available at all times. Also the range of the medicines should as large as possible. These should be dispensed quickly without making patients wait unnecessarily. Many customers prefer to make a purchase at one shop. Thus a customer whose prescription is of three medicines but finds one missing at a given pharmacy may opt not to buy even the other two at that shop. A pharmacy that creates an image of having all medicines at all times and in sufficient quantities will have an edge over the others.

Ability to offer professional advice is another differentiating factor. Patients often forget to inform their prescribing doctor of some other medicine they are taking or have taken in the last few days and may want some reassurance from the pharmacy that no interactions will take place. In other cases a patient may want to purchase some over the counter medicine direct from the pharmacy. Both of these cases require a professionally ran pharmacy with a qualified pharmacist. Computer labeling of prescriptions and printing packaging materials with own label creates an image of an up-market pharmacy.

4.5.3 Focus

The pharmacies surveyed indicated using focus strategy to a very limited extent. It was mainly limited to customers who seek credit facilities. However there was no guarantee that such customers do not purchase by cash elsewhere. The other form of focus strategy was on corporate customers. However these are mainly served through health management organizations (HMO). Each corporate customer will be served by a number of pharmacies.

4.6 Specific Retail Strategies

4.6.1 Location

To determine the most important factor in the choice of location for their pharmacy, respondents were asked to allocate weights to the different factors. A five point Likert scale was used to assign weights from 1 to 5 where 1= Not important to 5= Most important. The mean weight for each factor was calculated by multiplying each weight (X) by its frequency (f) to get the sum (Xf). The total sum for each factor was then divided by the total number of respondents to obtain its mean weight. The results show that the most important factor in choosing the location of a pharmacy was the area population followed by human traffic in the area, (Table 5).

Table 5. Factors determining location of pharmacies

Determining Factor	Mean Weight
Rent	3.4
Human Traffic	4.3
Area Population	4.4
Economic Class	4.4
Distance to Next Pharmacy	2.3
Security	3.5
Distance to Home	1.6

(Source: Research data)

The location is chosen such that even where the population is large, the people should easily access the pharmacy. Thus ground floor shops are preferred to shops on higher floors. Even within a building the shops facing a main street are preferred to shops facing the backside. Areas near bus stops tend to have a higher concentration of pharmacies due to the flow of human traffic. Examples include Accra road and Gill house areas.

4.6.2 Merchandise

The range of branded medicines in the Kenyan market is very large. Moreover for each brand there are several generic brands. Some doctors prescribe medicines by their brand names while some use the generic names. The latter category can be substituted while the former cannot. This means that a pharmacy wishing to serve as many prescriptions as possible must also stock as many brands as possible. All the respondents (100%) reported that the range of generic medicines for each branded product in Kenya is too big. Only 31% of respondents reported that they try to stock all these brands. The other 69% reported that they only keep the commonly prescribed ones. They do this in order to avoid medicines expiring on their shelves. Some of these generic medicines are promoted to the prescribing doctor for the first few days after the launch. After that no more prescriptions are seen.

The price margin between manufactures and wholesalers and between wholesalers and retailers in Kenya is fixed at 15% and 25% respectively. Thus the source of medicines may determine the profit margin of a retailer. 27 respondents or 77% reported buying their medicines from wholesalers only. They couldn't afford to buy the quantities required by manufacturers. Besides medicines the other items stocked in pharmacies included cosmetics. This was reported in all the pharmacies surveyed. The reason given was that most customers preferred buying smaller cosmetic items from the pharmacies than from supermarkets and other shops. Other types of merchandize included surgical items like dressings, blood sugar measuring strips and machines, blood pressure machines, clutches etc. Other items include mobile phones and telephone scratch cards.

4.6.3 Store Atmosphere and service

Store atmosphere determines how much a customer feels 'at home' in a given shop. The pharmacies surveyed stated having taken various measures to improve on their store atmosphere. These measures include cleanliness, enough lighting, attractive counter displays, attractive staff uniform, window displays, signboards, as well as general store layout. Cleanliness of the premises was considered most important, (Table 6).

Table 6. Factors determining store atmosphere

Determinants of Store Atmosphere	Mean Score
Enough Light	4.0
Clean Premises	4.4
Attractive Staff Uniform	3.8
Motivated Staff	4.7
Attractive Counter Display	3.7
Customer Service	4.8
Window Display	3.3
Sign Board	3.1

(Source: Research data)

Overall customer service, with a mean score of 4.8, was considered the most important factor as far as the image a pharmacy is concerned. Motivated staff closely followed this. Motivated staffs are more likely to offer better customer service.

4.6.4 Communication

Communication strategies aim at generating traffic to the store as well as purchases. The pharmacy sector is restricted as far as advertising is concerned (government of Kenya, 1989). Thus advertisements in newspapers, radio and television are limited to very general statements. Advertisements in professional journals are allowed. However not many pharmacies take this option since the circulation of the magazine to the general public who are the real customers is limited. This leaves pharmacies with the option of road signs and canopy signs. All respondents indicated using canopy sign as an advertisement. A few of them used road signs and professional magazines. Thus communication in the retail pharmacy sector is mainly direct with the customers in the shop. This calls for well informed staff members who are able to identify customer needs and satisfy them in the best way possible.

4.7 Challenges

Retail pharmacies are faced with several challenges. The most commonly mentioned is unethical competition. The Pharmacy and Poisons Board regulate retail pharmacies. The Board uses drug inspectors to enforce its regulations. This enforcement has not been strict. In the past even the drug inspectors have been a stumbling block to the smooth operating of pharmacies by intimidating pharmacists over petty offences. The table 7 below summarizes these challenges.

Table 7. Challenges facing retail pharmacies

Challenging Factor	Mean Score
Undercutting	4.5
Too Many Brands	4.0
Unlicensed Pharmacies	3.9
Too Many Pharmacies	3.8
Dispensing Medical Practitioners	3.2
Personnel Costs	3.1

(Source: Research data)

The study revealed that the most challenging issue to the retail pharmacies was undercutting in price. On a scale of 1 to 5 where 1= Least frustrating to 5=most frustrating, undercutting scored an average of 4.5. The other frustrating issues in a descending order of importance are; too many brands in the market, unlicensed pharmacies, too many pharmacies and competition from dispensing medical practitioners.

Undercutting on prices and the mushrooming of pharmacies are closely related. Where there are too many competitors and the market is not expanding the tendency is to compete on price. In the process the competitors reduce their profit margins. In some cases retailers are forced to sell at cost just to maintain their customers. The large number of brands in the market is another challenge. To stock all these brands would mean tying a lot of money on stocks. This increases the chances of bigger loss in case of theft or pilferage. Larger stocks also mean higher insurance premiums. This reduces profitability of the firm. The possibility of medicines expiring is also higher with larger stocks. The pharmacy is faced with the choice between not stocking all brands and missing on some prescriptions or stocking all with the above mentioned risks. Coupled with this is the issue of medical practitioners dispensing directly to their patients. This reduces the number of prescriptions finally reaching the pharmacy.

Insecurity is now becoming a challenging factor. The number of robberies on Nairobi pharmacies has been increasing. To cope the pharmacies have to take higher insurance

covers for the premises and staff besides installing alarm systems. Insecurity has forced many pharmacies to reduce their operating hours especially in the evening. Even areas where business can continue past 9.00 p.m. the pharmacy may close as early as 6.00 p.m. as a security measure.

Personnel costs for a pharmacy are high. Qualified personnel who can run a pharmacy professionally demand a handsome pay package. Besides the pay is the possibility of pilferage. Most pharmacies lack the technology to monitor their stocks closely. Thus the possibility of staff members pinching some small but expensive items exists. A way of avoiding this is by employing staff on trust basis and paying them well.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Summary

The majority of the pharmacies in Nairobi are not more than ten years old. Most of them, 66% are less than 500 square feet in size. The larger pharmacies were mainly in the central business district and the main shopping centers. They employ relatively small number of staff members with 66% of them employing not more than five employees. The state of competition among these pharmacies is very stiff. They formulate their strategy in an informal manner may be owing to the nature of their ownership which is mainly family businesses. Cost leadership is a major competitive strategy among retail pharmacies in Nairobi. This has reduced their profit margins leading to cost cutting measures. These measures include minimizing costs on electricity, telephone and staff members. Measures to improve sale have been negotiating with suppliers for bigger discounts, opening longer hours, seeking corporate customers, and minimizing on pilferage and expiring medicines. Differentiation strategies have mainly involved service. This has been by ensuring availability of a wide range of medicines, quick service and professional advice where necessary. Focus strategies have least been applied may be due to nature of the industry. They have been limited to serving certain individual customers on credit as well as corporate customer who may also be served by a few other pharmacies.

Specific retail strategies have included the choice of location. The most important factor in the choice of location for the pharmacy was the area population followed by human traffic flow in the area. The range of branded medicines in Kenya is very large. 69% of the respondents reported stocking only the commonly prescribed medicines in order to avoid medicines expiring on their shelves. 77% of the respondents reported purchasing their medicines from wholesalers only since manufacturers have a minimum quantity that they can agree to sell. This quantity is usually too large for most retailers. Apart from medicines the pharmacies are also stocking cosmetics, surgical items, diagnostic items,

mobile phones and their scratch cards. To improve the store atmosphere pharmacies ensured cleanliness of premises, enough lighting, attractive counters displays, attractive staff uniforms, window display, canopy and road signboards, as well as general store layout. Customer service was considered the most important factor as far as the image of a pharmacy is concerned. This can only come from well-motivated staff. The government restricts advertising for pharmacies. This limits their communication strategies to road signs, canopy signs, and to one to one communications with customers within the pharmacy.

Retail pharmacies face several challenges. The most commonly mentioned is unethical competition. The large number of branded medicines makes it difficult for most pharmacies to stock them all. Unlicensed pharmacies have added to the already large number of pharmacies in operation. This high number coupled with dispensing medical practitioners has led to price undercutting in this sector. Other challenges to retail pharmacies include high insecurity and high personnel costs.

5.2 Conclusion

Retail pharmacies in Nairobi are having competitive strategies that they apply in order to survive in their industry sector. They formulate strategies but in an informal manner. Both general and specific retail strategies are applied in this sector. The strategies applied seem very similar throughout the sector without any major differences between the geographical zones surveyed. As in any other industry, the retail pharmacy sector is faced with various challenges the main one being undercutting on prices.

5.3 Recommendation

This study involved only 35 pharmacies out of a total of 362 pharmacies. A study involving more pharmacies may be more accurately generalized. The study was also limited to those pharmacies that are purely retailers. Some pharmacies are both retailers as well as wholesalers. A study involving these other pharmacies may reveal further competitive strategies since the line between wholesalers and retailers is becoming narrower.

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Strategy Formulation

7. (a) Does your pharmacy have (i) vision statement? Yes () No ()
(ii) Mission statement? Yes () No ()
(b) Are the above statements in written form or implied in your operations?
Written () Implied ()
8. How can you describe your process of strategy formulation?
() Formal, i.e through meetings and elaborate documentation
() Informal, i.e the responsibility of some individuals and without elaborate documentation.
- 9 (a) Does your pharmacy experience any changes in the levels of competition in your sector?
Yes () No ()
(b) How would you rate the state of competition in the retail pharmacy sector?
Very stiff () Stiff ()
Fairly Stiff () Not Stiff ()
Not Sure ()

Cost Strategies

- 10 (a) Do your customers demand for price discounts?
Yes () No ()
(b) If yes, how serious do you think they are?
Very serious () Fairly Serious ()
Serious () Not Serious ()
Don't Know ()
- 11 (a) Do you give your customers price discounts?
Yes () No ()

(b) If yes, how much discount do you give them?

- Up to 5% () Up to 10% ()
 Up to 15% () Up to 20% ()
 Above 20% ()

12 How important do you think a lower price is in attracting and maintaining customers?

- Very important () Fairly Important ()
 Important () Not Important ()
 Don't Know ()

13 One way of improving profits is by minimizing costs. What are the ways in which your pharmacy minimizes costs in order to improve your profits?

14 How do you try improving your sales? (Use a scale of 1 to 5 with 5= very important and 1= least important).

	1	2	3	4	5
Longer opening hours					
Seeking corporate customers					
Keeping High Stocks					
Keeping variety merchandize					
Having many staff members					
Extra Services e.g. photocopying,					
Canvassing for prescriptions					
Low prices					
Any other activities _____					

Differentiation

15 (a) Do you try to create a unique image of your pharmacy to your customers?

- Yes () No ()

(b) What are the ways in which you do this?

16 How much do you think the following help in distinguishing your pharmacy from the others? (Use a scale of 1 to 5, where 5= Most important and 1= Least important)

	1	2	3	4	5
Printed Packaging Materials					
Printed Prescription Pads					
Presence of Pharmacist					
Computer Labeling					

17 Some pharmacies are known to carry out laboratory tests for their customers at a fee. What is your opinion about pharmacies carrying on such activities?

18 What are your views on the requirement that every pharmacy should have a superintendent pharmacist at all times?

Focus

19 (a) Is there any category of customers who rely on their need for medicines almost exclusively on you?

Yes () No ()

(b) If yes, how do you ensure that you retain their loyalty?

20 What are the ways in which you would go about acquiring a category of customers?

Location

21 How much does each of the following determine the location of your Pharmacy or Pharmacies? (Use a scale of five where, 5= Very important, to 1= Not important).

1 2 3 4 5

Rent					
Human traffic					
Area population					
Economic class					
Distance to next pharmacy					
Security					
Distance to home					

Merchandise

22 (a) What is your view on the range of generic medicines available for each branded product in the Kenyan market?

Too big () Too small () Just adequate ()

(b) Do you aim to stock the full range of medicines available on the Kenyan market or just the commonly prescribed ones? Please explain your choice.

All () Commonly prescribed ()

23 Where do you buy your stocks?

Manufacturers () Wholesalers () Both ()

24 Other than medicines, what else do you stock in your pharmacy? Please explain your choice of what you stock.

Store Atmosphere and Service

25 How important are the following as far as the image of a pharmacy is concerned?

(Use a scale of 1 to 5, where 5=Most important and 1=Not important)

	1	2	3	4	5
Enough Light					
Clean Premises					
Attractive Staff Uniform					
Motivated Staff					
Attractive Counter Displays					
Customer Service					
Window Display					
Sign Board					
General Layout					

Communication

26 How do you inform people about your presence and services? Please tick.

- Radio advertisement ()
- Television Ads ()
- Road signboard ()
- Canopy Signboard ()
- Newspaper Ads ()
- Professional Magazine ()
- Running In-store Sales ()

Constraints

26 What are some of the problems you encounter in operating in the retail pharmacy sector?

27 How would you rate the following in terms of hindering the growth of your pharmacy?

(Use a scale of 1 to 5 where 5=Most frustrating and 1=Not frustrating).

	1	2	3	4	5
Too Many Brands					
Lack of Credit Facilities					
Registration Requirements					
Unlicensed Pharmacies					
Dispensing Medical Practitioners					
Drug Inspectors					
Too Many Pharmacies					
Distance to Next Pharmacy					
Insecurity					
Personnel Costs					
Undercutting by Wholesalers					
Pilferage					
Stocks Expiring					
Demand for Discounts					

Any others _____

APPENDIX 2

RETAIL PHARMACIES IN NAIROBI (362)

1 Central CBD (44 Pharmacies)

Mendeleo Pharmacy	Healthlife Pharmacy	Darol Pharmaceuticals
Metropolitan Chemist	Rosegate Pharmacy	Arrow Chemist
Highfields Pharmaceuticals	Sonesta Pharmacy	Portal Pharmacy
Sears Pharmacy	Lemuma Pharmacy	Prime Pharmacy
Damco Pharmacy	Globalmed Pharmacy	Chemitex Chemist
Pharmafrica (K) Ltd	Chhanis Pharmacy	Jacaranda Chemist
Pentapharm (Kimathi Hse)	Pentapharm (Corner Hse)	Kam Pharmacy (IPS Hse)
Kam Pharmacy(Cargen Hse)	Newmark Pharmaceuticals	Thorntree Pharmacy
Nature Pharmacy	Mansion Chemists	Fedha Pharmacy
Avenue Pharmacy	Montel Pharmacy	Pekan Pharmacy
Rup Pharmacy	Weston Chemist	Edwan Pharmacy
Rhino Chemists	Continental Chemists	City Square Pharmacy
Malibu Pharmacy	Easton Pharmacy	Inkamed Pharmaceuticals
Ooty Pharmacy	Pharmatrade Chemist	IPA Laboratories
Lyntons Pharmacy	Kilimanjaro Chemist	

2 Outer CBD (53 Pharmacies)

Bells Pharmacy	Sylvia Pharmacy	Rence Pharmacy
Medipharm	Transwide Pharmacy	Nairobi Medical Stores
Gentur Pharmacy	Malibu Pharmacy	Mfangano Pharmaceuticals
Lemuma Pharmacy(KTDA)	Kavakara Pharmacy	Leni Pharmacy
Zena Pharmacy	Redhill Pharmacy	Belova Pharmacy
Garberobe Pharmacy	Haripharm Pharmacy	Kimton Pharmacy
Nila Pharmacy	Salama Pharmaceuticals	Vidonge Pharmacy
Nickpharm Pharmacy	Shamchem Pharmacy	Umoja Pharmacy
National Pharmacy	Metro Pharmacy	Sonachem pharmacy
Poemes Pharmacy	Northern Pharmacy	Riverlyne Pharmacy
Karuri Stores	Leki Pharmacy	Modana Pharmacy
Temple Store	Transchem Pharmacy	Racecourse Pharmacy
Ghadan Pharmacy	Vantage Pharmacy	Jumbo Pharmacy
Theluji Pharmacy	Citizen Pharmacy	Lemuma Pharmacy (Gill Hse)
Pentapharm	Troy Pharmacy	Arias Pharmacy
Pamstech Pharmacy	Cedar Pharmacare	Kipande Chemists
Jey's Pharmacy	Benmed Pharmacy	Maston Pharmacy
Danchem Pharmacy	Parth Pharmaceuticals	

3 Major Shopping Centers (27 Pharmacies)

Westlands:

Shah Chemists	Dan Pharmacy	Kings Healthcare
Shields Pharmaceuticals	Westlands medical Stores	Lyntons Pharmacy
Shrij Chemists	Ron Pharmacy	Pamstech Pharmacy
Kam Pharmacy	Parmart Pharmacy	Step Pharmacy
Brand Pharmacy	Ram Pharmacy	ABC Pharmacy
Beladona Pharmacy	Lady Mira Chemists	Pharmaceutica Chemists
Rosegate Chemists	Sokoro Pharmaceutical	Inkamed Pharmaceuticals
Weematallah Pharmacy	Rachie Chemists	Wanzalo Chemists
Jan Pharmaceuticals	Ridge Chemists	Yaya Chemists

4 Estates (238 Pharmacies)

Dalama Chemists	Faith Chemist	Agape Pharmacy
Parachem Chemist	Eagle Chemist	Basra Chemist
Haven Chemist	Wilhma Chemist	Roni Pharmacy
Tagwa Pharmacy	Uruba Pharmacy	Mecca Pharmacy
Brixitone Pharmacy	Regional Pharmacy	Al-Abra Pharmacy
Shifa Pharmacy	Rings Pharmacy	Serian Pharmacy
Racmes Pharmacy	Jubba Pharmacy	Tartar Chemist
Kaweru Pharmacy	Tawakal Chemist	Marero Pharmacy
Luberta Pharmacy	Geel Pharmacy	Mutithi Pharmacy
Njimia Pharmacy	Surgik Pharmaceuticals	Docare Chemist
Eastleigh Pharmacy	Eastland Pharmacy	Zenith Pharmacy
Bricks Pharmacy	Atropa Pharmacy	Across Kenya Pharmacy
Zodiac Pharmacy	Petripharm Chemist	Sixteenth Street Chemist
Ngendwa Chemist	Lobela Pharmacy	Green Pharmacy
Martian Pharmacy	Komarock Pharmacy	Willima Pharmacy
Ketra Pharmacy	Zanaki Pharmacy	Egoji Chemist
Hakati Pharmacy	Mariwan Pharmacy	Ujuzi Pharmacy
Beadoms Pharmacy	Tricity Pharmacy	Trevor Pharmacy
Jenmak Pharmacy	Dishchem Chemist	Samchem Chemist
Skims Pharmacy	Erine Pharmacy	Ravan Pharmacy
Kemat Pharmacy	Salama Medical Stores	Donholm Pharmacy
Jobipharma Chemist	Gelma Chemist	Getwell soon Chemist
Kaypharm Chemist	Gucci Pharmaceuticals	Autochem Pharmacy
Zarus Pharmacy	Lifemed Pharmacy	Vimage Pharmacy
Timex Chemist	Aim Pharmacy	Umoja Pharmaceuticals
Equinpharma Chemist	Jani Chemist	Barichem Pharmacy
Rence Pharmacy	Slopes Chemist	Don's Chemist
Leki Pharmacy	Pole Pole Chemist	Karwa Pharmacy
Woods Pharmacy	Prulen Pharmacy	Tuliza Pharmacy
Mosel Pharmacy	Wade Pharmacy	Belea Pharmacy

Fadhili Pharmacy	Medichem Pharmacy	Glorypharm Pharmacy
Meca Chemist	Tricity Pharmacy	Wannane Chemist
Rings Pharmacy	Outer Pharmacy	Simrose Chemist
Phoenix Pharmacy	Hakati Chemist	Raphar Chemist
Tower Chemist	Canaan Pharmacy	Edwan Pharmacy
Dor Drug Store	Nature Pharmacy	Sunmed Pharmacy
Jamar Pharmacy	Cornerstone Pharmacy	Rabai Pharmaceuticals
Porters Pharmacy	Patru Pharmacy	Maringo Chemist
Lexus Pharmacy	Octapharm Pharmacy	Gita Pharmacy
Jap Pharmacy	Narwa Chemist	Minah Chemist
Pidok Pharmacy	Ndichem Pharmacy	Liki Pharmacy
Afromed Chemist	Dandora Pharmacy	Plaza Chemist
Wanyogithi Chemist	Pona Chemist	Hichem Chemist
Finerate Chemist	Patlin Pharmaceuticals	EMS' Pharmacy
Haven Chemist	Denmar Chemist	Benda Pharmacy
Drughill Pharmacy	Rendezvous Chemist	Puriza Chemist
Gulmed Pharmacy	Liki Pharmacy	Huruma Pharmacy
Bantex Pharmacy	Kahegi Pharmaceuticals	Gambogi Chemist
Aquitania Pharmacy	Saleda Chemist	Kims Chemist
Valley Pharmacy	Raja Chemist	Lome Pharmacy
Enwa Pharmaceuticals	Celestial Pharmacy	Edva Pharmacy
Roysambu Chemist	Kamuka Pharmacy	Medipoint Pharmacy
Medichem Pharmacy	Nep Pharmacy	Wanane Chemist
Med-Aid Pharmacy	Lifeline Pharmacy	Rugi Chemist
West Pharmacy	Joy Pharmacy	Funguo Chemist
Mawa Pharmacy	Solace Pharmacy	Vineyard Chemist
Pangani Chemist	Juna Pharmaceuticals	Eddies Chemist
Soan Pharmacy	Mfangano Pharmaceuticals	Jey's Pharmacy
Kumi Pharmaceuticals	Suprina Pharmacy	Russel Pharmacy
Shriji Pharmacy	Nilson Pharmaceuticals	Calwin Pharmacy
Maghreb Pharmacy	Step Pharmacy	Orchid Pharmacy
Highridge Pharmacy	Ridge Chemist	Orynx Pharmacy
South B Chemist	Wanna Chemist	Guardian Chemist
IPA Laboratories	Southlands Pharmaceuticals	Pima Pharmacy
Newmark Pharmaceuticals	South C Pharmacy	Southern Healthcare
Benuna Chemist	Orshe Pharmacy	Neighbours Pharmacy
Nyamoro Pharmaceuticals	Jambo Medical Stores	Eminent Healthcare
Denken Pharmacy	Meads Pharmacy	Host Pharmacy
Karoga Pharmacy	Solai Pharmacy	Tarisa Chemist
Benuna Chemist	Grand Pharmacy	Bariti Pharmacy
Praise Pharmacy	Arichem Pharmacy	Green Park Pharmacy
Guardian Pharmacy	Karen Pharmacy	Medi-chem Pharmacy
Archem Pharmaceuticals	Jambo Medical Stores	Precious Chemist
Corner Link Medical stores	Naivasha Road Chemist	St. Louis Pharmacy
Wakwa Pharmacy	Precious Chemist	Davry Pharmaceutical
Duramed Pharmaceuticals	Lor Pharmaceuticals	Pandens Pharmacy

Salama Pharmaceuticals
Virdee Pharmacy
Nam Pharmacy
Traban Chemist

Samchem Chemist
Apec Pharmacy
Medipharm Pharmacy
Tendercare Pharmacy

Westmall Chemist
Beron Pharmacy
Sunview Chemist