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Competitive Strategies, Corporate Culture and Performance of Commercial Television Networks in Kenya

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ABSTRACT

The performance of commercial television networks in Kenya has been challenged by intense competition, changing audience preferences, technological disruption and the need to implement strategies effectively. This study examined whether corporate culture mediated the relationship between competitive strategies and the performance of commercial television networks in Kenya. Competitive strategies were represented by cost leadership, differentiation and focus strategies, while corporate culture was assessed through innovation, communication practices, values and ethics, and adaptability. Organisational performance was measured using brand reputation, market share growth, employee productivity, digital audience growth and return on investment. The study adopted a cross-sectional survey design. The target population comprised 5,500 employees drawn from seven selected commercial television networks in Kenya, from which 373 respondents were sampled using the Yamane formula and proportionate multistage sampling. A total of 317 valid responses were obtained, representing an 85% response rate. Data were collected using a structured five-point Likert-scale questionnaire and analysed using descriptive statistics, Pearson correlation and regression-based mediation analysis in SPSS Version 28. The results showed that competitive strategies were positively and significantly associated with organisational performance ($R^2 = .585$, $\beta = .765$, $p < .001$). Competitive strategies also significantly predicted corporate culture ($\beta = .314$, $p < .001$), while corporate culture significantly predicted organisational performance ($\beta = .644$, $p < .001$). When competitive strategies and corporate culture were entered simultaneously, the model explained 62.2% of the variance in performance ($R^2 = .622$), with both competitive strategies ($\beta = .702$, $p < .001$) and corporate culture ($\beta = .202$, $p < .001$) remaining significant. The reduction in the competitive-strategy coefficient after inclusion of corporate culture was consistent with partial mediation. The study concludes that corporate culture provides an important organisational pathway through which competitive strategies are translated into performance outcomes. Commercial television networks should therefore align competitive positioning with supportive cultures that encourage customer orientation, ethical conduct, communication, innovation and adaptability.

Keywords: *corporate culture; competitive strategies; commercial television networks; organisational performance; partial mediation*

1.0 INTRODUCTION

Commercial television networks operate in an environment characterised by competition for audiences, advertising revenue, content, technology and market position. In Kenya, networks must respond simultaneously to changing viewer preferences, digital disruption and pressure to sustain revenue and audience growth. The study from which this article was extracted argued that competitive strategies are therefore necessary for networks seeking to remain relevant and improve performance. Competitive strategy in the study comprised cost leadership, differentiation and focus strategies, following Porter's competitive advantage perspective.

Porter (1985) argues that firms can achieve competitive advantage through strategic positioning that creates superior value through lower costs, distinctive offerings or concentration on selected market segments. For television networks, these strategies may be reflected in cost-efficient production and distribution, differentiated and innovative programming, brand development, market niche targeting and responsiveness to audience demands. The thesis evidence showed that such strategic practices were widely reported among the sampled networks.

However, competitive strategy alone does not explain how strategic choices are converted into organisational outcomes. Corporate culture provides an internal context through which strategies are interpreted, implemented and sustained. Schein (2010) conceptualises organisational culture as shared assumptions learned through adaptation and internal integration, while the study operationalised corporate culture through innovation, communication practices, values and ethics, and adaptability. A supportive culture can help employees understand organisational priorities, coordinate activities and respond to strategic demands. Conversely, cultural misalignment may weaken strategy implementation.

Empirical literature reviewed in the thesis suggested that corporate culture is associated with organisational performance. Studies have linked customer orientation, innovation, employee involvement, adaptability and other cultural attributes with performance outcomes. For example, Karuu, Mwangi and Wekesa (2025) found corporate culture to be a significant predictor of organisational performance among firms listed on the Nairobi Securities Exchange. Other studies discussed in the thesis similarly suggested that innovation-oriented and adaptive cultures can strengthen competitiveness and organisational outcomes.

The conceptual gap addressed by the study was that previous research had commonly examined competitive strategy and performance or corporate culture and performance separately. The thesis reported limited evidence on corporate culture as the mechanism through which competitive strategies are translated into performance outcomes within commercial television networks in Kenya. This contextual gap was particularly relevant because earlier studies in broadcasting had often focused on technology adoption, public broadcasters or subsectors rather than the integrated strategy-culture-performance relationship.

The purpose of this article is therefore to isolate and report the second objective of the thesis: to evaluate the mediating role of corporate culture in the relationship between competitive strategies and performance of commercial television networks in Kenya. The specific null hypothesis tested was: H_02 : There is no statistically significant mediating effect of corporate culture on the relationship between competitive strategies and the performance of commercial television networks in Kenya.

2.0 LITERATURE REVIEW

2.1 Theoretical foundation

The study was anchored primarily on Porter's Theory of Competitive Advantage and supported by the Resource-Based View and Contingency Theory. Porter's perspective proposes that firms improve their competitive position by choosing and implementing strategies that create value relative to competitors. Cost leadership, differentiation and focus were consequently used as the principal dimensions of competitive strategies in the study.

The Resource-Based View complements the competitive advantage perspective by emphasising the value of internal resources and capabilities. Corporate culture can be understood as an organisational capability because shared values, communication patterns, innovation practices and employee behaviours influence how resources and strategic choices are coordinated. In this sense, strategy may provide the intended competitive direction, while culture provides part of the organisational capability required to implement that direction.

Contingency Theory further suggests that organisational effectiveness depends on the fit between internal arrangements and the external environment. Although regulatory framework was treated as a moderator in the broader thesis, the same logic reinforces the importance of organisational alignment: competitive strategies are unlikely to produce consistent outcomes unless the internal culture supports their implementation. college

2.2 Competitive strategies and organisational performance

Competitive strategies provide a basis for firms to position themselves against competitors. In the television industry, cost leadership may involve controlling production and operating costs while maintaining acceptable programme quality. Differentiation may involve distinctive, innovative and value-added programmes, strong brands and differentiated audience experiences. Focus may involve targeting particular audience segments or market niches and tailoring programming to those groups.

The thesis reviewed empirical studies that generally reported positive associations between competitive strategies and performance. Atikiya and Nzulwa (2014) found that strategic planning, technological know-how and product quality were associated with organisational performance in Kenyan manufacturing firms. Buul and Omundi (2020) reported positive effects of cost leadership, differentiation, market focus and strategic alliances on SME performance in Kenya. Pulaj, Kume and Cipi (2020) similarly found significant positive effects of Porter's generic strategies on performance in construction firms.

Within the television context, the thesis identified a need for more sector-specific evidence. Omanje's work on television and pay-TV performance in Kenya highlighted the importance of content delivery, pricing and technology, but did not directly test corporate culture as a mediator. This left an opportunity to examine the internal organisational process through which strategic choices may influence performance.

2.3 Corporate culture and organisational performance

Corporate culture represents shared values, beliefs, norms and practices that guide organisational behaviour. The thesis emphasised customer orientation, ethical conduct, communication, creativity, innovation and adaptability as important features of culture in commercial television networks. These features are relevant to a media industry in which rapid changes in audience preferences and technology require employees to adapt programmes, processes and customer-facing practices.

Prior evidence reviewed in the thesis supports a positive culture-performance relationship. Karuu et al. (2025) reported that corporate culture significantly predicted organisational performance among Kenyan listed firms, with adaptability and employee involvement among the strongest predictors. Chen (2024) reported a positive association between innovation culture and organisational competitiveness, while Chow et al. (2021) linked culture with employee commitment and performance-related outcomes.

Culture may therefore function as more than a background organisational characteristic. When strategic priorities are translated into shared values and routines, employees may be better positioned to implement them consistently. For example, a differentiation strategy based on innovative programming requires a culture that supports creativity, communication, experimentation and customer orientation. Likewise, cost leadership requires behaviours that reinforce efficiency and disciplined resource use.

2.4 Corporate culture as a mediating mechanism

The mediation argument proposes that competitive strategies affect organisational performance partly because they shape or are implemented through organisational culture. The causal logic is that strategic choices create requirements for employee behaviour, coordination and organisational routines; these requirements become embedded in shared values and practices; and a supportive culture then facilitates improved performance.

The thesis identified a conceptual gap in this area. Existing studies frequently treated strategy and culture as independent predictors, whereas few studies examined corporate culture explicitly as an intervening mechanism between competitive strategy and performance in the Kenyan commercial television context. The present analysis addresses that gap using empirical data from employees of selected television networks.

2.5 Conceptual framework

The article isolates the mediation component of the wider thesis framework as follows:

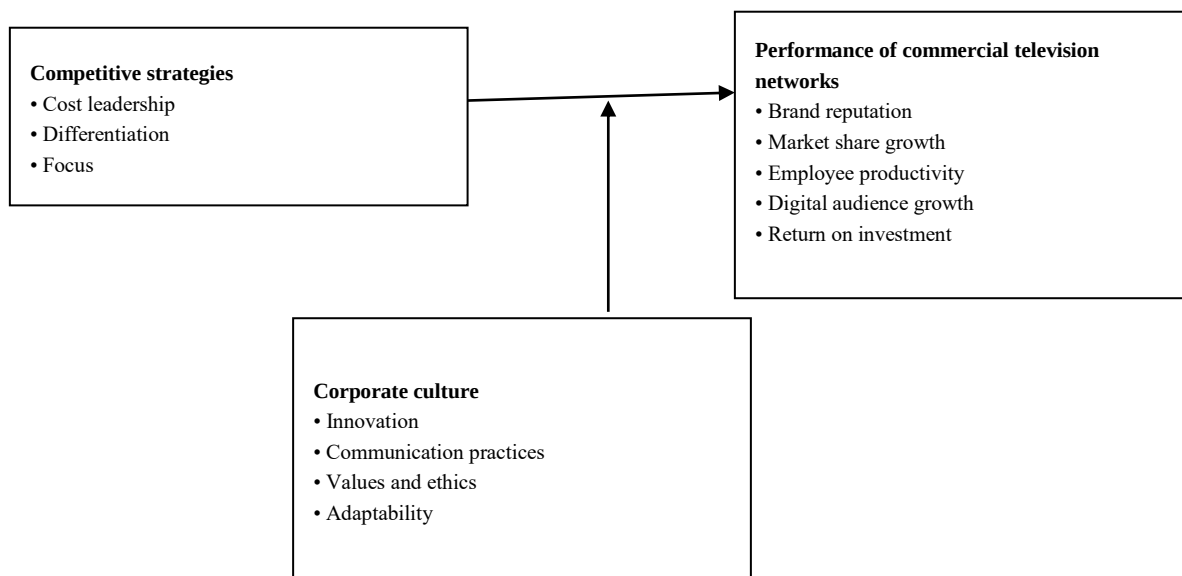


Figure 1. Conceptual framework for the mediation analysis

3.0 METHODOLOGY

The study adopted a quantitative, cross-sectional survey design with descriptive and correlational orientations. The design enabled the researcher to measure competitive strategies, corporate culture and organisational performance at a defined point in time and to examine statistical associations among the variables. Because the variables were measured concurrently, the findings are interpreted as empirical relationships consistent with the theoretical model rather than conclusive proof of causal direction.

The target population comprised 5,500 employees drawn from seven selected commercial television networks in Kenya: Citizen TV, NTV, KTN, GOtv, Zuku Satellite TV, K24 and StarTimes Kenya Ltd. Employees were considered across top-management, middle-level management and operational staff categories. A sample of 373 respondents was determined using the Yamane formula at a 95% confidence level and 5% precision. Proportionate multistage sampling was used, followed by simple random selection within identified staff strata. The main survey produced 317 valid responses, representing an 85% response rate.

Data were collected using a self-administered, structured questionnaire divided into five sections. Section A captured demographic and organisational characteristics; Section B measured competitive strategies; Section C measured corporate culture; Section D measured regulatory framework; and Section E measured organisational performance. Substantive items used a five-point Likert scale ranging from 1 = strongly disagree to 5 = strongly agree.

Competitive strategies were operationalised using focus, cost leadership and differentiation indicators. Corporate culture was measured using innovation, communication practices, values and ethics, and adaptability. Organisational performance was measured through brand reputation, market share growth, employee productivity, digital audience growth and return on investment. Composite indices were created for analysis.

A pilot study involving 37 respondents from Kenya Broadcasting Corporation, which was excluded from the main sample, was used to assess the instrument. Cronbach's alpha coefficients were .843 for competitive strategies, .842 for corporate culture, .710 for regulatory framework and .946 for organisational performance, indicating acceptable internal consistency.

Data were analysed using SPSS Version 28. Descriptive statistics, Pearson correlation and regression analysis were employed. For the mediation objective, the analysis followed the causal-steps logic reported in the thesis: (1) competitive strategies were regressed on performance; (2) competitive strategies were regressed on corporate culture; (3) corporate culture was regressed on performance; and (4) competitive strategies and corporate culture were entered simultaneously as predictors of performance. The reduction in the competitive-strategy coefficient after the mediator was entered was examined alongside the significance of the predictor and mediator coefficients.

4.0 FINDINGS

4.1 Descriptive findings

Respondents generally reported that competitive strategies were strongly practised by the commercial television networks. The aggregate mean for competitive strategies was 4.33 (SD = 0.761), indicating high agreement. Cost reduction used to enhance product innovation recorded the highest item mean of 4.54 (SD = 0.614), followed by lower operating costs enabling cost leadership (M = 4.35, SD = 0.795), market-niche concentration (M = 4.30, SD = 0.679), innovative and value-added programmes (M = 4.32, SD = 0.742), brand development (M = 4.28, SD = 0.903) and responsiveness to shifting consumer demands (M = 4.21, SD = 0.833).

Corporate culture also recorded generally positive assessments. The aggregate mean was 3.98 (SD = 1.129). Customer satisfaction and customer-centricity in organisational beliefs and values recorded the highest mean (M = 4.20, SD = 1.095), followed by alignment of values and beliefs with customer needs (M = 4.14, SD = 0.807) and integrity, transparency and ethical conduct (M = 4.13, SD = 0.905). These results indicate that respondents generally perceived the networks as having cultures that supported customer orientation, ethical conduct, communication and innovation.

4.2 Correlation analysis

Variable	Performance	Competitive strategies	Corporate culture
Performance	1.000	.765**	.422**
Competitive strategies	.765**	1.000	.314**
Corporate culture	.422**	.314**	1.000

Table 1. Pearson correlation matrix for variables relevant to the mediation objective

Competitive strategies were strongly and positively correlated with performance ($r = .765$, $p < .001$). Corporate culture was moderately and positively correlated with performance ($r = .422$, $p < .001$), while competitive strategies were positively and significantly correlated with corporate culture ($r = .314$, $p < .001$). The pattern of associations provided the empirical basis for proceeding to regression-based mediation analysis.

4.3 Mediation analysis

Step	Relationship/model	R ²	Key coefficient	p
1	Competitive strategies → Performance	.585	$\beta = .765$	< .001
2	Competitive strategies → Corporate culture	.098	$\beta = .314$	< .001
3	Corporate culture → Performance	.417	$\beta = .644$	< .001
4	Competitive strategies + Corporate culture → Performance	.622	$\beta_{CS} = .702$; $\beta_{CC} = .202$	< .001

Table 2. Regression results for corporate culture mediation

In Step 1, competitive strategies significantly predicted organisational performance. The model produced $R^2 = .585$, $F(1, 316) = 430.425$, $p < .001$, with a positive coefficient ($B = 0.304$, $\beta = .765$, $t = 20.747$, $p < .001$). Thus, competitive strategies explained 58.5% of the observed variation in performance.

In Step 2, competitive strategies significantly predicted corporate culture. The model produced $R^2 = .098$, $F(1, 316) = 33.248$, $p < .001$. Competitive strategies had a positive coefficient ($B = 0.082$, $\beta = .314$, $t = 5.766$, $p < .001$), indicating that stronger competitive-strategy practices were associated with stronger corporate culture.

In Step 3, corporate culture significantly predicted organisational performance. The model produced $R^2 = .417$, $F(1, 316) = 65.948$, $p < .001$, and corporate culture had a positive coefficient ($\beta = .644$, $t = 8.121$, $p < .001$). This indicates that stronger corporate culture was associated with higher reported organisational performance.

In Step 4, competitive strategies and corporate culture were entered simultaneously as predictors of organisational performance. The model explained 62.2% of the variance in performance ($R^2 = .622$) and was statistically significant, $F(2, 315) = 250.034$, $p < .001$. Competitive strategies remained statistically significant ($\beta = .702$, $p < .001$), while corporate culture was also significant ($\beta = .202$, $p < .001$). The standardised competitive-strategy coefficient decreased from $\beta = .765$ in the total-effect model to $\beta = .702$ after corporate culture was introduced.

The reduction in the competitive-strategy coefficient, together with the significant association between competitive strategies and corporate culture and the significant association between corporate culture and performance, was interpreted in the thesis as evidence consistent with partial mediation. The null hypothesis H_{02} was therefore rejected in the thesis.

5.0 DISCUSSION

The findings indicate that competitive strategies are strongly associated with the performance of commercial television networks in Kenya. The result supports Porter's competitive advantage perspective, which links cost efficiency, differentiation and focus with superior competitive positioning. It is also consistent with Kenyan evidence reported by Buul and Omundi (2020) and Atikiya and Nzulwa (2014), as well as evidence from other sectors reported by Pulaj et al. (2020). The present study extends this evidence to commercial television networks, where strategic positioning must respond to competition for audiences, advertising revenue and content attention.

The significant relationship between competitive strategies and corporate culture is important because strategy implementation requires behavioural and organisational alignment. The result suggests that strategic choices are associated with the development or expression of cultural characteristics within the sampled networks. This interpretation is compatible with the Resource-Based View, in which organisational capabilities can support the effective deployment of strategic resources.

The positive relationship between corporate culture and performance also agrees with literature reviewed in the thesis. Karuu et al. (2025) found corporate culture to be a significant predictor of organisational performance in Kenyan listed firms, while Chen (2024) linked innovation culture with organisational competitiveness. In the television context, cultures that support customer orientation, communication, ethical conduct, creativity and adaptability may help employees translate strategic choices into programming, marketing, digital and operational activities.

The central finding is that corporate culture appears to account for part of the association between competitive strategies and performance. When corporate culture was added to the performance model, the coefficient for competitive strategies decreased while remaining statistically significant. This pattern is consistent with partial mediation: competitive strategies retain a direct association with performance, but part of their relationship with performance operates through organisational culture.

From a managerial perspective, the finding implies that commercial television networks should not treat competitive strategy formulation as a purely market-facing activity. Cost leadership, differentiation and focus strategies need to be reinforced by internal values and practices that encourage innovation, communication, customer orientation, ethical conduct and adaptability. Strategic initiatives that are inconsistent with prevailing organisational behaviours may be more difficult to implement and sustain.

6.0 CONCLUSION AND RECOMMENDATIONS

The study concludes that corporate culture plays a significant intervening role in the relationship between competitive strategies and the performance of commercial television networks in Kenya. Competitive strategies were positively associated with both corporate culture and organisational performance, while corporate culture was positively associated with performance. The simultaneous regression model explained 62.2% of the variation in performance, and the competitive-strategy coefficient declined after corporate culture was introduced. The evidence therefore supports the thesis conclusion of partial mediation.

Commercial television networks should strengthen the cultural conditions that support strategy implementation. Management should promote innovation, open communication, customer-centred values, ethical conduct and organisational adaptability. Strategic planning should also involve employees responsible for implementation so that competitive priorities are translated into shared working practices. In particular, differentiation and focus strategies should be supported by cultures that encourage creativity and responsiveness, while cost leadership should be reinforced by disciplined and efficient organisational practices. Future studies should confirm the indirect effect using contemporary bootstrap-based mediation analysis and report the indirect effect, standard error and confidence interval. Such analysis would provide a stronger statistical test of the mediation mechanism than the causal-steps approach alone. Longitudinal studies could also establish temporal ordering more convincingly than the cross-sectional design used in the present study.

7.0 STUDY LIMITATIONS

The article is an extraction from a broader cross-sectional thesis and therefore focuses only on the corporate-culture mediation objective. The cross-sectional design does not establish temporal precedence among competitive strategies, corporate culture and performance. In addition, the mediation evidence reported here is based on regression relationships and coefficient reduction. The thesis itself noted that definitive confirmation of mediation would ideally use a bootstrapped confidence interval for the indirect effect.

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