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COMPETITIVE STRATEGIES AND SERVICE DELIVERY AMONG REAL ESTATE AGENT FIRMS IN KENYA

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ST. PAUL'S UNIVERSITY

A DISSERTATION SUBMITTED TO THE SCHOOL OF BUSINESS AND LEADERSHIP STUDIES IN PARTIAL FULFILMENT OF THE REQUIREMENTS FOR THE AWARD OF DOCTOR OF PHILOSOPHY IN BUSINESS ADMINISTRATION (STRATEGIC MANAGEMENT) OF ST. PAUL'S UNIVERSITY

SEPTEMBER, 2026

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DECLARATION

This thesis is my original work and has not been presented for a degree at any other University

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DEDICATION

This work is dedicated to my dear children, Nathan Kuria, Anita Njahira, and Jason Muritu, whose future motivated this work, and their potential reminds me why this work matters.

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OPERATIONAL DEFINITION OF TERMS

Competitive Strategy: Plans intended to maximize organizational resources to gain leverage in the competitive environment and create and sustain a competitive advantage. The strategies adopted for this study were cost leadership strategy, focus strategy, and differentiation strategy.

Focus strategy: This refers to a firm focusing its tangible and intangible resources to target particular market segments or customer base. Niche market and customer segmentation were used to measure focus strategy.

Cost Leadership Strategy: This is where a firm emphasizes cost reduction through offering services at lower prices and having tight cost control measures in comparison to competitors

Differentiation Strategy: In this strategy, a firm aims to provide services that are more attractive to clients by offering unique services. In this study, it was measured through service customization and brand identity.

Firm size: A measure of a firm's capacity in terms of the number of assets, number of branches, and number of employees. In the study, firm size was assessed by the number of employees and branches

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Real estate agent firm: This is a firm that offers professional letting, property sales, leasing, advisory, valuation, or management of residential and commercial buildings

Organizational capabilities: Refers to the competences that a firm has so as to effectively utilize its resources and may include human capital, technology, and processes. The study adopted administrative and technical competency.

Service delivery: The process of providing services to clients in accordance with pre-established agreements or expectations. The study adopted responsiveness, reliability, assurance, and tangibles to measure service delivery. The study excluded empathy because it could overlap with the dimensions of responsiveness and assurance.

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ABBREVIATIONS AND ACRONYMS

APA:	American Psychological Association
CAGR:	Compound Annual Growth Rate
CEOs:	Chief Executive Officer
CPM:	Certified Property Manager
CR:	Composite reliability
EARB:	Estate Agents Registration Board
ES:	Expected Service
GDP:	Gross Domestic Product
ICT:	Information and Communication Technology
IRB:	Institutional Review Board
ISERC :	Institutional Scientific Ethics Review Committee
KNBS:	Kenya National Bureau of Statistics
KPDA:	Kenya Property Developers Association
PLS-SEM:	Partial Least Squares Structural Equation Modelling
PS:	Perceived Service
RBV:	Resource-Based View
SERVQUAL:	Service Quality Measurement Model
SMEs:	Small and Medium Enterprises
SEM:	Structural Equation Modelling
SPSS:	Statistical Package for the Social Sciences
VRIN:	Valuable, Rare, Inimitable, Non-substitutable

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ABSTRACT

The increasingly competitive real estate industry in Kenya has compelled real estate agent firms to adopt competitive strategies aimed at enhancing service delivery and sustaining a competitive advantage. However, contextual literature depicts that service delivery remains a persistent challenge, with reports indicating growing consumer complaints, inefficiencies, delays and lack of transparency in transactions. Empirical evidence indicates that competitive strategies, when adequately planned and applied, hold the potential to enhance service delivery. However, limited empirical evidence in Kenya, explains whether competitive strategies directly enhance service delivery or whether their effects depend on firms' organizational capabilities and size. In view of this gap, the study sought to investigate the influence of competitive strategies, specifically cost leadership, differentiation, and focus strategy, on service delivery and to determine the mediating role of organizational capabilities and the moderating effect of firm size. The study was anchored in the Resource-Based View, which enabled an integrated framework to contextualize service delivery by applying the SERVQUAL model, Dynamic Capabilities Theory, and Stakeholder Theory to explain why strategic resources matter, how organizational capabilities enable their deployment, and how they meet the expectations and interests of key stakeholders. Further, the study was founded on pragmatist philosophy and applied a sequential explanatory mixed-methods research design. A census of 80 real estate agent firms registered under the Kenya Property Developers Association (KPDA) formed the target population; two respondents were selected from each firm, resulting in 160 respondents. Structured questionnaires were administered to respondents through both Google Forms and physical distribution, yielding 132 usable responses and a response rate of 82.5%, while qualitative interviews were conducted with 15 managers from the same firms. Quantitative data were analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM) in SmartPLS version 4, while qualitative data were analyzed thematically and findings were presented using verbatim quotations. The results showed that cost leadership had a positive and significant effect on service delivery ($\beta = 0.309$, $t = 4.341$, $p < 0.001$). Similarly, the findings showed that differentiation strategy positively and significantly affected service delivery ($\beta = 0.226$, $t = 2.875$, $p = 0.004$). The results established that focus strategy also had a positive and statistically significant influence on service delivery ($\beta = 0.300$, $t = 4.053$, $p < 0.001$). To further assess the mediation effect, the indirect effect (along the a•b path) was tested using the bootstrapping method; the indirect effect of organizational capabilities ($\beta = 0.116$, $t = 3.199$, $p < .002$) was found to be significant, confirming partial mediation. Regarding moderation effects, the interaction between firm size and competitive strategies on service delivery was negative but not statistically significant ($\beta = -0.015$, $t = 0.265$, $p = 0.791$), confirming the absence of moderation effects. The study concluded that competitive strategies together with organizational capabilities are significant drivers of service delivery among real estate firms in Kenya. Thus, the study affirms that improvements in service delivery among real estate firms in Kenya can be strengthened by strategically implementing competitive strategies in a way that ensures inimitable and non-substitutable resources to create value. Theoretically, the study extends the Resource-Based View and Dynamic Capabilities theories to the real estate sector and empirically validates the mediation role of organizational capabilities in the competitive strategy-service delivery nexus within a Kenyan context. Practically, the findings provide actionable guidance for real estate agent firms, KPDA, and EARB on strategic positioning, capability development, and appropriate strategy selection to achieve sustained service delivery improvements in Kenya's competitive real estate market.

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CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

The real estate sector plays a significant role in Kenya's economic growth and development, contributing approximately 5.3 % to Gross Domestic Product (GDP) as of 2024 (KNBS, 2025). This contribution underscores the sector's strategic importance to national development, particularly through its links to construction, financial services, infrastructure development, and job creation. The government's recognition of housing as one of the Big Four Agenda items further demonstrates the sector's centrality to achieving development priorities (Kenya Property Developers, 2019). In addition, the sector's expansion has been driven by rapid urbanization, population growth, rising middle-class incomes, and increased investor interest in property development. Consequently, the number of real estate agent firms operating in the sector has grown substantially, leading to heightened competition among firms (Atieno & Maina, 2024).

Real estate agent firms serve as critical intermediaries between property developers, landlords, and prospective buyers or tenants, providing essential services such as property marketing, tenant placement, lease management, property valuation, and transaction facilitation. The efficiency and quality of services these firms deliver directly influence market transparency, transaction costs, client satisfaction, and overall sector performance (Mohamad et al., 2024). Importantly, the firms play a pivotal role in ensuring smooth property transactions, providing market information, and safeguarding the interests of both property owners and prospective clients. Consequently, their professional conduct and service delivery standards significantly impact customer confidence in the real estate market (K'Akumu, 2022).

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However, despite the sector's growth and economic significance, service delivery among real estate agent firms in Kenya has been plagued by service delivery challenges. The Estate Agents Registration Board (EARB) 2024-2028 strategic report indicates a rise in customer complaints concerning fraud, inefficiencies, delays, and lack of transparency in transactions (EARB, 2024). As a result of these inefficiencies, the public loses trust in real estate agent firms. Specific concerns include misappropriation of client funds, delays in property handovers, inadequate customer care, non-disclosure of property defects, and unethical practices such as double allocation of properties (Jebiwott et al., 2022; K'Akumu, 2022).

Scholarly evidence indicates increasing competition among firms; hence, it is imperative that real estate agent firms adopt competitive strategies that ensure prompt delivery of services (Farida & Setiawan, 2022; Gathitu, 2024). Moreover, organization success is determined by proficiency in service delivery (Gathitu, 2024; Koutroumanis & Thomason, 2024). This is premised on the belief that consumers are key stakeholders in every business, and that their expectations of value from a service determine their purchasing decisions. Muthama (2021) observes that improvements in service delivery is reflected in a firm's ability to properly plan and execute its competitive strategies. Notably, firms with well-planned and implemented competitive strategies often have better service delivery positioning than their competitors (Kinuthia & Wambua, 2025).

Competitive strategies refer to the plans and actions organizations use to gain competitive advantage by positioning themselves effectively in the marketplace (Farida & Setiawan, 2022). Firms can achieve superior performance and improve service delivery outcomes by pursuing cost leadership, differentiation, or focus strategies, as outlined in Porter's generic strategies framework (Gatimu & Amuhaya, 2022). Moreover, companies can attract price-sensitive

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customers without sacrificing service quality. This allows them to offer services at competitive costs through operational efficiency, cost control measures, and economies of scale. Offering distinctive, high-quality services that set a company apart from rivals is the goal of differentiation strategies. Companies can achieve this through a combination of factors, such as innovative use of technology, exceptional customer service, or specialized knowledge. Another tactic is to focus on specific market segments and serve them with specialized products and services (Akintokunbo, 2018; Fader, 2020).

However, the effectiveness of competitive strategies in enhancing service delivery depends on the mechanisms through which these strategies are implemented. Organizational capabilities emerge as a critical mediating factor in this relationship (Kanji et al., 2024; Kirugumi et al, 2021). A company's capabilities are its ability to implement strategies and adapt to changing circumstances by effectively using its human capital, technological assets, and management competencies (Abikar & Muathe, 2024). In this context, successful execution of competitive strategies may require firms to have strong organizational capabilities such as skilled employees, customer relationship management systems, and effective communication channels-all that enable strategy implementation and service delivery enhancement (Kanji et al., 2024). Moreover, firm capabilities enable firms to readjust their competence in response to changing customer expectations (Kogo & Kimencu, 2018). Abikar and Muathe (2024) demonstrate that organizational capabilities enable real estate firms to aggregate assets and abilities, which enable them to have more created technical and operational capacity than their rivals.

Additionally, firm-specific factors, especially firm size, may affect how competitive strategies impact service delivery. Firm size determines a firm's resource base, market reach, operational

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complexity, and decision-making speed (Mwaluku, 2024). Literature supports the proposition that firm size influences firm performance, which may affect service delivery and the success of the firm (Mwaluku, 2024; Ondari et al., 2020; Suriawinata & Nurmalita, 2022). According to Kitenga et al. (2020), economies of scale make business size an important factor in competitiveness and also affect social interaction between the firm's customers and employees. Thus, implying a conditional relationship between competitive strategies and service delivery, as company size moderates the relationship. When it comes to improving delivery services, larger organizations may have an advantage, crediting this to economies of scale, more financial resources, and more market penetration. Research indicates that the link between competitive strategies and service delivery can be enhanced by firms investing in technology, having competent staff, and offering services in different locations (Mutunga, 2017; Vij & Farooq, 2017).

Resource-Based View (RBV) theory provides the grounding for understanding the relationship between the variables. The RBV emphasizes that competitive advantage can only be achieved when a firm possesses valuable, rare, inimitable, and non-substitutable internal resources (VRIN) which support efficient services (Kero & Bogale, 2023; Lubis, 2022). Real estate agent firms can therefore offer superior services by deploying unique resources, which include human and non-human resources. The RBV puts emphasis that firms must strategically leverage on resources so as to gain a competitive advantage. The RBV is important in informing competitive strategies by emphasizing that firms need to reconfigure internal resources to enhance service delivery.

The dynamic capabilities theory extends the RBV theory that firms need to be cognizant of the turbulence in the business environment and therefore the need to reconfigure their resources to

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respond to the dynamism in the market (Pisano, (2017). The theory supports organizational capabilities (mediating variable) in the study, directing firms to develop competencies on a continuous basis so as to effectively implement competitive strategies and respond to customers' expectations. The service quality theory is relevant in providing a framework for measuring and conceptualizing service delivery outcomes. Real estate agent firms therefore need to ensure that the service quality exceeds expectations. Further, the stakeholder theory shows the importance of real estate agent firms aligning competitive strategies with customer expectations, as they are important stakeholders in service delivery (Yoo, 2025). These theories provide a comprehensive framework for investigating the direct, mediating, and moderating relationships proposed in the study.

Worldwide, the real estate sector plays a key role in economic development, particularly in Europe and Asia-Pacific countries. Service delivery in the real estate sector of these regions is reputable for delivering reliable and consistent service to clients, which may be attributed to market integration, transparency, and investor confidence (Dias, 2021). The real estate agent firms in these regions embrace technological advancements such as digital platforms, virtual property tours, and data analytics that have greatly contributed to the efficiency of service delivered (Cyril, 2020). These innovations have improved transparency, reduced transaction costs, and enabled faster matching between buyers and properties. As a result, countries such as the United States have witnessed an increase in the number of firms operating, which has further intensified competition and placed greater demands on real estate agents to provide efficient, transparent, and client-centered services (Koutroumanis & Thomason, 2024). In Malaysia and Thailand, competition among real estate agents has compelled firms to prioritize client satisfaction by delivering efficient, reliable service (Bakar & Yaacob, 2020; Halim et al., 2025). However, service delivery challenges also exist in developed countries, such as high

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agent commission fees in states like New York, that deter clients due to concerns of affordability and the perceived value of service delivery (Barwick & Wong, 2019)

In Africa, rapid urbanization and strong population growth have helped real estate agent firms benefit from the sector's expansion. Nevertheless, the industry still faces many social and economic problems that plague the sector and negatively affect service delivery. For instance, in South Africa, persistent challenges such as housing shortages, the growth of informal settlements, and unclear property rights pose significant obstacles to consistent and reliable service delivery by real estate agent firms (Dias, 2021). These challenges limit firms' ability to implement effective competitive strategies and deliver quality services to clients. In addition, Nigeria has experienced a rise in fraudulent transactions due to the increased competition among firms. Moreover, due to the lack of regulation in the industry, many unskilled individuals have started offering real estate services to clients in Nigeria (Ishaya & Dabo, 2019; Agboola et al., 2021).

Similarly, Kenya's real estate sector has grown due to rapid urbanization and higher disposable income. Consequently, the number of investors building residential and commercial homes for letting due to good returns on investment has resulted in an increase in the number of real estate agent firms (Cytonn, 2023). However, rising house prices have made rental housing increasingly unaffordable, as investors charge high rents to recoup their investments quickly. This has created challenges in housing accessibility and occupancy, particularly in high-end residential areas, where many houses remain vacant. As a result, landlords have increasingly relied on real estate agent firms to manage these properties, secure tenants and buyers (Agayi & Karakayacı, 2020; Cytonn, 2023). Although Kenya has seen many positive changes and real estate agent firms have grown quickly, most still struggle to provide efficient services. Issues

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such as listing non-existent properties, delays in project completion, inadequate customer care, and a lack of transparency have raised concerns among clients and stakeholders (Demba et al., 2019; EARB, 2024; KNBS, 2023).

The EARB 2024-2028 strategic report indicates a rise in customer complaints that adversely affect the services delivered by real estate agent firms. In the year 2023, Communications Authority of Kenya (2023) reported an increase in 0.9% of the 521 cases reported. Further, the lack of standardized service delivery frameworks has created inconsistencies in how firms respond to client needs, handle complaints, and maintain professional conduct (Kiprotich & Waithaka, 2025). These shortcomings undermine customer satisfaction, erode trust in real estate agent firms, and negatively affect the sector's contribution to economic growth. These challenges highlight the need for deliberate strategic responses to enhance service delivery while maintaining competitiveness.

According to previous research (Kiprono & Kinyua, 2021; Kinuthia & Wambua, 2025; Muthama, 2021; Hidayat et al., 2025), the current literature offers insightful perspectives on service delivery and competitive strategies across many industries. Nonetheless, although the studies look at the correlation between service delivery and competitive strategies, they do not look at the possibility of mediating or moderating factors. Yet the relationship between strategy and outcomes is rarely direct; it operates through mediating mechanisms such as organizational capabilities (Kirugumi et al., 2021). Moreover, empirical evidence on how firm size moderates the effectiveness of competitive strategies in enhancing service delivery remains limited. Existing findings are inconsistent, with some studies reporting positive moderating effects (Ondari et al., 2020; Suriawinata & Nurmalita, 2022) and others finding insignificant or negative effects (Kitenga et al., 2020; Obaje et al., 2021). Thus, it is necessary to assess how

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competitive strategies such as focus, differentiation, and cost leadership can improve service delivery in Kenyan real estate agent firms.

1.1.1 Service Delivery

Service delivery refers to providing goods and services to clients or end users according to their expectations (Amuche, 2019; Anampiu et al., 2020). Importantly, service delivery is not merely about the service but also the promptness in delivery, quality of service delivered and satisfaction by the customer. This definition emphasizes not only the service provision process but also outcomes such as customer satisfaction and retention. According to Sam et al. (2018), measuring service delivery is a well-acknowledged method for determining customer satisfaction. Developed by Parasuraman et al. (1988), the SERVQUAL model is a widely used instrument for assessing service quality across several industries. Reliability, responsiveness, assurance, empathy, and tangibles are the five essential qualities that remain from the original ten-part concept. Reliability is the capacity to consistently and accurately provide promised services. While, the ability to quickly respond to consumer needs and deliver satisfactory service is a hallmark of responsiveness. Assurance includes the ability to instill trust and confidence, as well as staff expertise and politeness. Whereas personalized care and attention given to consumers is exemplified by empathy. According to Kalunda (2023) and Choo et al. (2025), tangible assets include physical facilities, equipment, staff appearance, and communication materials.

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In the context of real estate agent firms, service delivery is the process of delivering services to clients in accordance with pre-established agreements or expectations. In real estate agencies, it is important to note that technical competence, transparency in transactions, and accuracy in property information are important. For real estate agent firms, SERVQUAL has

been adapted to capture industry-specific service delivery aspects (Deb & Ali Ahmed, 2018). According to Chumba (2018), clear communication and trust are crucial in service delivery. For this study, service delivery was operationalized through responsiveness, reliability, assurance, and tangibles, as these dimensions reflect firm-level service delivery outcomes relevant to real estate agency practice in Kenya; empathy was excluded due to its predominantly customer-specific and interpersonal focus and potential overlap with the dimensions of responsiveness and assurance.

1.1.2 Competitive Strategies

Businesses use competitive strategies to gain a competitive edge by positioning themselves effectively relative to their rivals (Farida & Setiawan, 2022). The goal of any given business unit's competitive strategy, according to Gatimu and Amuhaya (2022), should be to give that unit an advantage in the market(s) in which it operates. Therefore, understanding the factors that influence industry profitability is the first step in developing a competitive strategy. Lee et al. (2017) identify five competing variables that negatively affect business earnings: competition among current competitors, consumer bargaining power, supplier bargaining power, the threat of new entrants, and the threat of substitutes.

In response to these shifts, businesses develop broad strategies that give them a competitive advantage (Ishmael, 2019). When a business attains economies of scale, utilizes modern technology, has operational effectiveness, and gains preferential access to resources, a company can then adopt cost leadership to become the lowest-cost product or service provider (Chepchirchir et al., 2018). Cost leadership strategies direct firms to optimize resource utilization, so as to reduce costs without compromising the quality of the service delivered. In this study, cost leadership was operationalized through competitive pricing and cost-control measures.

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A differentiation strategy is when a firm aims to make its services or products more appealing through superior features, high-quality products, or outstanding customer service (Demba et al., 2019). Businesses adopt differentiation strategies to distinguish themselves from competitors, boost sales, and provide enhanced service to customers. Firms may consider factors such as brand reputation, service features, technological advancements, service delivery quality and distribution networks in the provision of the service (Kiprotich &Waithaka, 2025). Real estate agent firms can benefit from differentiation by offering personalized services, innovative service delivery methods, having specialized market knowledge, and striving to connect with clients through excellent communication. Uniqueness of the services provided to clients and the development of a brand identity operationalized the differentiation strategy in the study.

In focus strategy, a firm aims to commit and concentrate its resources by serving a specific market or client segment. Additionally, the firm chooses a specific target market whose needs are well understood in order to allocate its resources (Akintokunbo, 2018). Market segmentation can be done based on various aspects such as prices, products, customer characteristics, or geographical location (Fader, 2020). For real estate agent firms, focus strategy may involve specializing in particular property types, targeting specific customer demographics, or concentrating on defined geographical areas. In the current study, focus strategy was operationalized through niche market specialization and customer segmentation, measuring the extent to which firms tailor their services to meet the specific needs of targeted market segments.

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1.1.3 Organizational Capabilities

Organizational capabilities refer to a company's ability to use its resources efficiently in order to accomplish strategic goals (Nayeemunnisa & Gomathi, 2020). Organizational capabilities include managerial, technological, human resource, and financial capabilities (Kirugumi et al., 2021). According to Heiss (2017), organizational capabilities are important for integrating, adapting, and reconfiguring organizational competencies, resources, and skills to match changing environmental needs. Moreover, new circumstances compel organizations to analyze, integrate, build, and reconfigure their resources and organizational capabilities to sustain and improve service delivery (Kogo & Kimencu, 2018).

A study by Srećković (2018) revealed that higher levels of organizational capabilities are very important for real estate agent firms. Similarly, Hassan Abikar and Makau Muathe (2024) demonstrate that when firms are able to combine their valuable resources and abilities, then they are in a better strategic position than their competitors. In fact, Kirugumi et al. (2021) add that organizational capabilities are vital in enhancing service delivery, as these capabilities act as mediators by translating strategic intent into operational efficiency and customer satisfaction. While cost leadership, differentiation, and focus are examples of competitive strategies that offer a blueprint for gaining a competitive edge, enterprises must have strong organizational skills to execute these strategies successfully. Notably, when the firm is able to manage resources and process capabilities effectively, it may be in a position to enhance service delivery (Bhatti et al., 2020).

In the study, organizational capabilities are conceptualized through administrative competency and technical competency. Administrative competency is where a firm has the ability to allocate resources effectively and manage processes efficiently. In technical competency, a

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firm has the expertise to execute tasks that include technological proficiency, operational expertise, and quality management expertise. Kanji et al. (2024) agree that administrative and technical capabilities have the ability to influence service delivery outcomes in professional service sectors.

1.1.4 Firm Size

Firm size is recognized as an important predictor of business performance. This premise is theoretically supported by the basic neoclassical definition of the enterprise and the concept of economies of scale (Mwaluku, 2024). According to the principle of economies of scale, expanding a company's size can create incremental advantages, as businesses can use economies of scale to boost profitability (Ochieng, 2019). However, as the size of the firm increases there are potential challenges that may arise such as bureaucracy that may lead to slow decision making and coordination challenges. This implies that there lacks consensus on the link between firm size and service delivery (Kitenga et al., 2020)

A number of factors have been used to determine firm size for instance, number of branches, total revenue, total assets, and number of employees (Mutunga, 2017; Mwaluku, 2024; Obaje et al., 2021). According to Criscuolo et al. (2024), the Organization for Economic Co-operation and Development (OECD) bases its definition of firm size on the number of employees: microenterprises employ less than ten people, small businesses employ ten to fifty, medium-sized businesses employ fifty to two hundred and fifty, and large businesses employ more than two hundred and fifty. It is in this view that Mwaluku (2024) concludes that there is no single measure that can reflect the ideal firm size of all types of firms because firms differ in nature and structure. For this study, firm size was operationalized through the number of employees and number of branches, as these measures are most relevant to real estate agency operations and reflect both human resource capacity and market reach.

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Notably, firm size determines the influence that a firm has on stakeholders and is a key aspect in determining relationships enjoyed by the firm within and outside its operating environment (Mutunga, 2017; Mwaluku, 2024). Larger companies can, for example, recruit and keep more experienced personnel than smaller, less financially capable companies. When it comes to competition, small businesses can focus on less competitive specialty sectors, whereas large businesses compete in more expansive marketplaces. According to Sinthupundaja and Chiadamrong (2015), larger businesses become more efficient by taking use of economies of scale. For instance, larger firms may benefit from economies of scale, greater financial capacity, and broader market access, which may amplify the effectiveness of competitive strategies in enhancing delivery services. These firms can invest in advanced technology, employ specialized staff, and establish multiple service points, all of which strengthen the link between competitive strategies and service delivery (Mutunga, 2017; Vij & Farooq, 2017).

However, when firms become too large, they may face management inefficiencies and slow decision-making, which could reduce performance. In this regard, Kitenga et al. (2020) argue that academics have discovered contradictory outcomes on the influence of firm size on firm performance. Some findings show positive results while others show negative results (Matara et al., 2023; Ondari et al., 2020; Suriawinata & Nurmalita, 2022). Thus, it is hypothesized in this study that the relationship between service delivery and competitive tactics is moderated by firm size. Firm size was operationalized through the number of employees and number of branches.

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1.1.5 Real Estate Firms in Kenya

Real estate agent firms in Kenya engage in a wide range of activities bridging the gap between buyers and sellers, thus providing essential services that include selling, letting, managing, property valuation and advisory services (Ndegwa & Kiilu, 2025). The Estate Agents Registration Board (EARB) is responsible for overseeing the real estate agency firms in Kenya (Estate Agents Registration Board Report, 2024). In addition, the Kenya Property Developers Association (KPDA) represents a body bringing together reputable real estate developers and real estate agents in Kenya. KPDA plays a critical role in promoting best practices, policy advocacy, and industry self-regulation (KPDA, 2019).

As of June 2024, there were eighty (80) real estate agent firms registered in Kenya, according to KPDA data (2024); these eighty firms were the focus of this research. These companies make up a sizable portion of Kenya's official real estate agent firms because they are more likely to follow legal requirements, operate within organized governance structures, and affect the sector's service delivery outcomes. Although the Estate Agents Registration Board (EARB) is the statutory regulator of real estate practice in Kenya, the study used the Kenya Property Developers Association (KPDA) membership directory as the sampling frame because it focused on established real estate agent firms rather than individual estate agents registered with EARB.

The primary goal of real estate agent firms is to level the playing field in property markets by facilitating transactions between buyers and sellers through information and intermediary services (Mohamad et al., 2024). Sellers consider transaction costs, especially the potential cost of their time, while deciding whether to list or try to sell it themselves in the housing market. Preexisting knowledge of the housing market and the opportunity cost of time are the primary

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factors that influence purchasers' decisions to engage an agent throughout the property search (K'Akumu, 2022). This intermediary role positions real estate agent firms as critical facilitators of market efficiency and customer satisfaction. Notably, real estate agency practice is characterized by high-value, infrequent transactions that require extensive client relationships, long decision-making cycles, significant information asymmetry between real estate agent firms and clients, and heavy reliance on trust, reputation, and specialized market knowledge.

To this extent, Kenya's real estate sector continues to undergo dynamic transformation shaped by stronger regulatory oversight, technology adoption, and rising consumer expectations. This includes tightening of licensing requirements by EARB, the proposed Real Estate Regulation Bill (2023), and stricter anti-money laundering and tax compliance frameworks that push firms toward greater professionalism and accountability (Talam, 2022). At the same time, rapid uptake of digital platforms, virtual tours, and blockchain-based transactions is modernizing how real estate firms interact with clients. Buyers and tenants increasingly demand transparency, efficiency, and legal certainty (Singh et al., 2025). These developments are central to this study because they directly influence how real estate agent firms deliver services, enhance trust, and ensure fairness in property transactions.

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1.2 Statement of the Problem

Real estate agent firms operate in highly competitive environments, where customers expect exceptional service delivery that is reliable, responsive, transparent, and professional. However, service delivery remains a persistent challenge among real estate agent firms in Kenya despite the sector's contribution of 5.3 percent to the country's GDP (KNBS, 2025). The Estate Agents Registration Board (EARB) Strategic Plan 2024–2028 indicates increasing consumer complaints about fraud, poor professional standards, and lack of transparency in transactions reports (EARB, 2024), while data from the Communications Authority of Kenya (2023) indicate 5 new cases representing 0.9% of the 521 cases reported for the year 22/23

whereas none was reported in the previous years. In addition to increase in incidences of client fund misappropriations (Jebiwott et al., 2022; K'Akumu, 2022). These challenges pose a threat to competitiveness, operational efficiency and ultimately service delivery by the real estate agent firms (Musundi, 2022; Okeke et al., 2024; Sigei & Jeptoo, 2023).

Research has established that enhanced service delivery is a critical determinant of whether an organization attracts and retains customers for long-term sustainability (Chesaina & Gitonga, 2019; Bakar & Yaacob, 2020; Ngoc & Tien, 2021; Gatimu & Amuhaya, 2022). Aligning competitive strategies can enhance service delivery. Kinuthia and Wambua (2025) demonstrate that firms which have adequately planned and applied competitive strategies enhance service delivery positioning. Moreover, organization capabilities may mediate the relationship between competitive strategies and service delivery (Kirugumi et al, 2021; Kanji et al., 2024). Notably, the effectiveness of these organization capabilities may depend on the size of the firm (Suriawinata & Nurmalita, 2022; Mwaluku, 2024). However, there is scant empirical evidence of these mediating and moderating effects, revealing a knowledge gap.

Methodologically, most studies use different operationalizations of service delivery-some employ customer satisfaction surveys (Kiprono & Kinyua, 2021), others operational efficiency metrics (Muthama, 2021), while some focus on financial indicators (Kinuthia & Wambua, 2025), limiting comparability across studies. Conceptually, studies assume direct relationships between competitive strategies and service delivery without considering mediating or moderating variables (Khendi, 2022; Kinuthia & Wambua, 2025; Kiprono & Kinyua, 2021). Theoretically, studies have not explained how organizational capabilities mediate this relationship (Karama, 2022; Kinuthia & Wambua, 2025), and findings on firm size moderation are contradictory (Kitenga et al., 2020; Obaje et al., 2021; Ondari et al., 2020). Some studies

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report significant positive moderating effects of firm size (Mutunga, 2017; Ondari et al., 2020; Suriawinata & Nurmalita, 2022; Vij & Farooq, 2017), while others find insignificant or negative effects (Kitenga et al., 2020; Obaje et al., 2021), suggesting that firm size's moderating role may be context-dependent, strategy-specific, or contingent on other organizational characteristics.

Contextually, limited studies examine competitive strategies and service delivery specifically within Kenya's real estate agent sector (Muthama, 2021; Nalucha & Mwanza, 2022). The few studies examining real estate contexts focus on property development firms (Maingi & Muathe, 2021; Mung'uri, 2021; Kiprotich & Waithaka, 2025) whose business models center on construction and property investment rather than service provision (Musundi, 2022). Therefore, this study sought to examine how competitive strategies influence service delivery, considering the mediating role of organizational capabilities and the moderating effect of firm size among real estate agent firms in Kenya.

1.3 General Objective

The main objective of the study is to establish the influence of competitive strategies on service delivery among real estate agent firms in Kenya.

1.3.1 Specific Objectives

The specific objectives of the study are:

i. To determine the effect of cost leadership strategy on service delivery among real estate agent firms in Kenya.

ii. To assess the effect of differentiation strategy on service delivery among real estate agent firms in Kenya.

iii. To evaluate the effect of focus strategy on service delivery among real estate agent firms in Kenya.

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iv. To determine the mediating effect of organizational capabilities on the relationship between competitive strategies and service delivery among real estate agent firms in Kenya.

v. To determine the moderating effect of firm size on the relationship between competitive strategies and service delivery among real estate agent firms in Kenya.

1.3.2 Research Hypotheses

The following null hypotheses guided the study:

Ho1: Cost leadership strategy has no significant effect on service delivery among real estate agent firms in Kenya.

Ho2: Differentiation strategy has no significant effect on service delivery among real estate agent firms in Kenya.

Ho3: Focus strategy has no significant effect on service delivery among real estate agent firms in Kenya.

Ho4: Organizational capabilities have no significant mediating effect on the relationship between competitive strategies and service delivery among real estate agent firms in Kenya.

Ho5: Firm size has no significant moderating effect on the relationship between competitive strategies and service delivery among real estate agent firms in Kenya.

1.4 Rationale or Justification of the Study

This study is justified by the critical role service delivery plays in the competitiveness and sustainability of real estate agent firms in Kenya. Poor service delivery leads to customer dissatisfaction, client loss, reduced market share and lower profitability, undermining overall firm performance. which weakens a firm's overall performance. Inefficient services lead to loss of investor confidence, thus limiting the growth of the real estate industry given its 5.3 percent contribution to Kenya's GDP (KNBS, 2025) and is its prioritization under the government's Big Four Agenda.

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Thus, enhanced service delivery is both economically and strategically important for national development. Competitive strategies were the preferred area of inquiry because they represent deliberate, strategic, manageable interventions that firms can formulate and execute to enhance service delivery, unlike external environmental factors beyond firm control. Hence, making competitive strategy more analytical as a determinant of the quality of service delivered by real estate firms. While organization capabilities can be tailored to enhance service delivery.

Theoretically, the study extends the Resource-Based View and Dynamic Capabilities theories to the real estate industry, by demonstrating how firms leverage internal resources and capabilities to achieve competitive advantage in offering professional services. Further, by explicitly testing organizational capabilities as mediating mechanisms, the study addresses theoretical gap-moving beyond assumptions of direct strategy-performance relationships to empirically demonstrate how competitive strategies translate into service delivery outcomes. Additionally, the study enriches Service Quality Theory by demonstrating how competitive strategies shape service delivery dimensions-responsiveness, reliability, assurance, tangibles-through organizational capability development. While, the Stakeholder Theory demonstrate that customer focused strategies must be manifested in service delivery outcomes. The study also contributes to the advancement of knowledge methodologically by using the Structural Equation Modelling to consider the direct, mediating, and moderating effects with one study, unlike previous studies that used simple regression analysis.

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1.5 Significance of the Study

The significance of the study findings is valuable to various stakeholders. First, the study informs regulatory frameworks supporting improved service delivery in Kenya's real estate sector. Findings are beneficial to EARB and KPDA as they will broaden awareness of competitive strategies and their implications on service delivery as they formulate capacity-

building initiatives and professional standards for real estate agent firms. Policymakers can prioritize interventions addressing identified capability gaps and support real estate agent firms in implementing appropriate strategies that promote transparency, reduce fraud, and enhance customer protection in real estate transactions. Further, given real estate's inclusion in the Government of Kenya Big Four Agenda, study findings directly support national development priorities by identifying pathways to improve service delivery, enhance customer satisfaction, and strengthen the sector's contribution to economic growth and housing accessibility.

The findings of the study are also beneficial to Managers of real estate agent firms as the findings of the study will help them align competitive strategies to attain competitive advantage without compromising service delivery. Additonally, scholars and researchers may use the findings to undertake further studies on competitive strategies and service delivery and use this study as a reference for further research. Moreover, the study variables can be examined in areas other than the real estate sector, opening new frontiers to scholars and corporate practitioners with respect to competitive strategies and service delivery.

1.6 Scope of the Study

This study examined 80 real estate agency firms that were registered with the Kenya Property Developers Association (KPDA) as of June 2024. The choice of KPDA-registered firms was justified because these firms operated within established legal and regulatory frameworks under structured governance frameworks and were more likely to comply with statutory requirements; hence, they are more transparent in their operations. Further, KPDA members represented reputable firms with established operations where strategic management practices could be systematically assessed. In addition, KPDA provided a more accessible and comprehensive database compared to EARB, whose records included individual practitioners

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rather than firms as units of analysis. Therefore, focusing on KPDA-registered firms ensured data reliability and relevance to the research objectives.

Geographically, the study covered real estate agent firms operating in Kenya. The unit of analysis was the firm, and data were collected from senior managers and operations department heads with knowledge of competitive strategies, organizational capabilities, and service delivery practices. Primary data were collected using structured questionnaires and semi-structured interviews through face-to-face interaction. The study adopted a cross-sectional time horizon, with data collection conducted over five months from January 2026 to May 2026. The study treated firm size as the moderating variable, organizational capabilities as the mediating variable, competitive strategies (cost leadership, differentiation, and focus) as independent variables, and service delivery as the dependent variable. The study did not include unregistered firms, nor did it examine financial performance measures. These delimitations ensured the study remains focused and manageable.

1.7 Assumptions of the Study

The assumptions of the study were that real estate agent firms had clearly defined organizational structures and firms employed competitive strategies that were viable for statistical analysis. In addition, the study assumed that the variables for the study would remain sufficiently variable for the firms under investigation to enable analysis through statistical methods. Further, since cross-sectional data were used, it was assumed that the relationship between the variables remained stable for the duration of data collection, so that cross-sectional data would yield meaningful insights. It was also assumed that a sequential explanatory mixed-methods research design was adequate to achieve the study goals. Finally, the study assumed that the selected respondents in the firms had adequate organizational knowledge and would therefore provide accurate information.

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CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

The chapter discusses literature on the theories that support the variables in the study, identifies existing gaps and justifies the proposed conceptual framework. A summary of the empirical review is also provided of what is known, what remains unknown, and how the current study addresses identified gaps and the conceptual framework illustrating hypothesized relationships among variables, showing the mediating role of organizational capabilities and the moderating effect of firm size.

2.2 Theoretical Review

The study considered four theories in understanding the relationship between and among the variables. Resource-Based View (RBV) was the overarching theory, while Dynamic Capabilities Theory broadened RBV's scope by emphasizing the need for constant adaptation and reconfiguration of resources in response to changing environments. Stakeholder Theory justified the customer-centric orientation of competitive strategies, emphasizing alignment with stakeholder expectations to enhance service delivery. Service quality theory was important in conceptualizing that a firm's perceived service quality affects its ability to compete, attract, and retain new customers.

2.2.1 Resource-Based View (RBV)

The Resource-Based View hypothesis was developed by Wernerfelt (1984) and Barney (1991). According to the RBV, possession of an organization's resources and their operationalization are key to having a superior competitive advantage. The resources can be tangible or intangible (Kero & Bogale, 2023). Importantly, a company's ability to maintain its competitive advantage depends on possessing VRIN resources, which stand for valuable, rare, inimitable, and non-

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substitutable assets. This implies that firms with VRIN are better positioned to implement competitive strategies effectively and support enhanced service delivery. Thus, resources are strategic inputs that sustain competitive advantage and support superior service delivery outcomes. This explains why firms in that same competitive market may have different outcomes.

Thus, RBV provides a solid theoretical basis for assessing an organization's ability to generate competitive advantage (Lubis, 2022). The RBV postulates that firms' resource endowments are diverse and immobile, therefore enabling firms to maintain competitive advantages over time. Notably, companies risk vulnerability in competitive environments, which may compromise service delivery efficiency if they lack a competitive advantage (Ndei & Kinyua, 2024). It is imperative, therefore, for firms to possess VRIN. Kanji et al. (2024) emphasize that competitive edge can better be achieved by offering distinct services and working towards brand loyalty.

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However, the RBV theory of competitive advantage has some weaknesses. The theory is criticized for being too internally focused and for potentially overlooking external environmental factors that influence firm performance. The notion becomes less applicable when a company's competitive advantage stems from intricate social phenomena because it becomes very difficult for other companies to replicate these advantages (Sugiarno & Novita, 2022). Further, Kero and Bogale (2023) point out that the RBV theory fails to address the dynamic nature of modern work settings by failing to provide strategies for enhancing and developing relevant abilities. Although RBV emphasizes internally controlled resources, contemporary organizations increasingly create competitive advantage through strategic alliances and inter-organizational networks, an aspect the theory inadequately addresses

(Chimakati & Nzinga, 2023). However, despite these weaknesses, RBV underpins the relationship between competitive strategies and service delivery and explains how competitive strategies may enhance service delivery.

The RBV supports the competitive strategies variable since real estate agent firms may identify and leverage unique, inimitable resources that are difficult for competitors to replicate and therefore formulate competitive strategies that enhance service delivery. For instance, experienced real estate agent firms with deep market knowledge, established networks, and strong reputations have rare, inimitable resources that enable differentiation. Similarly, efficient operational systems and technology platforms represent valuable resources that support a cost leadership strategy (Kiprotich & Waithaka, 2025). In addition, RBV supports firm size as a moderator since the strategic outcome of a resource may vary depending on the size of the firm. For instance, larger firms have more financial and knowledge resources and broader organizational resources; therefore, RBV may indirectly explain why firm size influences strategy implementation. However, the firm must have the ability to effectively identify and harness the resource so as to gain leverage and attain a competitive advantage. Further, the theory also supports the service delivery variable as it elaborates why some firms successfully implement competitive strategies while others fail: success depends not only on possessing the requisite VRIN resources but also on their strategic development and application.

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2.2.2 Dynamic Capabilities Theory

The theory of dynamic capabilities (DC), which was initially proposed by Teece, Pisano, and Shuen (1997) and later updated by Teece (2018), expounds on the RBV to explain how resources and capabilities are created and rebuilt to deal with situations that are changing at a rapid pace. In contrast to the resource-based view (RBV), DC theory emphasizes how

companies create, use, and alter their resources over time. In essence, RBV explains resource possession, while DC explains resource renewal and the processes through which firm resources are mobilized and adapted to create service value. This integration provides the theoretical basis for the mediating role of organizational capabilities. According to this notion, companies with higher DC have better results than those with lower DC (Pisano, 2017). According to this view, a company can gain an edge over competitors by leveraging its own strengths (Teece, 2018). In the context of real estate agencies, DC enable firms to recognize opportunities (identifying changing customer needs), seize opportunities (developing new service offerings or serving niche markets), and reconfigure resources (reallocating staff, adopting new technologies, or restructuring operations to enhance service delivery). Notably, disparities in capabilities among firms may be attributed to differences in management (Pisano, 2017). This implies that real estate agent firms with proactive leadership are more likely to apply DC theory to align competitive strategies and improve service delivery.

Firms' DC comprise of human resource, technological, research innovations among other capabilities. It is in this conceptualization that DC can support competitive strategies specifically the differentiation strategy. DC explains resource renewal and the processes through which firm resources can be mobilized and adapted to create worth in the services delivered. For real estate agent firms DC enable firms to easily identify opportunities for instance modifying services according to service demand, therefore offering new services and developing services to suit different market segments. Implying that, firms pursuing differentiation strategy must possess capabilities for identifying evolving customer needs, and effectively apply resources to make changes to existing services and satisfy customer needs. Additionally, restructuring the service such that there is uniqueness in the offering, such that the services offered positively exceed customer expectation.

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The DC theory also informs the mediating variable, organizational capabilities, by explaining how real estate agent firms can successfully implement competitive strategies by developing competencies. For example, as markets change, a firm pursuing cost leadership must have DC to identify opportunities to reduce costs, improve operational efficiency, and reconfigure technical operations. A firm in pursuit of differentiation strategies must identify emerging customer needs, seize opportunities for service innovation, and reconfigure offerings to maintain uniqueness as competitors imitate. And firms undertaking a focus strategy must be in a position to offer unique services and provide feedback promptly to clients as markets evolve.

However, DC lacks a clear definition of the term "dynamic capabilities", researchers use different terms to describe different organizational phenomena (Bleady et al., 2018). Additionally, organizational capabilities are context-specific because they are embedded in organizations' routines, posing a challenge for scholars in assessing capabilities. Moreover, no clear models exist to measure capabilities and their effects on service delivery. Gremme and Wohlgemuth (2017) query whether dynamic capabilities should be measured through managerial perceptions, observable organizational behaviors, performance outcomes, or some combination. Further, there are no clear guidelines on how managers can develop the capabilities for specific practices (Pisano, 2017). In this regard, the lack of clarity may limit actionable insights for practitioners seeking to enhance their firms' adaptive capacity.

Despite these limitations, the theory remains particularly relevant to this study. First, it offers the most comprehensive framework for understanding how organizational capabilities enable firms to implement competitive strategies in dynamic real estate agent markets where customer expectations, technologies, and competitive conditions constantly evolve. In addition, by

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grounding organizational capabilities in specific, measurable dimensions such as administrative capabilities (strategic planning, resource allocation, process management) and technical capabilities (technological proficiency, operational expertise, market knowledge). This study addresses measurement challenges through clear operationalization.

2.2.3 Service Quality Theory

Parasuraman, Zeithaml, and Berry's (1985; 1988) Service Quality Theory serves as the basis for this study's conceptualization and measurement of service delivery, the dependent variable. The hypothesis is based on the SERVQUAL model, which states that the difference between expected and perceived service quality determines service quality. SERVQUAL is based on a gap. There is a positive gap where quality exceeds expectations, a zero gap if expectations are met, and a negative gap where expectations are not met. SERVQUAL provides measurable dimensions through which the quality-of-service delivery can be evaluated, namely: tangibles (physical facilities and materials), assurance (knowledge and courtesy of employees), responsiveness (willingness to help customers promptly), and reliability (accurately delivering promised services). This framework has been widely adapted across service sectors, including real estate, to assess service delivery quality (Deb & Ali Ahmed, 2018; Sam et al., 2018). In this study, the SERVQUAL model was adapted by excluding empathy because of its predominantly interpersonal focus. Moreover, empirical evidence from Lin and Lai (2026) study found that reliability, responsiveness, assurance, and tangibles significantly predicted service quality, while empathy was highly correlated with other dimensions. In addition, Zariman et al. (2022) also excluded empathy from their study, indicating that the SERVQUAL model can be modified for different service contexts.

SERVQUAL dimensions, however, do not capture dimensions such as property information accuracy, transaction transparency, and legal compliance. Yet, in the real estate sector,

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transparency in all dimensions cannot be overlooked. Moreover, the theory fails to consider the costs that may be incurred in an attempt to improve the quality of services, nor does it consider the influence of the external environment on service quality. For this study, service delivery is operationalized through responsiveness, reliability, assurance, and tangibles, which capture essential service quality dimensions while acknowledging that real estate service delivery encompasses additional technical and ethical dimensions. The theory directly informs measurement of the dependent variable (service delivery) by providing a framework for assessing how well real estate agent firms meet customer expectations, thereby linking competitive strategies to improved service delivery outcomes. SERVQUAL complements RBV by demonstrating that possession of VRIN by real estate agent firms can enhance the firm's ability to deliver quality services across the SERVQUAL dimensions.

2.2.4 Stakeholder Theory

Stakeholder Theory argues that organizations create sustainable value by balancing the interests of all parties affected by organizational activities. Freeman (1984) first proposed stakeholder theory as a framework for strategic management. Strategy, according to this notion, is all about establishing long-term, mutually beneficial relationships with the many groups of people that have a stake in the success of a business. According to Bridoux and Stoelhorst (2022), stakeholder theory is a framework that considers economic factors (value generation), social factors (relationship management), and moral factors (fairness). According to stakeholder theory, an organization's value is maximized when there is a balance on the benefits to its stakeholders (Vidal et al., 2015). For real estate agent firms, key stakeholders include property owners (principals), buyers and tenants (customers), regulatory bodies (EARB, KPDA), employees, and the broader community.

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The conventional perspective of a firm, in accordance with stakeholder theory, held that the company has an obligation to prioritize the requirements of its owners or shareholders and maximize value for them. Instead, according to modern stakeholder theory, there are a plethora of additional parties involved, including communities, governments, political groups, trade associations, suppliers, consumers, and financiers. According to Mlanya (2015), even rival companies can be considered stakeholders. Thus, strategy researchers have moved their focus from elucidating competitive advantage, usually characterized as a company's higher capacity to create economic profit, to the intricate interplay between value creation and value appropriation (Bridoux & Stoelhorst, 2022). Unlike RBV, which focuses on internal resource ownership,

Stakeholder Theory emphasizes the relational aspects of value creation, arguing that firms succeed by building durable relationships with stakeholders whose support is essential for long-term viability. The theory emphasizes that Stakeholders are the primary motivators for any business, even though it may take a long time and a lot of money to satisfy their expectations. According to this theory, a company's performance improves when its strategic management process considers stakeholder demands and expectations and satisfies them (Mlanya, 2015; Yoo, 2025). Therefore, real estate agent firms' leadership needs to make strategic choices and conceptualize value creation for the stakeholders, especially to enhance service delivery.

The firm's objectives should transcend satisfying a particular stakeholder group, and their staff conveys this message in their operations. That is, their performance and service quality will reflect the strategy's explicit commitment to creating broad value (Vidal et al., 2015). However, Stakeholder Theory lacks specificity about identifying and prioritizing conflicting stakeholder interests and provides limited guidance on operational implementation (Yoo, 2025).

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Additionally, the firms already have obligations to pay their employees, deliver goods and services, and pay taxes, and hence are already giving too much; therefore, additional financial obligations are unreasonable (Bridoux & Stoelhorst, 2022). Nevertheless, the theory is particularly important in this study as it informs the independent variable by suggesting that competitive strategies influence service delivery through the lens of stakeholder engagement. Therefore, real estate agent firms must consider the interests of all stakeholders when implementing competitive strategies. Since RBV explains what resources create competitive advantage.

2.3 Empirical Review

This section reviews previous literature based on study's objectives. The review discusses the purpose of the study, the methodology adopted, study findings and the research gaps.

2.3.1 Cost Leadership Strategy and Service Delivery

To examine how competing tactics affected the service delivery positioning. Kinuthia and Wambua (2025) carried out an empirical examination of 38 commercial banks in Nairobi, Kenya. The study had 87 respondents and employed a descriptive research methodology. The study operationalized service delivery positioning through customer retention, tangibility, reliability, and accessibility. The study deduced that banks place significant importance on cost strategy, thus affirming that cost leadership improves operational efficiency, reduces operational costs, and attracts price-sensitive customers. Muthama (2021) sought to evaluate competitive strategies among 100 logistics companies in Nairobi, using a descriptive cross sectional research design targeting top executives. Service delivery was conceptualized through responsiveness, reliability, assurance and empathy. From the findings, cost leadership strategies were significant in improving the quality of services consistently. Both studies affirm the proposition that cost efficiency enhances service quality when properly applied. However,

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the link between competitive strategies and service delivery may not be as direct, and neither study incorporated a mediating variable. Additionally, the results may not apply to real estate agent firms, since these firms operate under different cost structures and customer relationship settings. Banking and logistic services are routine while real estate agency transactions involve high-value, infrequent purchases with extended decision-making cycles.

Njuguna and Waithaka (2020) sought to investigate the effect of the cost leadership approach on the organizational performance of insurance firms in Nyeri County, Kenya, using a census research approach. According to the results, there was a significant positive relationship between cost leadership and firm performance. Similarly, using a descriptive research design, Chepchirchir et al. (2018) sought to investigate the effect of cost leadership on the performance of 15 logistics firms in Nairobi, Kenya. Cost leadership was conceptualized as using modern technology, economies of scale, and preferred access to resources. The study concluded that cost leadership had a statistically significant effect on performance. The studies affirm that cost leadership positively impacts organizational outcomes. The studies did not, however, examine service delivery, yet it is a critical outcome variable in real estate agencies.

More pertinent evidence is provided by studies that concentrate solely on the real estate sector. In Kenya, Musundi (2022) examined 87 SMEs in the real estate industry to stablish their financial and non-financial performance. Non-financial performance was conceptualized through conducive work environment, growth in customer base and establishment of new branches. The study employed a descriptive research design and standardized questionnaires targeting top managers. Cost leadership strategy was operationalized through mass production, cost reduction, and distribution efficiency. The study found that SMEs employing cost leadership approach invest heavily in mass production and distribution while diligently reducing costs, suggesting that cost efficiency enhances operational outcomes even among

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smaller real estate firms. This sector-specific evidence is particularly relevant to the current study. However, Musundi's study focused on SMEs across various real estate activities rather than specifically on real estate agent firms, and examined non-financial performance broadly rather than specifically service delivery. Additionally, the study did not investigate mediating mechanisms or moderating factors that might influence the cost leadership-performance relationship.

Nalucha and Mwanza (2022) carried out a study to investigate the effectiveness of competitive strategies used by real estate organizations in Lusaka, Zambia. The study employed quantitative survey design focusing on real estate firms registered with the Zambia Institute of Estate Agents, with questionnaires electronically distributed to 37 firms and analyzed using SPSS. Cost leadership was measured as one of Porter's generic strategies. Correlation and regression analyses indicated that use of these strategies was not effective in leading to competitive advantage as the variables were not statistically significant at 95 percent confidence level. The contradictory finding from Nalucha and Mwanza (2022) highlights important considerations. The ineffectiveness of cost leadership strategy among real estate firms in Zambia, could have been due inadequate organizational capabilities to implement cost strategies effectively, suggesting that capabilities may mediate the relationship between strategy and outcomes. Alternatively, firm size may moderate effectiveness, with smaller firms lacking economies of scale necessary for cost leadership to succeed. The study's limitation was reliance on correlation and regression analysis which cannot simultaneously test mediating and moderating effects, justifying the current study's use of PLS-SEM.

Sitanggang and Absah (2019) sought to examine the effect of innovation, cost leadership and customer orientation on competitive advantage and customer satisfaction in Belawan, Indonesia using descriptive design with forty-eight businesses. Cost leadership was

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conceptualized through operational cost control. Findings indicated that cost leadership had favorable and significant impact on customer satisfaction, measured by the gap between customer expectations and perceived performance. Conceptually, the study did not link cost leadership strategy and service delivery but covered innovation, customer orientation and customer satisfaction. In addition, the study ignored other generic strategies namely, focus and differentiation. The current study sought to fill the gap by examining the link between cost leadership, differentiation strategy, focus strategy and service delivery of real estate agent firms in Kenya.

Swallehe (2024) conducted an empirical study on low-cost strategy among 171 small and medium enterprises in Tanzania using cross-sectional design with stepwise multivariate analysis. Cost strategy was conceptualized through cost controls, waste minimization and low pricing. From the study it can be inferred that cost leadership strategy was not an effective strategy most probably due to resource constraints or not properly aligning firm resources to gain a competitive edge. The findings introduced the potential moderating role of firm size, as smaller firms may lack the scale economies necessary for cost leadership effectiveness. Additionally, the study was conducted among SMEs across various sectors, thus making it difficult to infer the results for real estate agent firms since different firms have different structures, resources and capabilities.

Kiprotich and Waithaka (2025) used a descriptive research design to examine the impact of competitive strategies on performance of 55 real estate development firms in Nairobi. The results showed a statistically significant relationship between the organizational performance of property development enterprises and the cost leadership strategy. While, the study provided useful insights, it relied on only quantitative data, limiting deeper insights that qualitative data could provide. Additionally, the study was focused on the property development companies

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instead of real estate agent firms that have different business models and provide services such as facilitating property sale transactions, providing valuation services, managing properties and providing advisory services (Mohamad et al., 2024).

The studies reviewed identify a number of gaps collectively. Cost leadership consistently shows positive relationships with performance and service delivery outcomes across banking, logistics, insurance, and some real estate contexts. However, research by Nalucha and Mwanza (2022) and Swallehe (2024) suggest that the relationship is not universally the same, particularly among smaller firms or when implementation capabilities are ineffective. The effectiveness of cost leadership may depend on other factors, such as technology adoption, operational systems and organizational capabilities, yet these have not been tested consistently. It may also depend on firm characteristics, since findings for large firms appear to differ from those for small firms, but the role of firm size in cost leadership has not been examined.

2.3.2 Differentiation Strategy and Service Delivery

Through a differentiation strategy, a firm aims to differentiate its services from competitors by offering distinct services with superior features, expertise, and attaining brand reputation (Demba et al., 2019). Kiprono and Kinyua (2021) used a descriptive research design to examine the relationship between service delivery and differentiation tactics across Kenyan insurance firms. To conceptualize differentiation, they considered People, Channel, Image and Product. The constructs of turnaround time, market knowledge, customer feedback, responsiveness and assurance were used in conceptualizing service delivery. The results revealed significant difference in service delivery performance among the firms that employed differentiation strategies that included; having strong brand image, different channels and skilled personnel with better service delivery performance. The study findings may not be directly applicable to the real estate agent firms that have different consumer needs, and is influenced by unique

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market trends and dynamics. Moreover, the study employed multiple regression model while the current study employed PLS-SEM. Moreover, one disadvantage of regression model is that it estimates direct relationships only and does not estimate direct, mediating and moderating relationships in a single model; whereas PLS-SEM can estimate direct, mediating and moderating relationships at the same time, and can also account for measurement error in the model.

To study the effect of innovation strategies on real estate companies' performance in Kenya, Maingi and Muathe (2021) employed the census method which involved questionnaires as data collection tools. The study especially focused on product differentiation strategy, alongside process innovation, technological strategy and innovative customer service strategy. The study specifically examined product differentiation strategy alongside process innovation, technology strategy, and innovative customer service strategy. Data analyzed using SPSS revealed that 90.3 percent of variance in real estate firm performance could be explained by combined innovation strategies. The study found that product differentiation strategy had significant positive effects on real estate firms' performance, concluding that firms employing differentiation achieve superior outcomes. The study provided sector-specific evidence from Kenya's real estate sector, demonstrating differentiation's relevance in real estate contexts. However, the study focused on general performance rather than specifically on service delivery, and did not also examine how organizational capabilities mediate the differentiation-performance relationship or how firm size moderates this relationship

Mung'uri (2021) sought to investigate competitive advantage and performance of real estate development firms in Nairobi City. The study examined how differentiation contributes to competitive advantage and subsequently influences firm performance. The findings revealed that differentiation strategy enabled real estate development firms to achieve competitive

advantage that enhanced performance outcomes. However, like Maingi and Muathe (2021), this study focused on real estate development firms rather than real estate agent firms, which have different business models, operate in different regulatory frameworks and centered on service provision rather than property development. Additionally, Konyach et al. (2021) study examined the effect of differentiation strategies on organization performance of mission hospitals in Kisumu County, Kenya employing ex-post facto research design. Firm performance was conceptualized through number of complains and staff turnover. While differentiation was conceptualized through exclusive service features, unique customer service, mobile clinics and uniqueness in technology. Descriptive statistics, ANOVA and regression were used for analysis. Results indicated that differentiation strategies had positive and significant effect on performance. The study was however, limited to Kisumu County therefore limiting generalization to other hospitals within Kenya. Methodologically the study used an ex-post facto design which relied on past data, that may not adequately capture real-time strategic decision-making, unlike the current study's mixed methods approach that integrated both qualitative and quantitative insights.

To investigate the relationship between organizational performance and differentiation strategy in Lagos, Nigeria, Akingbade (2020) considered 249 SMEs that were registered with the Lagos State Ministry of Industry and Commerce. Differentiation was measured through the uniqueness of service offerings. The findings showed that firms that used service differentiation improved performance and market share, while those that did not had low performance. However, the study focused mainly on organizational performance and ignored non-financial indicators such as service delivery and consumer satisfaction. Additionally, to examine how environmental benevolence moderated the relationship between differentiation strategy and performance of Malaysian hotels, Gorondutse and Hilman (2019) had a target population of 83 hotel managers and employed PLS-SEM, demonstrating the technique's capability to examine

complex relationships. To measure differentiation, uniqueness of the service offered was considered. From the findings customers were willing to pay premium prices for unique services. However, the limitation of the study was that only quantitative data was collected, while the current study used a mixed-methods approach, therefore allowing triangulation of data. Warman et al. (2022) study sought to examine the mediating effect of differentiation strategy on the relationship between transformational leadership and performance of private high schools in Pekanbaru, Indonesia. The target population was nine hundred forty principals and vice principals. From the findings differentiation strategy moderated the favorable effect of transformational leadership on performance. The present study considered differentiation as an independent variable that directly affects organizational performance through service delivery.

From the reviewed literature differentiations reveals positive relationship with service delivery and that firms can achieve differentiation through a number of factors: product/service uniqueness, brand image, distribution channels, pricing strategies, and people capabilities. In addition, Clients are willing to pay premium prices for exclusive features, as evidenced by Gorondutse and Hilman's (2019). The different studies also use different methodological approaches with most studies employing regression analysis and only Gorondutse and Hilman (2019) use PLS-SEM. Also, while studies acknowledge the importance of organizational capabilities like skilled personnel (Kiprono & Kinyua, 2021) and innovation capabilities (Maingi & Muathe, 2021), none systematically test organizational capabilities as a mediating mechanism explaining how differentiation strategies translate into service delivery outcomes.

2.3.3 Focus Strategy and Service Delivery

According to Akintokunbo (2018), businesses that employ a focus strategy dedicate a disproportionate amount of their efforts to catering to certain subsets of the market. According

to Porter's generic strategies framework, focus strategy can take two forms: cost focus, where firms target niche markets with cost advantages, and differentiation focus, where firms serve specific segments with unique offerings. Nyanchama and Murigi (2019) used a case study methodology with a sample size of 65 workers to investigate how customer focus strategies affected Cooperative Bank of Kenya's performance. Closed questionnaires were used to collect information. The research considered both monetary and non-monetary indicators of success; monetary indicators included ROA and EPS, while non-monetary indicators included customer happiness as a result of better service. Results showed that customer focus tactics significantly affected efficiency. The study however, lacked generalizability and relevance to other organizations or sectors because it is was case study research that focused on one firm. Furthermore, the research only examined the banking industry, thus the results are not applicable to the real estate agent firms, where market experience, relationship management, and property-specific knowledge are essential to providing excellent service to clients.

Njue et al. (2024) used a desktop research design to look at the pricing tactics and market share of Kenyan realtors. They drew on industry reports, market studies, and current literature. Pricing strategies including segmentation, value-based pricing, promotional pricing, and competitive pricing were all part of the research. Findings indicated that segmented pricing approaches, which align with focus strategy by targeting specific customer segments with tailored pricing, stimulate market growth and geographical expansion. Thus, demonstrating focus strategy's effectiveness in enhancing market performance. However, while Njue et al. (2024) provided real estate sector evidence from Kenya, the desktop research design relied on secondary data rather than primary empirical data from real estate firms, limiting insights into actual implementation of focus strategies and their effects on service delivery.

Demba et al. (2019) used a cross-sectional descriptive design with purposive sampling to examine how a differentiation and focus strategy affects the performance of car rental businesses in Nairobi, Kenya. The study surveyed 15 car rental agencies. Focus strategy was measured through service uniqueness and customer segmentation, and performance through customer satisfaction and revenue growth. The results indicated that there was no statistically significant correlation between focus strategy, performance and differentiation. A lack of statistical power could have been due to the small sample size. Besides, the insignificant findings may have been as a result of inadequate application of organizational capabilities to implement focus strategies effectively, or from firm size constraints where small car rental businesses lacked resources to successfully adopt focus strategy. The present study sought to fill the gaps by using a mixed-methods approach to build a comprehensive understanding of the relationship between focus strategy and service delivery.

Njoroge et al. (2022) focused on influence of focus strategy on performance of small and micro-enterprises (SMEs) in Machakos County, Kenya. The study population consisted of 40 electronic outlets with a census study employed. Mixed research design was used collecting both quantitative and qualitative data. Focus strategy was conceptualized through niche markets, customized market mix and adopting e-markets. While firm performance measures included both financial and non-financial measures, with non-financial conceptualized through customer and employee satisfaction, while financial measures included profit and turnover. The study revealed that focus strategies had significant impact on performance. However, the study was limited to SMEs in Machakos County operating on smaller scale and in different sector from real estate agent firms, thus, limiting applicability of the findings. Moreover, the study did not consider any mediating or moderating variables as firm-specific aspects may affect the direction of relationship between dependent and independent variables.

Hidayat et al. (2025) carried a study in Indonesia to analyze the degree to which customer focus strategy influences client satisfaction in the IT outsourcing industry. The study incorporated innovation capability as mediating variable. Customer satisfaction was conceptualized through responsiveness, reliability and perceived value. Surveys and interviews were conducted with managers from IT outsourcing companies and their clients, though the study did not specify sample size used. Hidayat et al. (2025) study had a conceptual gap since it focused on customer focus strategy without examining other generic competitive strategies such as cost leadership and differentiation which are central to the current study. Moreover, the research was carried out in Indonesia's IT outsourcing sector, hence findings are not directly applicable to real estate agent firms in Kenya operating under different market dynamics, regulatory frameworks, and customer expectations.

Pleyers and Poncin (2020) investigated the use of non-immersive virtual reality technologies in the real estate industry, as well as the ways in which clients' experiences shape their opinions of businesses and homes. People viewed the apartment listings on the websites of real estate companies, which featured both static images and interactive 360-degree tours. Positivity toward items and the agency as a whole, as well as improved experiences during visits, were linked to the second condition. The study demonstrated that the use of technology improved client experience and satisfaction. However, although Pleyers and Poncin (2020) provided data from the real estate sector, their study specifically examined how technology improved customer experience rather than the impact of focus strategies on enhancing service delivery. Additionally, the study was conducted in developed markets where technology adoption patterns and customer expectations differ from Kenyan real estate market.

Focus strategies enable firms to develop specialized knowledge and capabilities suited to serving specific market segments, as evidenced by Ochodo et al.'s (2020) findings on client

segmentation and brand loyalty. Focus strategies operate through various mechanisms including market segmentation, service customization, specialized branding, premium pricing for niche segments, and technology adoption to enhance customer experience within targeted markets. Furthermore, innovation and technology can enhance focus strategy effectiveness by enabling better service customization and customer experience, as demonstrated by Pleyers and Poncin's (2020). However, evidence from Demba et al. (2019) suggested that focus strategy effectiveness is not universal, with focus strategy showing insignificant effects among small car rental businesses. While studies acknowledge the importance of organizational capabilities such as having customized market mix (Njoroge et al., 2022) and innovation capability (Hidayat et al., 2025), none systematically test organizational capabilities as mediating mechanism explaining how focus strategies translate into service delivery outcomes.

2.3.4 Competitive Strategies, Firm size and Service Delivery

The definition of firm size emanates from the concept of economies of scale. Where large companies are better positioned to endowment of resources, pricing, and market penetration thus ease in implementation of strategies. Firm size is an important factor in an organization that could affect the effectiveness of competitive strategies in improving service delivery (Mwaluku, 2024). The concept of economies of scale is that larger firms are more resourceful, charge lower prices, and are better able to penetrate markets, and these attributes can lead to more effective competitive strategies. Conversely, smaller businesses may have an advantage when it comes to implementing strategies in niche markets due to their agility, speed of decision-making, and client ties (Matara et al., 2023). This section reviews research on firm size as a moderator in the relationship between strategy and service delivery.

Kitenga et al. (2020) studied whether firm size moderates the relationship between dynamic capabilities and the long-term success of food manufacturers in Kenya. The study employed a

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descriptive explanatory design and measured firm size by market share, sales value, input value and number of employees. Multiple regression analysis was used to establish the nature and strength of the relationships between the independent and dependent variables. The results showed that firm size did not significantly moderate the relationship between dynamic capabilities and firm performance. Contextually the study was limited to food manufacturing firms that operate in first moving consumer goods market, while real estate firms' operations are service oriented. Additionally, given the size of the population, a census would have been more appropriate than sampling the population.

Vij and Farooq (2017) examined how firm size affects the relationship between information technology orientation and business success, measuring size by number of employees. The study used a cross-sectional design with purposive sampling of managers in manufacturing and service companies in India's National Capital Region (NCR). Questionnaires collected data from 240 senior and middle-level managers, and hypotheses were tested with structural equation modeling (SEM). The results indicated that firm size influences the relationship between technology capabilities and performance, with IT orientation moderating the link. However, the authors did not state which type of SEM they used, partial least squares (PLS-SEM) or covariance-based (CB-SEM). In addition, results from manufacturing and general service firms cannot be applied directly to real estate agencies, where firm size could shape how competitive strategies are used.

Obaje et al., (2021) conducted a study to determine the effect of firm size on the link between business success and information technology orientation in India. The size of the companies was based on number of employees, assets and annual turnover. This study used random effect regression analysis for panel data from 2012 to 2019. The findings indicated that size of the board had the least negative effect on the company's financial performance, which was related to the company's size. Implying that governance systems do not always have a bigger impact

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in larger companies. The study also used secondary data, which means that the researcher was vulnerable to controlling the quality of secondary data.

Additionally, Mutunga (2017) sought to examine the effect of firm size of manufacturing firms on the relationship between micro-factors and the financial performance of manufacturing enterprises in Kenya. The study was anchored on the agency theory, wealth maximization theory and the resource-based theory, and measured firm size using the number of branches, the number of employees and the value of assets. A descriptive research design was employed and the focus was on 180 manufacturing enterprises. Firm size significantly moderated financial performance, and the results showed that the effect of internal factors on organizational outcomes varies with firm size. While the study offered valuable insights, a census would have been appropriate since the study population was small.

Ondari et al. (2020) aimed to find the relationship between factors affecting the successful implementation of strategy and organizational performance in the perspective of size of factories. The study's research design was explanatory with 846 workers at five tea processing facilities in Kisii, Kenya. Firm size was conceptualized through the number of employees, leadership, organizational structure and human resource development was operationalized as a driver of the implementation of the strategy. A sample of 271 employees was obtained with stratified sampling and random sampling, both of which were based on Yamane's formula. The results revealed that the effect of the two sets of variables (strategy implementation drivers and performance) was positively and significantly influenced by the size of the firm.

Suriawinata and Nurmalita (2022) investigated the moderating effects of firm size on ownership structure and firm value. The study used panel data from Indonesia listed consumer goods companies covering period 2015-2019, with sample of 18 firms. The findings showed that the influence of share ownership structure on company value was mitigated by firm size. As firm size increased, managerial operations were more inclined to conform with

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shareholders' interest. Implying, that managerial actions were more likely to align with the interests of shareholders as the firms increased in size. The results are aligned to the stakeholder theory that posits that the stakeholder's expectation should be prioritized by the business. However, that limitations of the study were the small size of the population which posed the risk of sampling biasness, lower accurate estimates and limited generalizability. The study also relied on secondary data that posed the risk biasness and incomplete information. Furthermore, the findings from consumer goods companies may not apply to service-oriented real estate agent firms.

Gunadi et al. (2020) study examined company size and structural capital on the effect of growth in firm value through financial performance, using sound corporate governance as a moderating factor in Indonesia's real estate and property market. Companies that were listed on the Indonesia Stock Exchange and were in the country's real estate and property market between 2013 and 2018 made up the study population. Data was analyzed using PLS-SEM data analysis technique. According to the findings, strong corporate governance-controlled decisions about business size and capital structure affected firm value and financial performance. Although this study offered data from the real estate industry, its primary focus was on governance and financial performance rather than service delivery. Similarly, Sunaryo (2021) used firm size as a moderating factor on financial distress in the Southeast Asian real estate and property market from 2012 to 2019. From the results, the Net Profit Margin, Current Ratio, and Debt to Asset Ratio associations in the real estate and property industry was not moderated by firm size. Additionally, the study had a small sample size of 35 real estate property companies selected through purposive sampling which had the risk of reduced statistical significance of the findings.

Empirical evidence on firm size as moderator presents contradictory findings, with some studies reporting significant positive moderating effects (Mutunga, 2017; Ondari et al., 2020;

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Suriawinata & Nurmalita, 2022; Vij & Farooq, 2017), while others find insignificant or negative effects (Kitenga et al., 2020; Obaje et al., 2021). This inconsistency suggests that firm size's moderating role may depend on contextual factors, types of strategies examined, or performance measures used. Moreover, most studies examine firm size as moderator on the relationship between governance structures, technological capabilities, or strategy implementation drivers and performance, rather than specifically examining competitive strategies (cost leadership, differentiation, focus) and service delivery. Nevertheless, large firms may benefit from economies of scale, enabling cost leadership strategies to be more effective through volume advantages, standardized processes, and technology investments (Mutunga, 2017). While, small firms may implement differentiation or focus strategies more effectively through personalized service, flexibility, and closer customer relationships (Sinthupundaja & Chiadamrong, 2015).

2.3.5 Competitive Strategies, Organization capabilities, and Service Delivery

A firm's ability to have resources, skill and knowledge and effectively allocate and utilize these resources to achieve desirable outcomes is referred to as organizational capabilities (Kirugumi et al., 2021). The DC theory puts emphasis that firms must be in a position to continuously configure the resources in changing business environments if they are to attain a competitive advantage (Pisano, 2017). The discussion in this subsection reviews empirical evidence on Competitive Strategies, Organization capabilities, and Service Delivery.

Kanji et al. (2024) examined the moderating effect of leadership effectiveness between organizational competence and non-financial performance of the financial services companies in Kenya. Happiness of the customers and service quality was used to operationalize performance, while organizational capabilities were assessed through, resources, processes and values. Descriptive research design was used, by sampling 204 companies. The findings revealed that leadership had a significant impact on the relationship between organizational

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capabilities and non-financial performance of financial services companies in Kenya. While, the study provided valuable insights by examining non-financial factors, such as the service delivery in the financial sector. The results may not be applicable to real estate agent firms that operate under different regulatory settings. Additionally, the study only used quantitive data that limits in-depth analysis. The current study used mixed methods so as to gain deeper insights.

Kogo and Kimencu (2018) sought to find out the effect of organizational capabilities on the performance of the insurance firms in Nairobi County. A descriptive research design was used. Organizational capabilities were conceptualized through; marketing, product, human resources and technology capacities. The study was conducted among 1300 employees in Nairobi's 51 insurance firms. The study's results showed that human resource managers should create initiatives that improve the operational outcomes and increase the performance of the organization. In Kogo and Kimencu (2018) study organizational strategies was conceptualized as the independent variable, while in the current study, organizational capabilities were conceptualized as the mediating variable on the link between competitive strategies and service delivery. Further, the study only relied on questionnaire responses thus limiting in depth analysis.

Idajor and Aidi (2024) used a survey research method in investigating the effect of organizational capabilities on deposit taking banks' performance in Nigeria. Organizational capabilities were conceptualized through information technology and human resources. The study findings showed that organization competence played significant role on the organizational performance of the Nigerian listed deposit money banks. Performance was positively and significantly impacted by organizational capabilities. A Conceptual gap was identified from the study since organizational capabilities was the independent variable with

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direct effect on firm performance. In the current study organizational capabilities were conceptualized as mediating variable to act as bridge between competitive strategies and service delivery of real estate agent firms in Kenya. Furthermore, the banking sector context differs from real estate agent firms, where service delivery depends heavily on relationship capabilities and market knowledge rather than primarily on information technology and human resource systems.

To explore the moderating effect of organizational capabilities on the relationship between organizational performance and entrepreneurial orientation and organizational culture in SMEs in Pakistan, Bhatti et al. (2020) studied the mediating role of organizational capabilities between organizational culture, entrepreneurial orientation, and organizational performance of small and medium-sized enterprises. Organization capabilities were operationalized through resource mobilization and resource optimization. A sample of 384 participants was considered employing PLS-SEM, for hypotheses testing, while area cluster sampling technique was used for data collection. The study findings revealed that organizational capabilities significantly mediated the relationship between organizational culture, entrepreneurial orientation, and organizational performance. While, the study provided methodological insights by using organization capabilities as mediating variable and employing PLS-SEM for analysis. The findings are not applicable to real estate agent firms in Kenya given that study was done in Pakistan which operates in different socio-economic, cultural, and regulatory environment. Besides, the study examined organizational culture and entrepreneurial orientation as antecedents rather than competitive strategies.

Alkhawaldah et al. (2023) carried a study to examine the mediating role of organizational capabilities on relationship between lean supply chain and operational performance in Jordan. The study population consisted of managers in upper and middle management of industrial

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companies listed on Amman Stock Exchange in Jordan. Organization capability was measured through innovation, learning capability and operation flexibility. A sample of 84 companies was considered with SEM used to test study hypotheses. Study results showed that organizational capabilities mediated the relationship between lean supply chain and operational performance. While, the study provides useful insights to current study that employs organizational capabilities as a mediator. The study mainly relied on quantitative data collected using closed questionnaires. The current study sought to fill the methodological gap by incorporating mixed methods and integrating both quantitative and qualitative methods to give deeper insights on relationship between competitive strategies, organizational capabilities and service delivery of real estate agent firms in Kenya.

Nyuga and Tanova (2024) sought to examine knowledge management as an intermediary between technical innovation and sustainable competitive advantage (SCA) in the hospitality industry, in hotels in the regions of Yaounde and Doesa in Cameroon. Structural equation modeling was used to evaluate the data while cluster sampling was used to find 370 respondents from 35 hotels. The study findings revealed that technology innovation had a significant and positive effect on the knowledge management and sustainable competitive advantage. Long-term competitive advantage was positively and significantly impacted by knowledge management. The findings reveal that knowledge management capabilities enable the translation of technical innovations into competitive advantages by developing new technologies and by fostering efficient knowledge management strategies.

Cheah et al. (2023) proposed three innovation strategies: process innovation, marketing innovation and social innovation, which had an impact on the performance of Malaysian SMEs and were moderated by business size. There were 123 valid respondents from SMEs with data analyzed using PLS-SEM technique. The study found that process innovation directly impacts

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SMEs' performance. Social innovation on organization performance was only significant when company size became larger, as companies with more resources and capabilities could provide consistent social enhancement that aroused public trust and reputation. Implying, smaller enterprises might want to concentrate on process innovation that have immediate beneficial impact, as opposed to having complex marketing strategies. The findings of the study reveal that the effect of innovation on performance is a function of firm size, suggesting that the capability needs of firms may vary depending on their size. A study by Ferreira et al. (2021) sought to examine the mediating effect of organizational capabilities on the relationship between firms' performance and competitive advantage. A survey consisting of 90 items was created, and 387 valid responses were gathered from small and medium-sized businesses in Portugal. SEM was used to test the hypothesis. The results of the study demonstrated that organizational capabilities are vital in ensuring that strategies result into positive performance outcomes. However, the study did not consider a moderating variable that could weaken or strengthen the relationship between the variables. In addition, snow ball sampling was used thus limiting representativeness of all the SMEs

The reviewed literature demonstrates that organizational capabilities reveal mediating effects across various contexts, with studies showing capabilities mediate relationships between organizational culture and performance (Bhatti et al., 2020), lean supply chain and operational performance (Alkhawaldah et al., 2023), dynamic capabilities and competitive advantage (Ferreira et al., 2021), and between technological innovation and competitive advantage (Nyuga & Tanova, 2024). Additionally, organization capabilities can be manifested in different forms, such as innovation capability, learning capability, knowledge management capability, resource mobilization capability, or operational flexibility. Implying, real estate agent firms can have multiple dimensions of capability to enhance service delivery.

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2.4 Summary of Literature Review and Research Gap.

The reviewed studies reveal that most studies give attention to competitive strategies and performance across various sectors with limited attention on how these strategies influence service delivery, particularly in real estate agency contexts. Literature also reveals the importance of organizational capabilities and their role in enabling firms to enhance service delivery but it depends on how they are configured and redeployed. Additionally, firms ought to rely on internal resources that are valuable, rare, unique, and irreplaceable (Idajor et al., 2024; Kinuthia & Wambua, 2025; Muthama, 2021; Kiprotich & Waithaka, 2025), though their effectiveness varies by firm size and sector context. In addition, firm capabilities may enable firms to readjust their competence in response to changing customer expectations (Kogo & Kimencu, 2018). Literature also highlights the importance of differentiation strategies and focus strategy across telecommunications, insurance, hospitality, and real estate sectors through unique service offerings, brand reputation, and customer-centric approaches (Kaane, 2022; Kiprono & Kinyua, 2021; Maingi & Muathe, 2021; Njoroge et al., 2022).

Table 1 summarizes key studies reviewed, identified gaps across methodological, conceptual, theoretical, and contextual dimensions, and articulates how the current study addresses these gaps through specific theoretical, empirical, and practical contributions.

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Table 1: *Summary of Literature Review and Research Gaps*

Author(s) & Year	Study Title	Key Findings	Research Gap Identified	How Current Study Addresses the Gap
Kinuthia & Wambua (2025)	Kenya's Nairobi City County's commercial banks' service delivery positioning and competitive strategies	Cost leadership significantly improves service delivery positioning through operational efficiency and cost reduction in commercial banks	Contextual Gap: Banking sector's standardized, high-volume transactions differ fundamentally from real estate agency's relationship-intensive, high-value infrequent transactions requiring trust and personalized service	Examines cost leadership in real estate agency where cost efficiency must balance with relationship quality and personalized service—testing whether banking sector findings transfer to professional services with different cost structures and client interaction patterns
Muthama (2021)	Impact of competitive tactics on logistics companies' service delivery in Nairobi City County, Kenya	Cost leadership strategies improve service quality in logistics firms through consistency and cost control	Conceptual & Methodological Gap: Assumes direct cost leadership to service delivery link without testing mediating mechanisms explaining how cost reduction translates into quality improvements; uses only correlation analysis incapable of testing indirect effects through capabilities or conditional effects through moderators	Addresses mediation gap: Tests organizational capabilities (administrative competencies: process management; technical competencies: technological proficiency) as mediating mechanism revealing that cost strategies require supporting capabilities to succeed. Addresses methodology gap: Employs PLS-SEM enabling simultaneous testing of direct effects (strategy delivery), indirect effects (strategy→capabilities→delivery), and moderating effects (size×strategy→delivery) within integrated model, overcoming bivariate correlation limitations
Nalucha & Mwanza (2022)	The efficiency of the competitive tactics used by Lusaka, Zambian real estate companies	Cost leadership strategies were not statistically significant in enhancing competitive advantage among real estate firms in Zambia—contradicting positive findings from banking and logistics	Theoretical Contradiction. Does not explain why cost leadership fails in Zambian real estate but succeeds in banking/logistics; lacks mediating variables (organizational capabilities enabling implementation) and moderating variables (firm size determining resource availability for economies of scale) explaining inconsistent findings across contexts	Reconciles contradictions. Introduces organizational capabilities as mediator testing whether cost leadership's effectiveness depends on possessing requisite capabilities (process efficiency, technology adoption); adds firm size as moderator testing whether small firms lacking economies of scale cannot implement cost leadership successfully while large firms benefit from volume advantages—providing theoretical explanation for when/why cost leadership works versus fails
Musundi (2022)	Business plans and non-monetary results of small and medium-sized real estate companies in Nairobi City County, Kenya	Favorable relationship between cost leadership and non-financial performance among real estate SMEs in Nairobi	Measurement & Scope Gap: Examined broad "non-financial performance" (operational outcomes, growth) rather than service delivery specifically (customer-facing quality dimensions); does not test mediating or moderating mechanisms	Narrows focus: Measures service delivery specifically through SERVQUAL dimensions (responsiveness, reliability, assurance, tangibles) capturing customer satisfaction with service quality; tests organizational capabilities mediation and firm size moderation explaining how and when cost leadership enhances customer-facing outcomes
Kiprotich & Waithaka (2025)	The performance and competitive tactics of real estate development companies in Nairobi City County, Kenya	Positive significant effect of cost leadership on organizational performance in property development firms	Contextual Gap: Property development firms whose business models center on construction, project management, and property investment differ fundamentally from agent firms whose core business is facilitating transactions and managing properties through service provision	Distinguishes real estate agency from property development by focusing exclusively on KPDA-registered agent firms whose competitive advantage depends on service delivery excellence (responsiveness, expertise, relationship management) rather than construction capabilities or development financing
Sitanggang & Absah (2019)	Innovation, cost leadership, and customer focus on customer happiness and competitive advantage in Belawan, Indonesia	Cost leadership had favorable impact on customer satisfaction in Indonesian businesses through operational cost control	Methodological Gap: Used only descriptive design with simple correlation; cannot test complex interrelationships among multiple variables (strategies, capabilities, size, delivery) simultaneously, limiting understanding of mechanisms and boundary conditions	Employs PLS-SEM enabling simultaneous testing of direct effects (cost leadership on service delivery), mediating effects (through organizational capabilities), and moderating effects (conditional on firm size) within single integrated model—revealing how cost leadership operates and when it succeeds

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Author(s) & Year	Study Title	Key Findings	Research Gap Identified	How Current Study Addresses the Gap
Kaane (2022)	Kenyan mobile service providers' service delivery and differentiation tactics	Product differentiation, convenience, and price differentiation positively influence service delivery in mobile telecommunications (explaining 64.2% variance)	Contextual Gap: Telecommunications involve standardized technology-driven services with minimal personal interaction, unlike real estate agency requiring extensive relationship-building, trust development through repeated interactions, and personalized consultation over extended decision-making periods	Examines differentiation in relationship-intensive professional services where uniqueness stems from intangible factors (agent expertise, market knowledge, reputation, personalized service) rather than tangible product features—testing whether telecommunications findings apply to knowledge-based services with high information asymmetry and trust requirements
Maingi & Muathe (2021)	Impact of innovation tactics on real estate companies' performance in Kenya's Mavoko Sub-County	Product differentiation strategy significantly affects real estate firm performance; innovation strategies explain 90.3% variance in performance	Conceptual Gap: Examined general "performance" (financial outcomes, market position) not service delivery specifically; does not test organizational capabilities as mediating mechanism explaining how differentiation strategies enhance outcomes	Specifies outcome variable: Measures service delivery as distinct performance dimension directly affecting customer satisfaction and retention; tests mediation mechanism: Reveals whether differentiation requires innovation capabilities, market knowledge, customer relationship management competencies, and communication systems to translate unique service offerings into superior delivery
Mung'uri (2021)	Performance and competitive advantage of Nairobi City's real estate development companies	Differentiation strategy enables competitive advantage in real estate development firms in Nairobi through unique property designs and development approaches	Contextual Gap: Real estate development firms focus on construction activities, architectural uniqueness, and project delivery, whereas agency focuses on service provision (facilitating transactions, property management, client advisory) and client relationships requiring different differentiation bases	Focuses exclusively on real estate agent firms where differentiation operates through service quality dimensions (responsiveness, expertise, transparency), relationship management capabilities, and market knowledge rather than physical product differentiation—recognizing fundamentally different business models
Gorondutse & Hilman (2019)	Impact of differentiation strategy on Malaysian hotels' performance: As a moderator, environmental beneficence	Differentiation enables price premiums in hotels; customers willing to pay more for exclusive service features; environmental munificence moderates this relationship	Conceptual Gap: Examined environmental munificence (market growth, resource availability) as moderator rather than organizational capabilities as mediator or firm size as moderator; does not test mechanisms through which differentiation translates into performance	Tests organizational capabilities as mediating variable explaining how differentiation enhances service delivery (through developing unique service systems, building brand reputation, training staff); adds firm size as moderating variable testing whether large firms differentiate through brand investments while small firms differentiate through personalized service—providing richer explanatory framework
Akingbade (2020)	Nigerian small and medium-sized businesses' organizational performance and service differentiation strategy in Lagos State	Service differentiation strategy improved performance and market share in Nigerian SMEs; firms using differentiation recorded substantial progress	Methodological Gap: Used only descriptive statistics and inferential statistics (correlation, ANOVA); lacks advanced analytical techniques capable of testing complex relationships among multiple variables simultaneously or distinguishing direct from indirect effects	Employs PLS-SEM enabling simultaneous testing of multiple pathways (direct: differentiation on delivery; indirect: differentiation, capabilities on delivery; moderated: size, differentiation on delivery); uses sequential explanatory mixed methods combining quantitative hypothesis testing with qualitative exploration of implementation mechanisms
Kiprono & Kinyua (2021)	An empirical study on how image differentiation affects the services provided by a few chosen insurance companies in Nairobi City County, Kenya	Differentiation strategies (product, image, channel, people) significantly affected service delivery in insurance companies; each dimension contributes uniquely	Contextual Gap: Insurance sector dynamics-standardized policy products, regulatory compliance focus, actuarial expertise requirements-differ substantially from real estate agency where personal relationships, local market knowledge, property-specific expertise, and trust-based interactions are critical for differentiation	Provides real estate agency sector-specific evidence where differentiation depends on agent-client relationship quality, specialized market knowledge (property valuation, legal requirements, neighborhood characteristics), communication effectiveness, and reputation building rather than product features or distribution channels
Nyanchama & Murigi (2019)	Impact of customer-focused tactics on Cooperative Bank of Kenya's performance	Customer focus strategies significantly influence both financial and non-financial performance in banking through targeted service	Methodological Gap: Single case study design examining one organization limits generalizability to broader population; closed questionnaires restrict depth of	Studies multiple real estate agent firms (census of 80 KPDA-registered firms) enabling statistical generalization; employs sequential explanatory mixed methods combining structured questionnaires (breadth

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		delivery	responses and prevent exploration of nuanced implementation experiences	across firms) with semi-structured interviews (depth within selected firms) capturing both patterns and contextual richness
Njue et al. (2024)	Kenyan realtors' pricing tactics and market share	Segmented pricing (aligned with focus strategy) stimulates market growth and geographical expansion among realtors in Kenya	Methodological Gap: Desktop research design relying exclusively on secondary sources (literature, industry reports) lacks primary empirical data directly from real estate firms, limiting insights into actual strategy implementation, capability requirements, and organizational processes	Collects primary data directly from real estate agent firms through structured questionnaires administered to senior managers and operations heads, supplemented by semi-structured interviews exploring strategy formulation, capability development, and implementation challenges—providing firsthand evidence rather than secondary interpretations
Ochodo et al. (2020)	Focus strategy's impact on Kenyan hospitals with NHIF accreditation	Focus strategy positively and significantly relates to performance of NHIF hospitals through client segmentation and specialized service offerings	Contextual Gap: Healthcare service delivery involves clinical expertise, patient safety protocols, medical technology, and regulatory compliance fundamentally different from real estate agency involving property market knowledge, transaction facilitation, and client advisory services	Examines focus strategy in real estate agency context where implementation requires market segmentation expertise (identifying high-value customer segments), property-type specialization (residential, commercial, industrial), geographical concentration (neighborhood market knowledge), and customized service delivery systems—recognizing sector-specific dynamics
Demba et al. (2019)	Differentiation focus strategy's impact on a chosen vehicle rental company's success in Nairobi City County, Kenya	Differentiation focus strategy showed Insignificant relationship with performance in car rental businesses—contradicting positive findings from other sectors	Theoretical Contradiction: Does not explain why focus strategy failed in car rental context; lacks mediating variables (organizational capabilities necessary for implementing focus strategies) and moderating variables (firm size determining resource availability) that may explain effectiveness variations across contexts and firm types	Tests whether organizational capabilities mediate focus strategy effectiveness—revealing whether failed focus strategies result from inadequate capabilities (insufficient market knowledge, weak customer relationship systems) rather than flawed strategic choice; examines whether firm size moderate effectiveness with small firms lacking resources for differentiation focus but potentially succeeding with focus in niche markets
Njoroge et al. (2022)	Focus strategy's impact on small and micro-enterprises' (SMEs') performance in Machakos County, Kenya	Focus strategies significantly impact performance of small and micro-enterprises through niche markets, customized offerings, and e-commerce adoption	Conceptual Gap: Examines only direct focus strategy on performance relationships without incorporating mediating variables (capabilities enabling implementation) or moderating variables (contextual factors determining effectiveness); misses explanatory mechanisms	Introduces organizational capabilities as mediator explaining how focus strategies enhance service delivery (through developing specialized expertise, building segment-specific relationships, creating customized service systems); adds firm size as moderator explaining when focus succeeds (small firms in niches versus large firms in broad markets)-providing integrated conceptual framework
Hidayat et al. (2025)	In the IT outsourcing sector, customer happiness, innovation capacity, and customer focus strategy	Customer focus strategy positively affects client satisfaction with innovation capability mediating in Indonesian IT outsourcing sector	Contextual & Capability Gap: IT outsourcing in Indonesia (technology solutions, software development) differs from real estate agency in Kenya (property transactions, relationship management); examines only innovation capability as mediator rather than comprehensive organizational capabilities	Provides Kenyan real estate agency context accounting for local market dynamics, regulatory environment, cultural factors affecting property transactions; examines comprehensive organizational capabilities including both administrative competencies (planning, coordination) and technical competencies (market knowledge, relationship management, technology use) rather than innovation alone
Pleyers & Poncin (2020)	Non-immersive VR technologies in real estate: Attitudes are influenced by customer experience	Virtual reality technology enhances customer experience and attitudes toward properties and real estate agencies through improved property visualization	Conceptual Gap: Focused narrowly on technology's direct effects without examining how technological capabilities fit within broader competitive strategies or how multiple capabilities (technological + administrative + relationship) mediate strategy-service delivery relationships	Examines how technological capabilities fit within competitive strategies as one component of comprehensive organizational capabilities mediating service delivery; recognizes technology as enabler rather than standalone factor—integrated within differentiation strategies (virtual tours as unique offering) or cost leadership (process automation reducing costs)
Kitenga et al. (2020)	The moderating impact of firm size on dynamic skills' impact on Kenyan food manufacturing enterprises' long-term	Contrary to theoretical predictions of size advantages, firm size did not alter the association between dynamic capabilities and performance in the food	Theoretical Contradiction: Conflicts with studies showing significant positive size moderation (Mutunga, 2017; Ondari et al., 2020); does not explain null finding or test whether moderation varies	Tests whether firm size moderation is strategy-specific rather than universal: large firms may benefit from cost leadership (through economies of scale, volume purchasing, process standardization) while small firms may benefit from

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	success	manufacturing industry.	by strategy type, sector context, or performance measure	differentiation/focus (through flexibility, personalized service, niche expertise)—explaining contradictory findings by specifying conditional relationships depending on strategic orientation
Mutunga (2017)	Microfactors' impact on Kenyan manufacturing companies' financial performance	Firm size significantly moderated relationship between micro factors and financial performance; larger firms achieve better performance through resource advantages and market power	Outcome & Strategy Gap: Examined financial performance (profitability, ROA) not service delivery (customer-facing quality); focused on broad "micro factors" (internal resources, capabilities) not specific competitive strategies (cost leadership, differentiation, focus)-limiting guidance on which strategies suit which firm sizes	Examines service delivery as outcome variable capturing customer satisfaction and service quality dimensions critical for professional services; tests firm size moderation of specific competitive strategies revealing whether small/medium/large firms should pursue different strategic approaches based on their scale advantages or constraints
Vij & Farooq (2017)	The moderating influence of firm size on the relationship between information technology orientation and business success	Firm size moderated relationship between IT orientation and business performance in Indian manufacturing and service firms; size amplifies IT benefits	Contextual Gap: Manufacturing and general service organizations differ from professional services like real estate agency where firm size may moderate differently due to relationship-based rather than transaction-based or production-based service delivery models	Provides professional service sector evidence where firm size effects operate through different mechanisms: large agencies leverage brand recognition and multiple branches but may lose personalized service; small agencies offer customized attention but lack market reach-testing whether size moderation patterns differ from manufacturing/general services
Obaje et al. (2021)	The moderating influence of firm size on the relationship between board composition and financial performance	Board size moderated by firm size had negatively insignificant effect on financial performance—suggesting size does not universally amplify governance effects	Strategy Focus & Inconsistency: Examined board structure (governance mechanisms) not competitive strategies; firm size moderation shows inconsistent patterns across studies (positive in some, negative/insignificant in others) without theoretical explanation for variations	Tests firm size as moderator of competitive strategies specifically; explains inconsistent findings by examining strategy-specific moderation-cost leadership may benefit from size while differentiation may not, or vice versa-providing nuanced understanding rather than assuming universal size effects across all strategic approaches
Ondari et al. (2020)	Factory size's moderating effect on the association between organizational performance and strategy implementation drivers	Firm size positively and significantly moderated relationship between strategy implementation drivers and performance in tea processing factories	Contextual Gap: Manufacturing sector (tea processing) involves capital-intensive production, large-scale operations, physical output-differs fundamentally from service-based real estate agency involving human interaction, relationship management, knowledge work	Examines firm size moderation in service sector where scale economies operate differently: manufacturing benefits from production volume and equipment utilization, while services benefit from brand recognition and market coverage but face coordination challenges-testing whether size effects transfer from manufacturing to professional services
Koutroumanis (2021)	Creating a competitive edge for real estate brokers through behavioral intentions, service quality, and organizational culture	Organizational culture, service quality, and behavioral intentions play crucial role in competitive advantage for real estate agents and brokerages	Methodological Gap: Literature review and conceptual analysis without empirical data collection or hypothesis testing; does not empirically test firm size moderation of competitive strategies-service delivery relationships despite theoretical discussions	Provides empirical evidence using primary data from 80 real estate agent firms; employs firm size as moderator of competitive strategies-service delivery relationships, moving beyond conceptual propositions to empirical validation of moderation effects
Kanji et al. (2024)	Organizational capability's impact on non-financial firm performance in Kenya's financial services industry: The mediating function of successful leadership	In Kenyan financial services, organizational capabilities and non-financial performance are mediated by the efficacy of leadership; capabilities by themselves are insufficient without leadership to translate them.	Conceptual Gap: Positions organizational capabilities as independent variable predicting performance directly, missing their role as mediating mechanism between competitive strategies (antecedent building capabilities) and performance outcomes (enabled by capabilities) —inconsistent with Dynamic Capabilities Theory	Corrects theoretical specification: Positions organizational capabilities as mediator between competitive strategies (independent variables: cost leadership, differentiation, focus) and service delivery (dependent variable), consistent with Dynamic Capabilities Theory explaining strategies operate through capability development—revealing whether strategy effectiveness depends on possessing requisite capabilities
Kogo & Kimencu (2018)	The organizational capacity and performance of Nairobi City County's insurance	Organizational capabilities (marketing, product, HR, technological) directly affect performance of insurance firms; proper linkage	Conceptual Gap: Examines capabilities as independent variable with direct effects on performance without testing mediation between competitive strategies and service	Tests organizational capabilities as mediating mechanism explaining how competitive strategies translate into service delivery outcomes rather than assuming capabilities directly predict performance; provides real

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	companies	enables better operational results	delivery; insurance context may not transfer to real estate	estate agency evidence accounting for sector-specific capability requirements (market knowledge, relationship management, property expertise)
Idajor & Aidi (2024)	Organizational competencies' impact on business performance. An analysis of Nigerian listed deposit money banks	Organizational capabilities (HR and IT) had positive significant effect on performance of Nigerian banks; capabilities drive operational effectiveness	Conceptual & Contextual Gap: Examines direct capability-performance effects without testing mediation; banking sector (transaction processing, financial products) differs from real estate agency (relationship-based professional services requiring different capability mix)	Tests capabilities mediation in real estate agency revealing whether strategies enhance delivery through capabilities; examines comprehensive organizational capabilities including both administrative competencies (strategic planning, coordination, resource allocation) and technical competencies (market knowledge, technology use, operational expertise) rather than only HR/IT
Bhatti et al. (2020)	The relationship between organizational performance, entrepreneurial attitude, and organizational culture in Pakistani SMEs is mediated by organizational capacities.	Organizational capabilities significantly mediate relationships between culture/entrepreneurial orientation and performance in Pakistani SMEs resource mobilization and optimization enable orientations to enhance outcomes	Conceptual Gap: Examines organizational culture and entrepreneurial orientation as antecedents rather than Porter's competitive strategies; measures capabilities through resource mobilization/optimization rather than comprehensive administrative and technical competencies	Tests Porter's generic competitive strategies (cost leadership, differentiation, focus) as antecedents providing actionable strategic guidance; measures comprehensive organizational capabilities through two dimensions—administrative competencies (planning, allocation, processes) and technical competencies (technology, operations, knowledge)—capturing full capability spectrum required for service delivery
Alkhawaldah et al. (2023)	Organizational capabilities' mediating function in the interaction between Jordan's lean supply chain and operational performance	Organizational capabilities mediated relationship between lean supply chain practices and operational performance in Jordanian manufacturing; capabilities enable lean effectiveness	Contextual Gap: Manufacturing supply chain context (inventory management, production efficiency, logistics optimization) differs fundamentally from service-based real estate agency (client relationships, market knowledge, transaction facilitation)—limiting applicability of findings	Provides service sector evidence examining capabilities relevant specifically to real estate service delivery: market knowledge enabling property matching, relationship management capabilities building client trust, communication systems ensuring responsiveness, technology platforms improving efficiency—recognizing service-specific rather than manufacturing-specific capability requirements
Nyuga & Tanova (2024)	Evaluating the mediating function of knowledge management in the connection between sustainable competitive advantage and technological innovation	Knowledge management partially mediates relationship between technological innovation and sustainable competitive advantage in Cameroon hotels; knowledge processes translate innovation into advantage	Contextual Gap: Hospitality sector in Cameroon (hotel operations, tourism services) differs from real estate agency in Kenya (property transactions, client advisory); examines only knowledge management capabilities rather than comprehensive capabilities	Provides Kenyan real estate agency context accounting for local market characteristics, regulatory environment, cultural factors; tests comprehensive organizational capabilities including administrative competencies (strategic planning, process management, coordination systems) and technical competencies (market expertise, relationship management, operational proficiency) beyond knowledge management alone

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Note: This is the summary of empirical literature and research gaps from the literature

2.5 Conceptual Framework

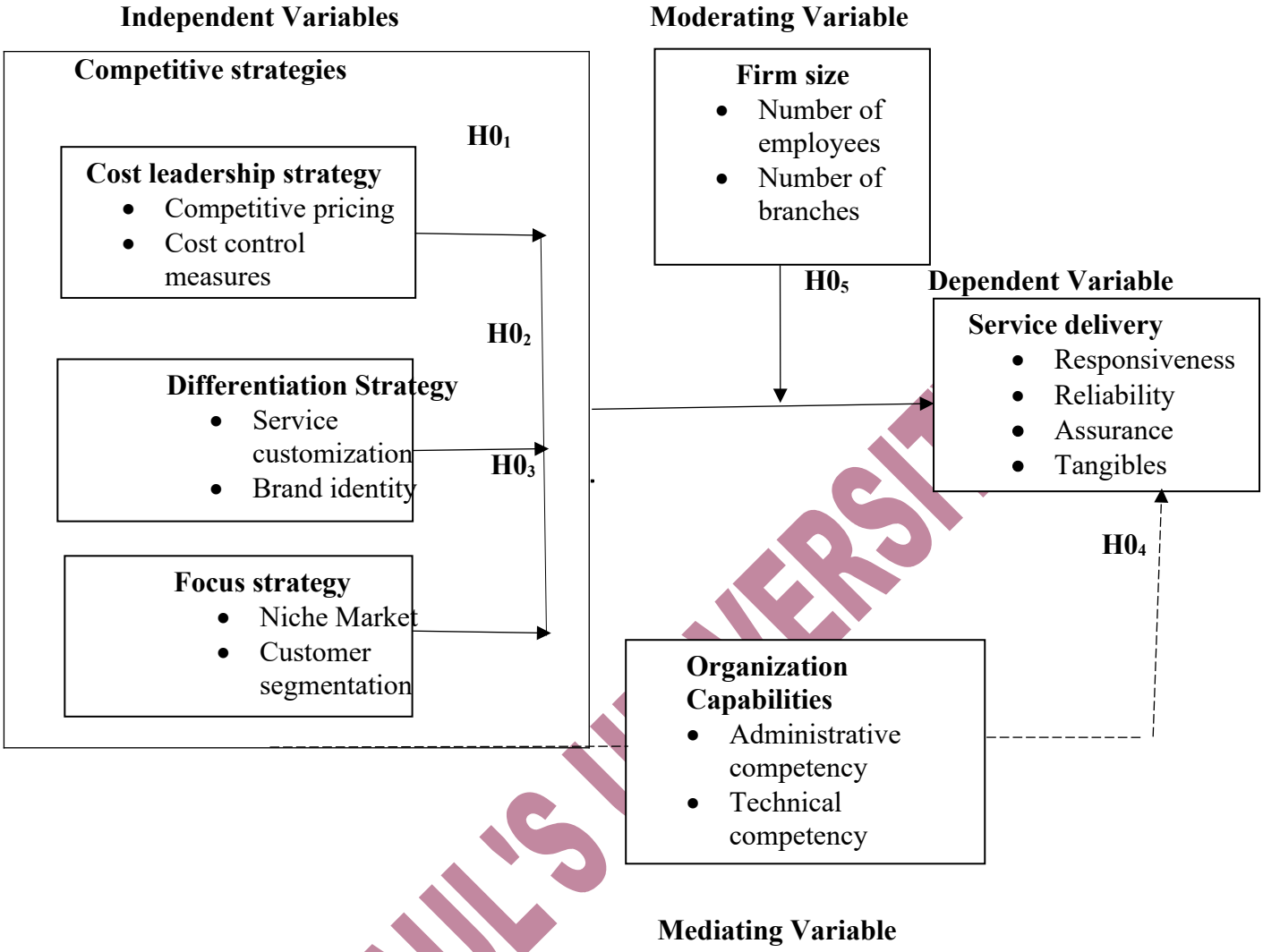
A conceptual framework, according to Xu and Ouyang (2022), diagrammatically shows how the independent and dependent variables relate to one another. In the study, the framework was guided by the RBV theory, which emphasizes that possession of VRIN is paramount for achieving competitive advantage. Dynamic Capabilities expounds that resources must be continuously reconfigured to be in tandem with the changing business environment. And the Stakeholder Theory puts emphasis on the importance of taking into consideration stakeholders' interests, while the Service Quality Theory provides a framework for conceptualizing service delivery. From the conceptual framework, competitive strategies were the independent variables, while the dependent variable was service delivery. The conceptual framework assumed that competitive strategies enhanced service delivery, mediated by organizational capabilities and moderated by firm size.

The mediating variable was organizational capabilities, showing how competitive strategies translate into enhanced service delivery. The mediator was grounded on the Dynamic Capabilities Theory, whose premise is that firms must possess capabilities to effectively deploy resources (Teece, 2018). While firm size moderated the relationship between competitive strategies and service delivery.

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Figure 1: *Conceptual Framework*



Note: The conceptual framework of competitive strategies and service delivery

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CHAPTER THREE

METHODOLOGY

3.1 Introduction

This chapter outlines the research methodology employed to investigate the relationship between competitive strategies and service delivery among real estate firms in Kenya. This section outlines the study's guiding principles, methodology, intended participants, sampling strategy, data-gathering tools, data-gathering processes, preliminary testing, data processing methods, and ethical considerations.

3.2 Research Philosophy

Research assumptions are the foundation of a research philosophy (Zukauskas et al., 2018). These include axiological assumptions, which refer to the degree to which a researcher values influence the study process, and epistemological assumptions, or presumptions about human knowledge and the reality encountered during research. This study adopted pragmatism as the research philosophy. Pragmatism emphasizes solving practical problems through methods that best address the research questions, allowing researchers to combine quantitative and qualitative approaches based on what works best for the inquiry (Creswell & Creswell, 2018).

Pragmatism was appropriate for this study because investigating competitive strategies and service delivery among real estate agent firms required both breadth and depth of understanding. The quantitative methods allowed for the breadth by accounting for the relationship between competitive strategies and organizational capabilities, firm size and service delivery across multiple firms, allowing for statistical generalizations and hypothesis testing. In addition, qualitative methods were used to give depth to the findings from the competitive strategies to service delivery, which helped to gain insights into the contextual

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nuances, managerial perspectives and implementation challenges that quantitative methods could not capture.

Additionally, pragmatism was better suited to provide actionable insights for real estate agent firms, real estate practitioners, and policymakers (Saliya, 2023). Pragmatism allows the inclusion of a wide range of research questions because it does not make assumptions about one paradigm, but seeks to research multiple issues that can increase understanding of complex organizational phenomena (Saunders et al., 2019). Furthermore, the decision for pragmatism was also supported due to the mixed-methods design of the research which employed the principles of PLS-SEM and thematic analysis, an approach that explored the research problem in the study with a holistic perspective, through quantitative and qualitative methods.

3.3 Research Design

The study used a sequential explanatory mixed-methods research design with a cross-sectional time horizon. With sequential explanatory design, quantitative data was first collected and analyzed, then qualitative data was collected and analyzed, and then the results were interpreted together (Creswell & Plano Clark, 2018). This design was considered appropriate since, once the quantitative data was analyzed, deeper insights were gathered from qualitative data collected, hence yielding more comprehensive results. Thus, addressing the limitations of only collecting quantitative data that may overlook the contextual nuances and implementation processes (Kothari, 2020). Cross-sectional time horizon involved collecting data at a single point in time from multiple real estate agent firms. While service delivery is dynamic and may change over time, a cross-sectional design was justified for this study for several reasons. The study examined relationships between variables rather than changes within firms over time, making cross-sectional data appropriate for testing hypothesized associations.

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Moreover, collecting data from multiple firms simultaneously provided variation in competitive strategies, organizational capabilities, firm sizes, and service delivery levels, enabling statistical analysis of relationships across firms. Additionally, cross-sectional design was more feasible and cost-effective than longitudinal design, particularly since the study involved examining multiple organizations. Additionally, the qualitative phase compensated for cross-sectional limitations by capturing temporal dynamics through retrospective accounts and managerial reflections on how competitive strategies evolved and influenced service delivery over time (Bryman & Bell, 2015).

3.4 Target Population

The study target population was 80 real estate firms that were registered with the Kenya Property Developers Association (KPDA) as of June 2024. KPDA-registered firms were appropriate for this study because they operate under structured governance frameworks. In addition, KPDA provided a more accessible and comprehensive database compared to EARB, whose records included individual practitioners rather than firms as units of analysis. A census was conducted, including all 80 KPDA-registered firms, eliminating sampling error and ensuring comprehensive population coverage. The unit of analysis was the firm, with data aggregated at the firm level. However, since firms could not respond directly, data was collected from key informants within each firm who possessed adequate knowledge about organizational strategies, capabilities, and service delivery practices (Kumar, 2019).

Within each firm, two respondents were purposively selected: one senior manager and one operations manager. This multi-respondent approach was justified for several reasons. Senior managers had strategic-level knowledge of competitive strategies, resource allocation decisions, and overall firm performance, while operations department heads had operational-level knowledge of service delivery processes, customer interactions, and day-to-day strategy

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implementation. Additionally, using multiple respondents per firm enhanced data reliability by capturing both strategic and operational perspectives, reduced common method bias associated with single-respondent designs, and provided triangulation within firms. The selection ensured respondents had sufficient tenure and involvement in strategic decision-making and service delivery management. This approach yielded a total of 160 respondents (80 firms × 2 respondents per firm) for the quantitative phase. Two key informants from each firm increased data quality and reduced common method bias.

For the qualitative phase, a subset of firms was purposively selected based on quantitative findings to provide deeper insights. A sample of 15 managers were selected for semi-structured interviews. To ensure a high response rate, follow-up reminders were sent after two weeks. For firms that failed to respond, this was documented, and no further follow-up was done. Within these firms, the same senior managers and operations department heads who completed questionnaires were interviewed, ensuring consistency and enabling clarification of quantitative responses. While firm size variation existed among KPDA members, selecting two knowledgeable respondents per firm mitigated potential bias because data collection focused on organizational-level strategies and capabilities rather than individual perceptions, and responses that were aggregated at the firm level for analysis.

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3.5 Data Collection Procedures

Data collection followed a sequential process beginning with obtaining research authorization from NACOSTI and ethical clearance from St. Paul's University Institutional Scientific and Ethics Review Committee (ISERC). The researcher sent an introductory letter to each KPDA-registered firm explaining the study's purpose, assuring confidentiality, emphasizing voluntary participation, and requesting permission to collect data. Upon receiving consent, the researcher scheduled appointments with senior managers and operations department heads in each firm.

The quantitative phase involved administering structured questionnaires either through face-to-face delivery, email, or online platforms depending on respondent preference and availability. Face-to-face administration allowed the researcher to clarify questions and ensure completion, while electronic distribution considered managers busy schedules. Questionnaires were checked for completeness and consistency and coded for data entry and analysis.

After the quantitative phase, the qualitative phase commenced. Firms were purposively selected based on quantitative findings to represent diverse competitive strategy orientations, firm size, and service delivery performance levels. An introductory letter was sent to each KPDA-registered firm explaining the study's purpose, assuring confidentiality, emphasizing voluntary participation, and requesting permission to collect data. The researcher contacted selected firms to schedule semi-structured interviews with the same respondents who completed questionnaires, ensuring consistency and enabling deeper exploration of quantitative results. Before each interview, the researcher explained the study purpose, obtained informed consent, including permission to audio-record, and assured confidentiality. With the consent of the respondent, interviews were audio-recorded and ran between thirty and forty minutes. Audio recordings were transcribed verbatim within 48 hours while details remained fresh, with transcripts reviewed for accuracy against recordings.

During data collection, ethical considerations were strictly observed, and participants were made aware that participation was voluntary and that they could withdraw at any stage. To ensure confidentiality, codes were assigned to firms and respondents. Only the researcher and supervisors had access to the password-protected devices where the data were safely stored and used exclusively for academic purposes. As per the university regulations, data would be kept

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for the duration of the study and then destroyed. These procedures ensured ethical integrity, protected respondent rights, and enhanced data quality and credibility (Bryman & Bell, 2015).

3.6 Data Collection Tools

Questionnaires were used for obtaining quantitative data, and semi-structured interview guides were used for qualitative data collection. The methods were to ensure that data was collected comprehensively.

3.6.1 Structured Questionnaires

The research used structured questionnaires to collect quantitative data from senior managers and operations department heads of KPDA-registered real estate agent firms. The structured questionnaire allowed responses to be compared across firms. The questionnaire comprised seven sections designed to measure study variables systematically. Section A captured demographic information; Section B measured cost leadership strategy; Section C measured differentiation strategy; Section D measured focus strategy; Section E measured organizational capabilities; Section F measured firm size; and Section G measured service delivery using items adapted from the SERVQUAL model and contextualized to real estate agencies.

All items except demographic and firm size questions used a five-point Likert scale (1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, 5 = Strongly Agree), enabling measurement of respondent agreement levels with statements about their firms. The Likert scale was appropriate because it provides sufficient variability for statistical analysis while being easy for respondents to understand and complete (Kothari, 2020).

3.6.2 Semi-Structured Interview Guides

Semi-structured interview guides were used to collect qualitative data, providing deeper insights into quantitative findings. Interviews were conducted with 15 managers of the real estate agent firms. The interview guide comprised open-ended questions and conformed to the data saturation principle, which states that data collection should continue until further

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interviews reveal no new themes, patterns, or insights, justified the interview sample size. Scholarly evidence suggests saturation occurs between 12 and 20 interviews in organizational studies with reasonably homogeneous populations (Guest et al., 2006). Probing questions compelled respondents to provide further detail, offer examples, and clarify their answers, producing rich contextual information that questionnaires could not capture. Following Braun and Clarke's (2006) six-phase framework, thematic analysis was used to analyze the data collected from the interviews.

3.7 Pilot Testing

Pilot testing assessed the reliability and validity of the research instruments before full-scale data collection. A pilot study involves administering questionnaires to a small sample representing the target population to identify ambiguous questions, assess instrument clarity, test data collection procedures, and evaluate whether instruments measure intended constructs (Cooper & Schindler, 2014). For this study, pilot testing was conducted with 16 respondents (10 percent of the target sample of 160 respondents) from firms outside the study, and these respondents were not included in the main study. To guarantee representativeness, purposive selection was used to select respondents for the pilot test. Respondents provided input on the instrument's length, question clarity, and any challenges they faced after completing the pilot questionnaires. This allowed the required changes before primary data collection (Saunders et al., 2019). The instruments were revised to improve their effectiveness based on pilot respondents' input. The researchers reworded or eliminated unclear or repetitive questions and adjusted the question sequence to improve flow. Although the pilot test findings were not incorporated into the final data analysis, they played a crucial role in improving the tools' general validity and dependability.

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3.7.1 Reliability Testing

To ensure the study's results were reliable, the researchers conducted reliability tests. According to Kothari (2020), reliability is the degree to which an instrument yields consistent results when used repeatedly under comparable circumstances. Confirmatory factor analysis was utilized to evaluate Composite Reliability (CR), which looks at the constructs' internal consistency and dependability because the study used SEM modeling. The various outer loadings of the construct's components were considered by CR (Haji-Othman & Yusuff, 2022). Reliability increases with increasing CR; CR values between 0.60 and 0.70 are acceptable. According to Henseler and Schuberth (2025), internal consistency is lacking when CR values are below 0.60.

In addition, Cronbach's alpha coefficient, which measures internal consistency among items within each construct, was also used to measure internal reliability. A minimum threshold of 0.7 is generally accepted for research instruments, though values above 0.6 may be acceptable for exploratory studies (Hair et al., 2019). For this study, Cronbach's alpha was calculated for each construct: cost leadership strategy, differentiation strategy, focus strategy, administrative capabilities, technical capabilities, responsiveness, reliability, assurance, and tangibles. Both Cronbach's alpha and CR confirmed that the constructs had the requisite reliability.

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3.7.2 Validity Testing

According to Cooper and Schindler (2014), validity is the degree to which an instrument measures what it is supposed to measure, ensuring that inferences drawn from the data are precise and meaningful. For pilot testing, content validity was assessed through expert review, whereby experts in real estate agent firms evaluated whether questionnaire items adequately represented the conceptual domains of competitive strategies, organizational capabilities, firm

size, and service delivery. Experts assessed whether items were clear, relevant, comprehensive, and appropriate for measuring the intended constructs in the real estate agency context. Feedback from experts guided question revision, addition, or deletion to enhance content validity.

Additionally, construct validity was verified. According to Ganesha and Aithal (2025), construct validity is the process of evaluating whether a measurement tool, like a questionnaire, accurately captures the theoretical construct it is designed to evaluate. The study used convergent and discriminant validity to evaluate construct validity. An item's positive correlation with other items of the same construct is known as convergent validity. To assess convergent validity, the present study employed Average Variance Extracted (AVE) (Haji-Othman & Yusuff, 2022). In addition, the study used the Heterotrait-Monotrait (HTMT) ratio to evaluate discriminant validity. HTMT should be below 0.85 or 0.9, since discriminant validity is lacking when HTMT values approach 1 (Hair et al., 2019). Discriminant validity, as defined by Rasoolimanesh (2022), is the ability of the model's constructs to be distinguished interdependently. A model that lacks discriminant validity produces dubious results, raising doubts about whether the findings are supported by the data or produced by repeating a construct.

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3.8 Diagnostic Test

Before conducting Partial Least Squares Structural Equation Modelling (PLS-SEM) analysis, diagnostic tests were performed to ensure data satisfied necessary assumptions for valid and reliable results. Unlike covariance-based SEM (CB-SEM) or ordinary least squares regression, PLS-SEM is a non-parametric technique that does not require normally distributed data and is robust to multicollinearity and smaller sample sizes (Hair et al., 2019). However, the

multicollinearity test remains important so as not to weaken data quality and model appropriateness.

3.8.1 Multicollinearity Test

Multicollinearity refers to high correlations among independent variables, which can distort coefficient estimates and reduce statistical power even in PLS-SEM analysis. Extreme multicollinearity (VIF > 5) can still affect path coefficient estimation and result interpretation, even though PLS-SEM can handle higher levels of multicollinearity than regression (Hair et al., 2019). The Variance Inflation Factor (VIF), which measures how much correlations across predictors inflate the variance of predicted coefficients, was used to evaluate multicollinearity. For every predictor variable in the structural model, VIF values were determined. When the VIF is less than 3, there is no multicollinearity issue; when it is between 3 and 5, there may be considerable multicollinearity that needs attention; and when it is greater than 5, there is significant multicollinearity that calls for remedial measures such as merging or eliminating highly correlated variables (Ganesha et al., 2025). For this study, VIF values were examined for competitive strategies (cost leadership, differentiation, focus), organizational capabilities, and firm size to ensure multicollinearity did not compromise model estimation.

3.8.2 Common Method Bias

The study used self-reported questionnaires to collect quantitative data, therefore, common method bias was assessed using Harman's single-factor test to determine whether the measurement method introduced systematic bias. The test assessed whether a single factor accounted for a substantial proportion of the variance among the measurement items, which would indicate common method variance. In addition, full collinearity Variance Inflation Factor (VIF) recommended by Kock (2015) was adopted to complement Haman's single factor. Full collinearity VIF values less than 3.3 indicated no serious concern of common method bias.

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Combining these two tests provided a more comprehensive evaluation of potential common method bias than relying only on Haman's single-factor test.

3.9 Empirical model

Structural Equation Modeling (SEM) was considered an appropriate analytical method in the study, since it incorporates investigation of complex direct, indirect, and interaction effects simultaneously among observed and latent variables (Thakkar, 2020). Furthermore, SEM provides modification indices that identify and highlight areas where a model's fit is inadequate (Ajayi & Adebayo, 2021). Partial Least Squares SEM (PLS-SEM), also known as variance-based SEM, and covariance-based SEM (CB-SEM) are the two categories of SEM approaches (Henseler & Schuberth, 2025). While CB-SEM is mostly utilized for theory confirmation and analyzing the links between latent and observed variables, PLS-SEM is better suited for prediction and analyzing relationships between latent constructs (Vuković, 2024). Since partial least squares structural equation modeling (PLS-SEM) simultaneously examines complicated direct, indirect, and interaction effects among latent and observable variables, it was used in this study (Thakkar, 2020). Furthermore, PLS-SEM works well when the sample size is small and the model is complex. Unlike Covariance-Based Structural Equation Modeling (CB-SEM), which focuses on theory confirmation and requires normally distributed, large samples of data, PLS-SEM places more emphasis on variance explanation, and it's appropriate when the study objectives are to identify the key drivers and predict outcomes (Henseler & Schuberth, 2025).

PLS-SEM provides robust estimates through bootstrapping procedures without assuming multivariate normality; moreover, it does not require multivariate normality to estimate the model (Vuković, 2024). In addition, PLS-SEM aligned with the study's pragmatic research philosophy, which values methodological flexibility and the use of analytical techniques best suited to addressing the research problem. Moreover, PLS-SEM was successfully employed by

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Chirchir (2022) who had a sample size of 200. SmartPLS (version 4) software was used to assess, develop, and perform SEM analysis, as it is user-friendly and has the ability to handle complex models (Henseler & Schuberth, 2025).

3.9.1 Direct Effects Model

The total effect model in data analysis measures the overall impact of an independent variable on a dependent variable, considering both direct and indirect pathways (Vuković, 2024). This was crucial because, in this study, it provided a comprehensive understanding of the relationship between variables. The researcher identified the mechanism through which the independent variable influenced the dependent variable by separating the total effect into its direct and indirect components. In this study, the first three objectives' purpose were to examine the link between competitive strategies and service delivery of real estate agent firms in Kenya. The structural model of direct effects of competitive strategies on service delivery was given as follows;

$$SD = \beta_0 + \beta_1 CL + \beta_2 DS + \beta_3 CF + \varepsilon \quad \text{..... (1)}$$

Where, SD = Service Delivery

CL = Cost Leadership

DS = Differentiation Strategy

CF= Focus Strategy

β_0, β_1, β_2, β_3 = Structural path coefficients

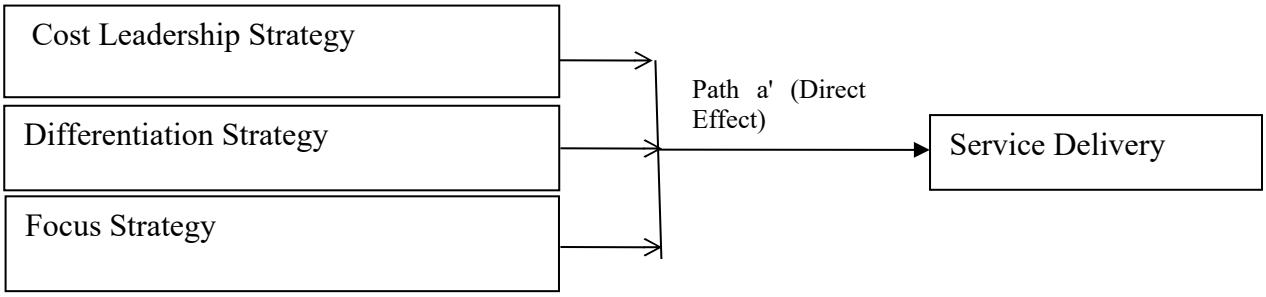
ε = error term

Interpretation of the model was based on adjusted R^2, t-test, and the significance level of the F-test. This helped in explaining the goodness of fit of the model, evaluating the statistical significance of the coefficients, and assessing the overall statistical significance of the model formulated.

The direct effect model/path is shown in Figure 2.

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Figure 2: *Direct Effects (Path a')*



3.9.2 Moderation Analysis Model

The fourth objective of the study aimed to evaluate the moderating effect of firm size on the relationship between competitive strategies and service delivery. Moderating variables are vital in empirical studies because they extend well-known relationships to contexts that reviewed studies in the empirical section ignored. It also produces in-depth predictions based on the connection between the two variables. The study assessed the moderation or interaction effect using the PLS-SEM approach in SmartPLS version 4. The moderating effect was evaluated by adding an interaction term between competitive strategies and firm size to the structural model. The bootstrapping procedure was used to determine the significance of the interaction effect (CS x FS). In addition, the effect size (f^2) of the interaction term was also assessed to determine the magnitude of the moderating effect.

The structural model for assessing the moderating effect of firm size on the relationship between competitive strategies and service delivery was given as;

$$SD = \beta_0 + \beta_1 \times CS + \beta_2 \times FS + \varepsilon_1 \quad \text{..... (2a) \{basic model\}}$$

$$SD = \beta_0 + \beta_1 \times CS + \beta_2 \times FS + \beta_3 \times CS * SF + \varepsilon_1 \quad \text{..... (2b) \{interaction model\}}$$

Where, SD = Service Delivery

CS= Competitive Strategies

FS = Firm Size

β_0 = Constant terms

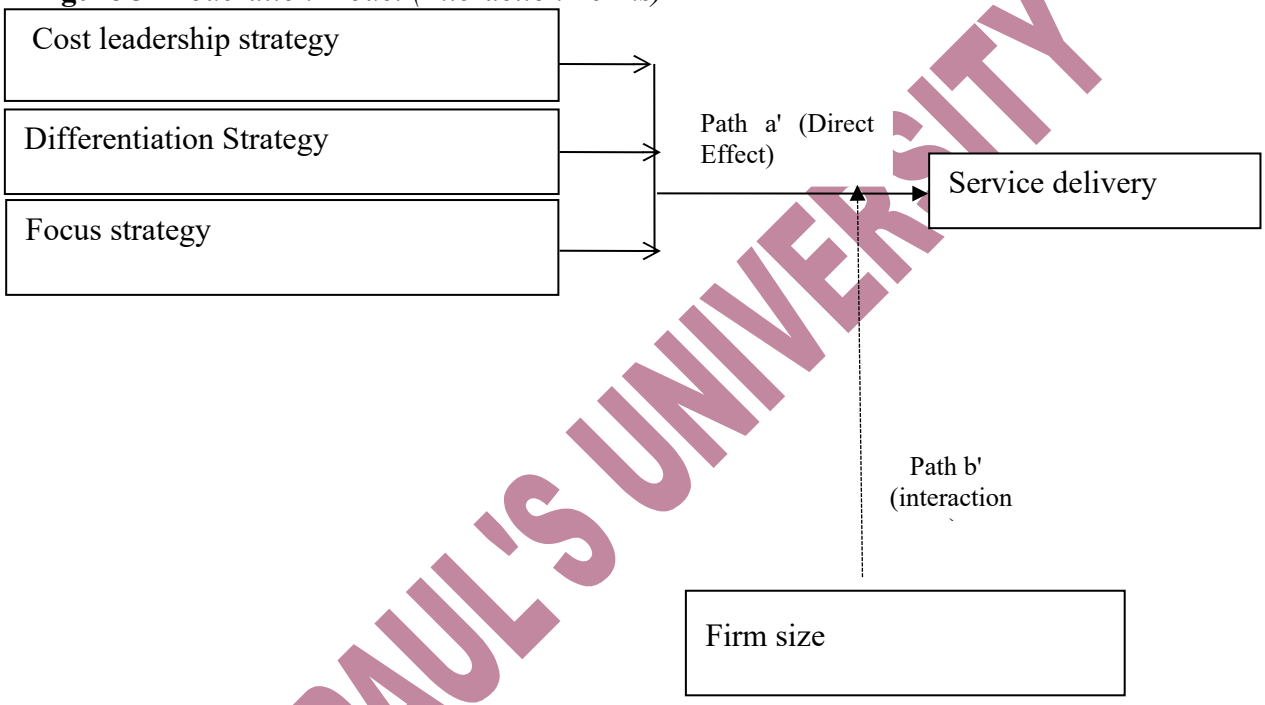
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β_1, β_2, β_3 = Structural paths

ε_1= error term

Moderation was confirmed if the interaction term coefficient (β_3) was statistically significant ($p < 0.05$). A statistically significant interaction coefficient indicated that firm size significantly moderated the association between competitive strategies and service delivery, as illustrated in Figure 3.

Figure 3: *Moderation Model (Interaction Terms)*



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3.9.3 Mediation Analysis Model

Objective five was to test the mediation effect of organizational capabilities (OC) on the relationship between competitive strategies (CS) and service delivery (SD) of real estate agent firms in Kenya. A mediation effect occurs when one variable (CS) affects a second variable (OC), which later affects a third variable (SD). The study evaluated the model coefficients' significance of individual paths (a, b, c, & c') and the product of the coefficients, which determined the significance of the indirect effects. According to Hair et al. (2022), the study assessed indirect-effect significance, directly using bootstrapping. The paths a, b, c and c′ were examined to describe the organizational capabilities mediation effect and to determine the

nature of the relationship between competitive strategies, organizational capabilities and service delivery. To differentiate complete or partial mediation, the study examined the significance of the bootstrapped indirect effect and the direct effect (c′). Full mediation was achieved when the indirect effect (ab) was significant while direct effect (c′) was not significant. Partial mediation was attained when both the indirect effect (ab) and the direct effect (c′) had significant p-values.

Path c (Total Effect)

Figure 4 shows the three competitive strategies (Cost Leadership, Differentiation, Focus) with direct arrows to Service Delivery, representing the total effect (path c) before introducing the mediator. The relationship between competitive strategies and service delivery was evaluated using the following structural model.

$SD = \beta_0 + c \cdot CS + \varepsilon$ Where:

SD = Service Delivery

CS = Competitive Strategies (cost leadership strategy, differentiation strategy, and focus strategy)

β_0 = Constant

c = Path coefficient (total effect)

ε = Error term

If coefficient c is significant ($p < 0.05$), then there is a relationship between CS and SD. Therefore, we move to step 2.

Path a (CS → OC)

Figure 3.3 illustrates how competitive strategies influence organizational capabilities, representing Path a in the mediation model. The model assessed the relationship between CS and OC using a structural model.

$OC = \beta_0 + a \cdot CS + \varepsilon$ Where:

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OC = Organizational Capabilities

CS = Competitive Strategies (cost leadership strategy, differentiation strategy, and focus strategy)

β_0 = Constant

a = Path coefficient

ε = Error term

If path coefficient was significant ($p < 0.05$), then a link existed between CS and OC, confirming that mediation made theoretical sense. However, if it was not significant, OC could have been another variable that was either linked or not linked with service delivery (SD). Steps 3 & 4: Paths b and c' (Complete Mediation Model). The equation model was as follows;

$SD = \beta_0 + c' \cdot CS + b \cdot OC + \varepsilon$ Where:

SD = Service Delivery

CS = Competitive Strategies (cost leadership strategy, differentiation strategy, and focus strategy)

OC = Organizational Capabilities

c' = Direct effect (after controlling for mediator)

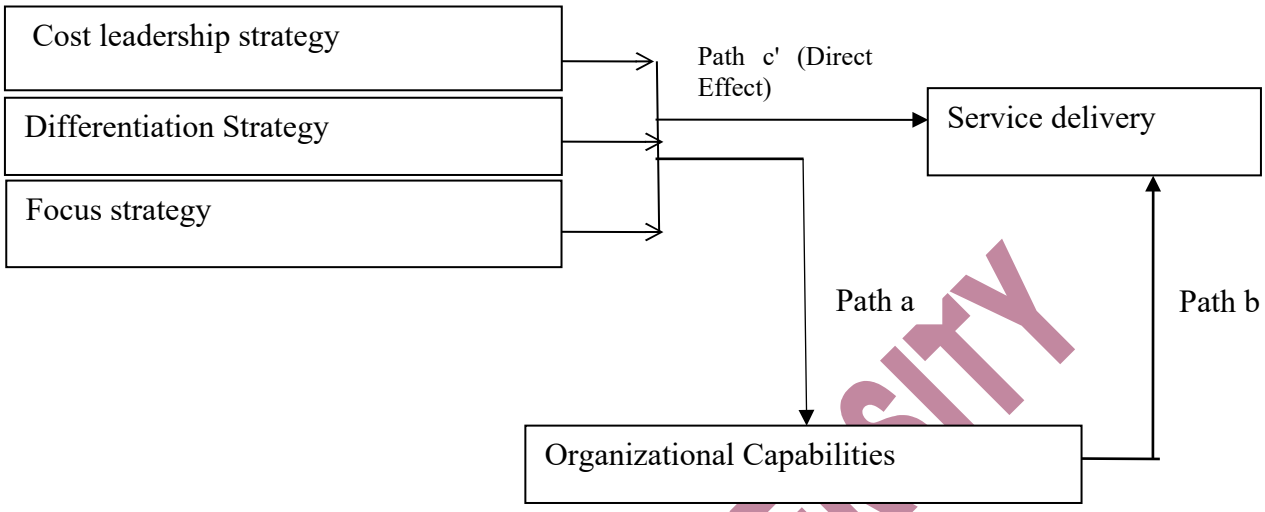
b = Mediator-outcome path coefficient; β_0 = Constant; ε = Error term

The significance and magnitude of paths b and c′ were examined to understand the relationships among the competitive strategies, organizational capabilities, and service delivery. Specifically, path b assessed the influence of OC SD while controlling for CS, while path c′ examined the direct effect of CS on SD while controlling for OC. To ascertain the mediation analysis, the product of coefficients approach was employed, which involved bootstrapping. This computational method involved repeated sampling from the empirical data and assessing the indirect effect in each resampled dataset. PLS-SEM is a multivariate technique that uses conceptual model path diagrams to capture complex relationships among variables

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simultaneously (Hair et al., 2022). The indirect effect (a × b) was tested for significance using 5,000 bootstrap samples in SmartPLS 4 version. Figure 4 summarizes the mediation paths.

Figure 4: *Mediation Model (a, b and c paths)*



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3.10 Operationalization of the Study Variables

The various constructs in the study were operationalized as shown in table 3.1.

Table 2: *Operationalization of the Study Variables*

Variable	Type	Indicators	Measurements scale	Section in questionnaire
Cost Leadership Strategy	Independent	• Competitive pricing • Cost control measures	Ordinal/interval	Section B
Differentiation Strategy	Independent	• Service customization • Brand loyalty	Ordinal/Interval	Section C
Focus strategy	Independent	• Niche market • Customer segmentation	Ordinal/Interval	Section D
Firm Size	Moderating	• Number of employees • Number of branches	Interval	Section F
Organization Capabilities	Mediating	• Administrative Competency • Technical competency	Ordinal/Interval	Section E
Service delivery	Dependent	• Responsiveness • Reliability • Tangibles • Assurance	Ordinal/Interval	Section G

Note: Operationalization of study variables

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3.11 Data analysis and presentation

In accordance with the sequential explanatory mixed-methods design, this study used both quantitative and qualitative data analysis methodologies. To analyze quantitative data derived from structured questionnaires, the study used Descriptive statistics and PLS-SEM. For analysis of qualitative data from semi-structured interviews thematic analysis was used. Integrating the quantitative and qualitative data provided a comprehensive analysis of the relationship between competitive strategies and service delivery of real estate agent firms in Kenya (Creswell & Plano Clark, 2018).

3.11.1 Quantitative Data Analysis

Quantitative data were analyzed through descriptive statistics and PLS-SEM inferential statistics. Descriptive analysis provided preliminary insights into data distribution, central tendencies, and variability before conducting advanced statistical tests. Following descriptive analysis, inferential statistics were conducted using Partial Least Squares Structural Equation Modeling (PLS-SEM) with SmartPLS version 4 software to test hypothesized relationships among the study variables.

The two stages of PLS-SEM analysis were to evaluate the measurement model (outer model) and the structural model (inner model). The measurement model evaluated construct and indicator quality by ensuring that indicators measured the specified constructs consistently. Thus, indicator reliability was done using outer loadings, while the Heterotrait-Monotrait ratio of correlations (HTMT) assessed discriminant validity (values below 0.85 indicated constructs were distinct). Average Variance Extracted (AVE) assessed convergent validity (AVE values above 0.5 indicated that the construct explained more than half the variance of its indicators), and internal consistency reliability was assessed using composite reliability (values above 0.7 indicate adequate reliability). After establishing a satisfactory measurement model, the structural model was evaluated to assess hypothesized relationships among constructs.

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Path coefficients, showed how strongly and in which direction relationships existed between constructs. Coefficient of determination (R2), showed how much of the variance in dependent variables was explained by independent variables. While, effect size (f2), showed whether removing a predictor significantly affected R2 values (values of 0.02, 0.15, and 0.35 represent small, medium, and large effects, respectively), and predictive relevance (Q2), which was determined by the blindfolding procedure (values above zero indicate model has predictive relevance). A bootstrapping approach with 5,000 subsamples was used to evaluate path coefficients and their significance, produced t-statistics and p-values. Values nearer +1 or -1 indicated stronger correlations. Path coefficients range from -1 to +1. The 95 percent confidence level ($p < 0.05$) was used to establish significance. The study tested three sets of effects: the direct effect of competitive strategies on service delivery, the mediating effect of organizational capabilities, whose indirect effect was checked for significance through bootstrapping, and the moderating effect of firm size, which was examined with an interaction term created by multiplying competitive strategies by firm size.

3.11.2 Conceptual Model Specification for PLS-SEM

The PLS-SEM model in this study comprised five main constructs with their respective indicators. Cost leadership strategy was measured by competitive pricing and cost control measures. Differentiation strategy was measured by service customization and brand identity. Focus strategy was measured by niche market and customer segmentation. Organizational capabilities (mediating variable) was measured by administrative competency and technical competency. Service delivery (dependent variable) was measured by responsiveness, reliability, assurance, and tangibles. Firm size (moderating variable) was measured by the number of employees and the number of branches.

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The indicators for each construct were derived from a comprehensive empirical review and grounded in theoretical frameworks discussed in Chapter Two. Cost leadership indicators (competitive pricing and cost control measures) were adapted from Porter's generic strategies framework and supported by empirical studies including Kinuthia and Wambua (2025), Muthama (2021), and Chepchirchir et al. (2018), which demonstrated these dimensions as critical for cost-based competitive advantage. Differentiation strategy indicators (service customization and brand identity) were informed by differentiation literature, including Kaane (2022), Kiprono and Kinyua (2021), and Maingi and Muathe (2021), which identified these as key differentiation mechanisms in service sectors. Focus strategy indicators (niche market and customer segmentation) were derived from Porter's focus strategy conceptualization and supported by studies such as Ochodo et al. (2020), Njoroge et al. (2022), and Hidayat et al. (2025), emphasizing market specialization and customer targeting.

Organizational capabilities indicators (administrative competency and technical competency) align with dynamic capabilities theory and were supported by empirical evidence from Kanji et al. (2024), Kirugumi et al. (2021), and Bhatti et al. (2020), that distinguished between administrative and technical dimensions. Service delivery indicators (responsiveness, reliability, assurance, and tangibles) are adapted from Parasuraman et al.'s (1988) SERVQUAL model and contextualized for real estate agent firms based on studies by Kalunda (2023) and Chumba (2018). Firm size indicators (number of employees and number of branches) were informed by firm size literature, including Mwaluku (2024), Mutunga (2017), and OECD classifications, which used these measures to capture organizational scale and market reach.

The structural model specifies direct paths from cost leadership strategy, differentiation strategy, and focus strategy to organizational capabilities (Path a in Figure 2), direct paths from organizational capabilities to service delivery (Path b in Figure 3), and direct paths from

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competitive strategies to service delivery (Path a' in Figure 4) representing total direct effect, and Path c' in representing direct effect after controlling for the mediator, testing partial vs. full mediation). Interaction terms between competitive strategies and firm size test moderation effects on the relationship between competitive strategies and service delivery through Path b' as illustrated in Figure 4. Mediation was assessed by examining whether the indirect effect of competitive strategies on service delivery through organizational capabilities was significant, with full mediation occurring when Path c' became insignificant after including the mediator, and partial mediation occurring when both direct (Path c') and indirect effects (Path a × Path b) remain significant. Moderation was assessed through the significance of interaction terms (competitive strategies × firm size via Path b' in Figure 3), with significant positive coefficients indicating firm size strengthened the relationships and significant negative coefficients indicating firm size weakened the relationships between competitive strategies and service delivery.

3.11.3 Qualitative Data Analysis

Thematic analysis examined qualitative data from semi-structured interviews using the six-phase framework developed by Braun and Clarke (2006). NVivo software was used to organize and manage data. To provide comprehensive explanations, qualitative findings were integrated with quantitative results. The integration followed an explanatory sequential approach whereby qualitative data explained, elaborated, and provided context for quantitative findings, addressing questions of how and why relationships existed. The mixed-methods analysis provided breadth through statistical relationships and depth through contextual insights, managerial perspectives, and implementation mechanisms (Creswell & Plano Clark, 2018).

3.12 Ethical Considerations

This study adhered to ethical principles governing social science research to protect respondents' rights, ensure data integrity, and maintain research credibility.

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The St. Paul University Institutional Scientific Ethics Review Committee (SPU-ISERC) provided ethical clearance prior to data collection. This allowed the researcher to conduct the study on human subjects. The researcher then applied for a research permit from the National Commission for Science, Technology, and Innovation (NACOSTI). These approvals confirmed that the research design, procedures, and instruments met ethical standards and protected human subjects. The NACOSTI authorization letter and University ethical clearance certificate were included in research documentation presented to participating firms, enhancing legitimacy and facilitating access. Ethical considerations were observed throughout the research process included informed consent, voluntary participation, confidentiality and anonymity, data protection, and avoidance of harm (Bryman & Bell, 2015).

Prior to data collection, each participant's informed consent was sought. The goal, objectives, techniques, anticipated duration, potential risks and rewards, and intended use of the study was made explicit to the respondents. There was no inducement or coercion used; participation was entirely voluntary. Respondents were made fully aware of their freedom to leave the study at any time, without giving a reason, and without suffering any repercussions. This ensured that participation was based on free will and respondents-maintained autonomy throughout the research process (Cooper & Schindler, 2014). Confidentiality and anonymity were strictly maintained to protect respondent identity and sensitive information. Firms and respondents were assigned unique codes used throughout data collection, analysis, and reporting, ensuring individual identities was not disclosed. These ethical safeguards ensured the research met highest standards of ethical conduct while generating credible and trustworthy findings (Saunders et al., 2019).

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CHAPTER FOUR

RESULTS AND INTERPRETATION

4.1 Introduction

This chapter presents the study results from questionnaires and the interview guide. The Chapter is organized as follows: the response rate, evaluation of data reliability and validity, Demographic information of respondents, Descriptive statistics, diagnostic tests appropriate for structural equation modeling such as multicollinearity and common method bias, measurement model and structural models comprising of direct effect, mediation, and moderation models, and finally, the discussion of the results incorporating literature that aligns with the study's findings, including tests of hypotheses.

4.2 Questionnaire Response Rate

Table 3: *Questionnaire response rate*

Response rate	Actual respondents	Non-response rate	Target respondents
Questionnaires	132 (82.5%)	28 (17.5)	160 (100%)
Interviews	15 (100%)	0 (0%)	15 (100%)

Note: The table presents the questionnaire response rate

The response rate in Table 3 indicates the number of questionnaires completely filled and the number of successful interviews that were conducted among study respondents. Data were collected using both Google forms electronic questionnaires and physical paper questionnaires administered to senior managers and operations heads in the 80 KPDA-registered real estate agent firms, with two respondents targeted per firm. Of the 160 questionnaires distributed, 136 were returned. Four were discarded due to incomplete responses, leaving 132 usable questionnaires and a final response rate of 82.5 percent. The high response rate minimized bias and enhanced the representativeness and credibility of the findings. This rate exceeded the widely accepted minimum threshold of 70 percent for survey-based social science research (Kothari, 2020).

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In addition to the questionnaires, interviews were conducted with the selected managers. All 15 targeted respondents successfully participated, resulting in a response rate of 100%. The full involvement of senior and operational managers enhanced the comprehensiveness of the qualitative data and ensured the study captured detailed information from key respondents regarding the study objectives. The high response rate was attributable to persistent follow-up, official introductory letters from St. Paul's University and NACOSTI, and the dual-mode data collection approach.

4.3 Non-Response Bias

Non-response bias was examined using independent-samples t-tests across the six study latent variables. Levene's test indicated that the assumption of equal variances was satisfied for all constructs ($p > 0.05$); therefore, the equal-variances-assumed results were considered. The findings revealed no significant differences between early and late respondents for cost leadership, differentiation strategy, organizational capabilities, firm size, and service delivery, while a significant difference was observed for focus strategy. The findings suggest that while non-response bias was not evident for most constructs, some potential non-response bias may have existed for focus strategy. The findings of the study were therefore interpreted with caution.

4.4 Outlier Assessment

It was important to identify the presence of outliers before conducting PLS-SEM, as outliers may distort estimates of model coefficients or result in incorrect conclusions. This section presents findings of univariate outlier assessment tested using the interquartile range (IQR) approach. This method identifies extreme values in continuous variables since the Linkert scale data was treated as continuous data. The assessment was conducted across all observed indicators. Table 4 shows the results.

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Table 4: *Outlier assessment*

Construct/Item	Q1	Q3	Q3 − Q1 (IQR)	Lower Bound	Upper Bound	Outliers
CL1	2.00	4.00	2.00	-1.	7.00	None
CL2	2.00	4.00	2.00	-1.00	7.00	None
CL3	2.00	4.00	2.00	-1.00	7.00	None
CL4	2.00	4.00	2.00	-1.00	7.00	None
CL5	2.00	4.00	2.00	-1.00	7.00	None
DS1	2.00	4.00	2.00	-1.00	7.00	None
DS2	2.00	4.00	2.00	-1.00	7.00	None
DS3	2.00	4.00	2.00	-1.00	7.00	None
DS4	2.00	4.00	2.00	-1.00	7.00	None
DS5	2.00	4.00	2.00	-1.00	7.00	None
CF1	2.00	4.00	2.00	-1.00	7.00	None
CF2	2.00	4.00	2.00	-1.00	7.00	None
CF3	2.00	4.00	2.00	-1.00	7.00	None
CF4	2.00	4.00	2.00	-1.00	7.00	None
CF5	2.00	4.00	2.00	-1.00	7.00	None
OC1	2.00	4.00	2.00	-1.00	7.00	None
OC2	2.00	4.00	2.00	-1.00	7.00	None
OC3	2.00	4.00	2.00	-1.00	7.00	None
OC4	2.00	4.00	2.00	-1.00	7.00	None
OC5	2.00	4.00	2.00	-1.00	7.00	None
FS1	2.00	4.00	2.00	-1.00	7.00	None

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Construct/Item	Q1	Q3	Q3 − Q1 (IQR)	Lower Bound	Upper Bound	Outliers
FS2	2.00	4.00	2.00	-1.00	7.00	None
FS3	2.00	4.00	2.00	-1.00	7.00	None
FS4	2.00	4.00	2.00	-1.00	7.00	None
FS5	2.00	4.00	2.00	-1.00	7.00	None
SD1	2.00	4.00	2.00	-1.00	7.00	None
SD2	2.00	4.00	2.00	-1.00	7.00	None
SD3	2.00	4.00	2.00	-1.00	7.00	None
SD4	2.00	4.00	2.00	-1.00	7.00	None
SD5	2.00	4.00	2.00	-1.00	7.00	None

Note: The table shows that no outliers were present in the dataset

Exploratory data analysis was conducted which involved detection of possible outliers in the data. Outlier assessment was conducted at the indicator level across the 30 items used to measure cost leadership strategy, differentiation strategy, focus strategy, organizational capabilities, firm size, and service delivery. The first quartile was 2.00 and the third quartile was 4.00, yielding an IQR of 2.00 and lower and upper bounds of −1.00 and 7.00, respectively for all the 6 constructs. Because the observed responses were restricted to the valid five-point Likert range of 1 to 5, all values fell within the established boundaries. Therefore, no univariate outliers were detected and all 132 responses were retained for further analysis.

4.5 Demographic Characteristics

The study respondents' demographic information reflected the population's attributes and formed the basis for accessing relevant information. The respondents' information included position held, work experience, and level of education and age.

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4.5.1 Work Position

The distribution of respondents by position held was analyzed to assess respondents' knowledge and provide reliable feedback appropriate to the study.

Table 5: *Work Position*

Position held	Frequency	Percentage
Administrative Manager	27	20.5
Chief Executive Officer (CEO)	29	22.0
Managing Director	26	19.7
Operations Manager	30	22.7
Other Senior Management	20	15.2

Note: This table describes work position distribution

The results in Table 5 indicate the respondents who occupied senior management positions and were therefore considered knowledgeable regarding competitive strategies and service delivery. The distribution was highly significant in real estate agent firms, as the majority of the firms operated with a lean but highly hierarchical structure, where decision-making was concentrated among directors, managing partners, and senior consultants.

4.5.2 Work Experience

The distribution of respondents by work experience was assessed by the length of service of each participant. This reveals if respondents had enough experience to provide information on competitive strategies adopted and implemented, organizational capabilities, firm size, and service delivery of real estate agent firms.

Table 6: *Work Experience*

Experience	Frequency	Percentage
< 2 years	7	5.3
2 – 5 years	52	39.4

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6 – 10 years	31	23.5
>10 years	42	31.8

Note: This table describes the work experience in years

Table 6 indicates that more than half of the respondents (55.3%) had over 5 years of experience, with 31.8% having more than 10 years of experience. Only a small share (5.3%) had less than 2 years of experience of working in real estate agent firms. Length of experience is a critical determinant of performance because the sector relies on market awareness, customer relationships, negotiation skills, reputation and credibility, professional networks and client trust.

4.5.3 Education Level

The distribution of respondents by education level was analyzed to determine respondents' qualifications and assess their capacity to provide informed and reliable responses regarding the study variables.

Table 7: *Education Level*

Education level	Frequency	Percentage
Bachelor's degree	32	24.2
Master's degree	90	68.2
Doctorate	10	7.6

Note: This table displays education level distribution

The findings in Table 7 showed a highly educated workforce, with 68.2% holding Master's degrees, 24.2% Bachelor's degrees, and 7.6% had doctorate qualifications. In Kenya's real estate sector, the findings reflects the industry's increasing professionalization and specialization. Modern real estate agent firms are no longer limited to informal brokerage; they now integrate valuation, investment advisory, feasibility studies, and property consultancy services. In addition, the firms employed qualified valuers and land economists who were

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registered with professional bodies and involved in advanced market analysis and feasibility assessments.

4.5.4 Age Distribution

Age distribution was essential to understand the representativeness of different age categories and ensure the findings reflected diverse perspectives within Kenya's real estate sector.

Table 8: *Age Distribution*

Age	Frequency	Percentage
25 – 35 years	6	4.5%
36 – 45 years	34	25.8%
46 – 55 years	63	47.7%
Above 55 years	29	22.0%

Note: This table describes age distribution

The age distribution in Table 8 showed that most respondents were aged 46–55 years (47.7%), followed by 36–45 years (25.8%) and above 55 years (22.0%), with only 4.5% aged 25–35 years. This pattern reflected the mature leadership structure of real estate agent firms in Kenya, where senior professionals dominated decision-making roles. The real estate industry in Kenya is highly relationship-based, and trust plays a major role in land and property transactions, which helps explain why older, more experienced professionals dominate senior positions.

4.5.5 Firms Years of Operation

The distribution of firms by years of operation was analyzed to establish the length of time the real estate agent firms had been in existence and to assess whether they had enough experience to provide reliable feedback on study variables.

Table 9: *Years of Operation*

Age	Frequency	Percentage

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< 5 years	5	3.8
5 - 10 years	25	18.9
11 – 20 years	61	46.2
> 20 years	41	31.1

Note: This table presents years of operation of the selected real estate firms

The results in Table 9 showed that most firms were well-established, with 46.2% operating for 11–20 years and 31.1% operating for more than 20 years. Only 3.8% were less than 5 years old. These findings within the real estate industry implied that many firms have long operational histories and established market presence. The dominance of mature firms suggested that the study captured insights from organizations with well-developed systems in property valuation, agency services, facility management, and investment advisory. Such firms were more likely to have structured processes for client management, regulatory compliance, and strategic decision-making, making them suitable for studying competitive strategies and service delivery dynamics.

4.6 Descriptive Statistics

This section presents descriptive statistics from respondents' Likert-scale responses. It measured perceptions of respondents on constructs such as cost leadership, differentiation strategy, focus strategy, organizational capabilities, firm size, and service delivery of real estate agent firms in Kenya. The descriptive statistics for the study variables were measured using five statements on a five-point Likert scale ranging from 1 (strongly disagree) to 5 (strongly agree). The Likert-type responses gathered reflected the ordered ranking of views but not the equal spacing assumption. As such, descriptive statistics such as percentages, mean, and standard deviation were used to summarize the distribution of respondents per item of each construct, providing a summary of response patterns.

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4.6.1 Cost Leadership Strategy

Table 10 presents descriptive statistics for the independent variable, cost leadership, measured using two indicators: competitive pricing and cost control measures. The analysis focused on respondents' perceptions regarding competitive pricing, cost control mechanisms, operational efficiency, and economies of scale within the firms. The results show the percentages of respondents who selected each category, alongside the mean and standard deviation.

Table *10*: Cost Leadership Strategy

Statement	Strongly	Disagree	Neutral	Agree	Strongly	Mean	SD
The firm offers affordable pricing without compromising service quality	12.9%	25.0%	26.5%	17.4%	18.2%	3.03	1.295
The firm uses competitive pricing to increase market share	12.9%	19.7%	32.6%	25.0%	9.8%	2.99	1.168
The firm implements strict cost control mechanisms across all operations	12.9%	18.2%	28.0%	18.9%	22.0%	3.18	1.320
The firm achieves operational efficiency through streamlined processes	18.9%	15.9%	23.5%	28.0%	13.6%	3.01	1.324
The firm benefits from economies of scale in service delivery	15.2%	13.6%	26.5%	24.2%	20.5%	3.21	1.330
Composite score						**3.08**	**1.287**

Note: This table summarises competitive pricing and cost control measures of cost leadership strategy.

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The results of Table 10 indicate that cost leadership was emphasized among real estate agent firms in Kenya, as shown by a mean of 3.08. The findings revealed that "The firm offers affordable pricing without compromising service quality" recorded a mean score of 3.03 and a standard deviation of 1.295. The results indicate that respondents expressed a moderate view of firms' ability to provide affordable pricing while maintaining service quality. However, a considerable proportion of respondents disagreed (25.0%) or strongly disagreed (12.9%), suggesting that some firms faced challenges in balancing affordability with quality service provision. Similarly, "The firm uses competitive pricing to increase market share" recorded a mean score of 2.99 and a standard deviation of 1.168. This suggested moderate and mixed perceptions among respondents on that market share would be increased as a result of competitive pricing. In addition, some respondents were uncertain or showed inconsistencies in the implementation of competitive pricing; 32.6% remained neutral, and 34.8% of respondents agreed or strongly agreed with the statement.

In addition, the results showed that "The firm implements strict cost control mechanisms across all operations" had a high mean score of 3.18 and a standard deviation of 1.320. This indicates that firms were cognizant of the importance of eliminating unnecessary costs and thus established cost-control measures to manage operational expenses. "The firm achieves operational efficiency through streamlined processes" recorded a mean score of 3.01 and a standard deviation of 1.324. From the finding respondents were indifferent on the fact that operational efficiency was achieved when processes were streamlined. The results further showed that the respondents on, "The firm benefits from economies of scale in service delivery" believed that firms benefited from economies of scale that reduced operational costs. This recorded the highest mean score of 3.21 with a standard deviation of 1.330. Thus, implying that economies of scale was an important aspect of cost leadership strategy.

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The findings reveal that cost leadership strategies were moderately implement across the real estate agent firms. This could have been as a result of limited resources, organization capabilities, intense market competition, economic uncertainity, managers decision making among other factors. However, the relatively high standard deviation values across the indicators indicated varying perceptions among respondents, suggesting differences in the extent to which real estate agent firms adopt cost leadership strategies.

4.6.2 Differentiation Strategy

The descriptive statistics of the independent variable, differentiation strategy, which was measured using two indicators: brand identity and service customization. The descriptive statistics examined respondents' perceptions regarding differentiation strategy using service flexibility, brand identity, and brand visibility within the firms. Table 11 provides the percentage distribution of responses together with the mean and standard deviation values for each statement.

Table 11: *Differentiation Strategy*

Statement	Strongly	Disagree	Neutral	Agree	Strongly	Mean	SD
The firm offers flexible service packages based on client preferences	21.2%	19.7%	25.0%	23.5%	10.6%	2.82	1.298
The firm has established a distinct brand identity among competitors.	21.2%	20.5%	25.0%	21.2%	12.1%	2.82	1.316
The firm provides personalized solutions for client property needs	21.2%	25.0%	26.5%	7.6%	19.7%	2.79	1.391
The firm's brand conveys professionalism and	22.7%	18.9%	24.2%	22.0%	12.1%	2.81	1.335

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trustworthiness							
The firm invests in building and maintaining brand visibility	21.2%	18.9%	28.0%	18.2%	13.6%	2.84	1.324
Composite score						**2.81**	**1.332**

Note: This table describes brand identity and service customization indicators of differentiation strategy.

The findings revealed that the statement "The firm offers flexible service packages based on client preferences" recorded a mean score of 2.82 and a standard deviation of 1.298. The mean indicated that respondents generally had a moderate perception of firms adequately providing flexible service packages tailored to customer needs. Although 34.1% of respondents agreed or strongly agreed with the statement, a substantial proportion disagreed or strongly disagreed (40.9%), suggesting that firms did not consistently practice flexibility in service offerings.

Similarly, respondents rated "The firm has established a distinct brand identity among competitors" with a mean score of 2.82 and a standard deviation of 1.316. The findings suggested that respondents perceived the firms' efforts toward brand differentiation as relatively weak. The relatively high percentages of disagreement indicated that many firms may not have successfully positioned themselves uniquely within the competitive market environment. The high standard deviation further suggested variation in respondents' opinions regarding the strength of brand identity among firms.

The statement "The firm provides personalized solutions for client property needs" recorded the lowest mean score of 2.79 with a standard deviation of 1.391. This indicated that respondents moderately perceived that firms consistently provided customized solutions to meet specific client requirements. The results implied that many firms may still rely on

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standardized approaches rather than individualized customer-oriented services. The relatively high standard deviation suggests considerable differences in respondents' perceptions.

Further, respondents' perceptions of "The firm's brand conveys professionalism and trustworthiness" showed indifference, with a mean score of 2.81 and a standard deviation of 1.335. Notably, some respondents disagreed that the brand was consistent and professional, as indicated by the high standard deviation. While some respondents acknowledged strong brand credibility. This implies that there was inconsistency on how firms perceived their reputation and brand.

In addition, the results indicated that "The firm invests in building and maintaining brand visibility" had the highest mean score of 2.84 with a standard deviation of 1.324. This implies that respondents largely believed brand visibility was a major driver of enhanced service delivery. However, firms implemented promotional efforts differently. The average mean score for differentiation strategy was 2.81, with a standard deviation of 1.332. The findings imply that respondents had a neutral perception that firms effectively adopted differentiation strategies. The relatively high standard deviation further indicated diverse perceptions among respondents, implying inconsistencies in the implementation of differentiation strategies across real estate agent firms in Kenya. These findings are consistent with Demba et al. (2019), who noted that differentiation through brand development and service personalization remains insufficiently developed among real estate firms in emerging markets, with limited investment in brand communication strategies.

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4.6.3 Focus Strategy

The descriptive of focus strategy conceptualized as an independent variable was measured using Niche market and customer segmentation. The descriptive analysis examined respondents' perceptions regarding niche market concentration, specialization, targeted market

segments, customer-based resource allocation, and segment-specific strategies within the firms. Table 12 presents the percentage distribution of responses, along with the corresponding mean and standard deviation values.

Table 12: *Focus Strategy*

Statement	Strongly	Disagree	Neutral	Agree	Strongly	Mean	SD
The firm concentrates resources on serving specific market niches	18.9%	20.5%	23.5%	24.2%	12.9%	2.91	1.313
The firm specializes in particular property types or locations	16.7%	25.8%	23.5%	21.2%	12.9%	2.87	1.284
The firm targets narrow market segments rather than broad markets	16.7%	14.4%	26.5%	24.2%	18.2%	3.12	1.333
The firm allocates resources based on customer segment priorities	18.2%	21.2%	23.5%	16.7%	20.5%	3.00	1.392
The firm develops segment-specific marketing and service strategies	18.9%	18.2%	31.1%	15.2%	16.7%	2.92	1.328
Composite score						**2.96**	**1.330**

Note: This table summarizes niche markets and customer segmentation responses.

The findings revealed that "The firm concentrates resources on serving specific market niches" recorded a mean score of 2.91 and a standard deviation of 1.313. The results showed that respondents' perceptions were moderate and that firms strongly focused their resources on niche markets. While 37.1% of respondents agreed or strongly agreed with the statement, a

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similar proportion expressed disagreement, suggesting inconsistencies in the extent to which firms concentrate on specialized customer segments.

Similarly, the statement "The firm specializes in particular property types or locations" recorded a mean score of 2.87 and a standard deviation of 1.284. The findings suggested that respondents generally perceived limited specialization among firms in property categories or geographic markets. The relatively high levels of disagreement implied that many firms may operate broadly rather than concentrating on specific property niches or locations. The statement "The firm targets narrow market segments rather than broad markets" recorded the highest mean score within the construct (3.12), with a standard deviation of 1.333. The mean indicated a neutral perception among respondents that firms tend to focus on selected customer segments instead of serving the entire market. This suggests that some firms strategically concentrate on particular client groups to strengthen competitiveness and improve service delivery.

Further, the statement "The firm allocates resources based on customer segment priorities" recorded a mean score of 3.00 and a standard deviation of 1.392. The mean value shows that respondents held mixed perceptions regarding whether firms allocated resources according to the needs and priorities of specific customer groups. The relatively high standard deviation demonstrated substantial variation in opinions, suggesting differences in how firms manage customer-focused resource allocation. In addition, the statement "The firm develops segment-specific marketing and service strategies" recorded a mean score of 2.92 with a standard deviation of 1.328. The findings implied a neutral perception among respondents concerning the extent to which firms design specialized marketing and service approaches for distinct customer segments. The results suggest that most of the firms may not have designed strategies for specific markets. This suggested that many firms may not have fully embraced tailored

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strategies aimed at specific market segments. The composite score of focus strategy was 2.96 with a standard deviation of 1.330. The findings suggested moderate and mixed perceptions regarding the adoption of focus strategies by firms. The findings implied that while some firms demonstrate elements of niche specialization and targeted market approaches, focus strategy practices were not strongly pronounced across the sector. The moderate adoption level aligns with Ochodo et al. (2020), who observed that focus strategy adoption tends to be partial rather than comprehensive among Kenyan service sector firms. Smaller firms in the study may have lacked the resources to fully commit to niche specialization, while larger firms adopted broader competitive stances.

4.6.4 Organizational Capabilities

The descriptive statistics of organizational capabilities conceptualized as a mediation variable were measured using administration and technology competence of real estate firms in Kenya. The analysis focused on respondents' perceptions regarding strategic planning, resource allocation, process management, technological proficiency, and market knowledge within the firms. Table 13 presents the percentage distribution of responses, along with the mean and standard deviation for each statement.

Table 13: *Organizational Capabilities*

Statement	Strongly	Disagree	Neutral	Agree	Strongly	Mean	SD
The firm has effective strategic planning processes in place	21.2%	16.7%	26.5%	18.9%	16.7%	2.93	1.371
The firm allocates resources efficiently across departments	17.4%	22.0%	26.5%	17.4%	16.7%	2.93	1.329
The firm has well-defined	17.4%	19.7%	27.3%	20.5%	15.2%	2.96	1.310

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process management systems							
The firm demonstrates technological proficiency in operations	18.9%	18.2%	24.2%	22.7%	15.9%	2.98	1.347
The firm possesses deep knowledge of local real estate markets	9.8%	25.8%	30.3%	20.5%	13.6%	3.02	1.188
Composite score						**2.96**	**1.309**

Note: This tables summarizes responses on administrative and technology competencies measuring organizational capabilities.

The findings revealed that the perception on "The firm has effective strategic planning processes in place" recorded a mean score of 2.93 and a standard deviation of 1.371. There was a mixed perception among the respondents regarding the effectiveness of strategic planning processes within the firms. Although 35.6% of respondents agreed or strongly agreed with the statement, a substantial proportion expressed disagreement, suggesting that strategic planning practices may not be consistently effective across firms. The relatively high standard deviation further indicates variation in respondents' perceptions.

Similarly, the statement "The firm allocates resources efficiently across departments" recorded a mean score of 2.93 with a standard deviation of 1.329. The findings suggest that respondents generally perceived moderate inefficiencies in how firms distribute resources among departments. While some respondents acknowledged efficient allocation practices, others felt resource management remained inadequate, indicating inconsistencies in organizational coordination and resource utilization. The findings on "The firm has well-defined process management systems" has a mean score of 2.96 and a standard deviation of 1.310. This

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suggests that respondents held mixed perceptions about the existence of structured and clearly defined operational systems within the real estate agent firms. The results imply that the effectiveness of process management systems varied across firms. Further, the statement "The firm demonstrates technological proficiency in operations" recorded a mean score of 2.98 with a standard deviation of 1.347. The results showed a neutral perception among respondents that firms possess technological capabilities that support operational activities. The findings suggested that technological adoption and proficiency were still developing and were not yet fully integrated into firm operations.

The highest mean score was 3.02, and a standard deviation of 1.188, for "The firm possesses deep knowledge of local real estate markets," which recorded the highest mean score within the construct at 3.02 with a standard deviation of 1.188. These results imply that knowledge of local real estate markets was vital in enhancing service delivery and was to a large extent incorporated by the real estate agent firms. Compared with other indicators, the lower standard deviation suggests greater consistency in respondents' perceptions of market knowledge capabilities. Table 12 shows that the average mean for organizational capabilities was 2.96, with a standard deviation of 1.309, and respondents agreed to a moderate extent on their organizational capabilities in real estate agent firms. Further, the results showed that the respondents had mixed perceptions regarding the organizational capabilities of the firms; hence, these capabilities were not strongly developed across all organizations. This pattern suggests that execution of organizational capabilities of the firms was stronger than the institutional frameworks supporting them, consistent with Hassan Abikar and Makau Muathe (2024).

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4.6.5 Firm Size

The descriptive statistics of firm size, conceptualized as a moderating variable, were measured using the number of branches and the number of employees. The analysis focused on respondents' perceptions regarding workforce capacity, employee specialization, implementation of competitive strategies, branch expansion, and market coverage within the firms. The results in Table 14 provide the percentage distribution of responses together with the mean and standard deviation values for each statement.

Table 14: *Firm Size*

Statement	Strongly	Disagree	Neutral	Agree	Strongly	Mean	SD
The firm has sufficient human resource capacity to serve clients effectively	20.5%	20.5%	25.0%	18.2%	15.9%	2.88	1.357
The firm's employee numbers allow for service delivery specialization	15.9%	20.5%	31.8%	18.9%	12.9%	2.92	1.245
The firm's workforce size supports competitive strategy implementation	14.4%	20.5%	28.0%	25.0%	12.1%	3.00	1.235
The firm has multiple branches that enhance market coverage	17.4%	19.7%	25.8%	22.0%	15.2%	2.97	1.316
The firm's branch distribution supports effective service delivery	22.7%	15.2%	26.5%	19.7%	15.9%	2.90	1.378
Composite score						**2.93**	**1.306**

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Note: This table shows moderate agreement on items used to measure firm size

The findings revealed the review of respondents on "The firm has sufficient human resource capacity to serve clients effectively" recorded a mean score of 2.88 and a standard deviation of 1.357. This indicated that respondents had a neutral perception of firms possessing adequate human resource capacity to effectively meet client needs. Approximately 34.1% of respondents agreed or strongly agreed with the statement; a considerable proportion expressed disagreement, suggesting that many firms may face staffing limitations that affect service delivery. The relatively high standard deviation indicated variation in respondents' perceptions across firms.

Similarly, the statement "The firm's employee numbers allow for service delivery specialization" recorded a mean score of 2.92 with a standard deviation of 1.245. The findings suggested moderate perception among respondents regarding whether firms had sufficient personnel to support specialized service delivery functions. The relatively high neutral responses indicated uncertainty or varied experiences among respondents regarding employees' specialization capacity. The view of respondents on "The firm's workforce size supports competitive strategy implementation" recorded the highest mean score within the construct at 3.00 with a standard deviation of 1.235. The results indicated mixed perceptions among respondents regarding whether workforce size adequately supported the implementation of competitive strategies. While some respondents believed that workforce size contributes positively to strategy execution, others were unconvinced, reflecting inconsistencies across firms.

Further, respondents' opinion on "The firm has multiple branches that enhance market coverage" recorded a mean score of 2.97 and a standard deviation of 1.316. The findings indicated that respondents' neutral perception is that branch expansion contributes to wider market coverage and accessibility of services. The findings suggested that not all firms possess

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extensive branch networks capable of significantly strengthening their market presence. In addition, respondents' views on "The firm's branch distribution supports effective service delivery" recorded a mean score of 2.90 with a standard deviation of 1.378. This suggests that respondents varied in their opinions on the effectiveness of branch distribution in supporting service delivery.

Table 14 shows that the average mean of firm size was 2.93 with a standard deviation of 1.306, implying that respondents had moderate and mixed perceptions regarding the adequacy of firm size dimensions. The variability in firm size scores confirms that the sample included firms of varying scales, consistent with KPDA's heterogeneous membership structure. This variability was essential for testing the moderation hypothesis, as it provided sufficient range in the moderating variable to detect interaction effects in the structural model.

4.6.6 Service Delivery

The descriptive statistics of service delivery, conceptualized as the dependent variable, were measured using responsiveness, reliability, assurance, and tangibles of service in real estate agent firms in Kenya. The study examined respondents' perceptions regarding responsiveness, service quality, staff competence, professionalism, and customer problem resolution within the firms. Table 15 presents the percentage distribution of responses together with the mean and standard deviation values for each statement.

Table 15: *Service Delivery*

Statement	Strongly	Disagree	Neutral	Agree	Strongly	Mean	SD
The firm responds promptly to customer requests and inquiries	18.9%	19.7%	19.7%	21.2%	20.5%	3.04	1.413
The firm provides consistent service quality	10.6%	23.5%	32.6%	18.9%	14.4%	3.03	1.197

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to all customers							
The firm's staff possess adequate knowledge to answer customer questions	16.7%	22.0%	26.5%	21.2%	13.6%	2.93	1.285
The firm's staff maintain a professional appearance	13.6%	21.2%	24.2%	25.0%	15.9%	3.08	1.284
The firm takes immediate action to resolve customer issues	12.9%	24.2%	22.0%	24.2%	16.7%	3.07	1.293
Composite score						**3.03**	**1.294**

Note: This table describes respondents' views on responsiveness, service quality, staff competence, professionalism, and customer problem resolution.

The findings show that respondents' view on "The firm responds promptly to customer requests and inquiries" recorded a mean score of 3.04 and a standard deviation of 1.413. Results recorded neutral perception that firms respond promptly to customer needs and inquiries. However, the relatively high percentages of disagreement suggest that firms may not consistently achieve responsiveness across all customers. The high standard deviation further indicates substantial variation in respondents' perceptions regarding prompt customer response.

Similarly, the statement "The firm provides consistent service quality to all customers" recorded a mean score of 3.03 with a standard deviation of 1.197. The findings indicated moderate agreement among respondents that firms provide relatively consistent service quality. Nonetheless, the large proportion of neutral responses suggested uncertainty among respondents or inconsistency in service experiences across customers and firms. The statement "The firm's staff possess adequate knowledge to answer customer questions" recorded a mean score of 2.93 and a standard deviation of 1.285. The findings suggested respondents had

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mixed perceptions of how knowledgeable staff were in handling staff complaints. This implies that some firms may have had challenges in training their employees to have the expertise to resolve customer complaints. Moreover, respondents' views on the statement "The firm maintains modern and professional staff and office facilities that are visible and accessible to clients" recorded the highest mean score within the construct at 3.08 with a standard deviation of 1.284. The findings indicated that respondents moderately perceived staff members as maintaining professionalism in their appearance and conduct when interacting with customers. This suggested that firms place emphasis on professionalism in their facilities to enhance service delivery. In addition, the statement "The firm takes immediate action to resolve customer complaints" recorded a mean score of 3.07 and a standard deviation of 1.293. The findings suggested moderate agreement that firms make efforts to address customer complaints and resolve complaints promptly. However, the relatively high disagreement levels indicated that customer issue resolution still varied across firms.

The average score for service delivery was 3.03 with a standard deviation of 1.294. The results suggest that respondents moderately agreed that firms provide satisfactory service delivery. The findings therefore suggested that firms demonstrate moderate effectiveness in responsiveness, professionalism, service quality, and customer problem resolution. However, the relatively high standard deviation values indicated differences in respondents' experiences and perceptions, implying inconsistencies in service delivery practices across firms within the sector.

4.7 Qualitative Content Analysis

A thematic or content analysis was performed on the responses obtained from the interviews conducted on 15 managers of real estate agent firms in Kenya. Most senior managers had work experience of over 10 years, while other managers had solid experience of more than 2 years,

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considered adequate to possess institutional memory and effectively respond to the research questions.

4.7.1 Cost Leadership Strategy and Service Delivery

The qualitative views showed that four managers indicated using cost leadership to improve service delivery in real estate firms. Firms using a cost leadership strategy can satisfy customer needs and attract both first-time buyers and seasoned investors. Among the cost leadership strategies used by the firm was offering affordable services while maintaining professional standards, thus boosting service delivery outcomes. One manager stated that:

"*Keeping fees fair allows us to meet client satisfaction and attract both first-time buyers and seasoned investors, thereby improving service delivery."*

Other managers affirmed that their target was to reduce operational costs without compromising the quality of services in order to manage the competition and satisfy the needs of their customers. One manger reported that:

"*Cost efficiency combined with in-house valuation expertise sets us apart from firms that outsource, leading to repeat clients and long tenures, hence enhancing service delivery*".

4.7.2 Differentiation Strategy and Service Delivery

Interview responses revealed that differentiation strategies positively impacted service delivery in real estate agent firms. Content analysis of the interview responses showed that managers adopted various differentiation strategies. Approximately six managers utilized differentiation strategies to enhance service delivery. The firms offered unique and value-added services such as title verification to distinguish themselves from their competitors, hence improving service delivery. One manager noted that:

"*Title verification services separate us from informal real estate agent firms who skip that step entirely, which has increased customer trust and document integrity, thus enhancing service delivery*".

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The qualitative results further showed that real estate agent firms differentiated from their competitors by embracing continuous innovation of products and services that enabled firms to meet the changing needs of the customers while maintaining a competitive edge. One manager explained that:

"*Innovation and research delivery underpin every competitive decision made at branch level, leading to long-term client relationships and high administrative loyalty reflecting genuine strategic success and improved service delivery*".

Other managers emphasized that service reliability, client responsiveness and consistent client assurance differentiate real estate firms from their competitors. Specifically, some firms built client confidence and transparency by publishing free quarterly reports to inform customers about current market trends. One manager said that:

"*Publishing free quarterly market reports drives brand trust and consistent client inflows; strong brand recognition and media citations show thought leadership is translating to better service delivery outcomes."*

4.7.3 Focus Strategy and Service Delivery

The interviews revealed that real estate managers mostly used focus strategies to improve service delivery. Through focus strategies, firms achieved higher levels of service delivery through customer retention and increased market share. Some of the managers focused on specific customer segments such as middle-income housing and commercial properties to be able to tailor services, build long-term relationships, and gain competitive advantage, leading to improved service delivery. One manager noted that:

"*Niche focus on middle-income housing lets us serve that segment better than generalist competitors. Focusing on the middle-income market allows us to deepen expertise and consistently improve service quality. Retention is strong, and the loyal client base reflects consistent delivery over 11 to 20 years."*

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Some of the managers utilized focus strategies on diaspora or international markets that have not been explored by their competitors, thus providing better services. On the question of competitive strategies used, one of the managers explained that:

"*Diaspora client processes and cross-border documentation expertise are core to how we compete, leading to long-term client relationships and high administrative loyalty, reflecting genuine strategic success and improved service delivery*".

Moreover, another manager noted that market knowledge and employing market intelligence tools to comprehend what clients want more enables the firm to compete effectively and offer better services.

"*Market intelligence tools and research-driven advisory give real estate agent firms a clear competitive edge. Being the most informed firm in the market drives every business decision we make, resulting in higher client satisfaction and improved service delivery."*

4.7.4 Competitive Strategies, Organizational Capabilities and Service Delivery

The qualitative results revealed that organizational capabilities strengthened the relationship between focus strategies and service delivery of real estate agent firms in Kenya. Managers suggested that firm organizational capabilities such as specialized market knowledge, research skills, defined workflows, technological capability with communications tracking systems, remote property transaction platforms, and valuation and marketing tools facilitated firms to provide tailored services to specific segments, thereby enhancing customer satisfaction and service quality. The findings suggested that organizational capabilities offer the resources and services required that enable focus strategy to achieve higher levels of service delivery. One manager reported that:

'*Document handling expertise and time zone coordination are the core administrative capabilities. Dedicated research team, national property database access, and statistical tools*

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form our core capability. Communication tracking system logging every client query, request, and payment confirmation daily improves service delivery".

4.8 Diagnostic Tests

To ensure reliability and validity of the Structural Equation Model applied to quantitative data obtained from the questionnaires, some diagnostic tests were performed to confirm if the data met the statistical assumptions. In particular, multicollinearity and common method bias were tested to ensure the PLS-SEM model estimates produced were stable and consistent. This diagnostic check helps verify the model's appropriateness and the robustness of the results.

4.8.1 Multicollinearity

This section presents the results of the multicollinearity test, which is essential for assessing the interrelationships among the independent variables in the study. Multicollinearity can affect the robustness of the model by increasing the standard errors and producing unstable estimates of the study variables. To detect multicollinearity, VIF and tolerance (1/VIF) were used. A VIF value greater than 10 generally signals problematic multicollinearity, while a tolerance value below 0.1 indicates high multicollinearity. Table 16 presents the VIF and tolerance values for the main study variables.

Table 16: *Multicollinearity Test*

Variable	VIF	Tolerance (1/VIF)
Cost leadership	1.16	0.761
Differentiation strategy	1.24	0.804
Focus strategy	1.31	0.834
Organizational capabilities	1.20	0.863
Firm size	1.15	0.865
Mean VIF	1.21	

Note: This table shows the study's independent variables met the assumption of multicollinearity

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The VIF values for cost leadership, differentiation strategy, focus strategy, organizational capabilities, and firm size were 1.16, 1.24, 1.31, 1.20, and 1.15, respectively, with a mean VIF of 1.21. These values were less than 10, implying that multicollinearity was absent in the data; thus, it was not a concern in the model. Moreover, the tolerance values were above the threshold value of 0.1, indicating that the variables were not highly correlated. The lack of multicollinearity in the data ensured that estimates of the formulated model were reliable and accurate.

4.8.2 Common Method Biased Assessment

The study assessed common method bias (CMB) using Harman's single-factor test through exploratory factor analysis. The test assessed whether a single factor accounted for a substantial proportion of the variance among the measurement items, which would indicate common method variance (Kock, 2015). Because the data were self-reported and obtained using questionnaires only, it was critical to assess CBM, which could inflate or distort the observed relationships among constructs.

The results of this analysis were presented in Table 17.

Table 17: *Common Method Bias*

Component	Eigen Value Factor	Variance Explained (%)	Cumulative Variance (%)
1	9.844	32.813	32.813
2	3.291	10.971	43.784
3	3.014	10.047	53.831
4	2.599	8.665	62.496
5	2.314	7.712	70.208
6	1.439	4.798	75.006

Note: This table demonstrates that common method bias is not a serious concern

As shown in Table 16, six factors with eigenvalues greater than one were extracted, collectively explaining 75.006% of the total variance. The first factor had an eigenvalue of 9.844 and

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accounted for 32.813% of the total variance. Since this percentage was below the recommended threshold of 50%, common method bias was not considered a significant concern in the study. The results therefore suggested that the variance among the measurement items was attributable to multiple underlying factors rather than to the measurement method, indicating that common method variance was unlikely to substantially influence the study findings. Therefore, common method bias was not considered a serious concern of the study, suggesting that the observed relationships among the constructs were not significantly affected by the use of a single source and method of data collection (Kock, 2015). To confirm the absence of common method bias, we tested full collinearity using VIFs, as shown in Table 17.

Table 18: *Full collinearity VIF*

Construct	VIF Range	Maximum VIF	Tolerance Range
Cost leadership	1.21 to 1.74	1.74	0.572 to 0.825
Differentiation strategy	1.22 to 1.87	1.87	0.534 to 0.820
Focus strategy	1.21 to 1.87	1.87	0.533 to 0.824
Organizational capabilities	1.21 to 1.70	1.70	0.586 to 0.821
Firm size	1.29 to 1.85	1.85	0.540 to 0.776
Service delivery	1.15 to 1.31	1.31	0.762 to 0.866

Note: This table confirms that common method bias is not a serious concern

The results in Table 18 indicates that all the constructs had VIF less than the recommended 3.3 threshold and the tolerance values exceeded 0.46 confirming minimal collinearity among the constructs and implying that multicollinearity and common method bias were unlikely to pose a significant threat to the study results.

4.9 Measurement Model

Quantitative data obtained from the questionnaires were analyzed using the Partial Least Squares Structural Equation Modeling (PLS-SEM) technique, using SmartPLS version 4.1.1.8 software, which can handle non-normal data and small sample sizes. The analysis included 30

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elements, where the first model, also referred to as the measurement model, assessed the relationship between each latent variable and its related indicators. The measurement model evaluation included assessing construct reliability and validity. Reliability of the measurement model was evaluated using indicator loadings, while internal consistency of the items measuring each construct was measured using Cronbach's alpha and composite reliability. Convergent validity was measured using average variance extracted, while discriminant validity was assessed using the Fornell-Larcker criterion and Heterotrait- Monotrait ratio (HTMT).

4.9.1 Indicator loadings

Indicator loadings indicate the strength of the relationship between the observed variables and their corresponding latent constructs. Higher loadings indicate that indicators reliably measure the underlying constructs and contribute significantly to explaining variance in the latent variables. Hair et al. (2021) recommend that indicator loadings of 0.7 and above are considered adequate to explain at least 50% of the variance in the construct. Nevertheless, indicator loadings between 0.4 and 0.7 may be retained if they contribute to the overall construct reliability and the average variance extracted and composite reliability are within the acceptable threshold. The findings in Table 19 indicate a reflective measurement model, ensuring the indicators accurately capture their respective constructs.

Table 19: *First Order Constructs Indicator Loadings*

Indicator	First-Construct	Loadings
CL1	Cost Leadership	0.841
CL2	Cost Leadership	0.836
CL3	Cost Leadership	0.852
CL4	Cost Leadership	0.868
CL5	Cost Leadership	0.854
DS1	Differentiation Strategy	0.882

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DS2	Differentiation Strategy	0.870
DS3	Differentiation Strategy	0.869
DS4	Differentiation Strategy	0.842
DS5	Differentiation Strategy	0.865
CF1	Focus Strategy	0.857
CF2	Focus Strategy	0.851
CF3	Focus Strategy	0.870
CF4	Focus Strategy	0.859
CF5	Focus Strategy	0.899
OC1	Organizational Capabilities	0.870
OC2	Organizational Capabilities	0.858
OC3	Organizational Capabilities	0.859
OC4	Organizational Capabilities	0.850
OC5	Organizational Capabilities	0.855
FS1	Firm Size	0.860
FS2	Firm Size	0.876
FS3	Firm Size	0.869
FS4	Firm Size	0.854
FS5	Firm Size	0.861
SD1	Service Delivery	0.854
SD2	Service Delivery	0.836
SD3	Service Delivery	0.834
SD4	Service Delivery	0.863
SD5	Service Delivery	0.871

Note: This table indicates that loadings of the first-order construct achieved the acceptable threshold.

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The indicator loadings present the strength of the relationship between the observed variables and their respective latent constructs. As shown in Table 18, all indicators had loadings above the recommended threshold of 0.70, ranging from 0.834 to 0.899, indicating satisfactory indicator reliability. Specifically, the indicators measuring cost leadership recorded loadings ranging from 0.836 to 0.868, while those measuring differentiation strategy ranged from 0.842 to 0.882. The focus strategy indicators had loadings between 0.851 and 0.899, whereas organizational capabilities indicators ranged from 0.850 to 0.870. Similarly, the indicators for firm size and service delivery recorded loadings ranging from 0.854 to 0.876 and 0.834 to 0.871, respectively. Because all indicator loadings exceeded the minimum acceptable threshold of 0.70, the results show that the measurement items adequately represented their respective constructs and had satisfactory indicator reliability. Consequently, all indicators were retained for subsequent analyses.

Second-Order Construct

Table 20: *First-Order Constructs on Second-Order Construct Loadings*

First-Order (Indicator)	Construct	Second-Order Construct	Loadings
CL1		Competitive Strategies	0.549
CL2		Competitive Strategies	0.586
CL3		Competitive Strategies	0.577
CL4		Competitive Strategies	0.614
CL5		Competitive Strategies	0.508
DS1		Competitive Strategies	0.682
DS2		Competitive Strategies	0.711
DS3		Competitive Strategies	0.687
DS4		Competitive Strategies	0.580

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DS5	Competitive Strategies	0.677
CF1	Competitive Strategies	0.604
CF2	Competitive Strategies	0.627
CF3	Competitive Strategies	0.715
CF4	Competitive Strategies	0.647
CF5	Competitive Strategies	0.667

Note: This table indicates that loadings of first-order constructs onto the second-order construct achieved the acceptable threshold.

Table 20 presents loadings of first-order constructs onto the second-order latent construct of competitive strategies, by adopting the reflective-reflective modeling approach. In this study, competitive strategies were conceptualized as a higher-order construct formed by multiple strategies, namely: cost leadership strategy, differentiation strategy, and focus strategy. The constructs were assessed through their corresponding indicators. The indicators associated with cost leadership displayed loadings ranging from 0.508 to 0.614, while those measuring differentiation strategy recorded loadings between 0.580 and 0.711. Likewise, the focus strategy indicators showed loadings ranging from 0.604 to 0.715. The findings imply that the indicators adequately represented the higher-order construct of competitive strategies, thereby supporting the reliability of the hierarchical component model.

4.9.2 Reliability Statistics

Reliability of the measurement model, internal consistency reliability was assessed for all latent constructs using composite reliability and Cronbach's Alpha (α). These tests were used to determine whether the research instrument yields the same results with repeated measurement. They are considered more appropriate in PLS-SEM due to its sensitivity to indicator loadings.

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Table 21: *Reliability Statistics*

Construct	No. of Items	Cronbach's Alpha	Composite Reliability
Cost Leadership	5	0.904	0.929
Differentiation Strategy	5	0.916	0.937
Focus Strategy	5	0.918	0.938
Competitive Strategies	15	0.891	0.908
Organizational Capabilities	5	0.911	0.933
Firm Size	5	0.910	0.933
Service Delivery	5	0.905	0.930
Average	**45**	**0.908**	**0.930**

Note: This table demonstrates strong reliability and internal consistency of the research instrument.

Table 21 shows the reliability assessment of the measurement model using Cronbach's alpha and composite reliability. Cronbach's alpha is considered the traditional criterion in evaluating internal consistency. According to Hair et al. (2019), a measurement tool demonstrates internal consistency if its Cronbach's alpha values exceed 0.7. All constructs Cronbach's alpha values were above 0.9, indicating excellent reliability. Additionally, the study used composite reliability to address Cronbach's alpha limitations because this procedure enables a more complete assessment of measurement instrument internal consistency (Hair et al., 2021). The composite reliability values exceeded 0.7, implying that the research instrument has demonstrated strong internal consistency. These findings provide validation of the reliability of the measurement model and support the credibility of the subsequent structural relationships measured within real estate agent firms in Kenya.

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4.9.3 Convergent Validity Test

The study assessed convergent validity through Average Variance Extracted (AVE). Convergent validity measures the extent to which indicators of each latent variable share a high proportion of variance in common. According to Hair et al. (2019), a construct shows good convergent validity only if its AVE goes above 0.5. The convergent validity evaluation was conducted for both first-order and second-order constructs to ensure each construct adequately represents the underlying theoretical concept. Table 22 provides Average Variance Extracted results.

Table 22: *Validity Test*

Variable	**Average Variance Extracted (AVE)**
Cost Leadership	0.723
Differentiation Strategy	0.749
Focus Strategy	0.752
Competitive Strategies	0.402
Organizational Capabilities	0.737
Firm Size	0.736
Service Delivery	0.725
Average	**0.689**

Note: This table demonstrates adequate convergent validity

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The results in Table 22 of the Average Variance Extracted (AVE) indicated that the measurement model generally demonstrates adequate convergent validity. Most of the first-order constructs recorded AVE values above the recommended acceptance level of 0.50, including cost leadership (0.723), differentiation strategy (0.749), focus strategy (0.752), organizational capabilities (0.737), firm size (0.736), and service delivery (0.725). These results confirm that the indicators for these constructs sufficiently explained the variance in their corresponding latent constructs.

The second-order construct of competitive strategies, created by aggregating cost leadership, differentiation, and focus strategy, yielded an AVE of 0.402. Although this value was below the conventional threshold of 0.50, indicating that at the higher-order level, the construct explained a relatively lower proportion of variance in its indicators. Therefore, despite the low AVE at the second-order level, the construct were considered acceptable since the first-order construct attained a satisfactory level of reliability and validity; this is in line with Hair et al. (2021). Finally, the average AVE of 0.689 indicated that the measurement model demonstrated satisfactory convergent validity. The measurement model findings implied that the constructs were adequately measured and appropriate for subsequent structural model analysis.

4.9.4 Discriminant Validity

Discriminant validity refers to the extent to which theoretically distinct constructs are empirically different from one another. This is more important to ensure that indicators are strongly linked to their corresponding constructs. The study used the Fornell-Larcker Criterion and the Heterotrait-Monotrait ratio to measure discriminant validity. Collectively, these measures provide robust evidence that the latent variables in the model differ statistically and conceptually.

4.9.4.1 Fornell-Larcker Criterion and Discriminant Validity

The Fornell-Larcker Criterion was adopted as a primary method of measuring discriminant validity among the constructs in the measurement model. The approach involves comparing each construct AVE square root correlation with other constructs. Discriminant validity is considered adequate when the square root of AVE for each construct (represented by the diagonal value of the matrix) exceeds the highest correlation it shares with any other construct (off-diagonal values). This confirms that each construct captures more variance from its indicators than from other constructs in the conceptual model.

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Table 23: *Fornell Larcker Criterion*

Construct	CL	DS	CF	CS	OC	FS	SD
CL	**0.850**						
DS	0.304	**0.866**					
CF	0.249	0.367	**0.867**				
CS	0.665	0.770	0.762	**0.632**			
OC	0.156	0.259	0.371	0.367	**0.858**		
FS	0.253	0.227	0.262	-	0.336	**0.858**	
SD	0.451	0.427	0.454	0.604	0.495	0.410	**0.852**

Note: This table demonstrates the model has strong discriminant validity

The results in Table 23 show that the square roots of the AVEs for cost leadership (0.850), differentiation strategy (0.866), focus strategy (0.867), organizational capabilities (0.858), firm size (0.858), and service delivery (0.852) exceeded their respective inter-construct correlations, indicating adequate discriminant validity among these constructs. However, the second-order construct, competitive strategies, recorded a square root of AVE of 0.632, which was lower than its correlations with cost leadership (0.665), differentiation strategy (0.770), and focus strategy (0.762). This result showed that competitive strategies were a higher-order construct derived from these dimensions, resulting in high correlations between the higher-order construct and its underlying first-order constructs. Consequently, the apparent violation of the Fornell-Larcker criterion for competitive strategies reflected the hierarchical nature of the construct rather than lack of discriminant validity.

To ascertain the result of the Fornell-Larcker criterion, discriminant validity was also assessed using the Heterotrait–Monotrait Ratio (HTMT), which is considered one of the most reliable and rigorous methods for evaluating discriminant validity in structural equation modeling. Researchers commonly use this method to determine whether constructs differ by comparing

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their correlations. Usual thresholds for HTMT tend to be around 0.85. Therefore, values above 0.85 signifies insufficient discriminant validity (Henseler, Ringle, & Sarstedt, 2015).

Table 24: *Heterotrait-Monotrait Ratio*

Pair of Constructs	HTMT Ratio
CL< - >DS	0.325
CL< - >CF	0.268
CL< - >CS	0.778
CL< - >OC	0.167
CL< - >FS	0.276
CL< - >SD	0.496
DS< - >CF	0.396
DS< - >CS	0.839
DS< - >OC	0.274
DS< - >FS	0.246
DS< - >SD	0.466
CF< - >CS	0.813
CF< - >OC	0.398
CF< - >FS	0.386
CF< - >SD	0.497
CS< - >OC	0.389
CS< - >FS	0.373
CS< - >SD	0.673
OC< - >SD	0.540
FS< - >SD	0.448

Note: This table demonstrated that the model exhibits strong discriminant validity

The results in Table 24 demonstrated that the model exhibits strong discriminant validity. The

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findings showed that most HTMT values were below the recommended threshold of 0.85. According to methodological scholars, HTMT values lower than 0.85 indicate that the constructs are sufficiently distinct and measure different concepts within the model. This suggests that the indicators assigned to each construct shared stronger relationships with their respective constructs than with other constructs in the study. Consequently, the risk of overlap or redundancy among the latent variables was minimal. Acceptable HTMT values further indicated that the measurement instruments used in the study were appropriate and effective in capturing the intended dimensions of the constructs under investigation. The results therefore confirmed that respondents could clearly differentiate between the various study variables, enhancing the precision and credibility of the measurement model. In addition, strong discriminant validity confirmed the reliability and validity of the study findings. This increased confidence in interpreting the structural relationships among variables and supported the model's suitability for hypothesis testing and theory development. Once the measurement model reliability and validity were confirmed, the next step was to assess the structural model.

4.10 Structural Model

The structural model was developed to assess the relationship between the independent, dependent, mediating, and moderating variables. A mediating effect was considered if the third variable intervened in the relationship between two other variables. A moderating variable was used when the relationship between two variables was strengthened when included in the model. Therefore, the effect of competitive strategies on service delivery represented direct or total effects, while the effect of organizational capabilities and firm size on service delivery represented indirect effects.

4.10.1 Direct Effects of Competitive Strategies on Service Delivery

The direct effects model evaluated the size of the effect, importance, and sign of the path coefficient among all the independent variables (cost leadership, differentiation strategy, and

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focus strategy) and the dependent variable (service delivery). Higher coefficient values indicate a stronger effect of the variable on the dependent variable. The significance level of 5% was used for the hypotheses consideration to determine whether to reject or fail to reject the null hypothesis stated. Figure 5 shows the direct effects of competitive strategies on service delivery of real estate agent firms.

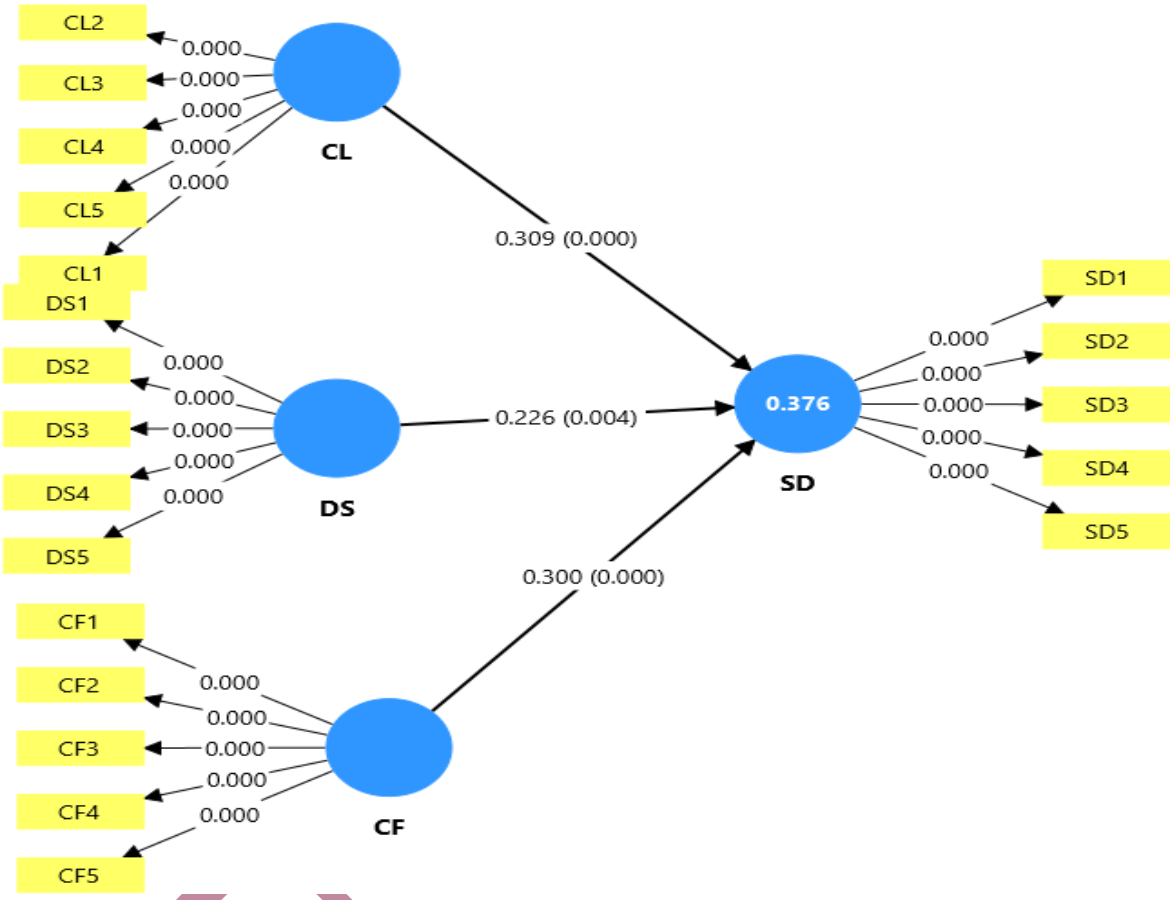


Figure 5: *Direct Effects Model*

The results in Table 25 presents the path inspection of direct effects of competitive strategies on service delivery of real estate firms in Kenya. The table shows the direct effect of cost leadership, differentiation strategy and focus strategy on service delivery.

Table 25: *Direct Effects Model*

Hypothesis	Path	β	S.E.	t-value	p-value	Hypothesis
H_1	CL -> SD	0.309	0.071	4.341	< .001	Rejected

H_2	DS-> SD	0.226	0.079	2.875	0.004	Rejected
H_3	CF -> SD	0.300	0.074	4.053	<.001	Rejected

Note: This table demonstrates that competitive strategies had a positive and significant relationship with service delivery.

The findings showed a statistically significant and positive relationship between competitive strategies and service delivery. The first objective of the study tested the relationship between cost leadership strategy and service delivery of real estate agent firms in Kenya. To test the hypothesized relationship, the following null hypothesis was formulated:

H_{01}: Cost leadership has no significant effect on the service delivery of real estate agent firms in Kenya

The results in Table 24 revealed that cost leadership had a positive and significant effect on service delivery ($\beta = 0.309$, $t = 4.341$, $p < 0.001$), the direct effect was supported. The positive coefficient indicated that a one-unit increase in cost leadership was associated with a 0.309-unit increase in service delivery. The findings imply that organizations that adopted cost leadership strategies were likely to enhance service delivery by reducing operational costs, improving efficiency, and offer affordable services to customers. Since the p-value was below the threshold of 0.05, the null hypothesis was rejected, and the study concluded that cost leadership significantly influences service delivery across real estate firms.

The second objective tested how differentiation strategy impacted service delivery of real estate agent firms in Kenya. To achieve this objective, the null hypothesis was formulated:

H_{02}: Differentiation strategy has no significant effect on the service delivery of real estate agent firms in Kenya

The results showed that differentiation strategy positively and significantly affected service delivery ($\beta = 0.226$, $t = 2.875$, $p = 0.004$), confirming the direct effect. This implies that, holding all factors constant, a unit increase in differentiation strategy would lead to a 0.226 increase in service delivery. Although the coefficient was lower than the other strategies, the results still

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showed that differentiation contributed to improved service delivery. among real estate agent firms. Therefore, based on the p-value, the null hypothesis was rejected, and the study concluded that the differentiation strategy significantly affected service delivery.

The third objective of the study evaluated how focus strategy affected service delivery of real estate firms in Kenya. To achieve the objective, the study tested the null hypothesis:

H_{03}: Focus strategy has no significant effect on the service delivery of real estate agent firms in Kenya

The results showed that focus strategy had a positive and statistically significant influence on service delivery ($\beta = 0.300$, $t = 4.053$, $p < 0.001$), implying that a one-unit increase in focus strategy was associated with a 0.300-unit increase in service delivery, rejecting the null hypothesis. Suggesting that firms that narrowed their services to specific customer groups and segments were better positioned to enhance service delivery.

These findings demonstrate that cost leadership, differentiation strategy, and focus strategy were key determinants of service delivery in real estate agent firms in Kenya. Cost leadership had the strongest influence on service delivery, followed by focus strategy, while differentiation strategy showed a moderate but still meaningful effect. The findings confirmed that competitive strategies led to improvement in service delivery. Thus, based on the significance p-values less than 0.05, the hypothesized direct effects of competitive strategies on service delivery were found to be significant.

4.10.2 Mediation Effect Model

The fourth objective sought to determine the mediating effect of organizational capabilities on the relationship between competitive strategies and service delivery of real estate agent firms in Kenya. Analyzing mediation effects is essential to understand the mechanism through which the predictor variable impacts the outcome variable. Organizational capabilities were measured by administrative and technical competency. The analysis was conducted by bootstrapping

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method, which assesses the indirect effects in a mediation effect model. The interpretation was based on the strength and significance of the indirect path (competitive strategies → organizational capabilities → service delivery), together with the type of mediation (full or partial). This allowed the researcher to determine whether the effect of competitive strategies was realized directly or indirectly through organizational capabilities. The mediation model conducted PLS-SEM is presented in Figure 6

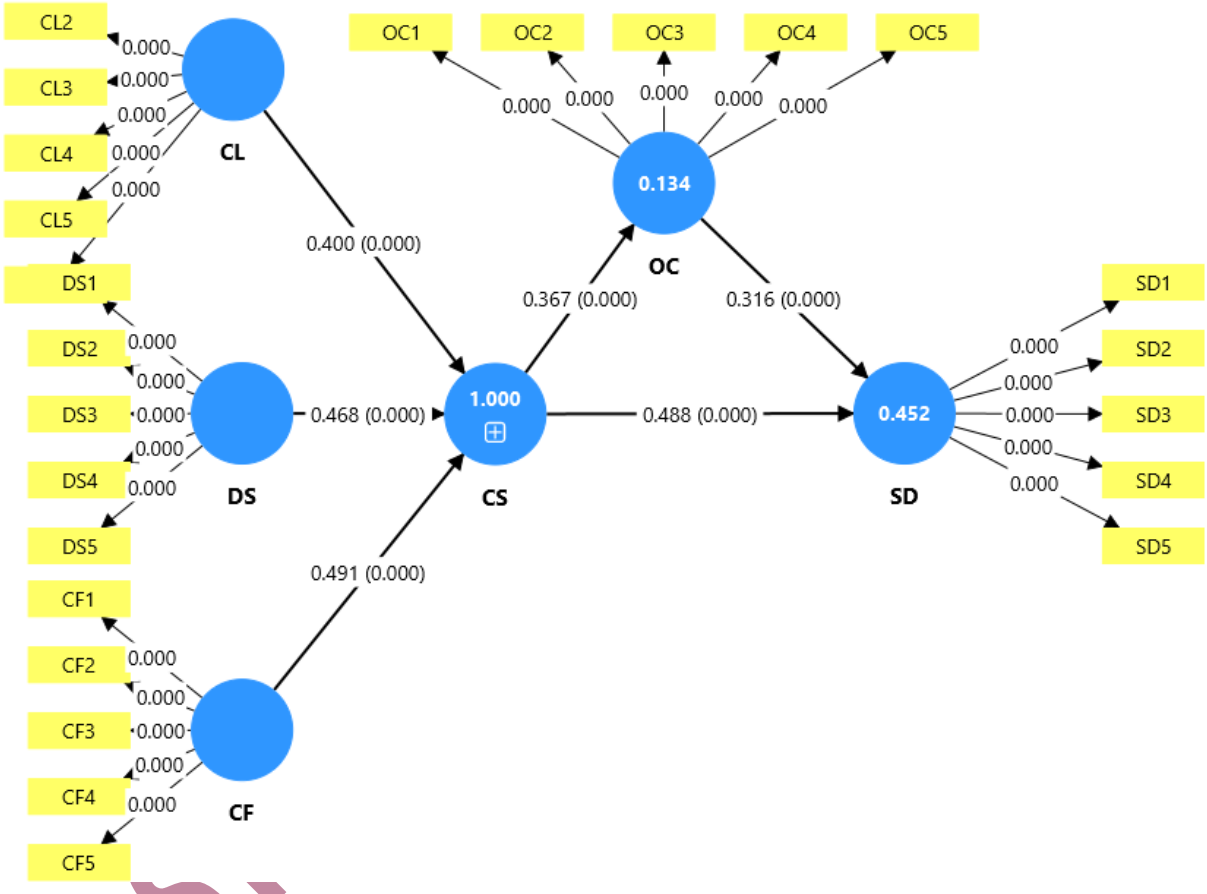


Figure 6: *Mediation Effect Model*

The corresponding null hypothesis (H_{04}) for the fourth objective was tested as follows:

H_{04}: There is no significant mediating role of organizational capabilities on the relationship between competitive strategies and service delivery of real estate agent firms in Kenya

According to Hair et al. (2021), mediation analysis involves examining whether the relationship between an independent variable and a dependent variable occurs through a mediating variable through bootstrapping of indirect effects. In this study, SmartPLS version

4.1.8 software was used to assess mediation. The statistical significance of the indirect effect between competitive strategies and service delivery through organizational capabilities was tested. If the indirect effect was significant, then mediation existed. The nature of mediation was then determined by examining whether it was full, partial, or absent based on the significance of both the direct and indirect effects. The results for mediation analysis are presented in Table 26.

Table 26: *Mediation Effect Model*

Path	Notation	β	S.E.	t-value	p-value	Interpretation
CS->SD	C	0.604	0.049	12.268	<.001	Total effect of CS on SD
CS->OC	A	0.367	0.074	4.933	<.001	Effect of CS on mediator OC
OC->SD (while controlling CS)	B	0.316	0.073	4.326	<.001	Effect of OC on SD
CS->SD (while controlling OC)	c'	0.488	0.062	7.928	<.001	Direct effect of CS on SD when OC is included
CS->OC->SD	ab	0.116	0.037	3.119	0.002	Indirect effect via OC (product a x b)

Note: This table shows that organizational capabilities partially mediated the relationship between competitive strategies and service delivery.

The mediation of organizational capabilities on the link between competitive strategies and service delivery of real estate agent firms was evaluated using the product of coefficients to assess the significance of the indirect effect along path (ab). The table shows that the

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competitive strategies had a significant positive total effect (along path c) on service delivery ($\beta = 0.604$, $t = 12.268$, $p < .001$). The findings confirmed a direct relationship between competitive strategies and service delivery, with organizational capabilities as a mediator. Similarly, competitive strategies on organizational capabilities (along path a) were positive and significant ($\beta = 0.367$, $t = 4.933$, $p < .001$), implying that competitive strategies significantly influenced organizational capabilities integration within real estate agent firms.

Moreover, when controlling for competitive strategies, organizational capabilities positively and significantly influenced service delivery (along path b) ($\beta = 0.316$, $t = 4.326$, $p < .001$), supporting the condition that the mediating variable influenced the dependent variable. The direct effect of competitive strategies on service delivery (along path c'), while controlling for organizational capabilities, was positive and significant ($\beta = 0.488$, $t = 7.928$, $p < .001$), suggesting that competitive strategies exert a significant influence on service delivery independent of organizational capabilities. To further assess the mediation effect, the indirect effect (along the a•b path) was tested using the product of coefficients approach, where the product of the a and b paths ($\beta = 0.116$, $t = 3.199$, $p < .002$) was found to be significant. This confirmed the presence of a significant mediating effect of organizational capabilities on the association between competitive strategies and service delivery in the real estate industry.

The findings confirmed mediation based on the significance of indirect effects obtained through the bootstrapping procedure. The significance of both the indirect effect (along path ab) and the remaining direct effect (along path c′) provided evidence of partial mediation. Therefore, organizational capabilities partially mediated the relationship between competitive strategies and service delivery, resulting in the rejection of the null hypothesis. The findings

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therefore suggest that enhancing organizational capabilities is particularly important for real estate agent firms pursuing competitive strategies in order to improve service delivery.

4.10.3 Moderation Model

The moderation effect of firm size on the relationship between competitive strategies and service delivery was examined; the constructs of firm size were the number of branches and the number of employees. The moderation analysis used interaction effects in the structural model. The moderation model conducted using PLS-SEM was presented in Figure 7

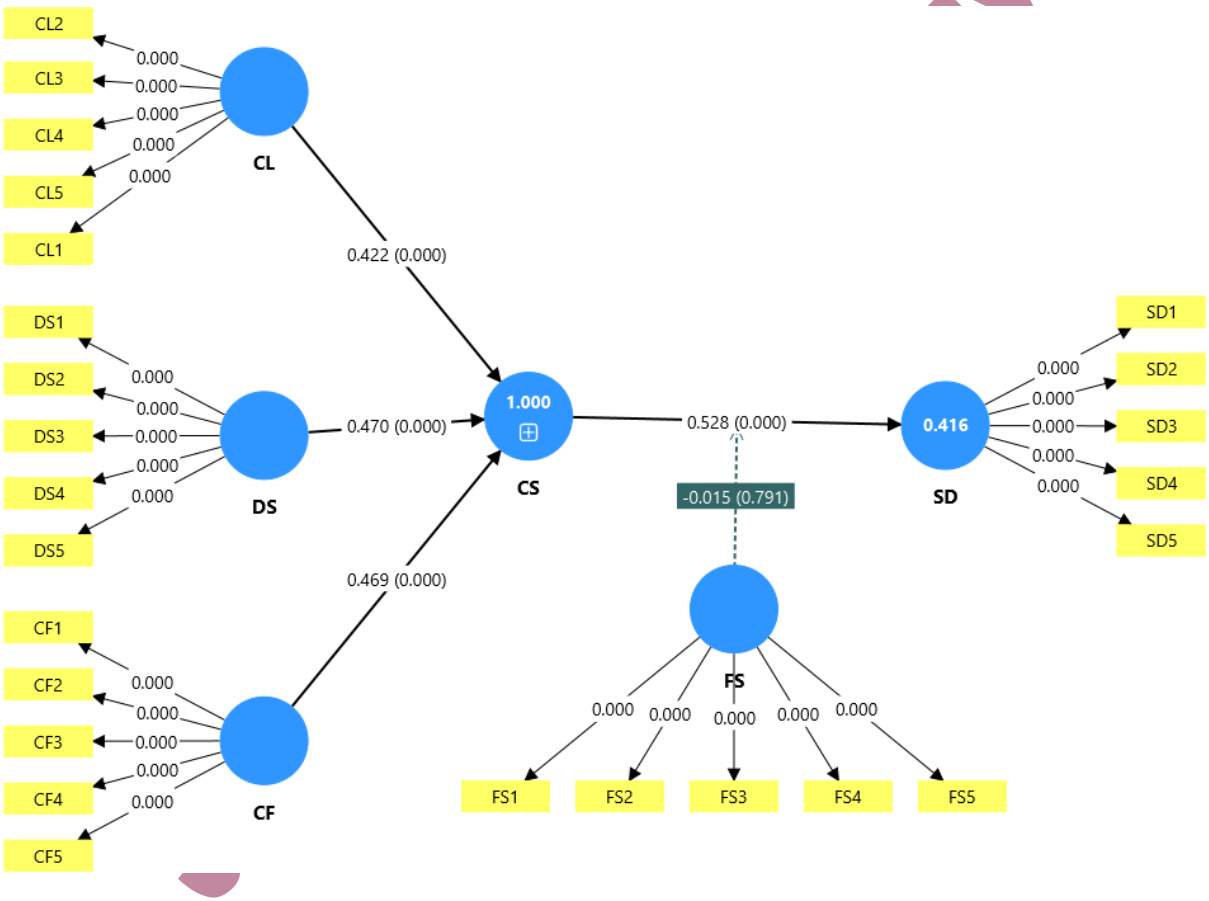


Figure 7: *Moderation Model*

The corresponding null hypothesis (H_{05}) for the fifth objective was tested as follows:

H_{04}: There is no significant moderating effect of firm size on the relationship between competitive strategies and service delivery of real estate agent firms in Kenya

The findings were interpreted using the path coefficients, t-statistics, and p-values. Table 27 presents the moderation analysis results.

Table 27: *Moderation Analysis*

SD	B	S.E.	t-value	p-value	Effect Size (f^2)
Constant					
CS	0.528	0.058	9.064	< .001	0.421
FS	0.230	0.067	3.417	0.001	0.079
CS x FS	-0.015	0.056	0.265	0.791	0.000

Note: This table shows that firm size did not significantly moderate the relationship between competitive strategies and service delivery.

The findings revealed that firm size had a positive and statistically significant effect on service delivery (β = 0.230, t = 3.417, p = 0.001). This suggests that larger firms are more likely to improve service delivery because they have greater access to financial resources, a skilled workforce, advanced technology, and operational capacity. Larger firms may also benefit from economies of scale and stronger organizational structures, which enhance service-provision efficiency.

Regarding the moderation effects, the interaction between firm size and competitive strategies on service delivery was negative but statistically not significant (β = -0.015, t = 0.265, p = 0.791). Since the p-value exceeded 0.05, the moderating effect was not supported. The study failed to reject the null hypothesis, implying that firm size did not significantly strengthen or weaken the relationship between competitive strategies and service delivery. The lack of moderation suggests that the contribution of competitive strategies toward service delivery was relatively stable across firms of different sizes. Thus, the study failed to reject the null hypothesis because firm size did not significantly moderate the relationship between competitive strategies and service delivery.

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The effect size analysis, which was large ($f^2 = 0.421$), indicated that competitive strategies had a large effect on service delivery, suggesting that the construct made a substantial contribution to explaining variations in service delivery (Hair et al., 2021). Firm size exhibited a small effect on service delivery ($f^2 = 0.079$), implying that its contribution to the explained variance in service delivery was relatively modest. In contrast, the interaction effect between competitive strategies and firm size had a negligible effect size ($f^2 = 0.000$), suggesting that its moderating effect was weak in linking competitive strategies to service delivery.

4.10.4 Simple Slope Analysis

It was important to determine how the relationship between competitive strategies and service delivery changed at different levels of firm size; conditional effects analysis was conducted. The analysis examined the effects of the independent variables at three levels of the moderator: high firm size (+1 standard deviation), low firm size (-1 standard deviation), and average firm size (mean). The findings provided a deeper understanding of the interaction effects between firm size and competitive strategies on service delivery.

Table 28*: Simple Slope Analysis*

	β	**SE**	**t-value**	**p-value**
Competitive Strategies -> Service delivery Firm size at +1 SD	0.513	0.084	6.127	< .001
Competitive Strategies -> Service delivery Firm size at Mean	0.528	0.058	9.064	< .001
Competitive Strategies -> Service delivery Firm size at -1 SD	0.543	0.078	6.957	0.001

Note: This table shows simple slope analysis

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The results in Table 28 showed that at high levels of firm size (+1 SD), the relationship between competitive strategies and service delivery was positive and statistically significant ($\beta = 0.513$, $t = 6.127$, $p < .001$). This implied that in larger firms, competitive strategies significantly enhanced service delivery. Larger firms likely had greater financial resources, economies of scale, and operational efficiencies that strengthened the effectiveness of competitive strategies in improving service outcomes.

At the average level of firm size (mean), competitive strategies had positive and statistically significant effects on service delivery ($\beta = 0.528$, $t = 9.064$, $p < .001$). This finding suggested that medium-sized real estate firms could effectively leverage competitive strategies to enhance service delivery. Such firms typically possessed sufficient financial, human, and technological resources to implement cost leadership, differentiation, and focus strategies while maintaining operational flexibility. At low levels of firm size (-1 SD), the relationship between competitive strategies and service delivery remained positive and significant ($\beta = 0.543$, $t = 6.957$, $p = 0.001$), implying that smaller real estate agent firms benefit equally from implementing competitive strategies despite their relatively limited resources. Small firms were characterized by lean organizational structures, faster decision-making, and closer client relationships. These attributes allowed them to respond quickly to customer needs, provide personalized services, and target specific market segments more effectively

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The simple slope analysis in Figure 8 confirms absence of moderating effect of firm size on the association between competitive strategies and service delivery.

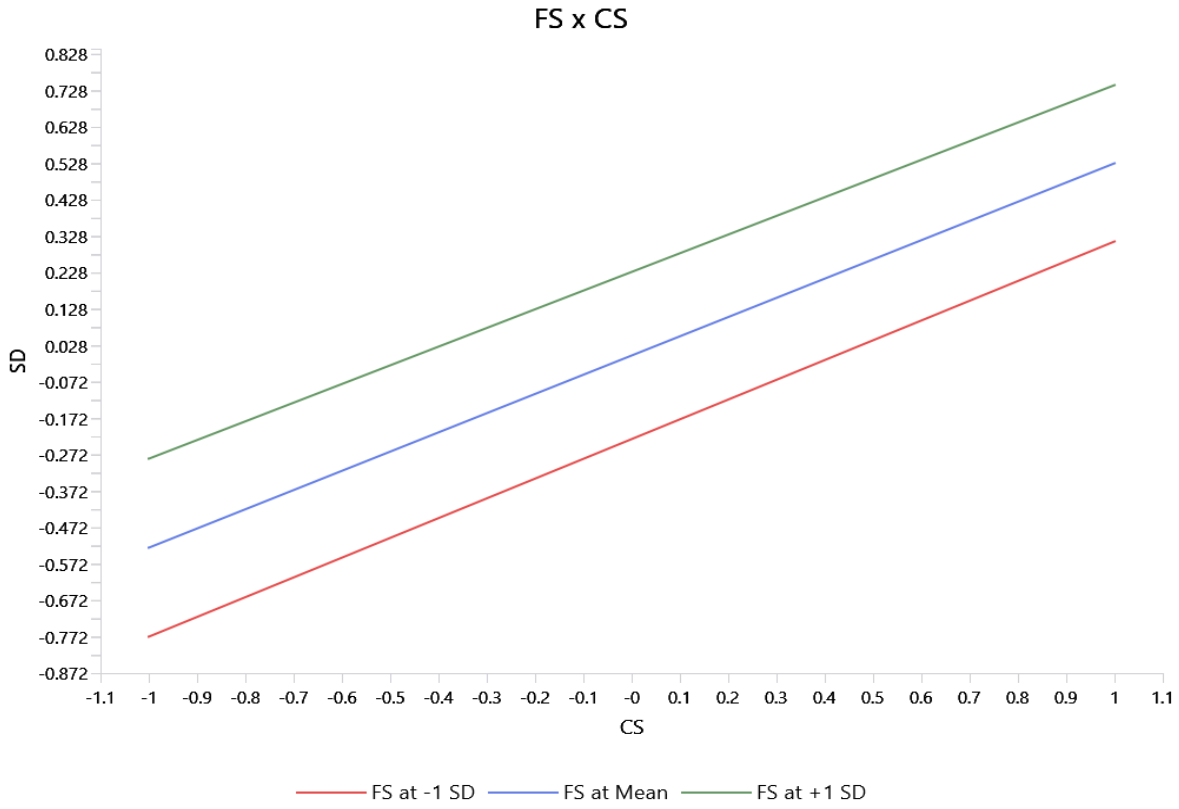


Figure *8*: *Simple Slope Analysis*

4.10.5 Coefficient of Determination

The coefficient of determination (R^2) was applied to assess the structural model's explanatory power. The value of the coefficient of determination ranges from 0 to 1, whereby a higher value represents a higher level of predictive accuracy. The general rule of thumb in social science research is that an R^2 of approximately 0.67 is considered strong power, 0.33 is considered moderate power, and near 0.19 is considered weak power (Hair et al., 2019; Sarstedt et al., 2022).

Table 29: *Model Summary*

Construct	R square	Adjusted R-square
Direct effects model	0.376	0.361
Mediation effect model	0.452	0.444

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Moderation model	0.416	0.402

Note: This table present model summary of direst, total and moderation analysis models.

Table 29 results indicated that the R^2 value for the direct effects model was 0.376, and the adjusted R^2 was 0.361, as demonstrated in the table. This implies that the independent variables, cost leadership, differentiation strategy, and focus strategy explained 36.1% of the variance in service delivery across real estate firms in Kenya, while the remaining 63.9% of the variation was explained by other variables not included in the model. The mediation effect model including competitive strategies and organizational capability had an R^2 of 0.452 and adjusted R^2 of 0.444, indicating that the independent variable together with the mediator explained 44% of variation in service delivery. Lastly, the moderation model, including competitive strategies and firm size, had an R^2 of 0.416 and an adjusted R^2 of 0.402, implying that the independent variable and moderator explained 40.2% of the variance in service delivery across real estate firms in Kenya. The findings showed that the variables included in the models had moderate power to explain variation in the dependent variable.

4.10.6 Effect Sizes (f^2)

Effect size (f^2) is an important metric in PLS-SEM modeling to quantify the relative impact of each exogenous latent construct on an endogenous construct. This assesses each predictor's contribution to explaining variation in the dependent variable. Cohen's (1988) asserts that values of 0.02, 0.15, and 0.35 represent small, medium, and large effects, respectively. The effect sizes provide empirical grounding for evaluating the impact of exogenous latent constructs on the endogenous construct within the path model. Table 30 presents the effect size results.

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Table 30: *Effect Size of Predictors to Dependent variable*

Predictor	f^2 (Service Delivery)
Cost Leadership	0.135
Differentiation Strategy	0.067
Focus strategy	0.122
Competitive Strategies	0.377
Organizational Capabilities	0.160
Firm Size	0.079

Note: This table describes small to large effect sizes of predictors to service delivery

The effect size analysis evaluated the contribution of cost leadership, differentiation strategy, focus strategy, competitive strategies, organizational capabilities, and firm size on service delivery. The results showed that cost leadership and focus strategy had a small effect on service delivery ($f^2 = 0.135$), suggesting that these strategies contributed modestly to improved service delivery through operational efficiency and cost-reduction measures. Differentiation strategy also showed a small effect ($f^2 = 0.067$), suggesting that offering unique, value-added services contributes to service delivery, although its influence is relatively limited. Likewise, focus strategy had a small effect size ($f^2 = 0.122$), indicating that targeting specific market segments and addressing their unique needs contributes substantially to improved service delivery.

Competitive strategies, representing a second-order construct including cost leadership, differentiation, and focus strategy, had a large effect on service delivery ($f^2 = 0.377$). This finding suggested that the combined adoption and implementation of competitive strategies substantially led to improved service delivery among real estate agent firms. In particular, firms that promoted integration of cost efficiency measures, service differentiation, and market focus

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were more likely to meet customers' needs, improve responsiveness, and attain superior service delivery outcomes. Organizational capabilities showed a medium effect size ($f^2 = 0.160$), indicating that the firm's ability to deploy its resources, knowledge, and competencies effectively plays an important role in enhancing service delivery. This implied that real estate agent firms with stronger organizational capabilities were more capable of translating strategic initiatives into improved service delivery. Conversely, firm size had a small effect on service delivery ($f^2 = 0.079$), suggesting that although firm size contributes to service delivery, its influence is minimal or negligible in enhancing service delivery in real estate firms in Kenya.

4.10.7 Predictive Relevance

The predictive relevance for the endogenous variable service delivery recorded a Q^2 value of 0.387. Predictive relevance was assessed using Stone-Geisser's Q^2 statistic, which measures the model's predictive power by evaluating how well the observed values are reconstructed by the model and its respective parameters. According to Hair et al. (2021), a Q^2 value greater than zero ($Q^2 > 0$) indicates that the model had predictive relevance for a particular endogenous construct. Similar to effect size, values of 0.02, 0.15, and 0.35 were considered to represent small, medium, and large predictive relevance, respectively. The current study used the blindfolding technique, which systematically omits and predicts portions of the data to evaluate the model's capability to accurately reconstruct the observed values of the endogenous constructs. The study specified a blindfolding omission distance of 7, as recommended in the literature.

Table 31 shows the predictive relevance results.

Table 31: *Predictive Relevance*

Variable	Q^2	RMSE
SD	0.387	0.795

Note: This table shows the predictive relevance on service delivery of real estate firms

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The results indicated strong predictive relevance for Service Delivery, implying that competitive strategies, organizational capabilities, and firm size had substantial predictive capability in explaining variations in service delivery. The results affirm that the structural model formulated had satisfactory predictive relevance and accuracy.

4.11 Summary of the study's findings

Table 32: Summary of Research objectives, Hypothesis and Study's Findings

Objective	Hypothesis	Study findings	Decision
Objective 1: To determine the effect of cost leadership strategy on service delivery of real estate agent firms in Kenya	**H_{01}:** Cost leadership has no significant effect on service delivery of real estate agent firms	A positive significant relationship between cost leadership strategy and service delivery	**H_{01}:** Hypothesis rejected
Objective 2: To determine the effect of differentiation strategy on service delivery of real estate agent firms in Kenya.	**H_{02}:** Differentiation strategy has no significant effect on service delivery of real estate agent firms	Differentiation strategy positively and significantly affects service delivery.	**H_{02}:** Hypothesis rejected
Objective 3: To evaluate the effect of focus strategy on service delivery of real estate agent firms in Kenya	**H_{03}:** Focus strategy has no significant effect on service delivery of real estate agent firms	Focus strategy positively and significantly impacts service delivery	**H_{03}:** Hypothesis rejected
Objective 4: To determine the	**H_{04}:** Organizational capabilities have no	Organizational capabilities partially	**H_{04}:** Hypothesis

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mediating effect of organizational capabilities on the relationship between competitive strategies and service delivery of real estate agent firms in Kenya	significant mediating effect on the relationship between competitive strategies and service delivery	mediate the relationship between competitive strategies and service delivery in real estate agent firms in Kenya	rejected
Objective 5: To determine the moderating role of firm size on the relationship between competitive strategies and service delivery of real estate agent firms in Kenya	**H_{05}:** Firm size has no significant moderating effect on the relationship between competitive strategies and service delivery.	Firm size did not significantly moderate the relationship between competitive strategies and service delivery	**H_{05}:** Hypothesis not rejected

Note: This table presents a summary of the study's objectives, hypotheses tested, and findings obtained.

4.12 Integration of Qualitative and Quantitative Findings

Since both qualitative and quantitative data were collected, it was paramount to integrate the findings so as to have convergence in the research findings. The quantitative findings provided strength, direction, and statistical relationships, while the qualitative results were important in giving more detailed explanations. For instance, from the quantitative results, organizational capabilities had a significant influence on service delivery. These findings aligned with the qualitative results, where interviews with managers revealed that organizational capabilities strengthened the relationship between focus strategies and service delivery in real estate agent firms in Kenya.

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4.10 Discussion of the Study Findings

The findings are discussed here with reference to the study's objectives and hypotheses. The analysis covered the effects of cost leadership, differentiation and focus strategies on service delivery in Kenyan real estate agent firms, along with the mediating effect of organizational capabilities and the moderating effect of firm size. For each construct, the empirical results from the data analysis were interpreted using the theoretical frameworks and prior studies relevant to the study variables.

4.10.1 Cost Leadership Strategy and Service Delivery

The first objective of this study was to establish how cost leadership strategy affects service delivery of real estate agent firm in Kenya. The corresponding hypothesis was H_{01}: cost leadership strategy has no statistically significant relationship with service delivery. The results of the study revealed a positive and significant relationship between cost leadership and service delivery, implying that real estate agent firms that adopt cost leadership strategies are likely to enhance service delivery by cutting operating costs, offering services more efficiently and offering customers lower-priced services. The null hypothesis was therefore rejected, as cost leadership was found to influence the service delivery of real estate agent firms in Kenya.

These findings align with Kiprotich and Waithaka (2025) whose study found that cost leadership strategy positively and significantly influenced organizational performance among real estate firms in Kenya. Demonstrating that cost control measures, efficient cost practices and economies of scale strengthened the competitiveness and performance of the firms in the property development sector. Implying that having cost management strategies are important strategic investments that ensure the firms operate efficiently, allocate resources appropriately, deliver reliable and responsive services to their customers. Similarly, a study by Muthama (2021), demonstrated that competitive strategies, particularly cost leadership, significantly

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improved service delivery outcomes among logistics firms in Nairobi. The study revealed that cost control was a key factor in maintaining service delivery excellence and competitiveness. Suggesting that consistency in having cost controls measures enables firms to maintain quality service delivery standards. Therefore, the hypothesis that cost control is capable of enabling firms to provide services at a competitive price, be responsive and provide the service without sacrificing service quality was supported. Kinuthia and Wambua (2025) showed that cost leadership strategy attracted price-sensitive customers, improved operational efficiency, and attracted price-sensitive customers. The findings are also consistent with Musundi (2022), who found that cost leadership strategy enhanced operational results regardless of firm size due to economies of scale. This finding supports the study's conclusion that cost leadership can positively influence outcomes even among relatively smaller real estate agent firms.

Contradictory findings are found in Nalucha and Mwanza's (2022) study, which revealed the ineffectiveness of cost leadership strategies in enhancing competitive advantage among real estate organizations in Lusaka, Zambia. Inadequacy in organizational capabilities and lack of economies of scale for small firms were viewed as possible explanation for the ineffectiveness of the cost leadership strategy. Similarly, a study conducted by Swallehe (2024) conceptualized cost strategy through cost controls, waste minimization and low pricing, demonstrated that cost leadership strategy was not an effective strategy. This was most likely due to resource constraints or the resources were not properly aligned to leverage on competition.

From the reviewed studies technology infrastructure may potentially enable firms to leverage on cost leadership strategy so as to provide services consistently, efficiently and at a low cost. Theoretically, the RBV theory explains that firms can gain competitive advantage through effective allocation and utilization of VRIN to offer their services at low costs while maintain service quality. This can be through prioritizing cost efficiency, operational optimization,

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competitive pricing and economies of scale that are more likely, over time, to achieve higher customer satisfaction, greater operational efficiency and gain competitive advantage. Demonstrating, that real estate agent firms that invest in cost leadership strategies are more likely to achieve customer satisfaction and therefore enhance service delivery.

4.10.2 Differentiation Strategy and Service Delivery

The second objective of the study was to determine the effect of differentiation strategy on the real estate agent firms service delivery in Kenya. The corresponding hypothesis tested the relationship between effect of differentiation strategy on service delivery. The findings of the study revealed that differentiation strategy significantly influenced service delivery. This implies that real estate agent firms that differentiate their services are better positioned to improve service delivery. The findings can be interpreted through the stakeholder theory that puts emphasis on being cognizant of the interests of stakeholders, especially customers. Service excellence is achieved by creating value for stakeholders and addressing their needs and expectations effectively.

These findings align with Kiprono and Kinyua (2021), whose study found that firms that adopted image differentiation strategies recorded higher service delivery scores among insurance firms in Nairobi, Kenya. The study emphasized on the importance of firms in conducting regular customer surveys and gathering customer feedback so as to enhance their brand and improve clients' perceptions of the firms. Therefore, supporting the notion that differentiation enables firms to create distinctive service experiences that enhance customer value. A similar study by Kaane (2022) revealed that differentiation strategies had a significant positive effect on service delivery among mobile service providers in Kenya, with differentiation measured through product, price and time taken to serve the customers. The study recommended that firms offer distinctive products, improve customer convenience, and

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adopt pricing approaches that accommodate different customer segments. The findings are relevant for real estate agent firms whereby customization of services such as innovative real estate solutions and unique customer experiences could enhance responsiveness, reliability, and service delivery of the real estate agent firms in Kenya.

Additionally, the findings align with Maingi and Muathe (2021), study that demonstrated that using differentiation strategies resulted to better performance of real estate organizations. The firms were able to innovatively differentiate their products from competitors. Implying that differentiation strategies may strengthen real estate agent firms in providing unique service offerings that will enhance service delivery. Similarly, Gorondutse and Hilman (2019) established that differentiation strategy had a positive effect on performance of Malaysian hotels and customers were willing to pay higher prices for services that had exclusive features which were clearly seen as distinguishing the firm from the competitors. Although the study was carried out in the hospitality sector, the hospitality industry and real estate are service-oriented, and the experiences and perceptions of the customer are very important. The findings thus confirm the result of the current study, indicating that differentiated service attributes boost perceived customer value and build service outcomes.

Mung'uri (2021), who focused on property development firms rather than real estate agent firms in Nairobi, found that while differentiation contributed to competitive advantage, the specific mechanisms differed from those relevant to service-oriented firms, indicating contextual boundaries to the direct differentiation-to-service delivery path. Further, contradictory findings are found in the study of Demba et al., (2018) whose study revealed that differentiation strategy had no effect on firm performance of car rental businesses in Kenya. Therefore, real estate agent firms should not assume that targeting specific customer segments

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is a guarantee for improvement in service delivery but rather should ensure that the services offered create value to the customers. Moreover, encourage team work and offer the employees platforms that support knowledge sharing that is beneficial in attaining a competitive advantage. Additionally, it is paramount that firms strive to provide accurate and reliable property information. While also assessing whether the firm has adequate financial and human resource so as to gain from the benefits of differentiation.

From a theoretical standpoint, this finding aligns with both the Resource-Based View theory and Stakeholder Theory. Differentiation draws on rare, inimitable resources such as an established brand reputation and specialized real estate expertise to enhance service delivery. Stakeholder Theory supports this by emphasizing that firms meeting client-specific needs through unique service offerings build stronger stakeholder value and loyalty, translating directly into superior responsiveness, reliability, assurance, and tangibles dimensions of the SERVQUAL framework. Firms that focus on service innovation, branding, customer-specific solutions, and professional service delivery have the greatest potential to realize increased customer satisfaction and competitive advantage in the turbulent business environment.

4.10.3 Focus Strategy and Service Delivery

The third objective of the study was to establish how focus strategy affects the service delivery of real estate agent firms in Kenya. The associated hypothesis stated that focus strategy has no significant effect on service delivery (H03). The findings showed a positive and significant effect of focus strategy on service delivery. This was the strongest predictor compared to the differentiation and cost leadership strategies. The findings implied that organizations concentrating on specific market segments, customer groups, or specialized services tend to improve service delivery effectiveness among real estate firms in Kenya. Thus, to deliver better services, continuous learning, innovation, and adaptation to customer preferences are

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paramount. Real estate agent firms should therefore implement focus strategies build specialized competencies, market experience and customer-oriented skills that help them serve niche markets better than their competitors. By learning continuously and staying inventive and flexible within particular market segments, these firms can offer customers greater reliability, responsiveness and customization.

The findings are consistent with Nyanchama and Murigi (2019) study that examined the effect of customer focus strategies on performance of Cooperative Bank of Kenya. From the findings, having customer segments, developing in-depth understanding of client expectations, and tailoring services accordingly enhances responsiveness, reliability, and customer satisfaction. Additionally, Ochodo et al. (2020) study findings on client segmentation and brand loyalty established that focus strategy enhanced customer experience within targeted markets. Real estate agent firms should therefore, prioritize on focusing on customers' needs and strive to meet their expectations. This will result to customer satisfaction, loyalty and ultimately customer retention. Moreover, understanding customer segments is key to developing the right services that meet the expected customer needs. Finally, the firms should strive to evaluate on a continuous basis changing consumer needs and adjust accordingly so as to continuously improve service delivery.

Additionally, Hidayat et al. (2025) study confirmed that by leveraging insights from customers experience, organizations can tailor strategies that resonate with individual needs and aspiration for service excellence. The implications are that real estate agent firms should prioritize, providing quality services and have emotional engagements with the customers, thus building long lasting relationships and retaining customers, through excellent customer experiences. A study by Njue et al. (2024) revealed that segmented pricing approaches, that align with focus strategy by targeting specific customer segments with tailored pricing,

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stimulate market growth and geographical expansion, demonstrating the effectiveness of focus strategy's effectiveness in enhancing firm performance. A similar study by Njoroge et al. (2022) demonstrated that focus strategy had a positive and significant effect on performance of small and micro-enterprises (SMEs). The study findings imply that real estate agent firms that concentrate in niche markets and distinguish their services from competitors are more likely to encourage brand loyalty through addressing specific customer needs.

Pleyers and Poncin (2020) study revealed that focus strategy resulted to optimal property viewing and interactive experiences that resulted to positive perceptions of the real estate agencies. The findings align with the current study findings that reveal that adopting of digital technology improve customer experiences therefore enabling firms to distinguish themselves from competitors. Emphasizing the need for firms to continuously adopt changing interactive technologies such that customers can easily access their services and explore alternatives in the service offerings. However, contradictory findings are reported by Demba et al. (2019) study on car rental businesses in Nairobi, Kenya. The findings revealed that focus strategy effectiveness is not universal, as focus strategy showed insignificant effects among small car rental businesses. Emphasizing the importance of addressing specific customer needs and understand their expectations. Moreover, firms should ensure that they have the requisite managerial capabilities that may influence the execution of focus strategies.

The positive impact of focus strategy on service delivery is compatible with Dynamic Capabilities Theory which states that an organization's success relies on firms' ability to dynamically match resources and capabilities to according to changing market environments and customer needs. Aligning to the stakeholder's theory real estate agent firms can enhance service delivery outcomes by being responsive to the changing needs and expectations of their customers who are important stakeholders. Real estate agent firms should also focus on

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specific segments of the market and customize their services to the specific requirements and preferences of specific client. This allows companies to deliver customized services, build stronger customer relationships, boost responsiveness and deliver greater satisfaction, which improves service delivery. Additionally, the benefits of focus strategy can be better harnessed through, market intelligence, segmentation and technology adoption, monitoring competitor trends and through continuous research and innovation.

4.10.4 Competitive Strategies, Organizational Capabilities and Service Delivery

The fourth objective was to establish how organizational capabilities mediate the relationship between competitive strategies and service delivery among real estate agent firms in Kenya. The related hypothesis was H04: organizational capabilities do not significantly mediate the relationship between competitive strategies and service delivery. The study findings revealed that the indirect effect between focus strategy and service delivery through organizational capabilities was significant, while the indirect effect of cost leadership strategy and differentiation strategy on service delivery through organizational capabilities was not statistically significant. The findings imply that competitive strategies alone are insufficient unless firms have strong organizational capabilities to implement them effectively. Organizational capabilities therefore act as the mechanism through which competitive strategies are translated into improved service delivery.

The finding concurs with Kirugumi et al. (2021) whose study demonstrated organizational capabilities mediation effect, by translating strategic goals into operational excellence, and enhanced customer satisfaction. The study further revealed that for competitive advantage administrative and technical capacity were paramount to effectively translate strategic goals to better performance. The study findings substantiate the importance of real estate agent firms having managers that think critically, have the ability to identify market opportunities

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and execute strategic decisions. Kanji et al. (2024) study also showed that organizational capability significantly affects firms' performance, confirming that capability development is a critical bridge between strategic goals and service outcomes. Most importantly, real estate agent firms must have the ability to effectively deploy resources to achieve excellence in service delivery.

Additionally, Bhatti et al. (2020) study found that organizational capabilities significantly mediated the relationship between organizational culture, entrepreneurial orientation, and performance in Pakistani SMEs. The results, substantiates the mediation pathway in the study by showing that the organizational capabilities serve as conversion mechanisms between strategic orientation and organizational outcomes. Therefore, it is imperative that firms strengthen internal capabilities through ensuring that the employees are well trained and conversant with the firms' strategic goals. Similarly, Alkhawaldah et al. (2023) study found that organizational capabilities mediated the relationship between lean supply chain practices and operational performance in Jordanian manufacturing firms, showing that capabilities act as conversion mechanisms that transform strategic initiatives into operational results. Though the study was done in a manufacturing environment, the same mediation process is applicable to the present study. Their results reveal that service delivery improvement does not necessarily follow strategic initiatives, but rather a firm must also have the ability to translate strategic goals into enhanced service delivery outcomes.

The findings on partial mediation clarify that competitive strategies influence service delivery through two parallel pathways. Some competitive strategy elements directly influence clients' service perception, without requiring organizational capability development as an intermediary. Other elements, such as process management systems and technological proficiency, operate through the capability pathway. Nyuga and Tanova (2024) identified a similar pattern of partial mediation in the relationship between technological innovation and

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competitive advantage through knowledge management, supporting the view that capability-mediated effects often coexist with direct strategy effects.

The findings align with the Dynamic Capabilities Theory (Teece, 2018, Pisano, 2017) implying that the development and deployment of firms' capabilities are crucial for them to implement competitive strategies successfully. Therefore, real estate agent firms that invest in both administrative skills, strategic planning, resources allocation and processes management, and technical skills, such as technological skills, market knowledge and client management are more efficient in transforming competitive strategies into improvements in service delivery. This supports the proposed inter-mediating mechanism in the Dynamic Capabilities Theory (DCT) framework for service delivery in the real estate industry in Kenya. The findings reveal that organizational capabilities are key in the link between competitive strategies and service delivery relationship. In this regard, competitive strategies position real estate agent firms in the market to enhance service delivery while, organizational capabilities translate the strategic goals into improved service delivery outcomes. Therefore, real estate agent firms should prioritize on employee training, capacity building, promote an innovative culture, and monitor employee performance through regular key performance indicators to improve service delivery effectiveness.

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4.10.5 Competitive Strategies, Firm Size and Service Delivery

The fifth objective determined the moderating role of firm size on the link between competitive strategies and service delivery of real estate agent firms in Kenya. The postulated hypothesis tested (H05): Firm size has no significant moderation effect the relationship between competitive strategies and service delivery. The findings indicated that firm size does not significantly moderate the relationship between competitive strategies and service delivery, thereby affirming the absence of moderation. The findings suggest that the positive

contribution of competitive strategies toward service delivery is relatively stable across firms of different sizes in real estate sector in Kenya.

The study's findings align with Kiprotich and Waithaka (2025), who found that differentiation, cost leadership, and focus strategies significantly improve organizational performance, including service outcomes, without indicating that firm size alters these relationships. The results are similar to those of the real estate agent firms, that demonstrate that organizational performance is determined by firms' strategic intent and goals but not firm size and firms of all sizes can achieve superior performance. Kinuthia and Wambua (2025) study on effect of competitive strategies on service delivery positioning of commercial banks in Nairobi, Kenya revealed that cost leadership, differentiation and focus strategies significantly improved banks' service delivery positioning, by raising efficiency and strengthening customer-centered service models. This is in line with the present study, which suggests that strategic orientation, rather than organizational size, is fundamental for service delivery excellence in competitive service settings.

The findings align with that of Kitenga et al. (2020), who examined the effects of firm size on the relationship between dynamic capabilities and the long-term success of food manufacturers in Kenya. From the findings firm size did not significantly moderate the link between dynamic capabilities and performance. The findings align with the current study demonstrating the absence of a moderating effect suggesting that the influence of strategic or capability-related factors on service delivery is not affected by the size of the firm. Similarly, Obaje et al. (2021) examined how firm size affected the relationship between board structure and financial success. The study's results showed that board size, which was influenced by firm size, had a negligible negative impact on the company's financial performance. This suggests that the benefits of governance structures on performance are not always amplified by larger firm sizes. Implying,

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that firm size may not necessarily determine firm performance, rather how the resources are effectively deployed and harnessed. The contrasting results further reinforce that the moderating role of firm size is context-specific and that the current study's significant finding is specific to the strategy-service delivery relationship among Kenyan real estate agent firms.

In contrast, Ondari et al. (2020) investigated the influence of firm size on the relationship between the determinants of strategy implementation and organizational performance. Firm size was measured by employee numbers. The study found that organization size significantly and positively moderated the relationship between strategy implementation drivers and performance. However, the study did not establish whether larger firms performed better. Therefore, real estate agent firms should strive to effective strategy implementation initiatives irrespective of the firm size. Similarly, Vij and Farooq (2017) in India established that firm size significantly moderated the relationship between IT orientation and business performance, with larger firms gaining more from technological strategy investments due to greater economies of scale, more financial resources and broader market reach. The findings demonstrate that management should research and determine whether competitive strategies work differently across firms of different sizes and not assume that all firms achieve similar results. Additionally, networking among the real estate agent firms can enhance knowledge sharing on beneficial strategic practices. Notably, having the relevant capabilities may be beneficial in service delivery effectiveness.

Additionally, Suriawinata and Nurmalita (2022) study established that performance relationship was influenced by firm size in the consumer goods industry in Indonesia. These substantiate, the resource intensification approach where bigger companies are able to effectively leverage the positive impact of strategic investments. This, however, might not be the case in the Kenyan real estate agency market which rely more on market knowledge,

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customer network, strategic positioning, reliability and responsiveness to services than on large physical and financial assets. The findings align with the resource-based view that firms should identify and leverage on unique inimitable resources that are difficult for competitors to replicate and therefore formulate competitive strategies that enhance service delivery. Suggesting that difference in firms' size does not result to differences in firms' performance but rather how the resources are deployed and translating the strategic goals to service delivery excellence.

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CHAPTER FIVE

SUMMARY OF THE FINDINGS, CONCLUSIONS, AND RECOMMENDATIONS

5.1 Introduction

The chapter presents the summary of the study's findings based on research objectives, conclusions, and recommendations drawn from the study's results; the theoretical, methodological, managerial, policy, and new knowledge contributions are also highlighted. The study also presents the limitations and discusses their potential impact. Finally, proposes areas for further research to address identified gaps and extend the scope of inquiry.

5.2 Summary of the Key Findings

The study tested five hypotheses; each associated with corresponding specific objectives. The study sought to establish the influence of competitive strategies such as cost leadership strategy, differentiation strategy, and focus strategy on service delivery among real estate agent firms in Kenya, while assessing the mediating effect of organizational capabilities and the moderating effect of firm size on these relationships. The first objective determined how cost leadership strategy affected service delivery of real estate agent firms in Kenya. The corresponding null hypothesis (H_{01}) stated that cost leadership strategy has no significant effect on service delivery. The study's findings showed that cost leadership strategy positively and significantly affected service delivery of real estate agent firms in Kenya, resulting to rejection of the null hypothesis. The results imply the importance of integrating cost leadership practices, such as competitive pricing and cost control measures, within real estate agent firms to improve service delivery.

The second objective assessed the effect of differentiation strategy on service delivery of real estate agent firms in Kenya. The corresponding null hypothesis (H_{02}) stated that differentiation strategy has no significant effect on service delivery. The study's findings revealed that differentiation strategy had a positive and significant effect on service delivery of real estate

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firms in Kenya, resulting in the rejection of the null hypothesis. The results suggest that real estate agent firms that differentiate their products or services through innovation, quality improvement, or unique service features are more likely to achieve better service delivery outcomes.

The third objective evaluated the effect of focus strategy on service delivery of real estate agent firms in Kenya. The corresponding null hypothesis (H_{03}) stated that focus strategy has no significant effect on service delivery. The study's findings showed a positive and significant effect of focus strategy on service delivery, leading to rejection of the null hypothesis. The findings imply that real estate agent firms may enhance service delivery by concentrating on specific market segments, customer groups, or specialized services, allowing them to serve niche markets more efficiently than their competitors.

The fourth objective established the mediating role of organizational capabilities on the relationship between competitive strategies and service delivery among real estate agent firms in Kenya. The null hypothesis (H_{04}) stated that organizational capabilities have no significant mediating effect on the relationship between competitive strategies and service delivery. The findings showed that the indirect effect of competitive strategies on service delivery through organizational capabilities was significant, leading to rejection of the null hypothesis. This implies that competitive strategies enhance service delivery partly by strengthening organizational capabilities, which subsequently contribute to improved service delivery.

The fifth objective determined the moderating role of firm size on the link between competitive strategies and service delivery of real estate agent firms in Kenya. The corresponding null hypothesis (H_{05}) postulated that firm size has no significant moderating effect on the

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relationship between competitive strategies and service delivery. The findings indicated that firm size does not significantly moderate the relationship between competitive strategies and service delivery; therefore, the null hypothesis was not rejected. The findings suggest that the positive contribution of competitive strategies to service delivery is relatively stable across firms of different sizes in Kenya's real estate sector.

5.3 Conclusions

Based on the findings, several conclusions were drawn to extend understanding of how competitive strategies affect service delivery among real estate agent firms in Kenya.

The study found that there was a positive and significant relationship between cost leadership and service delivery; the results imply that integrating cost leadership practices enhances service delivery in the context of real estate agent firms. Therefore, the study concludes that cost leadership strategy is a sustainable strategic approach for improving service delivery because it enables real estate agent firms to optimize operational efficiency while maintaining competitive pricing. The finding reinforces that real estate agent firms that manage costs effectively and provide competitively priced services are better positioned to satisfy customer needs and improve service delivery outcomes.

The study further showed that firms that distinguish their products and services through innovation, improved quality standards, and customer-focused solutions are likely to achieve higher levels of service delivery. The study concludes that differentiation strategy enables firms to create that which competitors find difficult to imitate, demonstrating that creating distinctive value for customers is vital in sustaining competitive advantage and improving firms' effectiveness in terms of service delivery, aligning with Stakeholder Theory, which emphasizes that organizations achieve success by creating value for stakeholders and addressing their needs and expectations effectively.

In addition, the study confirms a positive and significant association between focus strategy and service delivery of real estate agent firms in Kenya. The findings indicate that firms concentrating on specific market niche, customer groups, or specialized services tend to improve service delivery. Market specialization techniques enable firms to allocate resources effectively and build expertise that contributes to better service delivery outcomes. Therefore, the study concludes that focus strategy significantly impacts service delivery of real estate agent firms in Kenya.

Moreover, the study revealed that organizational capabilities partially mediated the relationship between competitive strategies and service delivery. The findings suggest that enhancing organizational capabilities is particularly essential for real estate firms pursuing competitive strategies in order to improve service delivery. Based on the findings, the study concludes that organizational capabilities serve as a crucial mediating mechanism in the relationship between competitive strategies and service delivery of real estate agent firms in Kenya.

Finally, the study concluded that firm size does not significantly moderate the link between competitive strategies and service delivery of real estate agent firms in Kenya. The results revealed that the effectiveness of competitive strategies such as cost leadership strategy, differentiation strategy, and focus strategy in improving service delivery remains constant regardless of the firm size of the real estate agent firm. Therefore, firm size does not strengthen or weaken the relationship between competitive strategies and service delivery outcomes of real estate agent firms. These findings suggest that firms of all sizes should strive to successfully integrate competitive strategies within the firms, potentially improving service delivery performance.

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5.4 Recommendations

Based on the study's findings and conclusions on the effect of competitive strategies and service delivery of real estate agent firms in Kenya, the following recommendations are proposed:

5.4.1 Policy Recommendations

Based on the findings policymakers in Estate Agents Registration Board (EARB), Kenya Property Developers Association (KPDA), and Ministry of Lands and Physical planning and County Governments should develop industry guidelines, certification programs, strategic management trainings for the real estate agent firms. This is based on the findings that established that competitive strategies significantly led to improvement of service delivery among the real estate agent firms. This could be achieved through creating policy framework guidelines, providing capacity-building programs aimed at equipping firms with knowledge and required skills to successively adopt competitive strategies resulting to better service delivery outcomes within the real estate agencies.

Further policymakers including in Estate Agents Registration Board (EARB), Kenya Property Developers Association (KPDA) should support development of organizational capabilities since they enhance service delivery indirectly through competitive strategies among the real estate agent firms in Kenya. This could be achieved through offering continuous development programs as well as employee training aimed at strengthening employee competencies, organizational processes, and resource management capabilities. Such interventions would enable firms to effectively implement competitive strategies and ultimately improve service delivery.

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5.4.2 Managerial Recommendations

Based on this study's findings of this study, several practical recommendations for management in real estate agent firms in Kenya are proposed to enhance implementation of competitive strategies and service delivery.

First, real estate agent firms in Kenya should prioritize the implementation of cost leadership strategies through systematic cost management, investment in digital transaction platforms, and process automation. Firms should establish internal audit systems to monitor and control operational costs across all service delivery stages, from property listing through transaction closure. Technology investments such as CRM systems, digital property marketing platforms, and online client portals can simultaneously reduce operational costs and improve service responsiveness and reliability. This will allow firms to be able to bid competitively while maintaining quality of service delivery. Additionally, the managers should involve the employees in cost reduction strategies and communicate across all service channels on cost control strategies.

Secondly, managers should invest in differentiation strategies such as creating innovative approaches and unique services that are distinct from their competitors. Develop clear brand identities, commit to exceptional client service standards, and continuously innovate service delivery methods. Management should also develop brand communication strategies that consistently communicate the firm's unique value proposition across all client touchpoints. Professional development programs for real estate agent firms that focus on communication skills, market knowledge, and ethical practice for the all the firms' stakeholders can strengthen the service quality and assurance dimensions that differentiation requires.

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Additionally, firms should consider adopting focused competitive strategies by identifying and specializing in specific property types, geographical areas, or client segments where they can develop deep expertise and provide superior value. Firms that cannot compete on all fronts should conduct market segmentation analyses to identify their most profitable and defensible niches, then concentrate resources on building dominant positions within those niches. This targeted approach can enable even smaller firms to achieve competitive service delivery within their chosen segments. Focusing on market specialization is essential in meeting customer satisfaction, strengthening relationships, and improving service delivery effectiveness among real estate agent firms.

Moreover, managers are encouraged to strengthen organizational capabilities alongside strategy formulation by investing in employee training, professional development, and technological resources, which enable firms to implement competitive strategies and enhance service delivery outcomes. The study also found that firm size did not moderate the effect of competitive strategies on service delivery among real estate agencies in Kenya, therefore managers should focus on strategy implementation regardless of organization size, while striving to leverage on the firms' resources. Lastly, the study recommends that managers of real estate firms should focus on strategy implementation regardless of organizational size.

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5.5 Contributions of the study

The study findings provide significant contributions to the existing body of knowledge on understanding the relationship between competitive strategies and service delivery of real estate agent firms. The section discusses theoretical, methodological, new knowledge, policy, and managerial contributions drawn from the study's findings. The practical relevance of the

findings guides policy reforms, inform future researchers and support effective managerial approaches within the real estate industry.

5.5.1 Theoretical contributions

The findings of this study provide important theoretical contributions by integrating insights from the resource-based view (RBV), dynamic capabilities theory, service quality theory and stakeholder theory.

The study extends RBV by demonstrating that competitive strategies influence service delivery both directly and indirectly through organization capabilities within Kenya's real estate sector. Through effectively deploying valuable, rare, inimitable, and non-substitutable resources and capabilities. The positive link between cost leadership strategy, differentiation strategy and focus strategy on service delivery indicates that competitive strategies constitute strategic capability resources that enable real estate agent firms to improve service delivery and sustain competitive advantage. Notably, the effectiveness of the strategies will depend on how the valuable, rare, inimitable, and non-substitutable resource are harnessed and deployed to yield excellence in service delivery

The significant mediating effect of organizational capabilities on the relationship between competitive strategies and service delivery of real estate agent firms aligns with dynamic capabilities theory. The findings establish that organizational capabilities act as a mechanism through which firms implement, develop, and reconfigure internal resources to successfully adopt competitive strategies and improve service delivery. Hence, firms of all sizes must use dynamic capabilities to meet the expectations of their stakeholders, especially customers, by enhancing service delivery.

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The findings support service quality theory by demonstrating that strategic decisions undertaken by firms significantly impact service delivery among real estate agent firms. The positive effect of differentiation and focus strategies implies that firms that tailor their specialized services to satisfy the needs of specific market niches and develop unique value are in a better position to offer high-quality services. These findings strengthen the theoretical argument that service quality is influenced by deliberate firm strategies and capabilities. Finally, the findings align with stakeholder theory by showing that implementing competitive strategies improves service delivery, benefiting key stakeholders, especially customers. The findings show that real estate firms that align their strategic decisions with customers' needs and expectations are likely to attain better service delivery outcomes. This reinforces the stakeholder theory view that firm success is largely dependent on the firm's ability to create value for and respond effectively to stakeholders' interests.

5.5.2 Methodological Contributions

Methodologically, the study highlights the importance of adopting mediation and moderation analysis in understanding the complex relationship among strategic variables. By examining the direct effects of competitive strategies, the mediation effect of organizational capabilities, and the moderating effect of firm size, the study provides an in-depth understanding of the determinants of service delivery in real estate firms in Kenya. Additionally, the study demonstrates the value of employing a sequential explanatory mixed-methods approach, using quantitative and qualitative methods together with advanced statistical models such as PLS-SEM in testing the hypothesized relationships. Unlike conventional regression, PLS SEM simultaneously estimated direct, mediating, and moderating relationships.

5.5.3 New Knowledge Contributions

The study demonstrates that organizational capabilities partially explain how competitive strategies translate into service delivery within Kenyan real estate agent firms, thereby

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providing empirical evidence for capability-based mechanisms proposed by Dynamic Capability Theory. This further enriches strategic management literature by affirming the importance of organizational capabilities as a critical link between competitive strategies and service delivery. This provides empirical support for the argument that firms need strong organizational capabilities to effectively translate strategic management practices into improved service delivery. This implies that competitive strategy alone may be insufficient to explain variations in service delivery among real estate agent firms; therefore, including organizational capabilities converts strategic choices into effective service delivery outcomes. Moreover, the study's findings contribute to the existing knowledge on the moderating role of firm size on the association between competitive strategies and service delivery of real estate agent firms in Kenya. Though the findings were insignificant, this challenges the assumption that larger firms necessarily derive greater service delivery benefits from competitive strategies because of their scale and resource advantages. Instead, the findings suggest that organizational capabilities provide greater explanatory value than firm size in explaining how competitive strategies translate into improved service delivery.

5.5.4 Policy Contributions

The study highlights the critical role of policymakers, the Estate Agents Registration Board (EARB), the Kenya Property Developers Association (KPDA), and the Ministry of Lands and Physical Planning to formalize policies that support the adoption of competitive strategies, including cost leadership strategy, differentiation strategy, and focus strategy, that are strategically aligned to service delivery. These strategic management practices will improve service quality and satisfy customers, thereby improving service delivery outcomes. Moreover, the study established that organizational capabilities partially mediate the relationship between competitive strategies and service delivery in the real estate industry. This indicates the need for policies that support enhancement of knowledge and skills through capacity building and

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training. Such policies would enable firms to effectively implement competitive strategies and achieve better service delivery outcomes. Additionally, policy makers should emphasize effectiveness of corporate governance practices irrespective of the firm size.

5.5.5 Managerial Contributions

Managers in real estate firms should view competitive strategies as strategic tools rather than mandatory requirements for enhancing service delivery and achieving better performance outcomes. Managers are encouraged to prioritize the integration of cost leadership practices through cost management practices and resource utilization. They should also consider initiatives such as service innovation and quality improvement to distinguish themselves from competitors. Consequently, managers should identify and focus on specific market segments to understand customer needs and offer specialized services tailored to those needs, improving service delivery outcomes.

Another practical contribution from the study is the need for managers to align competitive strategies with administrative and technological competencies. Since organizational capabilities play a crucial mediating role, managers should invest in developing internal capabilities of the firms such as effective administrative systems, enhancing employee skills, technological expertise and infrastructure, and operational processes to encourage successful implementation of competitive strategies. The findings imply that competitive strategies result in better service delivery supported by strong organizational capabilities. Therefore, managers should prioritize formulating competitive strategy practices and developing organizational capabilities through continuous skills enhances and performance reviews.

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Finally, the study contributes to understanding service delivery in the real estate industry by showing that firm size does not guarantee improved service delivery. Instead, managers in both small and large firms should focus on effectively adopting competitive strategies to improve service delivery, regardless of firm size. Therefore, managers should focus more on strategic alignment and capability development rather than firm expansion alone to enhance service delivery outcomes among real estate firms.

5.6 Study's Limitations

The study provides valuable insights into the link between cost leadership strategy, differentiation strategy, and focus strategy, organizational capabilities, firm size, and service delivery of real estate agent firms in Kenya. The study suffers from limitations that should be considered when interpreting the findings and generalizing the findings to a wider scope. Conceptually, although the study considered organizational capabilities as a mediator and firm size as a moderator, other potential mediating or moderating variables such as regulatory frameworks, organizational culture, employee engagement, employee competence, internal control systems and leadership styles were not considered; their omission may limit the generality of the analysis.

Methodologically, the study employed Partial Least Squares Structural Equation Modeling (PLS-SEM) to estimate the hypothesized structural relationships. While PLS-SEM is appropriate for examining complex models involving direct, mediation, and moderation effects, the estimated path coefficients primarily demonstrate predictive and associational relationships and should not be interpreted as definitive evidence of causality. Furthermore, aggregating responses from respondents within the same firm into firm-level scores may conceal individual-level variation in perceptions. Moreover, cross-sectional design limits

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causal inference. Future studies may consider multilevel modeling to simultaneously account for respondent-level and firm-level variations.

Contextually, the study was limited to real estate agent firms registered with the Kenya Property Developers Association (KPDA). Consequently, the findings may not fully represent informal, unregistered, or other real estate agent firms operating outside the KPDA framework. This limits the generalizability of the findings to Kenya's broader real estate sector. Future studies may extend the investigation to non-KPDA registered firms and other segments of the real estate industry.

5.7 Areas for Further Studies

One significant gap identified in the study is the focus on real estate agent firms in Kenya. Future studies may extend the investigation to other sectors such as consultancy firms, the education and insurance industries, in order to investigate whether the effect of competitive strategies on service delivery is consistent across different industrial contexts. In addition, comparative studies should be conducted across different East African countries, including Uganda, Tanzania, and Rwanda, to assess whether the relationships found in this study are specific to Kenya or generalizable across real estate firms in East Africa. Cross-national comparative research would enrich the literature by identifying contextual factors that amplify or attenuate the effects of competitive strategies on service delivery in different regulatory and market environments.

Future studies should investigate the longitudinal effects of competitive strategy adoption on service delivery using panel data spanning multiple years. A cross-sectional design, as adopted in this study, captures relationships at a single point in time but cannot track how service delivery evolves as firms mature in their strategic orientation. Longitudinal research would

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provide insights into the sustainability and durability of competitive strategy effects on service delivery outcomes.

The current study focused on Porter's three generic strategies and did not explicitly capture technology-driven competition. Therefore, more studies are needed to determine the role of digital transformation as a potential competitive strategy. In addition, studies should assess how the adoption of prop tech platforms, artificial intelligence-assisted property matching, and blockchain-based transaction verification systems influences service delivery among real estate firms in Kenya.

In addition, other studies can determine how organizational culture, leadership styles, and government regulations moderate the relationship between competitive strategies and service delivery. Organizational culture may have an influence on strategy implementation, while leadership style may determine the type and magnitude of capability development. Additional studies on multi-group analysis comparing small versus large firms or independent vs. franchise agencies. By incorporating these variables future models may provide, future models may provide a more comprehensive understanding of the constraining factors governing strategy effectiveness. Finally, future research could examine how external environmental factors, including government environmental regulations, market pressures, and stakeholder expectations, influence the effectiveness of competitive strategies. These studies will help explain institutional and policy factors that hinder the successful implementation of strategic practices.

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APPENDICES

Appendix I: Letter of Introduction to Respondents

Racheal Muritu,

P.O BOX 417-01001,

Kalimoni.

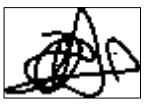
To Whom it May Concern

Dear Sir/Madam

RE: COLLECTION OF RESEARCH DATA

I am a doctoral student at St. Paul's University conducting research on "Competitive Strategies and Service Delivery among Real Estate Agent Firms in Kenya." This research has received ethical clearance from the University Ethics Review Committee (Approval No: SPU/683/2026) and authorization from the National Commission for Science, Technology and Innovation (NACOSTI Permit No: 527809). I kindly request your permission to collect data from senior management and operations department staff in your organization through questionnaires and interviews. Participation is entirely voluntary, and your firm may withdraw at any stage. All information provided will be treated with strict confidentiality and anonymity, with data used solely for academic purposes. Emphasis is placed on protecting respondent identity, and no individual or firm will be identified in any publications. The findings will contribute valuable insights on enhancing service delivery among real estate firms in Kenya. I will contact your office to arrange a convenient time for data collection. Thank you for your cooperation.

Yours faithfully,



Racheal Muritu.

Cellphone:0763206983

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Appendix II: Questionnaire

SECTION A: DEMOGRAPHIC AND FIRM INFORMATION

Please tick (✓) the appropriate box.

1. Your position:

i. Chief Executive Officer (CEO) [ ]

ii. Managing Director [ ]

iii. Operations Manager [ ]

iv. Administrative Manager [ ]

v. Other Senior Management Position [ ]

2. Years of experience in current position:

i. Less than 2 years [ ]

ii. 2-5 years [ ]

iii. 6-10 years [ ]

iv. More than 10 years [ ]

3. Highest level of education:

i. Certificate [ ]

ii. Diploma [ ]

iii. Bachelor's Degree [ ]

iv. Master's Degree [ ]

v. Doctorate [ ]

4. Age bracket:

i. 25-35 years [ ]

ii. 36-45 years [ ]

iii. 46-55 years [ ]

iv. Above 55 years [ ]

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5. Firm's years in operation:

i. Less than 5 years [ ]

ii. 5-10 years [ ]

iii. 1-20 years [ ]

iv. More than 20 years [ ]

6. Primary real estate services offered (tick all that apply):

i. Residential sales [ ]

ii. Commercial sales [ ]

iii. Rentals/Leasing [ ]

iv. Property management [ ]

v. Consultancy [ ]

vi. Valuation [ ]

vii. Other: _____

7. How many employees does the firm have?

_____

8. How many branches does the firm operate

_____

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SECTIONS B-F INSTRUCTIONS

Please indicate your level of agreement with each statement using the scale below:

1 = Strongly Disagree (SD) | 2 = Disagree (D) | 3 = Neutral (N) | 4 = Agree (A) | 5 = Strongly Agree (SA)

SECTION B: COST LEADERSHIP STRATEGY (Adapted from Porter's Generic Strategies Framework)

No.	Statement	SD	D	N	A	SA

		(1)	(2)	(3)	(4)	(5)
9	The firm offers affordable pricing without compromising service quality					
10	The firm's pricing strategy enables it to compete effectively in the market					
11	The firm implements strict cost control mechanisms across all operations					
12	The firm achieves operational efficiency through streamlined processes					
13	The firm benefits from economies of scale in service delivery					

SECTION C: DIFFERENTIATION STRATEGY (Adapted from Porter's Generic Strategies Framework)

No.	Statement	SD (1)	D (2)	N (3)	A (4)	SA (5)
14	The firm offers flexible service packages based on client preferences					
15	The firm provides personalized solutions for client property needs					
16	The firm is recognized for its brand reputation in the market					
17	The firm has established a distinct brand identity among competitors					
18	The firm invests in building and maintaining					

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	brand visibility					

SECTION D: FOCUS STRATEGY (Adapted from Porter's Generic Strategies Framework)

No.	Statement	SD (1)	D (2)	N (3)	A (4)	SA (5)
19	The firm concentrates resources on serving specific market niches					
20	The firm specializes in particular property types or locations					
21	The firm targets narrow market segments rather than broad markets					
22	The firm allocates resources based on customer segment priorities					
23	The firm develops segment-specific marketing and service strategies					

SECTION E: ORGANIZATIONAL CAPABILITIES (Adapted from Dynamic Capabilities Theory)

No.	Statement	SD (1)	D (2)	N (3)	A (4)	SA (5)
24	The firm has effective strategic planning processes in place					
25	The firm allocates resources efficiently across departments					

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26	The firm has well-defined process management systems					
27	The firm demonstrates technological proficiency in operations					
28	The firm possesses deep knowledge of local real estate markets					

SECTION F: FIRM SIZE

No.	Statement	SD (1)	D (2)	N (3)	A (4)	SA (5)
29	The firm has sufficient human resource capacity to serve clients effectively					
30	The firm's employee numbers allow for service delivery specialization					
31	The firm's workforce size supports competitive strategy implementation					
32	The firm has multiple branches that enhance market coverage					
33	The firm's branch distribution supports effective service delivery					

SECTION G: SERVICE DELIVERY (Adapted from SERVQUAL Model: Parasuraman et al., 1988)

No.	Statement	SD	D	N	A	SA

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		(1)	(2)	(3)	(4)	(5)
34	The firm responds promptly to client requests, inquiries, and complaints (Responsiveness).					
35	The firm consistently delivers promised services accurately and within agreed timelines (Reliability).					
36	The firm's staff are knowledgeable, courteous, and inspire confidence and trust among clients (Assurance).					
37	The firm maintains modern and professional office facilities that are visible and accessible to clients (Tangibles).					
38	The firm takes immediate action to resolve customer complaints					

Thank you for taking time to complete the questionnaire

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Appendix III: Interview Guide

Instructions: This guide is intended to explore your organization's experiences with competitive strategies and service delivery. The interview will take approximately 45–60 minutes. Your

responses will be kept strictly confidential. With your permission, the interview will be audio-recorded for transcription purposes.

Date of the Interview:

Section 1: Background Information

1. Could you briefly describe your role and responsibilities within this firm?

2. How long have you been in your current position, and how long has the firm been in operation?

Section 2: Competitive Strategies

3. How would you describe the primary competitive strategy your firm uses to position itself in the market?

4. To what extent does your firm focus on competitive pricing and cost reduction as a service delivery tool?

5. How does your firm differentiate its services from those of competitors?

6. Does your firm concentrate its services on specific property types, geographic areas, or client segments? How has this focus affected your service delivery?

Section 3: Organizational Capabilities

7. How would you describe your firm's strategic planning and resource allocation processes?

8. What organizational capabilities does your firm possess that enable it to implement competitive strategies effectively?

9. How does your firm's technological proficiency contribute to service delivery outcomes?

Section 4: Firm Size

10. How has the size of your firm (in terms of staff and branches) influenced your ability to implement competitive strategies?

11. Do you believe larger firms have a competitive advantage in service delivery? Please explain.

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Section 5: Service Delivery

12. How does your firm currently assess its service delivery performance?

13. What are the major challenges your firm faces in delivering services that meet client expectations?

14. How have your competitive strategies contributed to improving service delivery in the past two to three years?

15. Is there anything else you would like to add about the relationship between competitive strategies and service delivery in your firm?

Thank you for taking time

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Appendix IV: Registered Real Estate Firms

1	14 Trees Ltd.
2	Africa REIT Ltd.
3	A-LIST Real Estate

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4	ALP Management Kenya Limited
5	Amazon Projects Ltd.
6	AMG Realtors.
7	AMS Properties Ltd.
8	Anzaa Real Estate
9	Axis Real Estate Limited
10	Azalea Holdings Ltd.
11	Bahati Ridge Development Limited.
12	Benvar Estates Limited.
13	Blueline Properties Ltd.
14	Broll Kenya Ltd.
15	Buy Rent Kenya Limited
16	Camelot Consultants/Lantana Homes Ltd.
17	Canaan Developers Ltd
18	Centum Real Estate
19	Century City Property Ltd.
20	Cherd Africa Ltd.
21	Chigwell Holdings Limited.
22	Coral Property International Ltd.
23	Cross Boundary East Africa Ltd.
24	Daiga Group Holdings LLP.
25	Daykio Plantations Ltd.
26	Eden Heights Realty Limited
27	Fairdeal Development & Infrastructure Limited.
28	Fedha Management Ltd.

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29	Felicity Developments.
30	Gateway Real Estate Africa Ltd
31	Global Property Advice
32	HassConsult Real Estate Ltd.
33	Homeownership Made Easy Ltd.
34	Iceberg International Limited.
35	Immensity Holdings.
36	Jabez Properties.
37	Jones Lang Lasalle (Pty) Ltd (JLL)
38	Karibu Homes.
39	Karume Holdings Ltd/ Forest Road Flats Ltd.
40	Kaydee Realty LLP.
41	KLML Realtors
42	Knight Frank Kenya Ltd
43	Koibatek Ltd.
44	Kwangu Kwako Ltd.
45	Kzanaka Ltd.
46	Laser Property Services Ltd.
47	Lordship Africa /Epix Investments.
48	Manrik Group Ltd.
49	Megna Homes Ltd.
50	Mi Vida Homes Limited
51	Mlima Construction Ltd.
52	Mugumo Developments Ltd.
53	National Co-operative Housing Union Ltd.

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54	Natureville Homes.
55	Niko Green Ltd.
56	Nova Homebuilders Ltd.
57	Optiven Ltd.
58	PDM (Kenya) Ltd.
59	Pioneer Holdings (Africa) Ltd.
60	Primofort Investments Ltd.
61	Profica Professional Project Limited.
62	Purple Dot International Ltd
63	Oxford Gate Real Estate
64	Risiih Investments Limited.
65	Rozana Properties.
66	Sanghani Investments Ltd.
67	Sayani Investments Ltd.
68	Sigimo Enterprises Limited.
69	Skyhigh Projects Limited
70	SMB Properties.
71	Soil Merchants (K) Ltd
72	Soma Properties Ltd (Sarit Centre).
73	Superior Homes (Kenya) PLC.
74	Tatu City Ltd.
75	The Epic Properties Ltd.
76	Tilisi Developments PLC.
77	Trident Estates Limited.
78	Turner & Townsend Ltd.

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79	Unity Homes Ltd.
80	Vishwa Developers.

Source: KPDA report 2024

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Appendix V: Research Permits

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Private Bag 00217 Limuru,
Kenya
Email: office@spu.ac.ke
Website: www.spu.ac.ke

Tel Office: +254 (0) 20-2020505/10
Mobile: +254 (0) 728-669000
(0) 736-424440

REF: SPU/683/2026 **Date: 10th March 2026**

TO: Rachael W Muritu
St. Paul's University

Dear Rachael,

==========

REF: Competitive Strategies and Service Delivery Among Real Estate Agent Firms in Kenya

==========

Greetings,

This is to inform you that SPU- Institutional Scientific Ethics Review Committee has reviewed the above-named research proposal. **Your ERB approval number is 693, for the period between 10th March 2026 – 10th March 2027 (1 year).**

This approval is subject to compliance with the following requirements;

i. Only approved documents including (informed consents, study instruments) will be used.
ii. All changes including (amendments, deviations, and violations) are submitted for review and approval by SPU- Institutional Scientific Ethics Review Committee.
iii. Death and life-threatening problems and serious adverse events or unexpected adverse events whether related or unrelated to the study must be reported to SPU- Institutional Scientific Ethics Review Committee within 72 hours of notification
iv. Any changes, anticipated or otherwise that may increase the risks or affected safety or welfare of study participants and others or affect the integrity of the research must be reported to *SPU- Institutional Scientific Ethics Review Committee* within 72 hours

v. Clearance for export of biological specimens must be obtained from relevant institutions.
vi. Submission of a request for renewal of approval at least 60 days prior to expiry of the approval period. Attach a comprehensive progress report to support the renewal.
vii. Submission of an executive summary report within 90 days upon completion of the study to SPU- Institutional Scientific Ethics Review Committee.
viii. Should there be any publications from your research, note that you are supposed to anonymize the particulars of the respondents, the identifiers and the name of institution (s) where you collected data.
ix. Please note that it is within the ISERC's mandate to monitor your research and to do random visits to the site. All research is subject to post approval monitoring. Kindly provide a closure report after the research.

Prior to commencing your study, you will be expected to obtain a research license from National Commission for Science, Technology and Innovation (NACOSTI) if you are collecting data in the country - https://research-portal.nacosti.go.ke **or obtain other clearances needed in the country where you will collect your data from.**

Yours sincerely,

Dr. Daniel Nzengya, PhD
Chairperson
SPU- Institutional Scientific & Ethics Review Committee

ST. PAUL'S UNIVERSITY
(ISERC)
APPROVAL WITH
CONTIGENCIES
RESEARCH
DIRECTORATE
INSTITUTIONAL SCIENTIFIC ETHICS REVIEW COMMITTEE

REPUBLIC OF KENYA

NATIONAL COMMISSION FOR SCIENCE,TECHNOLOGY & INNOVATION

Ref No: 527809

Date of Issue: 25/March/2026

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This is to Certify that Ms.. RACHEAL WANJIRU MURITU of St. Pauls University, Kenya, has been licensed to conduct research as per the provision of the Science, Technology and Innovation Act, 2013 (Rev.2014) in Nairobi on the topic: Competitive Strategies and Service Delivery Among Real Estate Agent Firms in Kenya for the period ending : 25/March/2027.

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2. The research and its related activities as well as outcomes shall be beneficial to the country and shall not in any way;
    i. Endanger national security
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    iii. Be in contravention of Kenya's international obligations including Biological Weapons Convention (BWC), Comprehensive Nuclear-Test-Ban Treaty Organization (CTBTO), Chemical, Biological, Radiological and Nuclear (CBRN).
    iv. Result in exploitation of intellectual property rights of communities in Kenya
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    vi. Adversely affect the rights of communities
    vii. Endanger public safety and national cohesion
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14. The Commission shall have powers to acquire from any person the right in, or to, any scientific innovation, invention or patent of strategic importance to the country.
15. Relevant Institutional Scientific and Ethical Review Committee shall monitor and evaluate the research periodically, and make a report of its findings to the Commission for necessary action.

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