INFLUENCE OF STRATEGIC BUSINESS MODELS ON PERFORMANCE OF WOMEN-LED COMMUNITY-BASED MICRO-ENTERPRISES IN KENYA

PAMELA AWUOR OCHIENG'

DOCTOR OF PHILOSOPHY

(Business Administration)

JOMO KENYATTA UNIVERSITY OF

AGRICULTURE AND TECHNOLOGY

2017

Influence of Strategic Business Models on Performance of Women-Led Community-Based Micro-Enterprises in Kenya

Pamela Awuor Ochieng'

A Thesis Submitted in Partial Fulfillment for the Degree of Doctor of Philosophy in Business Administration in the Jomo Kenyatta University of Agriculture and Technology

2017

DECLARATION

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

Signature ……………………………………. Date ……………………………

Pamela Awuor Ochieng'

This thesis has been submitted for consideration with our approval as University Supervisors.

Signature ……………………………………. Date ……………………………

Prof. Mike A. Iravo, PhD

JKUAT, Kenya

Signature ……………………………………. Date ……………………………

Prof. George Orwa, Phd

JKUAT, Kenya

DEDICATION

With great honor, I dedicate this work to my late parents, Mzee Sebastian and Mama Margaret, the word of faith and spirit of courage they imparted in me while growing up has kept me going even when it appears actually rational to give up. To my 11 children who have been such inspiration to me. Your tender and genuine love has kept my hope alive. You have been my pillar and my *raison d'être*. To my husband whom has provided a strong arm to lean on. Your gentle spirit and continued support are invaluable.

ACKNOWLEDGEMENT

TABLE OF CONTENTS

LIST OF TABLES

LIST OF FIGURES

LIST OF APPENDICES

LIST OF ABBREVIATIONS AND ACRONYMS

BDS   Business Development Services

CNGOs   Credit Non-Governmental Organizations

EPS   Earning Per Share

EVA   Economic Value Added

GDP   Gross Domestic Product

HDI   Human Development Index

MDG   Millennium Development Goals

MEZOs   Microenterprise Zones

MFIs   Micro Financial Institutions

MVA   Market Value Added

PCA   Principal Component Analysis

ROE   Return on Equity

ROI   Return on Investment

SBOs   Small Business Owners

SMEs   Small and Medium Enterprises

SPV   Special Purpose Vehicles

UNDP   United Nations Development Programme

US/USA	United States/United States of America
WBL	Women Business Leaders
WLCBMEs	Women-led Community-based Micro-enterprises

DEFINITION OF TERMS

Business Model: A business model describes the rationale of how an organization creates, delivers, and captures value, in economic, social, cultural or other contexts, (Abraham, 2012)

Community-based Microenterprises: Community based enterprises are enterprises that use business to improve the life of a community. They are different from private enterprise because their business activity is undertaken as a means of achieving community benefit, not private gain (Klein, 2008).

Micro-enterprise: Refers to any entity engaged in an economic activity irrespective of its legal form which has employees ranging from 5-20 (Yan, 2009).

Organizational Performance: The ability of an organization to measure its achievement by using its financial ratios as a result of strategic management practices (Hur, 2007).

Strategic Interventions: These are actions performed to bring about change. A wide range of intervention strategies exist and they are directed towards various types of difficulties (Bakar *et al*., 2011).

Strategic Management Practices: These are habits, customs, routines and methods at an organization as relates to strategic management (Frank, 2011).

Strategic Management: Strategic Management is a concept that concerns with making decisions and taking corrective actions to achieve long term targets and goals of an organization (Bakar *et al*., 2011).

Strategy: Strategy is a process that matches resources and activities of a business organization to its environment; It is defining a unique market position and occupying it…; It is about the positioning of an organization for sustainable competitive advantage, (Markides, 1999; Cornelis A. de Kluyver, 2000)

Women-led Microenterprises: These are the economic activities which have female figures as the leader of their operations and day today activities especially in the decision making (Klein, 2008).

ABSTRACT

The main objective of this study was to determine the influence of strategic business models on performance of women-led community-based micro-enterprises in Kenya. The specific objectives were to determine the influence of bricks and clicks model on performance of women-led community-based micro-enterprises in Kenya; to establish the influence of cutting out the middle man model on performance of women-led community-based micro-enterprises in Kenya; to assess the influence of freemium model on performance of women-led community-based micro- enterprises in Kenya; and to determine the influence of multilevel marketing model on performance of women-led community-based micro-enterprises in Kenya. The population for this study consisted of the employees and owners of WLCBMEs. The total target population was 781.A total of 257respondents were used as the sample size for the study. Descriptive survey design was used in this study. Primary and secondary data was used. While self-administered questionnaire and interview guide was used to collect primary data, the study reviewed the previous evaluation reports to seek the secondary data on performance. The data collected was then analyzed by both descriptive and inferential statistical tools. Being that the current research was dealing with the influence study, the researcher therefore used regression model as a tool of analysis and the information generated was presented in form of tables. The study found out that Bricks and Clicks model had significant influence on Performance of WLCBMEs. The findings also indicated that there was a positive relationship between Bricks and Clicks model and organization performance. Consequently, the null hypothesis was rejected. There was positive and significant relationship between Cutting-out Middle Man Model and Performance of WLCBMEs. The study also found out that there was a positive and significant relationship between Freemium model and Performance of WLCBMEs. The hypothesis was also tested and the null hypothesis was consequently rejected. Lastly, the study found out that there was a positive and significant relationship between Performance of WLCBMEs and Multi-level marketing. With reference to the findings of the study, the following recommendations were made: On the basis of bricks and clicks model, the researcher recommends that the employees, owners of WLCBMEs and business people should be educated on the business model putting more emphasis on its meaning, how it works and how it can benefit the business. With regard to the cutting out the middle man model, the study recommends that the model should be used wherever necessary and as much as possible for the benefit of the enterprises. The study therefore can recommend that the enterprises should adopt this model more in the business to improve on the profitability.

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

A business model describes the rationale of how an organization creates, delivers, and captures value, in economic, social, cultural or other contexts. The process of business model construction is part of business strategy, (Abraham, 2012). World over, there is a growing phenomenon of participation of women in micro enterprise sector. The bottom line here being that "Connecting with women-owned businesses is no longer about corporate social responsibility or, indeed, leveling the proverbial "playing field". It is simply a business imperative! The much needed contribution women business owners can make to the recovery of the economic meltdown, Sue Lawton et al. (2010). Jerry Kolo, (2006) bases his argument on "the view that micro-entrepreneurship is a way of life and a means of livelihood for West Africa's poor".

While considerable research has been conducted into the reasons why women enter small business and their penchant for operating solo operations or micro businesses (up to five employees), less was known about the heterogeneous nature of women in small business and the reasons behind their "failure" to "grow" their businesses until the past decade, Leonie V. Still, Wendy Tims, (2000). Evidence obtained through an in-depth qualitative study of 33 women entrepreneurs in Ireland and Northern Ireland identified a number of specific barriers which hinder the development of their firms. These included financial, regulatory and employability challenges; a lack of management skills and confidence. Motherhood and personal goals were also found to be inhibiting factors for women entrepreneurs, Emma Fleck, Cecilia Hegarty, Helle Neergaard (2011).

In Kenya similar factors have been identified. The financial aspects of setting up a business are without doubt the biggest obstacles to women (Zororo 2011; Makokha (2006), discrimination in property ownership and by banks, Gray (1996), Dealing with

the City Council on issues of licensing and formal registration, Bindra (2006), Multiple Responsibilities, Ahmad et al. (2011), Lack of sufficient education and training for women is another impediment to micro-enterprise success, (Women entrepreneurs in Kenya, 2008). Namusonge (2006) noted that entrepreneurial education and training play a key role in stimulating entrepreneurship and self-employment. Despite the presence of Business Development services in Kenya not many women entrepreneurs use it because of cost, access, necessity, or availability (Steven et al., 2005). Managing Employees, Athanne (2011) and Competition from mini and supermarkets for those engaged in selling household products are emerging, Jaiyeba (2010). Very little research points to business models and strategies these women entrepreneurs put in place and more so the connection between these models, the community in which these businesses operate as a success or failure factor. Jerry Kolo, (2006) in his analysis of strategic issues in institutionalizing a financial systems approach for microenterprise development in Africa asserts that implementing the approach must be a joint task among society's four key stakeholders in the public, corporate, non-profit and grassroots sectors.

Efforts to reduce or eliminate these factors operating against women owned enterprises have been put in place – championed by political, social and economic reforms, (Kenya Vision, 2030).Various governments of the world and Kenya in particular have tried to respond to the above through implementation of the Millennium Development Goals (MDG) notably MDG1 and MDG3 which aim at "eradicating extreme hunger and poverty," and "promoting gender equality and empowering women". The Constitution of Kenya (2012) gives women the express right to own and manage property, there are Business Development Services in Kenya, though not many women entrepreneurs use it because of cost, access, necessity, or availability (Steven et al 2005). Recently, the Government set aside funds to offer credit to the youth and women in small businesses. However, the MGD Report (2013) indicates that while Africa is the world's 2nd fastest growing region, its rate of poverty was insufficient to reach the target of halving poverty by 2015. Kenya, with a population of 40 million has a poverty rate of 45.5% and human development index of 0.54, ranking 145th among 187 countries in the United Nations

Development Programme's (UNDP) Human Development Index (HDI) which measures development in terms of life expectancy, educational attainment and standards of living, (World Bank Group Report, 2014). This means that poverty remains a big challenge in Kenya, and solution still lies in the growth of Small and Medium Enterprises (SMEs), which generates 40% of Kenya's Gross Domestic Product (GDP), (Kenya Vision, 2030), and where the women are the major participants. Women form the larger part of the rural poor, approximated at 15, 475,763.5, (World Bank Report, 2010).

1.2 Statement of the Problem

David (2004) conducted a study on business model for the new economy which showed that the success of organizations and the move by some of the largest corporations in the world towards a model within which assets are managed rather than owned has led to significant changes not only in structure, but also in attitudes and managerial behavior. As a result the "new business model" has five common attributes, the firm should: be cash flow driven; focus on return on investment; function with distributed (leveraged) assets or low capital intensity; do so with a single minded view on core assets and distinctive capabilities; and develop competitive advantage by relevant positioning within its industry value chain. Briffaut and Saccone, (2002) conducted a study on business performance sustainability through process modelling and found out that sustaining business performance in an ever changing economic and technical environment is a challenge to be addressed with relevant management implements. This goal can be achieved by using business modelling by processes allowing for costing deliverables, controlling operations and designing information systems aligned with business procedures and organization (Briffaut & Saccone, 2002).

Sujith et al.(2012) in study on the impact of knowledge brokering on performance heterogeneity among business models found out that the flexibility that the business model acquires is determined by how efficiently resource accumulation is aligned with its external environment. Gathenya et al. (2011) in the study of interaction between women entrepreneurs' age and education on business dynamics in small and medium

enterprises in Kenya concluded that there was significant interaction between the effects of both age and education on locus of planning. Both also had a significant impact on the profitability of the enterprises when firm performance was measured as return on asset.

However, these studies do not show the importance of business models on performance; neither do any of them link the strategic business models to the performance of women – led community based micro – enterprises in Kenya. The departure of the current study from the rest of the above studies was also noticed in the sense that none of the studies focused on the influence of strategic business models on performance in the Kenyan scenario which creates the gap that the current study sought to fill. The study therefore focused on the influence of strategic business models on performance of women – led community based micro – enterprises in Kenya.

1.3 Objectives of the Study

1.3.1 General Objective

The main objective of this study was to establish the influence of strategic business models on performance of women-led community-based micro-enterprises in Kenya.

1.3.2 Specific Objectives

The study aimed at achieving the following specific objectives:

1. To determine the influence of bricks and clicks model on performance of women- led community-based micro-enterprises in Kenya.
2. To establish the influence of cutting out the middle man model on performance of women-led community-based micro-enterprises in Kenya.
3. To assess the influence of freemium model on performance of women-led community-based micro-enterprises in Kenya.
4. To determine the influence of multilevel marketing model on performance of women-led community-based micro-enterprises in Kenya.

1.4 Research Questions

1. What is the influence of bricks and clicks model on performance of women- led community-based micro-enterprises in Kenya?
2. What is the influence of cutting out middle man model on performance of women-led community-based micro-enterprises in Kenya?
3. What is the influence of freemium model on performance of women-led community-based micro-enterprises in Kenya?
4. What is the influence of multilevel marketing model on performance of women-led community-based micro-enterprises in Kenya?

1.5 Research Hypotheses

1. **H_{a1}:** There is significant influence of bricks and clicks model on performance of women- led community-based micro-enterprises in Kenya.
2. **H_{a1}:** There is significant influence of cutting out the middle man model on performance of women-led community-based micro-enterprises in Kenya.
3. **H_{a1}:** There is significant influence of freemium business model on performance of women-led community-based micro-enterprises in Kenya.
4. **H_{a1}:** There is significant influence of multilevel marketing model on performance of women-led community-based micro-enterprises in Kenya.

1.6 Significance of the Study

The findings of this study shall fill knowledge gap and provide a way forward for further research to build up the body of knowledge for decisions to engage in sustainable strategic micro-enterprises within communities for economic development. Besides providing useful information to the women entrepreneurs as to what business models and strategies can make their micro-enterprises which are community-based real success stories, the communities in which these micro-enterprises are located will also benefit from the findings, enabling them to take up their active roles in supporting the micro-

enterprises for mutual benefit. The policy makers will also find useful guidelines that can be used to improve or modify measures towards poverty alleviation, women empowerment and economic development for better success.

1.7 Scope of the Study

The research was specific on business modeling and strategy aspects of the micro-enterprises. Since microenterprise (SMEs as widely known in Kenya) is a wide sector, the study was limited to the women-led community-based micro-enterprises (WLCBMEs). The study focused on Suna East sub – county, Migori County in Kenya. This was informed by the fact that Suna East has the most women population with a bright future in terms of the WLCBMEs but they really lack the prowess to understand which of the business models best work for them. The study population was projected to be 1650 employees from 55 WLCBMEs in Kenya brought together for this study. The study was also limited to the four identified models (bricks and clicks, cutting out the middle man, freemium, and multilevel marketing) which according to the current study are the possible used models which can be applicable to the microenterprises in Kenya.

1.8 Limitations of the Study

The idea of strategic business models is sensitive and not easy. This study explored the opinions of business managers regarding typical activities with model implications within their firms. Therefore, the effect of the small size of the sample might be a decreased generalizability of the findings. However, this was mitigated against by carrying out the bootstrapping procedure. The study used ordinal scale among others to measure the variables. However, ordinal scale does not give the investigator the level of precision required in a study, especially when strong statistical procedures are to be applied (Mugenda, 2008). Also, because the respondent is the sole data source for both independent and dependent variables, common method variance could introduce spurious correlation between the variables (Avolio, Yammarino & Bass, 1991; Jap & Anderson, 2004). However, a test of common method variance resulted in a value that

was within the acceptable thresholds, thus mitigating against the limitation.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

In this chapter, the researcher reviewed the literature in order of the theoretical framework, leading to discussions on variable of the conceptual framework. It also provided a detailed empirical review and critique vis à vis the objectives of the study. An identification of research gaps followed before concluding with a brief summary.

2.2 Theoretical Framework

2.2.1 Resource-Based Theory

Resource-Based theory views the firm as a bundle of resources and capabilities. These resources and capabilities are made up of physical, financial, human and intangible assets. The theory is conditioned on the fact that resources are not homogenous and are limited in mobility. The firm can translate these resources and capabilities into a strategic advantage if they are valuable, rare, and inimitable and the firm is organized to exploit these resources, Barney, (1991).Transitive or resource based which stems from the principle that the source of firms competitive advantage lies in their internal resources, as opposed to their positioning in the external environment. That is rather than simply evaluating environmental opportunities and threats in conducting business, competitive advantage depends on the unique resources and capabilities that a firm possesses (Barney, 1995). The resource-based view of the firm predicts that certain types of resources owned and controlled by firms have the potential and promise to generate competitive advantage and eventually superior firm performance (Ainuddin, *et al.,* 2007). According to the Network View, the firm is a node within a connection of players including rivals, suppliers, customers, institutions and other entities. These nodes are linked by individuals within their firms. These connections provide legitimacy and resources to the firm and the greater number and diversity of connections suggest the

strength of the firm. When a firm has greater levels of connectivity, it suggests that the firm has a higher degree of network centrality. These connections can also provide constraints on the firm and limit its freedom of action, Burt (1992). Transaction Cost Economics (TCE) simultaneously explains the purpose of the firm and limits, or boundaries, on the firm. The theory finds that the market may not always be the most efficient in organizing the economy but that in some cases the firm is internally better at some transactions. Because the actors/agents that populate both sides of the transaction are boundedly rational they contract but in imperfect ways. Moral hazard can arise when agents act in opportunistic ways, Granovetter (1995). Since this theory underscores resources and capabilities of an enterprise, it was relevant to this study in that it addressed the first objective of bricks and clicks model.

2.2.2 Resource Dependence Theory

This theory suggests that no firm can secure the resources and capabilities required to survive without interacting with firms and individuals beyond their boundaries. Firms will actively seek to control (either internally or externally) critical resources as best as they can within an environment filled with uncertainty and improve their chances of survival through adaptation to the environment. This theory suggests that firms are engaged in co-option (a mix of cooperation and competition), Ahuja, (2000). The profit-maximizing or external dependency theory, was based on the notion that business organization main objective is to maximize long term profit and developing sustainable competitive advantage over competitive rivals in the external market place. The industrial-organization (I/O) perspective is the basis of this theory as it views the organization external market positioning as the critical factor for attaining and sustaining competitive advantage, or in other words, the traditional I/O perspective offered strategic management a systematic model for assessing competition within an industry (Porter, 1981). This theory suggests that no firm can secure the resources and capabilities required to survive without interacting with firms and individuals beyond their boundaries and hence

addressed both the freemium model and cutting out the middle man model hence very relevant to the study.

2.2.3 Agency theory

Agency theory is about goal incongruence between owners, principals, managers, shareholders and those they employ (agents). It describes the firm as a nexus of contracts. Both sides in the contract operate with self-interest and guile. Contracts between parties operate best when they are efficient in sharing of risks and information and they recognize the variability of party's goals. Agency theory suggests that boards of directors act as monitors hired by shareholders over executives, Zajac and Westphal (2002).In addition, the muddling through or agency theory stresses the underlying important relationship between the shareholders or owners and the agents or managers in ensuring the success of the organizations. Finally, the rational theory draws the idea that there is no one or single best way or approach to manage organizations. Organizations should then develop managerial strategy based on the situation and condition they are experiencing. In short, during the process of strategy formulation, implementation and evaluation, these main strategic management theories will be applicable to management of organization as tools to assist them in making strategic and guided managerial decision. This theory emphasizes on goal incongruence between owners, principals, managers, shareholders and those they employ (agents) and hence corroborates with multilevel marketing model.

2.3 Conceptual Framework

A conceptual framework is a model of presentation where a researcher conceptualizes or represents the relationships between variables in the study and shows the relationship graphically or diagrammatically (Orodho, 2008). In this context, Orodho posits, a conceptual framework is a hypothesized model identifying the concepts or variables under study and showing their relationships. Kothari (2009) defines a variable as a concept that can take different quantitative value such as weight, height, or income.

Mugenda (2008), on the other hand, defines a variable as a measurable characteristic that assumes different values among units of specific population. The key variables in this study will be categorized as independent variables and dependent variable. Mugenda (2008) explains that the independent variables are called predictor variables because they predict the amount of variation that occurs in another variable while dependent variable, also called criterion variable, is a variable that is influenced or changed by another variable. The dependent variable is the variable that the researcher wishes to explain. This study will analyse how bricks and clicks model, cutting out the middle man model, freemium model, and multilevel marketing model influence the performance of WLCBMEs. The variables in the conceptual framework will be derived from the theories identified in this study. The derived conceptual framework that depicts this relationship is shown figure 2.1.

Bricks and Clicks Model
   • Web – Based
   • Paper - Based

Cutting out the Middle man Model
   • Banning
   • Social Media

Freemium Model
   • Perpetual License
   • Free Samples

Multi – level Marketing
   • Direct Selling
   • Network Selling

Performance of WLCBMEs
   • Sales Growth
   • Profitability

Independent Variables   **Dependent Variable**
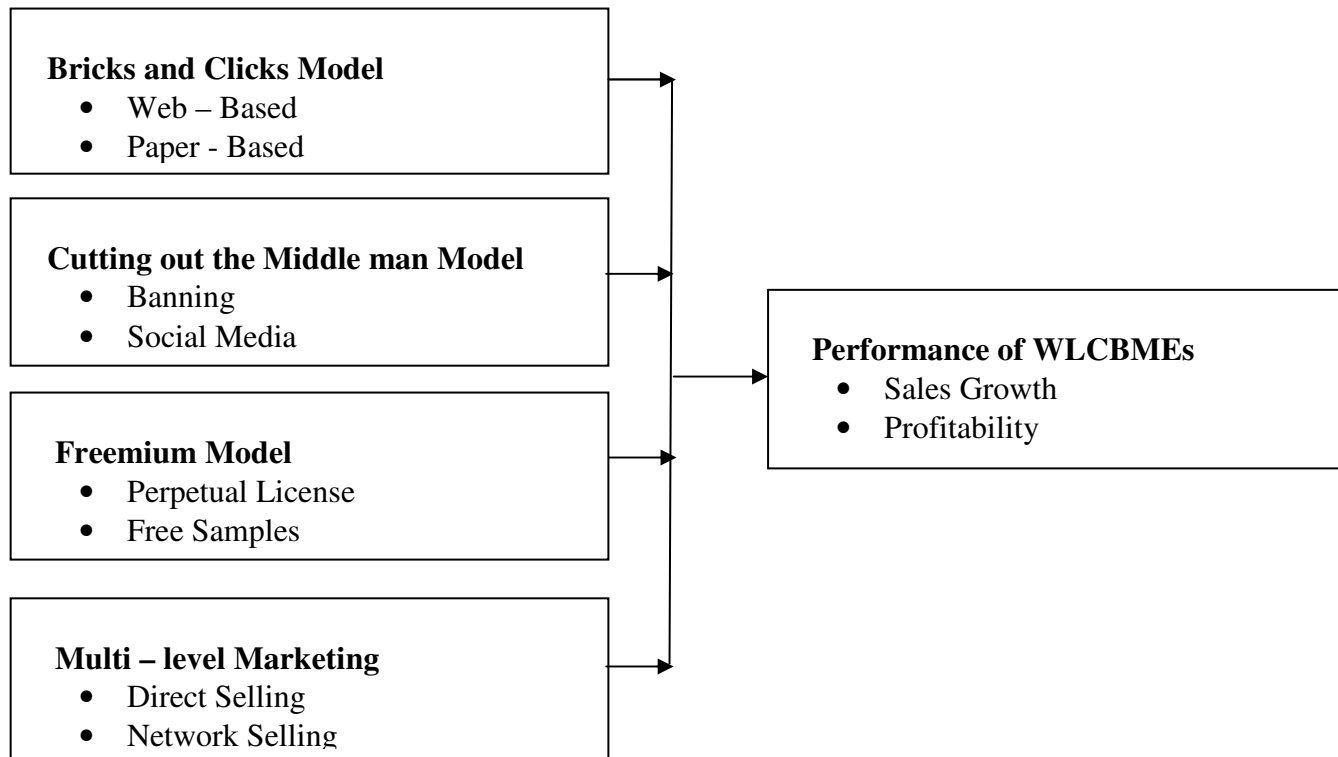
Figure 2. 1: Conceptual Framework.

2.4.1 Bricks and Clicks Model

Bricks and clicks business model (or sometimes called clicks and bricks) is one where a company conducts business both offline and online. Offline refers to doing business in person, such as having store locations or buildings; so this is where the "bricks" part of the title comes from. The word "clicks" relates to the clicking of a computer for online purchases and transactions. According to a December 2001 article on E-Commerce Times (a website for business and e-businesses), the bricks and clicks business model has many advantages. For one, it allows companies to benefit from doing online commerce that can reach a vast consumer population.

Additionally, the article on E-Commerce points out that consumers are happy with the efficiency and flexibility involved with online purchases, so this business method gives companies a competitive advantage. Due to technological advancements in our daily lives the need for digitization has arrived at workplace, homes, business houses to keep up with its pace. The greater use of web technology in the past years has made marketers to rethink on the methods of marketing to reach more consumers. So web marketing is use of internet by the marketer for marketing his products. The modern brick and click firms help the marketers today to combine the online capabilities of a website with a nearby local store to timely deliver the products to the consumers. Brick and click model now has replaced the traditional model of brick and mortar firms because of want of web technology. The history of Brick and click firms start with the emergence of internet where consumers could order a product online and the same being delivered to them by collaborating with a nearby store (Bansal, 2014).

To the question: "Do consumers prefer bricks to clicks?" While, the U.S. Census Bureau reports that retail e-commerce sales continue to grow, they still represented 4.7% of total retail sales (U.S. Census Bureau, 2013). So what is the future of e-commerce? Do consumers really prefer to buy from traditional retail stores, or do they prefer to shop online? The answer to this question has significant implications for manufacturers and retailers seeking to establish an e-business, for firms that want to expand their market

potential by tapping into customer segments that otherwise would not buy, or for manufacturers who are strategically contemplating dual supply chains (Chiang, *et al.,* 2013).

Online stores sell goods and services where the buyer places an order over an internet, extranet, electronic data interchange network, electronic mail, or other online system. It has been suggested that online retailing is a more convenient shopping channel for consumers because online stores offer greater time-savings (Szymanski & Hise, 2010). Consumers can more easily find merchants, products, and product information by browsing the web, reducing search costs, and eliminating the need to travel. Thus, consumers may prefer the convenience of online stores compared to traditional stores. In 2005, however, conventional stores rang up 97.5% of all retail sales compared to e-commerce's 2.5% share (U.S. Census Bureau, 2007a), so certainly convenience is not the only factor influencing consumers' decisions of whether to buy online or at a traditional store. Some costs of buying from an online store such as shipping and handling charges, or delayed consumption during the delivery period exceed those costs associated with buying from a traditional store (Liang & Huang 2008).

The Wall Street Journal (Wingfield, 2002) reported that, "Online buyers cite shipping discounts as more likely than any other promotion to encourage them to purchase goods. Amazon credits free shipping as a key factor in boosting its growth." For the 2002 holiday shopping season, 144 merchants on BizRate.com, an online comparison shopping site, offered free shipping to buyers and reported an increase of 31% from the number of online retailers in 2001 (Zimmerman *et al*.,2012). Understanding consumer's acceptance level of online stores appears crucial in a business-to-consumer e-business context. Determining what consumers' value, and how online stores compare to traditional stores on valued attributes is a necessary first step in resolving the bricks or clicks question. Keeney (2009) interviewed consumers about the pros and cons of Internet commerce and qualitatively categorized their responses into objectives (attributes) such as maximize product quality, minimize cost, minimize time to receive

the product, maximize convenience, and maximize shopping enjoyment. Such "voice of the customer" interviews (Griffin & Hauser, 2003) are valuable in identifying the attributes upon which customers distinguish one store-type from another. Several studies recently published seek to explain consumers' acceptance of online shopping. In an empirical study of consumer willingness to buy from online retailers, Liang and Huang's (2008) respondents stated that they preferred to buy some products (shoes, toothpaste, microwave oven) from traditional stores and other products (books and flowers) from online stores (although only 28 of the 86 student respondents had online shopping experience). The authors explained this acceptance of online buying using consumer perceptions of transaction-costs associated with shopping (composed of seven indicators: search, comparison, examination, negotiation, payment method, delivery, and post-service costs), uncertainty (product and process indicators), and asset specificity (site, human, special, temporal, and brand asset indicators). Missing from their structural equation model analysis are any direct measures of the relative importance of each of these indicators.

Moreover, the structure of their model of online acceptance is under-identified (Fisher, 2006; Hess, 2012), so their empirical results do not necessarily measure the intended relationships. Szymanski and Hise (2010) investigated consumers' satisfaction with Internet shopping. They found that greater satisfaction with online shopping is positively correlated with consumer perceptions of the convenience, product offerings, product information, site design, and financial security of an online store relative to traditional stores. The authors did not experimentally manipulate perception levels, so this correlational study cannot impute causation. The question of whether perceptions of convenience cause satisfaction or satisfaction causes perception of convenience is left unanswered. Their survey also does not attempt to measure differences in satisfaction across product categories, nor does it measure consumers' overall attitude toward online stores compared to traditional stores. Further, their survey of consumers' satisfaction with online shopping necessarily excluded people who shop only at traditional stores.

Degeratu *et al.* (2010) studied the decision of individuals to use Peapod online grocery shopping. They gathered a sample of Peapod online buyers and a matching sample of individuals who did their grocery shopping in traditional supermarkets. As part of their broader study of brand preferences, their random utility model specified an indirect utility function for online versus offline shopping that depended only on the income of individuals. Perceptions of online grocers versus traditional grocery stores were not measured. While demographic measures are valuable in describing differences between online versus traditional grocery store buyers, such variables do not address Kenney's (2009) call to understand and quantify customer values. A single demographic measure, in contrast to measures of a variety of attribute perceptions, does not provide a very rich answer to the question of why some people shop online and others in a traditional store. Bellman *et al.,*(2009) analyzed the responses of over 8000 participants in the Wharton Virtual Test Market who completed an initial survey about online buying and attitudes. Their logistic regression model found that online experience (web browsing) was the dominant predictor of whether or not the respondent had ever bought anything online.

2.4.2 Cutting out the Middleman Model

Sandredo (2006) posits that cutting out the middlemen is the removal of intermediaries in a supply chain. Instead of going through traditional distribution channels, which had some type of intermediate (such as a distributor, wholesaler, broker, or agent), companies may now deal with every customer directly, for example via the Internet. Disintermediation may decrease the cost of servicing customers and may allow the manufacturer to increase profit margins if total costs are actually decreased by eliminating distributors or resellers. Despite the superficial attractions of "cutting out the middle man," organizing direct procurement can have high transaction costs for private players, and have mixed outcomes. In Mexico, Wal-Mart recently tried to buy strawberries direct from the farmers, but withdrew due to high costs (Berdegué *et al.,* 2008b).

Given these costs, a business model that works with chain intermediaries, either traditional or new, can offer the opportunity to be profitable in, price-sensitive markets. It is much easier for retailers setting up in emerging economies to procure from traditional wholesalers, and leave the wholesaler to grade for physical quality, unless there are strong market incentives to guarantee product quality, consistency, safety and traceability (Bill *et al.,* 2014). In Chinese horticulture, where the market is characterized by 50 million autonomous producers, selling on spot terms through five million small traders, where the retail market is very competitive and few companies are making money, and where the majority of customers are not willing to pay for top-class produce, the economics of backwards integration are particularly daunting. Although many supermarkets profess to be putting vertical coordination in place, the majority of trade is via traditional traders.

There are, however, some very promising models of upgraded or new intermediaries that are introducing food safety, consistent quality, year-round supply and innovation, at a competitive price. Private companies are emerging as important intermediaries that enable small-scale farmers to supply to supermarkets, as indicated by World Bank (2007a) and Sandredo (2006). Models of intermediation usually include a strong dose of service provision, including finance – usually by the intermediary organization or specialized providers – to balance the needs of both small-scale farmers and the realities of emerging modern markets in terms of quality and volume. These new intermediaries are characterized by increased knowledge management (to improve chain coordination and quality), closer links to buyers, and incentives for product and process upgrading. This can be an important new role for NGOs, though there is a growing appreciation of the efficiency benefits of upgrading existing intermediaries. Much more common at present is market-oriented but traditional traders taking steps to improve quality in their supply chains, where suppliers produce to the traders' specifications (crop management, harvesting, packaging), and where the traders invest in supplier training and other

investments (Bill *et al.,* 2014). A very interesting example of a butter head lettuce supplier to Ho Chi Minh City in Vietnam has been identified by Cadilhon (2006).

The farmer collectors who supply the intermediary train farmers to grow and harvest high quality lettuce. Through this collaboration, and through investments and forward planning with regular suppliers, the intermediary only gets high quality product. Models focused on intermediation achieve efficiency gains through greater organization along the whole chain through improved information flow and shared standards. According to Bill *et al.* (2014), the development of transparent pricing mechanisms is an important tool. All actors know the final prices and the intermediary margin, thus avoiding windfall profits for the intermediary organization when market conditions improve and providing an incentive to increase volumes. In other cases, prices are set based on product models on a yearly basis. Regardless of how prices are set, clarity on how prices reflect production costs, relative risks and returns is critical to assure greater equity along the chain and to minimize the chance of relationships breaking down (Bill *et al.,* 2014).

2.4.3 Freemium Business Model

The freemium business model stipulates that a product's basic functionality be given away for free, in an environment of very low or no marginal distribution and production costs that provides the potential for massive scale, with advanced functionality, premium access, and other product specific benefits available for a fee (Teece, 2010). The ultimate logistical purpose of the freemium business model—and the source of the advantages it affords over other business models—is the frictionless distribution of a product to as large a group of potential users as possible. Freemium, like subscription, perpetual license, or service-based pricing models, is just a tool among many that helps your customers buy your product.

Your first job is to understand your customers' pain and build a product to solve it. Once you've done that, you can start asking questions about how they want to buy your

product and figure out if freemium is the right way to go. When content providers first adopted social computing features, they resorted to advertising as their base revenue model. However, advertising is essentially "flat"; it does not utilize the insights that come with better understanding of users' behavioral dynamics in a social context. The different levels of participation call for a business model that better allows for user segmentation. An emerging business model that allows for such segmentation is the freemium (or two-tiered) model, wherein basic services are provided for free, and premium services are offered for a fee (Doerr *et al.,* 2010; Hung 2010; Riggins 2003;Teece 2010).

The underlying assumption of the freemium model is that delivering a product for free can attract a large number of users and encourage participation, and a small fraction of participants will pay for the premium offer. A careful strategy for user segmentation and a tailored attractive premium offer are the key to the success of the freemium model. One widespread approach is offering a portion of the content for free and the rest for a fee. However, researchers have stressed that this may result in lower perceived value of the free content, causing lower demand levels (Brynjolfsson et al. 2003; Fitzsimons and Lehmann 2004; for opposing results Zeithaml, 1988), as well as slower growth of the consumer base for the free service (Pauwels &Weiss, 2008). Drawing from the literature on levels of participation in online communities, Gal and Lior (2013) show that consumers' willingness to pay increases as they climb the so-called "ladder of participation" on the website. Moreover, the study found that willingness to pay is more strongly linked to community participation than to the volume of content consumption.

Gal and Lior (2013) extend the results by estimating a hazard model to study the effect of community activity on the time between joining the website and the subscription decision. The results suggest that firms whose digital business models remain viable in a world of "freemium" will be those that take a strategic rather than techno-centric view of social media that integrate social media into the consumption and purchase experience rather than use it merely as a substitute for offline soft marketing. The study provide

new evidence of the importance of fusing social computing with content delivery and, in the process, lay a foundation for a broader strategic path for the digital content industry in an age of growing user participation.

2.4.4 Multilevel Marketing Business Model

Multilevel marketing, also known as network marketing, or direct selling is a model in which a manufacturer (network marketing firm) pays people outside the company to sell its products and services directly to consumers (Harris, 2004). In return, each salesperson is given the opportunity to build his or her own network marketing organization (NMO) by recruiting, training and motivating others to sell the same products and services (Vander Nat & Keep, 2002; Harris, 2004). The network marketing organization is a growing form of business organization (Sparks & Schenk, 2001, 2006).

Although the NMO has emerged over the decades, only a limited number of empirical studies have been published. The first comprehensive study of NMOs was conducted by Biggart (1989) from a sociological perspective, while the existing empirical studies mainly cover areas of transformational leadership (Sparks & Schenk, 2001), organizational socialization (Bhattacharya & Mehta, 2000; Sparks & Schenk, 2006), organizational citizenship (Sparks & Schenk, 2006), organizational identification (Pratt, 2000; Sparks & Schenk, 2006), entrepreneurial motivation (Kuntze, 2001), ethnic entrepreneurship (Lin, 2007) and spirituality in NMOs (Grob, 2010). Among these studies, Lin (2007) is the only one that focuses on Chinese immigrants in the network marketing business.

These studies deepen our understanding of NMOs, but a critical issue of how the entrepreneurship of network marketers contributes to their business success has not been given sufficient attention. What is even less well known is how the social environment in a NMO affects the network marketer's behaviours in conducting their business. There is a substantial difference between the methods of operating a conventional small business and a network marketing business. In most cases, each conventional small business owner operates his/her business independently, whereas different network marketing business owners work collectively and operate their businesses together, in spite of the fact that each of them is responsible for his/her profit and costs (Biggart, 1989, Bhattacharya & Mehta, 2000). Collectively working allows network marketers to

share resources and risks faced in operating their business (Biggart, 1989, Bhattacharya & Mehta, 2000), which substantially reduces the barriers or hurdles for Chinese immigrants to start their network marketing businesses (Bhattacharya & Mehta, 2000).The main entrepreneurial activities undertaken by network marketers can be summarized as the combination of selling products, recruiting new network marketers and supporting and training them to do the same things (Granfield & Nicols, 1975; Biggart, 1989; Bloch, 1996; Pratt, 2000; Koehn, 2001; Sparks & Schenk, 2001; Sparks& Schenk, 2006).

Understanding how network marketers succeed through their actions is essential for theorists to comprehend this model. Network marketing gives several distinct advantages, such as, securing distribution and sales quickly at a relatively low fixed cost, gaining consumer acceptance for a new product particularly when this involves a new entrant in that product industry, gaining entrance to a market while avoiding excessive promotional and advertising expenses as well as potential price wars and earning a potentially higher rate of return on sales by eliminating large outlays for media advertising (Granfield & Nicols, 1975).Some scholars describe network marketing as a method of non-store retailing (e.g., Kustin & Jones, 1995; Msweli & Sargeant, 2001) because it involves face-to-face communication between a sales representative and a potential buyer (Vander Nat & Keep, 2002).

Almost all salespersons representing network marketing firms operate as independent contractors rather than employees (Vander Nat & Keep, 2002). The major area of competition between the network marketing firms occurs in the labour market and they vigorously compete against each other to attract full- and part-time independent contractors (Granfield & Nicols, 1975).NMOs are based on one or both of two substantive values: a belief in entrepreneurialism and a belief in the transformative power of products (Biggart, 1989) to attract newcomers to the business. They claim themselves as a way for the"ordinary" person to attain wealth and status without such barriers to entry as IvyLeague education, high social position, or significant inheritance

(Kuntze, 2001).

According to Biggart (1989), NMOs open their doors to everyone who wants to try.In the NMO, the sales force is generally paid through a commission system (Kustin & Jones, 1995; Vander Nat & Keep, 2002; Harris, 2004) which provides maximum selling motivation in terms of monetary compensation. NMOs have to provide continuous training in order to motivate their sales force as a result of the difficulties in conducting network marketing business (Vander Nat & Keep, 2002) and high turnover among salespersons (Msweli & Sargeant, 2001; Vander Nat & Keep, 2002). A lack of motivation, poor training and high sales forces turnover can have a detrimental effect on operating expenses, sales, and customer loyalty (Vander Nat & Keep, 2002).

2.4.5 Performance of Microenterprises

Dianne *et al* (2013) in their study on microenterprise performance and microenterprise zones (MEZOs) in China in which a total of 150 randomly selected microenterprises located in a MEZO in Changchun, an industrial city in Northeast China, completed a survey consisting of a three-part measure of microenterprise performance developed by Zinger et al. and entrepreneurial orientation. Factor analysis was performed on 11 management issues and correlation analysis was performed. The study found that key management practices, marketing capability, and technology capability of microenterprises in MEZOs do have a positive impact on performance sales, net profit, and growth.

Mohammad (2004) in the study of stagnated Growth of Microenterprises and Flawed Role of Credit NGOs : Evidence from Bangladesh, asserts that since the 1970s, the funding of microenterprise by the credit non-government organizations (CNGOs) in developing countries such as Bangladesh has been recognized as a means of creating job opportunities for the rural poor. Despite injection of substantial amount of microcredit by the CNGOs, a large number of microenterprises do not survive for long and those who survive do not grow beyond the subsistence level. This paper advances the

argument that a low survival rate as well as stagnated growth of microenterprises owe to the flawed developmental role of the CNGOs. The author provides evidence from Bangladesh in support of such contention. The paper concludes that unless the CNGOs play flawless development roles, low survival rate and persistent stagnated growth will haunt the microenterprises in developing countries. Jerry (2006) did an analysis of strategic issues in institutionalizing a financial systems approach for microenterprise development in Africa. Based on the view that micro-entrepreneurship is a way of life and a means of livelihood for West Africa's poor, and that lack of credit is a formidable obstacle to microenterprise development, the paper makes a case for institutionalizing a financial systems approach, which was developed by microenterprise financing practitioners to provide poor people world-wide with savings and credit services, leading to their self-sufficiency and integration into mainstream financial systems. It proposes a four stages approach which are discussed, along with the tasks in each stage. The paper posits that implementing the approach must be a joint task among society's four key stakeholders-the public, corporate, non-profit and grassroots sectors.

Muhammad (1997) studied the partnership financing of microenterprises. The paper reviews the progress of the institutions relating to financing of the microenterprises. It proposes a participatory financing scheme as an alternative to the interest-based lending schemes, highlights the theoretical framework of the scheme and examines its practical performance. The paper also advances the opinion that if the details of the scheme are properly disseminated, then it is likely that its efficiency and equity features will attract the commercial banks worldwide.

2.5 Empirical Studies

Major strategic issues in women-led community based microenterprises include proper financial management skills, lack of or inadequate access to relevant training and education, haphazard business operations with no clear strategy in the face of stiff competition, escalating costs of production, regionalization and globalization among others (Zororo 2011, Women entrepreneurs in Kenya, 2008). Felipe *et al.*(2014) in their

study of institutional entrepreneurship in building the Brazilian market of functional yogurts and basing their argument on theoretical basis from business studies and institutional economics, explore factual evidence of strategic moves by dairy firms in Brazil. The study found out that Danone, despite being a second mover, has been able to effectively make use of new values and collective concerns regarding food functionality to create a favourable institutional set in which to operate. Other firms have not been able to challenge its position in the market, simply abiding by the concepts and values created by Danone. Oliver *et al.* (2009) did a study on performance of microenterprises in Ghana: a resource-based view used the relevant literature for both microenterprise performance and the resource-based theory is reviewed. Data from the 1998/1999 Ghana Living Standards Survey are analyzed using ordinary least squares, followed by robustness checks. The study found that factors embodied in firm-specific resources jointly impact enterprise performance.

However, sector/market factors also play a role, suggesting that the interaction between microenterprise, sector, and market factors helps explain enterprise performance. Barbara (2001) did a study on microenterprise as a practical alternative to maquiladoras. US financial institutions and non-profit organizations are providing micro-financing, training and organization to promote microenterprises in developing countries. These enterprises, though small, contribute to self-sufficient development at the grassroots level. Paul (2005) in the search for an MBA for small firms and microenterprises development issues is critiqued using relevant recent literature concerning small firms and learning, and MBAs and small firms. A description is given of the research methods employed involving a mail questionnaire sent to 600 small and microenterprises eliciting 99 completed questionnaires, and follow-up interviews with a sample of 20 respondents. The researcher identified a potential market for an MBA tailor-made to the requirements of a "learning segment" of small firm owner-managers. The researcher found out that owner-managers have sophisticated product requirements to be satisfied which would necessitate significant changes in higher education course provision and processes.

Donald *et al.* (2011) did a study on sources of enterprise success in Amish communities. The research employed qualitative ethnographic methods that included participant observation, face-to-face interviews with business owners in eight states, and document analysis. The paper reports that Amish businesses have a success rate above 90 percent, which is much higher than that of other American small businesses. Five types of socio-cultural capital (human, cultural, social, religious, and symbolic) account for the high success rate of Amish enterprises. Nnamdi and Anayo (2010) carried out a study on micro-credit for microenterprises?: This study of women "petty" traders in Eastern Nigeria was based on in-depth interviews with women micro-entrepreneurs drawn from a convenience sample of 20 petty traders in the market town of Awka – the capital of a state in Eastern Nigeria. The paper identified three main constraints – internal, socio-cultural and policy induced – as the key moderating influences on women petty traders' ability and access to micro-credit. Ana *et al.* (2012) did a study on credit risk assessment and the impact of the New Basel Capital Accord on small and medium-sized enterprises: An empirical analysis, using panel data from a representative sample of Portuguese SMEs operating in the food or beverage manufacturing sector, this paper develops a logic scoring model to estimate one-year predictions of default. The paper found that the probability of non-default in the next year is an increasing function of profitability, liquidity, coverage, and activity and a decreasing function of leverage. Smaller firms and those with just one bank relationship have a higher probability of default. The findings suggest that a main bank has incentives to engage in hold up by increasing margins that ex post are too high.

2.6 Critique of Reviewed Literature

Hill *et al.*(2004) argue that traditional definitions of strategy stress that an organization's strategy is the outcome of a rational planning process. The existing basic rational model consists of the overall traditional conception that major decisions in regards to strategy are undertaken by top management with goals being formulated, analyses being undertaken, strategies being chosen for the different functional levels within the

organization, and finally the methods by which these strategies would be implemented within the organization. Hendry (2005) adds that this is generally done with the implicit belief that the top management of the company is able to appraise and analyze the internal and external environment around them, the company's performance, and come up with a strategy with the greatest certainty of success.

The rationalistic model of strategy, often presented as the dominant paradigm in strategic management (Hendry, 2005: 957-959 and March, 2006) – has long been a subject of interest in organization theory and strategic management (Eisenhardt & Zbaracki, 2002; Langley, Mintzberg, Pitcher, Posada, & Saint-Macary, 2001). Although the many criticisms that have been labeled at it have tended to weaken its position; it still plays a key normative role in research and teaching (Langley, 2001: 598), as evidenced by the renewed interest for this perspective in recent years (Dean & Sharfman, 2006; Elbanna, 2006; Elbanna & Child, 2007a, b; Forbes, 2007; Hendry, 2000; March, 2006). The strong normative status of the rationalistic model in strategic management has proved fruitful. The model can be used to determine an organization's mission, vision, values, goals, objectives, roles and responsibilities. The model has proved critical tool in strategy formulation and implementation processes (Bumpus, 2005).

 As with any management tool, it is used to help an organization do a better job. It is used to focus its energy, to ensure that members of the organization are working toward common goals, to assess and fine-tune the organization's direction in response to change (Nonaka, 2002). Essentially, strategic management is an effort to produce decisions and actions that guide what an organization is, what the organization does, and why it does it. Being rationally strategic means being clear about the organization's objectives, being aware of the organization's resources, and incorporating both into being consciously responsive to a dynamic environment. The process is about planning because it involves intentionally setting goals (i.e., choosing a future) and developing an approach to achieving those goals (Mintzberg & Waters, 2001).

According to Hart (2002), the rational goal approach focuses on the organization's ability to achieve its goals. An organization's goals are identified by establishing the general goal, discovering means or objectives for its accomplishment, and defining a set of activities for each objective. The organization is evaluated by comparing the activities accomplished with those planned for. These criteria are determined by various factors.

The rational model focuses on thoroughness of analysis (Chaffee, 2005; Nonaka, 2001) and evaluation of all possible courses of action (Mintzberg, 2001). The metaphor of information processor (Hart, 2002) could be used to describe those who employ this strategy-making process. Formal, structured analyses (Shrivastava & Grant, 2005; Ansoff, 2004), such as environmental scanning, portfolio analysis, and industry analysis (Porter, 1999), are used in this rational strategy-formulation process to define opportunities and threats (Steiner, 1999; Grandori, 1994). The result of this process is a highly detailed plan of action with multiple alternative courses of action, detailed with financial and resource related information (Chaffee, 2005). This approach often features the classic S.W.O.T. (strengths, weaknesses, opportunities, threats) analysis to develop strategy.

This rational approach (Allison, 1991; Hart, 1992) is descriptively and operatively similar to the planning approach to strategy making described by Mintzberg (2001) and Mintzberg and Waters (2001), Nutt's (1994) bureaucratic approach, Grandori's (1994) optimizing approach, the collaborative approach of Bourgeois and Brodwin (2004), Shrivastava and Grant's (2005) systematic bureaucracy, Chaffee's (1995) linear approach, Ansoff's (2004) systematic approach, Nonaka's (2001) deductive approach, Grant's (1991) and Vicente-Lorente's (2001) resource-based approach, Herring's (1992) intelligence approach, Duncan, Ginter, and Swayne's (1998) competitive advantage approach, and Li and Deng's (1999) analytical approach to strategy making. Each of these articulations incorporates an assessment of the organization and environment, combined with an assumption that the environment and industry are not changing

rapidly. Managers own the chief task of rational assessment, while employees' input may or may not be used in the process.

Examples of the rational model are fairly prevalent in industry. Texas Instruments and IBM have received widespread attention for the comprehensiveness of their formal planning systems (Hart, 2002). Organization members' roles in the rational strategy-making approach are limited by employee access to, and ability to share, and use necessary data and information (Hart, 2002).

Rational approach effectively permeates strategy formulation actions which include planning and decision-making involved in developing organization's strategic goals and plans.It does suffice tosay that strategy formulation is a rational process (Barney & Hesterly, 2006). When complicated decisions have to be made -whether about salaries, layoffs or growth strategy -executives often rely on their underlying values to help them sort through possible options. Profit maximization and rationality form the basis of one such set of values, one frequently used by executives when making these decisions.By making things quantifiable and rational, executives can have more confidence in their decisions, even when they create uncomfortable outcomes (Champoux, 2006).

In rational model approach, managers believe that precise ends should be sought through precise and calculated means. Supporters of the rational approach believe, the best method for attaining this desired outcome is by focusing their attention on quantifiable activities that can be observed and measured. In this way, the uncertainties associated with opportunistic behaviors and the environment can be managed. It is a logical, sensible approach and one that many executives seem to believe in (Johnson, Scholes & Whittington, 2005).

Given the pressures of the modern business environment, and the fact that the rational approach has been considered the standard among academics for so long, that makes sense: The rational approach is one that uses profit maximization as the guiding principle and so Wall Street, at least, surely supports it. With all these notwithstanding,

the basic premise of strategic management is that the chosen strategy should achieve the organization's mission and objectives.

According to Vicente-Lorente (2001), a firm's successive strategies are greatly affected by its past history and often take shape through experimentation and ad hoc refinement of current plans, a process James Quinn has termed as logical instrumentalism. Thus, rationalistic approach accommodates the reexamination of past assumptions, the comparison of actual results with earlier hypotheses and control systems which have become a common feature of strategic management.

Management control refers to the process by which an organization influences its subunits and members to behave in ways that lead to the attainment of organizational objectives (Arrow, 1994; Flamholtz, Das, & Tsui, 1995; Ouchi, 1997).Management control is a systematic effort to set performance standards with planning objectives, to design information feedback systems, to compare actual performance with these predetermined standards, to determine whether there are any deviations and to measure their significance, and to take any action required to assure that all corporate resources are being used in the most effective and efficient way possible in achieving corporate objectives.

Most specifically, asserts Elbanna and Child (2007b) that evaluation and controls is thus the process by which corporate activities and performance results are monitored so that actual performance can be compared with desired performance. The process can be viewed as a five step feedback model, i.e. determination of what to measure, establishment of standards of performance, measuring actual performance, comparing actual performance with the standard and taking corrective action.

The rational management approach appreciates the implementation of controls before an activity commences, while the activity is going on, or after the activity has been completed. The three respective types of control based on timing are feed forward, concurrent, and feedback. Evaluation and control information consists of performance

data and activity reports (Forbes, 2007). The involvement of top management is significantly crucial. If however, the processes themselves cause the undesired performance, both top managers and operational managers must know about it so that they can develop new implementation programs or procedures. Indeed, in rational management systems, there is the assertion that, evaluation and control information must be relevant to what is being monitored (Elbanna, 2006). Elbanna further notes that, one of the obstacles to effective control is the difficulty in developing appropriate measures of important activities and outputs.

According to the theories examined above, there is therefore, strong indications that there is a causal relationship between strategic management approach to managing and doing business (microenterprises in this case) treated here as the independent variables and the institutional performance being the dependent variable.

2.7 Research Gaps

A number of studies have been done on business models. For example David (2004) conducted a study on business model for the new economy which showed that the success of organizations and the move by some of the largest corporations in the world towards a model within which assets are managed rather than owned has led to significant changes not only in structure, but also in attitudes and managerial behavior. According to the study, the "new business model" has five common attributes, the firm should: be cash flow driven; focus on return on investment; function with distributed (leveraged) assets or low capital intensity; do so with a single minded view on core assets and distinctive capabilities; and develop competitive advantage by relevant positioning within its industry value chain. The study failed to elaborate more on the relationship between the dependent and independent variables.

Briffaut and Saccone, (2002) on the other hand, conducted a study on business performance sustainability through process modelling and found out that sustaining business performance in an ever changing economic and technical environment is a

challenge to be addressed with relevant management implements. The study concluded that, this goal can be achieved by using business modelling by processes allowing for costing deliverables, controlling operations and designing information systems aligned with business procedures and organization. The gap which was left to be admired in this study was to aspect of to what extent are these variables related.

Finally, Sujith *et al*., (2012) in the study on the impact of knowledge brokering on performance heterogeneity among business models found out that the flexibility that the business model acquires is determined by how efficiently resource accumulation is aligned with its external environment. However these studies do not show the importance of business models on performance; neither do any of them link the strategic business models to the performance of women – led community based micro - enterprises. The current study therefore focused on filling in this gap by looking at the influence of strategic business models on performance of women – led community based micro – enterprises.

2.8 Summary of the Literature Review

In this section the researcher carried out an extensive literature review that provided a strong basis for this research. The theoretical and empirical reviews done indicated that there was likely to be a strong causal relationship between strategic management of business activities and the success or failure of these businesses in various parts of the world among women. Kenya is no exception and so, the need to investigate whether this very important strategic tool, the business model, is present to play its strategic role in the success of the WLCBMEs in Kenya, to meet the objectives of vision 2030.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

In this chapter the study proposed some techniques that maybe used to handle the data towards achievement of set objectives. In the current study, there are quantitative and qualitative methods implied. It was arranged into these sub-headings: research design, target population, sampling techniques and sample size, research instrument, data collection procedures, and data analysis techniques.

3.2 Research Philosophy

The study was also guided by an epistemological research philosophy. There are three epistemological positions: realism, interpretivism and positivism (Saunders, *et al.,* 2009). This study adopted a positivist research paradigm which is an epistemological position. Positivism is characterized by a belief in theory before research and statistical justification of conclusions from empirically testable hypothesis, the core of tenets of social science (Cooper & Schindler, 2011).

Epistemological research in the positivist paradigm is how the social world can be investigated as natural science (Koul, 2008). Hypotheses have to be tested by empirical approaches. Koul (2008) posits that since the focus of the positivist paradigm is to discover the 'truth' through empirical investigation, the quality standards under this paradigm are validity and reliability. Gordon *et al.* (2011) conducted a study on the impact of information security breaches and used a positivist research paradigm. It is for this reason that the current study adopted this paradigm.

3.3 Research design

The current study used mixed methods research which was guided by cross-sectional

survey design. According to Orodho (2008), a research design is the arrangement of conditions for collection and analysis of data in a manner that aimed to combine relevance to the research purpose with economy in the procedure. Orodho (2008) asserts that the decisions regarding what, where, when, how much, by what means concerning an inquiry or research study constitutes a research design. Research design constitutes the blue print for collection, measurement and analysis of the data (Cooper & Schindler, 2011; Kothari, 2009). Cooper and Schindler (2011) posit that research design enables the researcher in allocation of limited resources by posing crucial choices in methodology. Kothari (2009), on the other hand, clarify that the design includes an outline of what the researcher will do from writing hypothesis and its operational implications to the final analysis of data. Mixed methods research allows a researcher to combine elements of qualitative and quantitative research approaches (Johnson, *et al.,* 2007). Mixed method research was justified to be used by the current study because previous studies of similar characteristics used this approach for example, Kusumawardhani (2013) in the study on The Role of Entrepreneurial Orientation in Firm Performance: A Study of Indonesian SMEs in the Furniture Industry in Central Java, used mixed methods research and achieved the stated objectives. It is for this reason that the current research strongly applied this approach.

According to Kothari (2004) cross-sectional survey design, helps with hypothesis formulation and testing the analysis of the relationship between variables. Therefore this design was appropriate for this study which extensively test the analysis of the relationships between variables. Which is the current study interested in using cross – sectional survey design? In their study on Evaluation of Information Security Management System Success Factors: Case Study of Municipal organization, Kazemi *et al.* (2012), used a cross-sectional survey design.

3.4 Target population

According to Brogan and Gall (1989) target population is the number of a real or hypothetical set of people, events or study which a researcher wishes to generalize on.

Orodho, (2005) states that a population, sometimes referred to as a target population is the set of elements that the researcher focuses upon and to which the results obtained by testing the sample should be generalized. The target population for the study was 781 WLCBMEs in Suna East Sub County. The sample size consisted of women micro-entrepreneurs, employees of the microenterprises, from the 54 women-led community based microenterprises.

Table 3.1 Women Led Community Based Micro - Enterprises

Rank	WLCBMEs	No. of Members
1	Kori Women Group	13
2	Winyo B Women Group	11
3	Kanyo Kelo	11
4	New Posta Hass	12
5	Rogo New Kona Mbaya	15
6	Asdete	12
7	Rongo Lowjona	15
8	Future Hope	11
9	Junction	18
10	Kogola	12
11	Rongo crown community	18
12	Maka to Amaki	12
13	Galee Venture	11
14	Monkarange	13
15	Home square	12
16	Osega	12
17	Kohego	14
18	Kespa	18
19	Tuinuane Tragwiti	15
20	Gonkoge	12
21	Nyinam	18
22	Haki na Jasho	11
23	Mambo Yote	10
24	Semawazi initiative	10
25	Tongotane	11
26	Rafiki	10
27	Mwenge	12
28	Sasa ladies	13
29	Mamoke	11
30	Baraka Huruma	13
31	Revival	15
32	The Nyamwinara's	15

33	Tawakal	18
34	Imani Border	13
35	Tumaini	17
36	Planet	18
37	Ambassador	19
38	Amka Pamoja	13
39	Maendeleo Nyamaranga	14
40	Bokeye	15
41	Samaria	16
42	Furaha Maedeleo	17
43	Rag	14
44	Tumaini	15
45	Amka Ujisaidie	16
46	Soloset	17
47	Injili Moto	18
48	Furaha Maendeleo	19
49	Shalom	11
50	Peace	12
51	Abulala	13
52	Isabania Central	11
53	Tushirikiane	14
54	Star Ngombe	15
Total		**781**

Source: Suna East Sub – County, 2015

3.5 Sample and Sampling Techniques

The essential requirement of any sample is that it be as representative as possible of the population from which it is drawn. In carrying out this study probabilistic sampling was adopted. This is to imply that all the members of the population stood a chance of being selected for the study (Panneerselvan, 2007). Sampling was done in two stages where in the first stage stratified sampling was used. This technique minimized the fear that certain groups within the population may have been under-represented. In the study on employee organizational commitment, Rego and Cuhna (2007) found that committed

people tend to devote higher efforts to work, thus contributing to organizational performance. Since members' commitment is related to performance, WLCBMEs was ranked and then categorized into four groups. The reason for ranking and grouping included all categories of microenterprises. Two microenterprises were then selected from each group in both categories making a total of twenty eight. Two microenterprises in a group of four was adequate as it amounted to 50% representation in each group. Simple random sampling was also used to select representatives from the selected microenterprises. This gave all objects an equal chance of being included in the sample.

3.5.1 Sampling Frame

A sampling frame consists of a list of items from which a sample is to be drawn. The sampling frame consisted of the entire members in the 54 public microenterprises as shown in Tables 3.1. A representative sample was selected from the sample frame.

3.5.2 Sample Size

The sample size was calculated using Kothari (2009) formulae.

$$n = \frac{z^2 p.q}{e^2}$$

Where;

n = sample size

p = proportion of population (50%) containing the major attribute of interest,

$q = 1\text{-}p$,

z = Standard variation given confidence level of 95% and,

e = Acceptable error of 5% (normally written as 0.05)

A sample size of 384 will therefore be determined by the following computation;

$$\frac{1.96^2 * 0.5 * 0.5}{0.05^2}$$

$n = 384$

The assumption of the formula is that 50% of the subject of interest will be studied. The acceptable precision of 5% is chosen to ensure a higher confidence level of results of the study. The sample to be drawn from each sub-location was distributed through. However, since the target population to the study (781) is less than 10,000, the final sample size estimate could be adjusted as recommended by Mugenda (2003).

$$fn = \frac{n}{}$$

$$1 + n/N$$

Where:

fn= is the sample size when population is less than 10,000

n = the sample size when the population is above 10,000

N = the population of the target sub-population

fn = ___384___

1 + 384/781 Therefore sample size (Respondents) = 257

To obtain the sample percentage for the respective group, the following calculation was carried out: (257/781) X100 = 32.91%.According to Gay (1981), ten percent of accessible population is enough for a survey. The figure (32.91%) obtained has been used in the calculation of the number of respondents to be included in the sample from each of the women-led community-based micro-enterprises selected. In their studies on employee organizational commitment Barbara (2003) and Cohen (1996) used a sample of 361 and 238 respondents respectively and therefore 257 respondents was an appropriate sample in this study. The respective samples are shown in Table 3.3.

Table 3.2 Sample Size

Rank	WLCBMEs	No. of Members	Sample Size
1	Kori Women Group	13	4
2	Winyo B Women Group	11	4
3	Kanyo Kelo	11	4
4	New Posta Hass	12	4
5	Rogo New Kona Mbaya	15	5
6	Asdete	12	4

7	Rongo Lowjona	15	6
8	Future Hope	11	4
9	Junction	18	6
10	Kogola	12	4
11	Rongo crown community	18	6
12	Maka to Amaki	12	4
13	Galee Venture	11	4
14	Monkarange	13	4
15	Home square	12	4
16	Osega	12	4
17	Kohego	14	5
18	Kespa	18	6
19	Tuinuane Tragwiti	15	5
20	Gonkoge	12	4
21	Nyinam	18	6
22	Haki na Jasho	11	4
23	Mambo Yote	10	3
24	Semawazi initiative	10	3
25	Tongotane	11	4
26	Rafiki	10	3
27	Mwenge	12	4
28	Sasa ladies	13	4
29	Mamoke	11	4
30	Baraka Huruma	13	4
31	Revival	15	5
32	The Nyamwinara's	15	5
33	Tawakal	18	6
34	Imani Border	13	4
35	Tumaini	17	6
36	Planet	18	6
37	Ambassador	19	6
38	Amka Pamoja	13	4
39	Maendeleo Nyamaranga	14	4
40	Bokeye	15	5
41	Samaria	16	5
42	Furaha Maedeleo	17	6
43	Rag	14	5
44	Tumaini	15	5

45	Amka Ujisaidie	16	5
46	Soloset	17	6
47	Injili Moto	18	6
48	Furaha Maendeleo	19	6
49	Shalom	11	4
50	Peace	12	4
51	Abulala	13	4
52	Isabania Central	11	4
53	Tushirikiane	14	5
54	Star Ngombe	15	6
Total		**781**	**257**

3.6 Data Collection Instruments

Questionnaire and the interview guide were administered to the respondents who were asked to indicate, against each statement, the extent to which they agree or disagree on a five-point Likert type scale ranging from 1 (strongly disagree) to 5 (strongly agree). A revised commitment scale by Meyer *et al*., (2004) was used in this study to measure affective, continuance and normative commitment. Each of the four variables was subjected to five statements. Each statement was coded since Statistical Package of Social Sciences (SPSS) was used in the analysis. The questionnaire was divided into five sections in line with the research objectives.

3.7 Data Collection Procedure

The researcher got an introduction letter that explains the reason for the study from the Chairman of the Department. The permission to carry out the research in the selected counties was obtained from the relevant County government authorities. The researcher made appointments with owners/managers of the women-led community-based micro-enterprises to request them for the permission to carry out the study in their respective firms, and also make preliminary visits to the sampled firms to explain the purpose of

the study verbally and make the necessary arrangements for the administration of questionnaires and data collection. The questionnaires were hand delivered to the respondents indicated in the sample frame on a drop and collect later basis, with the help of research assistants and the researcher. The actual women-entrepreneurs who may be either owners or managers were interviewed as well.

3.8 Pilot Testing

Cooper and Schindler (2011) explain that pilot test is conducted to detect weaknesses in design, instrumentation and to provide proxy data for selection of probability sample. The procedures used in pre-testing the questionnaire were identical to those that were used during the actual study or data collection. The number in the pre-test should be small, about 1% to 10% of the target population (Mugenda & Mugenda, 2003). In this study the questionnaire was tested on 10% of the entire sample size, which translated to ten respondents. These ten respondents were not included in the main study to avoid contamination of the respondents (Mugenda & Mugenda, 1999). This was a replica and rehearsal of the main survey. It therefore gave the results of descriptive statistics, reliability tests and factor analysis. It brought to the light the weaknesses of the questionnaire and then the necessary improvements were made.

3.8.1 Reliability

The reliability of the data collected were judged through tests. According to Golafshani (2003), reliability is the stability or consistency of scores over time. Reliability coefficient of the research instrument was assessed using Cronbach's Alpha coefficient. This measures internal consistency among a group of items combined to form a single scale. It is a reflection of how well the different items complement each other in their measurement of different aspects of the same variable or quality and it interpret like a correlation coefficient. The questionnaire for this study was considered reliable because

the Cronbach's Alpha coefficient was greater than 0.70. This is justified by Katou, (2008).

3.8.2 Validity

Donald and Delno (2006) describes validity of a research instrument as the appropriateness and usefulness of the research instrument that is employed by the study. The study used content-related methodology to test the validity of the research instruments. This choice of validity methodology was informed by the objectives of the study and the positivist perspective of research philosophy.

3.9. Data analysis and Presentation

3.9.1 Data Analysis

Before processing the responses, the completed questionnaires were edited for completeness and consistency. This was realized through frequency distributions, means, modes, percentages, and standard deviations, simple and cross tabulations. Qualitative data was coded into the different factors and sectors, and analyzed through content analysis method. The researcher used SPSS software to analyse the responses for interpretation. Leyla (2007) observes that SPSS offers extensive data handling capabilities and numerous statistical analysis routines that can analyse small to very large amounts of data. Descriptive analyses of the study was done and expressed through frequency tables, percentages, charts means and standard deviations. The study utilized a Likert Scale with weights ranging from 1 to 5 for analyzing constructs that are in nominal scale.

Inferential statistics was used to test variable relationships. F-test was used. The ANOVA F-statistic was used to test the research questions for the regressor coefficients for each variable to be equal to zero. An analysis to determine the combined influence of all the independent variables was done. All the independent variables was combined and subjected through statistical analysis. Multiple regression analysis was conducted to test

the overall effect of all the independent variables on the dependent variable. Analysis of Variance (ANOVA) was used to test the hypothesis of the multiple regression model shown below:

Y(Performance of WLCBMEs) $= \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + e$

Where

Y= Performance of Women Led Community Based Microenterprises

X_1= Bricks and Clicks Model-independent variable

X_2= Cutting out the Middle Man Model-independent variable

X_3= Freemium Model-independent variable

X_4= Multilevel Marketing Model-independent variable

e=error term

β_0, β_1, β_2, $\beta_{3,}$ and β_4 are model parameters and they describe the directions and strengths of

the relationship between the dependent and the independent variables. β_0 is a constant (intercept).

This study tested for normality, heteroscedasticity and autocorrelation. Normality is important in knowing the shape of the distribution and helps to predict dependent variables scores (Paul & Zhang, 2009). Heteroscedasticity means a situation in which the variance of the dependent variable varies across the data, as opposed to a situation where Ordinary Least Squares, OLS, makes the assumption that $V(\varepsilon_j)=\sigma^2$ for all j, meaning that the variance of the error term is constant (homoscedasticity). Heteroscedasticity complicates analysis because many methods in regression analysis are based on an assumption of equal variance (Park, 2008).

Autocorrelation refers to the correlation of a time series with its own past and future values (Box & Jenkins, 1976). The autocorrelation function can be used to detect non-randomness in data and also to identify an appropriate time series model if the data are not random. Autocorrelation is essentially a correlation coefficient, but instead of correlation being between two different variables, the correlation is between two values of the same variable at times X_i and X_{i+k}.

To test for normality, heteroscedasticity, and serial correlation (autocorrelation) of regression residuals, this study used SPSS version 20 software. This study also tested for multicollinearity. Multicollinearity is the undesirable situation where the correlations among the independent variables are strong (Martz, 2013). To test for multicollinearity, Variance Inflation Factor (VIF) was used. If no two independent variables are correlated, then all the VIFs will be 1. If VIF for one of the variables is around or greater than 5, there is multicollinearity associated with that variable. In this case one of these variables must be removed from the regression model (Cohen, Cohen, West & Aiken, 2003).

3.9.2 Data Presentation

According Kombo and Tromp (2006) data presentation involves using graphical techniques and statistical techniques. In this study therefore quantitative data was presented using statistical techniques including tables while qualitative data was presented using charts.

CHAPTER FOUR

RESEARCH FINDINGS AND DISCUSSIONS

4.1 Introduction

The chapter presents the empirical findings and results of the application of the variables using techniques mentioned in chapter three. Specifically, the data analysis was based on specific objectives where patterns were investigated, interpreted and implications drawn on them. The chapter starts with a preliminary analysis of the data before analyzing the study variables.

4.2   Demographic Information

4.2.1 Response Rate

The study was conducted to establish the influence of strategic business models on performance of women-led community based micro-enterprises (WLCBMEs). A total of 251structured questionnaires were administered to both employees and owners of the enterprises and the response rate was 245 which was 97.61% of the population targeted.

Table 4.1: Response Rate

Response Rate	Frequency	Percent
Returned	245	97.61%
Not returned	6	2.39%
Total	251	100%

4.2.2 Response categories

Out of 97.61% of the respondent, 73.1% were employees while 26.9% were owners of the enterprises. Table 4.2 shows the summary of the findings Saunders *et al.* (2009) indicate that 30 to 50 percent response rate is reasonable enough for statistical

generalization. Babbie (1990) stated that a response rate of 50% is adequate while Bailey (1987) set an adequate response rate at 75%. Mugenda (2008) avers that a response rate of 50% is adequate, 60% and above good, and above 70% very good. Therefore a response rate of 97.61%, cognizant of the nature of the study, is quite adequate

Table 4.2: Respondent categories

	Frequency	Percent
Employees	179	73.1
Owner	66	26.9
Total	245	100.0

4.2.3 Response by age

The responses indicate that most of the respondent were aged between the ages of 43 and 48 representing 25.31% of the respondent followed by age 31-36 representing 22.04% of the respondent. Age 49-54 was third representing 19.18% while age bracket above 60 was the least with 3.265%. The research findings therefore concludes that 66.53% of the respondents were 55 years and below implies that majority of the respondents were productive to the enterprises and therefore in respect to enterprise performance, age of the respondents would be an insignificant factor. Therefore in determination of the influence of strategic business models on performance, other factors other than respondents' age were under consideration in the current study. This is summarized in figure 4.1.
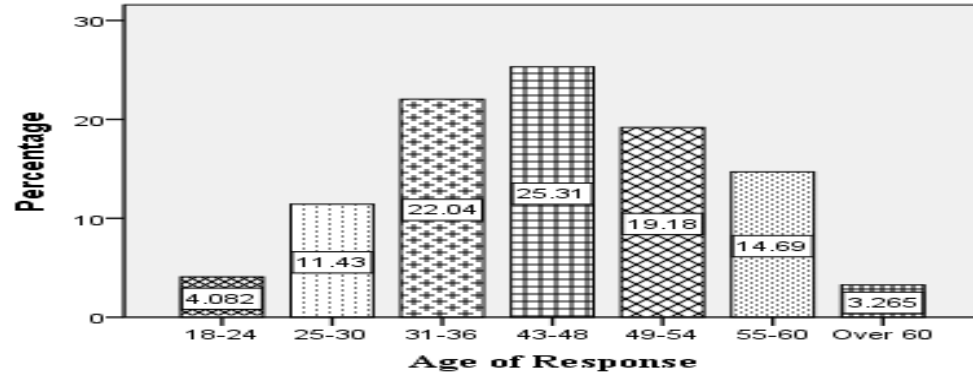
Figure 4.1: Age of Respondents

4.2.4 Educational level

The study sought to establish the educational level of the respondents. The findings were presented in table 4.3. From the study findings, the majority of the respondents were diploma holders (40.0%). 26.5% of the respondents were certificate holders, 18% of the respondents were degree holders, 12.7% of the respondents were high school drop outs, and lastly 2.4% of the respondents were post graduate degree holders, from the finding, it was clear that many employees and the owners of the enterprises were educated up to diploma level. Since 60.8% of the respondents had diploma level qualifications and above, then it was anticipated that these respondents would willingly cooperate with the research work. Interviews conducted in the study indicated that respondents with diploma level qualifications and above had basic skills on strategic business models used in the enterprises.

Table 4.3: Respondent categories

	Frequency	Percent
High School	31	12.7
Certificate	65	26.5
Diploma	98	40.0
Bachelor Degree	45	18.4
Post Graduate Degree	6	2.4
Total	245	100.0

4.2.5 Terms of employment

Concerning term of employment, majority of the respondent were permanently employed at 52.24% while the rest were not permanently employed at 47.76%. Figure 4.2 shows the result of the findings.
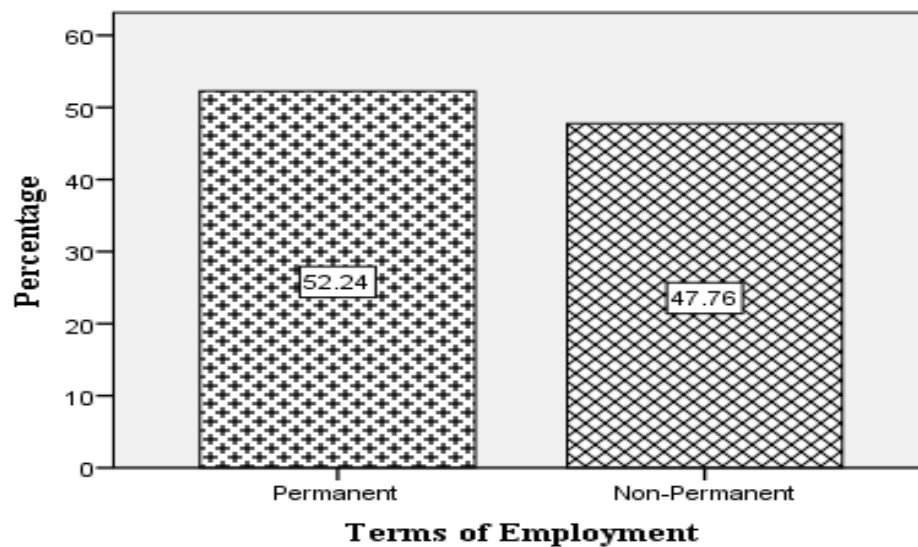
Figure 4.2: Terms of employment

4.2.6 Response by length of service

Majority of the respondents had worked at the enterprises for a period of 1-5 years at 28.2% (69). This is understandable since many of the enterprises owned by women or led by women were established recently. Similarly from the findings it was obvious that those who have worked for 6-10 years was the second with a percentage 24.9% (61). Length of service above 25 years was the least with 2.5%. Table 4.4 gives the details of the finding.

Table 4.4: Response by length of service

Length of service in years	Frequency	Percentage
1-5	69	28.2
6-10	61	24.9
11-15	52	21.2
16-20	35	14.3
21-25	22	9.0
0ver 25	6	2.4
Total	245	100.0

4.3   Results of the Pilot Test

4.3.1   Reliability and validity test

A pilot testing was carried out prior to implementation of the study to ensure that the research instrument measured what was intended in conformity with (Cooper & Schindler, 2010). During the pilot test phase of this study, Reliability Test was also performed; to this end, the Cronbach's Coefficient Alpha was employed. Cronbach's Alpha is a reliability coefficient that indicates how well items in a set are positively correlated to one another (Sekaran, 2003). As rule of thumb, reliability value of 0.7 and above is recommended for most researches to denote the research instrument as reliable (Sekaran, 2003; Robert, 2006). The items on each of the variables in the questionnaire

were subjected to Cronbach's Coefficient Alpha test and all the items were found to be reliable for measurement because the reliability coefficient was found to be above the recommended threshold of 0.7. This is also in line with Katou (2008) who stated that the questionnaire for the study will be considered reliable if the Cronbach's Alpha coefficient is greater than 0.70. Therefore the findings shown in the Table 4.5 are reliable enough for the study.

Table 4.5: Reliability Test Statistics

Variable	Cronbach's Alpha	Number of items
Bricks and Clicks model	0.714	5
Multi-level marketing	0.832	6
Cutting-out middle man model	0.764	5
Freemium model	0.765	5
Performance of WLCBMEs	0.809	5

Validity on the other hand was also tested on the research instrument using a method of Principal Component Analysis (PCA) mainly to extract the factors. The criteria applied was based on Hair *et al.* (2010) suggestion that factor loadings greater than 0.40 are considered to be statistically significant for studies with sample size less 200. Consequently in this study, 0.40 was employed as the cut- off for factor loadings since the sample size of the study was 245. The higher the factor loadings values are, the greater they are related to the variable. The factor loadings for bricks and clicks model were all above 0.40. Table 4.6 shows factor loadings for bricks and clicks model.

Table 4.6: Factor loadings for bricks and clicks model

	Bricks and clicks model	Factor Loadings
1	I am aware of bricks and clicks model	.606
2	This enterprise practices bricks and clicks model	.574
3	The enterprise uses web based method of selling its products	.652
4	The enterprises uses paper based method of selling its products	.629
5	The use of bricks and clicks model has improved performance of this enterprise	.545

The Cutting out middle man model had 5 items and no item had factor loading less than 0.40 as already been stated.. Therefore 5 factors for Cutting out middle man model considered valid for the constructs represented in Table 4.7

Table 4.7: Factor loadings for Cutting out middle man model

	Cutting out middle man model	Factor Loadings
1	I am aware of Cutting out middle man model	.771
2	This enterprise practices Cutting out middle man model	.640
3	The enterprise uses banning method to publicize its products	.736
4	The enterprises uses social media as method to advertise its products	.742
5	The Cutting out middle man model has improved performance of this enterprise	.653

The study intended to measure the effect of freemium model using 5 items. All the 5 items had factor loadings above 0.40 that is between 0.501 and 0.673. Therefore all were found to be valid enough for use in the study as shown in table 4.8.

54

Table 4.8: Factor loadings for freemium model

	Freemium	Factor Loadings
1	I am aware of freemium model	.569
2	This enterprise practices freemium model	.667
3	The enterprise uses perpetual license to its customers	.564
4	The enterprises often gives free samples its customers	.673
5	The freemium model has improved performance of this enterprise	.501

Similarly the study intended to measure the effect of Multi-level marketing using 5 items. All the 5 items had factor loadings above 0.40 that is between 0.457 and 0.653. Therefore all were found to be valid enough for use in the study the results are shown in table 4.9.

Table 4.9: Factor loadings for Multi-level marketing

	Multi-level marketing	Factor Loadings
1	I am aware of Multi-level marketing model	.457
2	This enterprise practices Multi-level marketing model	.631
3	The enterprise sells its products directly to its customers	.653
4	The enterprises often uses selling to its customers	.612
5	Multi-level marketing model has improved performance of this enterprise	.578

4.4 Bricks and Clicks model

The first objective of the study sought to determine the influence of Bricks and Clicks model on Performance of WLCBMEs in Kenya. The respondents were asked the level of agreement with the statement that; they are aware of bricks clicks model. 41.2% strongly agreed, 34.3% agreed 17.1% were undecided, 3.7% disagreed, while 3.7 strongly disagreed. Concerning whether the enterprise practices bricks and clicks model, 41.6% strongly agreed, 33.1% agreed, 10.6% were undecided, 7.3% disagreed and 7.3% strongly disagreed. Again based on whether the enterprise uses web based method of selling its products, 40.0% strongly agreed, 36.7% agreed, 17.1% were undecided, 3.7% disagreed and 2.4% strongly disagreed. The enterprise uses paper based paper based method of selling its products, 48.6% strongly agreed, 35.5% agreed, 9.8% were undecided, 2.4% disagreed and 3.7% strongly disagreed. Lastly based on the statement the use of bricks and clicks model has improved performance of this enterprise majority at 45.3% strongly agreed, 34.3% agreed, 15.5% were undecided, 3.7% disagreed and 1.2% strongly disagreed the rest of the finding are shown in table 4.10.

The findings of this study is in harmony with Bansal (2014) on the study of bricks and Clicks Model: An important tool for Web Marketing where he established that 40.4% of the respondents were aware of the bricks and clicks model; 39.8% of the enterprises were practicing bricks and clicks model and there is a margin of departure on whether the enterprise uses web based method of selling its products; the enterprise uses paper based paper based method of selling its products; the use of bricks and clicks model has improved performance of this enterprise which were at 52.8%, 23.4%, and 60.3% respectively. With reference to Bansal (2014) and the findings of the current study, it can be noted with authority that the performance of the enterprise can be improved to a greater extent if bricks and clicks model is embraced by the enterprises.

Table 4.10: Bricks and Clicks model Descriptive Analysis

Statement	SD	D	U	A	SA
I am aware of bricks and clicks model	3.7%	3.7%	17.1%	34.3%	41.2%
This enterprise practices bricks and clicks model	7.3%	7.3%	10.6%	33.1%	41.6%
The enterprise uses web based method of selling its products	2.4%	3.7%	17.1%	36.7%	40%
The enterprise uses paper based paper based method of selling its products	3.7%	2.4%	9.8	35.5	48.6
The use of bricks and clicks model has improved performance of this enterprise	1.2%	3.7%	15.5%	34.3%	45.3%

4.4.1 Does your company conduct business offline and online

The respondents were asked if their company conduct business offline and online. Majority (55.51%) agreed that their company conduct business offline and online while 44.49% of the respondent indicated that they do not conduct business offline or online. The results are presented in figure 4.3. This is a departure from Szymanski &Hise (2010) who in their study suggested that online retailing is a more convenient shopping channel for consumers because online stores offer greater time-savings. This may be because of the fact that most of the enterprises studied in the current study are rural based and many of them are not well conversant with the online shopping and that is why they combine both online and offline marketing. In agreement to the current study is Liang and Huang's (2008) study whose respondents stated that they preferred to buy some products (shoes, toothpaste, microwave oven) from traditional stores and other products (books and flowers) from online stores (although only 28 of the 86 student respondents had online shopping experience). From the foregoing, it therefore means that both offline and online shopping and marketing can improve the performance of the business.
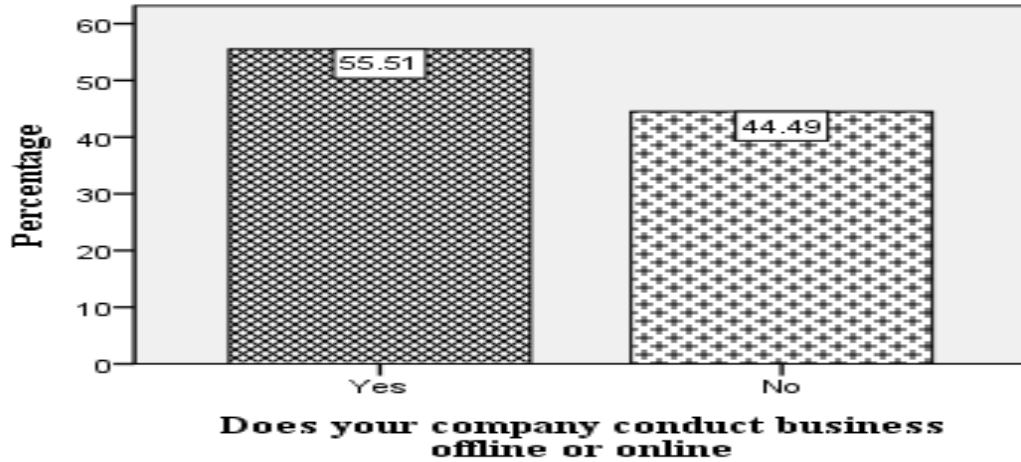
Figure 4.3: Company online Business

The respondent were also asked to rate how efficient and flexible is the business 37.1% of the respondent said that business was very efficient and Flexible, 29% of the respondent said that business was fairly efficient and Flexible, 20% of the respondent said that business was Not Efficient and Flexible and lastly 13.9% of the respondent did not know.

Table 4.11: Efficiency and Flexibility

	Frequency	Percentage
Not Efficient and Flexible	49	20.0
Fairly efficient and Flexible	71	29.0
Very Efficient and Flexible	91	37.1
Don't Know	34	13.9
Total	245	100.0

4.4.2   Bricks and Clicks model Normality Test

Skewness and kurtosis statistic was used to check the normality in the study as recommended by Myoung (2008). The skewness value for a normal distribution is expected to be zero implying that the data has symmetric distribution. On the other hand

Kurtosis is a measure of the peakness of a distribution. West *et al.* (1996) proposed a reference of substantial departure from normality as an absolute skewness value greater than 2 and an absolute kurtosis value greater than 7. However, for this study the recommendation of Myoung (2008) who asserted that as a rule of thumb a variable is reasonably close to normal if its skewness and kurtosis have values between -1.0 and + 1.0. The results presented in table 4.12 shows that Bricks and Clicks model had a skewness coefficient of -0.153 and its kurtosis coefficient being -0.083. Based on these values it was concluded that Bricks and Clicks model were normally distributed since they lie within the ±.

Table 4.12: Bricks and Clicks model Normality Test

Bricks and Clicks model	Statistic	Std. Error
Skewness	-.153	.156
Kurtosis	-.083	.310

Normality test using Q-Q plot

The normal Q-Q plot for Bricks and Clicks shown in Figure 4.4 shows that most of the observed values were falling along the straight line indicating that Bricks and Clicks was normally distributed. This is consistent with the earlier findings based on skewness and Kurtosis.
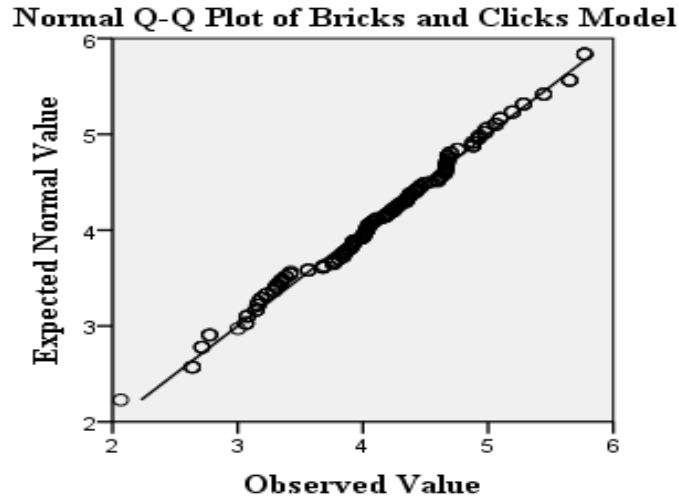
Figure 4.4: Normal Q-Q plot for Bricks and Clicks

4.4.3   Bricks and Clicks model Linearity Test

To find out whether there was linear relationship between Bricks and Clicks model and Performance of WLCBMEs Pearson moment's correlation coefficients was used as suggested by Cohen, West and Aiken (2003). The result of the finding is presented on table 4.13. The result indicates that the variables Performance of WLCBMEs and Bricks and Clicks model had a strong positive relationship indicated by a correlation coefficient value of 0.556[**]. This suggests that there was a linear positive relationship between Bricks and Clicks model and Performance of WLCBMEs which implies that an increase in Bricks and Clicks model value would lead to a linear increase in Performance of WLCBMEs. This finding is supported by Szymanski and Hise (2010) who in their study, investigated consumers' satisfaction with Internet shopping. They found that greater satisfaction with online shopping is positively correlated with consumer perceptions of the convenience, product offerings, product information, site design, and financial security of an online store relative to traditional stores.

Table 4.13: Bricks and Clicks model Correlations Coefficients

		Performance of WLCBMEs	Bricks and Clicks Model
Performance of WLCBMEs	Pearson Correlation	1	0.556[**]
	Sig. (2-tailed)		.000
	N	245	245
Bricks and Clicks Model	Pearson Correlation	0.556[**]	1
	Sig. (2-tailed)	.000	
	N	245	245

**. Correlation is significant at the 0.01 level (2-tailed).

Other than product moment correlation coefficient, linearity was also tested using scatter plot between Performance of WLCBMEs and Bricks and Clicks model and the result in figure 4.5 clearly indicates that there was linear relationship between Performance of WLCBMEs and Bricks and Clicks model.
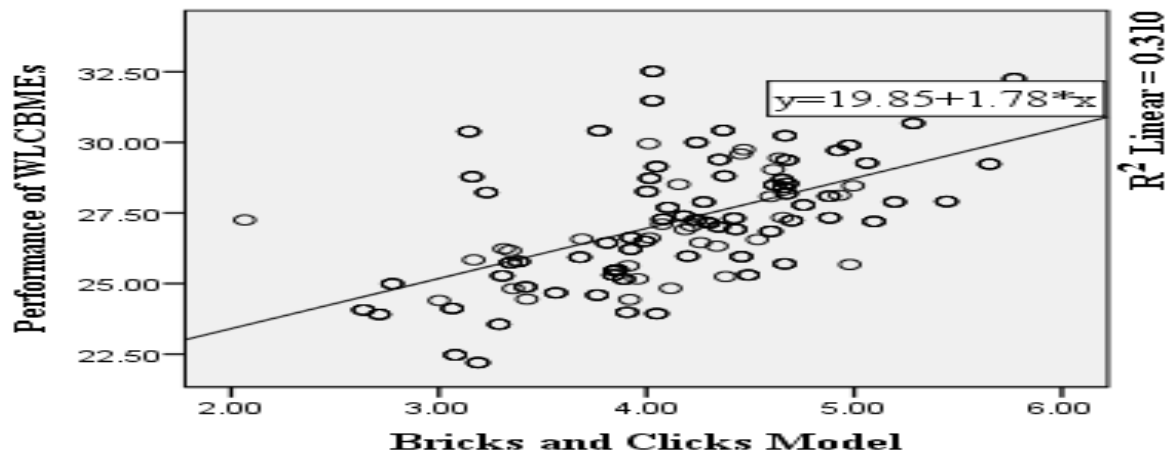
Figure 4.5: Scatter plot between Performance of WLCBMEs and Bricks and Clicks model

4.4.4   Bricks and Clicks model Homoscedasticity Test

To test for homoscedasticity, Levene test (1960) for equality of variance was computed using one way ANOVA procedure. This test was used to assess variance homogeneity, which is a precondition for parametric tests such as the t-test and ANOVA. If the Levene test is statistically significant, the hypothesis of homogeneous variances should be rejected. The results therefore in table 4.14 indicated that the Levene statistic was 1.113 and it was further established that the Levene statistic was significant (p-value=0.0). This therefore implies that the null hypothesis is not rejected and thus the variances are said to be homogeneous

Table 4.14: Bricks and Clicks model Homoscedacity Test

Levene Statistic	1.102
df1	7
df2	238
Sig.	0.151

4.4.5   Multicollinearity

Multicollinearity in the study was tested using Variance Inflation Factor (VIF). A VIF of more than 10 (VIF $\geq$ 10) indicates a problem of multicollinearity. According to Montgomery (2001) the cut off threshold of 10 and above indicate the existence of multicollinearity while tolerance statistic values below 0.1 indicate a serious problem while those below 0.2 indicate a potential problem. The results in table 4.14 indicate that the VIF value for Bricks and Clicks model was established to be 1.550 while its tolerance statistic was reported to be 0.645. Based on these the assumption of no multicollinearity between predictor variables was thus not rejected as the reported VIF and tolerance statistics were within the acceptable range

Table 4.15: Bricks and Clicks model Multicollinearity

Co linearity Statistics	
Tolerance	VIF
0.645	1.550

4.4.6   Regression Analysis for Bricks and Clicks model

Table 4.15 indicates the model summary for the regression between Bricks and Clicks model and Performance of WLCBMEs. An R squared of 0.310 indicates that 31.0% of Performance of WLCBMEs is explained by changes in Bricks and Clicks model.

Table 4.16: Model Summary Bricks and Clicks model

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.556[a]	.310	.307	1.81611	2.459

a. Predictors: (Constant), Bricks and Clicks model

The ANOVA table 4.16 shows that the regression model between Bricks and Clicks model and Performance of WLCBMEs was significant (it indicates the goodness of fit for the regression model established between dependent variable and independent variable). F statistic of 108.996 indicated that the overall model was significant as this was further supported by a probability value of 0.000 which less than 0.05 (p=0.00>0.05).

Table 4.17: ANOVA- Bricks and Clicks model

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	359.498	1	359.498	108.996	$.000^b$
Residual	801.480	243	3.298		
Total	1160.978	244			

The regression coefficient table 4.18 shows that the regression model between Bricks and Clicks model and Performance of WLCBMEs was given as $Y=19.854+1.7760X_1$ which indicate that there was a positive and significant relationship between Bricks and Clicks model and organization performance. The regression coefficient of 1.776 indicates that for every unit of Bricks and Clicks model value, performance of WLCBMEs increases by 1.776 while 19.854 indicates Performance of WLCBMEs value in the absence Bricks and Clicks model. P-value that corresponds to the coefficient value also suggests that Bricks and Clicks model affect Performance of WLCBMEs significantly.

Table 4.18: Regression Coefficients- Bricks and Clicks model

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	19.854	.714		27.800	.000
Bricks and Clicks model	1.776	.170	.556	10.440	.000

a. Dependent Variable: Performance of WLCBMEs

4.5 Cutting-out Middle Man Model and Performance of WLCBMEs

The second objective of the study was to establish the influence of cutting out the middle man model on performance of women-led community-based micro-enterprises in Kenya. The findings are presented as follows.

4.5.1 Descriptive Statistics for Cutting-out middle man model

The respondents were asked if they have ever removed any intermediaries in the supply chain think using Majority (50.31%) agreed that while 49.69% of the respondent indicated that they have not table 4.19.

Table 4.19: Have you ever removed any intermediary in the supply chain

	Frequency	Percent
Yes	136	55.5
No	109	44.5
Total	245	100.0

The respondent were also asked to rate how removal of intermediaries helped the business as far as cost of servicing customers is concerned 32.1% of the respondent said that business has was become very efficient and Flexible, 34.4% of the respondent said that business was fairly efficient and Flexible, 20.5% of the respondent said that business was Not Efficient and Flexible and lastly 14.0% of the respondent had no idea.

Besides that, the respondents were asked to rate the level of agreement with the following statements: I am aware of Cutting-out Middle Man Model, 32.7% strongly agreed, 34.3% agreed 19.6% were undecided, 8.6% disagreed, while 4.9% strongly disagreed; concerning whether the enterprise practices Cutting-out Middle Man Model, 40.4% strongly agreed, 36.7% agreed, 19.2% were undecided, 1.2 % disagreed and 2.4% strongly disagreed. Also based on whether the enterprise uses banning method to publicize of its products,36.3% strongly agreed, 42.9% agreed, 14.7% were undecided, 2.4% disagreed and 3.7% strongly disagreed. The enterprise uses the enterprise uses social media as a method to advertise its products, 41.2% strongly agreed, 41.6%% agreed, 12.2%% were undecided, 2.4% disagreed and 2.4% strongly disagreed. Lastly based on the statement the use of Cutting-out Middle Man Model has improved performance of this enterprise majority at 46.5% strongly agreed, 33.1% agreed, 11.8%

were undecided, 4.9% disagreed and 3.7% strongly disagreed. The details of the finding are shown in table 4.20. This is supported by a study conducted by Berdegué *et al.* (2008b) in Mexico where Wal-Mart recently tried to buy strawberries direct from the farmers, but withdrew due to high costs

Table 4.20: Cutting-out Middle Man Model Descriptive Statistics

Statement	SD	D	U	A	SA
I am aware of Cutting-out Middle Man Model	4.9%	8.6%	19.6%	34.3%	32.7%
This enterprise practices Cutting-out Middle Man Model	2.4%	1.2%	19.2%	36.7%	40.4%
The enterprise uses banning method to publicize of its products	3.7%	2.4%	14.7%	42.9%	36.3%
The enterprise uses social media as a method to advertise its products	2.4%	2.4%	12.2%	41.6%	41.2%
The use of Cutting-out Middle Man Model has improved performance of this enterprise	3.7%	4.9%	11.8%	33.1%	46.5%

4.5.2 Cutting-out Middle Man Model Normality Test

Normality was again tested using skewness and kurtosis statistic as recommended by Myoung (2008). As earlier noted skewness and kurtosis value between -1.0 and + 1.0 shows that the data is normally distributed. The results presented in table 4.21 shows that Cutting-out Middle Man Model had a skewness coefficient value of 0.085 and its kurtosis coefficient value of 0.175. Based on these values it was concluded that Cutting-out Middle Man Model are normally distributed since they lies within the range of -1 and +1.

Table 4.21: Cutting-out Middle Man Model Normality Test

	Statistic	Std. Error
Skewness	.085	.156
Kurtosis	.175	.310

Normality test using Q-Q plot

Q-Q plot for Cutting-out Middle Man Model in Figure 4.6 also shows that most of the observed values were falling along the straight line indicating that Cutting-out Middle Man Model was normally distributed. This is consistent with the earlier findings based on skewness and Kurtosis
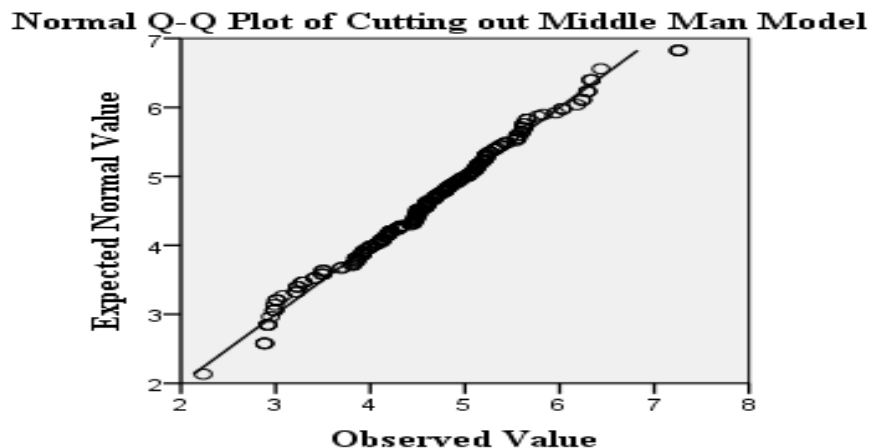
Figure 4.6: Normal Q-Q plot of cutting out middle man Model

4.5.3   Cutting-out Middle Man Model Linearity Test

Linearity of variables was tested using correlation coefficients as suggested by Cohen, West and Aiken, (2003). To establish whether there is a linear relationship, the study adopted the Pearson moment's correlation coefficients which are presented in table 4.22. The results indicate that the variables Performance of WLCBMEs and Cutting-out

Middle Man Model had a strong positive relationship as indicated by a correlation coefficient of 0.551[**]. This implies that there is a linear positive relationship. Thus an increase in Cutting-out Middle Man Model would result in a linear increase in Performance of WLCBMEs. This is greatly supported by Bill, *et al.* (2014) who indicated that there is a linear positive relationship between cutting-out middle man model and performance of an enterprise.

Table 4.22: Cutting-out Middle Man Model Correlations Coefficients

		Performance of WLCBMEs	Cutting-out middle man model
Performance of WLCBMEs	Pearson Correlation	1	.551[**]
	Sig. (2-tailed)		.000
	N	245	245
Cutting-out middle man model	Pearson Correlation	.551[**]	1
	Sig. (2-tailed)	.000	
	N	245	245
**. Correlation is significant at the 0.01 level (2-tailed).			

Scatter plot between Performance of WLCBMEs and Cutting-out Middle Man Model as shown in figure 4.7 shows clearly that there was linear relationship between Performance of WLCBMEs and Cutting-out middle man model.
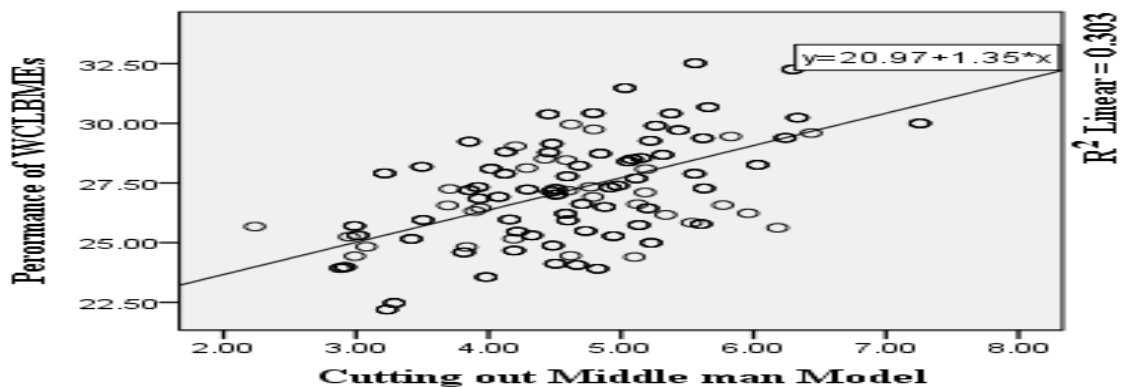
Figure 4.7: Scatter plot between performance of WLCBMEs

4.5.4 Cutting-out Middle Man Model homoscedasticity Test

To test for homoscedasticity, Levene test (1960) for equality of variance was computed using one way Anova procedure. This test was used to assess Variance homogeneity, which is a precondition for parametric tests such as the t-test and ANOVA as earlier noted. If the Levene test is statistically significant, the hypothesis of homogeneous variances should be rejected. The results therefore in table 4.23 indicated that the Levene statistic was 1.123 and it was further established that the Levene statistic was not significant (p-value=0.145). This therefore implies that the null hypothesis is not rejected and thus the variances are said to be homogenous. Given that the assumption of homogeneity of variance was not violated.

Table 4.23: Cutting-out Middle Man Model Homoscedasticity Test

Levene Statistic	1.123
df1	7
df2	238
Sig.	0.145

4.5.5 Cutting-out Middle Man Model Multicollinearity

Multicollinearity in the study was tested using Variance Inflation Factor (VIF). A VIF of more than 10 (VIF ≥ 10) indicate a problem of multicollinearity. According to Montgomery (2001) the cut off threshold of 10 and above indicates the existence of multicollinearity while tolerance statistic values below 0.1 indicate a serious problem while those below 0.2 indicate a potential problem. The results in table 4.24 indicate that the VIF value for Cutting-out Middle Man Model was established to be 1.879 while its tolerance statistic was reported to be .532. Based on these the assumption of there was no multicollinearity between predictor variables was thus not rejected as the reported VIF and tolerance statistics were within the accepted range.

Table 4.24: Cutting-out Middle Man Model Multicollinearity

Co linearity Statistics	
Tolerance	VIF
.533	1.879

4.5.6 Cutting-out Middle Man Model Regression Analysis

Regression analysis was conducted to establish the relationship between the Cutting-out Middle Man Model and Organization performance. From the finding an R- square value of 0.303 was recorded indicating that 30.3% of Performance of WLCBMEs is was explained by the n Cutting-out middle man model. The model summery table 4.25 shows the finding.

Table 4.25: Model Summary for Cutting-out middle man model

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.551[a]	.303	.300	1.82449	2.030

a. Predictors: (Constant), Cutting-out middle man model

The F-statistics presented in table 4.26 indicated that the overall model was significant, that is, the independent variable, Cutting-out Middle Man Model was a good joint explanatory for Performance of WLCBMEs with F-value of 105.772. P- Value =0.000<0.05 also indicates that the model was fit.

Table 4.26: ANOVA. Cutting-out middle man model

Model		Sum of Squares	df	Mean Square	F	Sig.
	Regression	352.090	1	352.090	105.772	.000[b]
1	Residual	808.888	243	3.329		
	Total	1160.978	244			

a. Dependent Variable: Performance of WLCBMEs
b. Predictors: (Constant), Cutting-out middle man model

From the regression coefficient table, there was positive and significant relationship between Cutting-out Middle Man Model and Performance of WLCBMEs. The model is given as $Y=20.966+1.351X_2$. The regression coefficient of 1.351 indicates that an increase in Cutting-out Middle Man Model by 1unit leads to an increase in Performance of WLCBMEs by 1.351 units.

Table 4.27: Regression Coefficients- Cutting-out Middle Man Model

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
	(Constant)	20.966	.618		33.905	.000
1	Cutting-out middle man model	1.351	.131	.551	10.285	.000

a. Dependent Variable: Performance of WLCBMEs

4.6 Freemium model and Performance of WLCBMEs

The third objective of the study was to assess the influence of freemium model on performance of women-led community-based micro-enterprises in Kenya. The results are presented as follows:

4.6.1 Descriptive Statistics for Freemium model

The respondents were asked if they have offered good service to the customers since inception of their business for free. From the results, majority at 65.3% have not offered any free good or service to their customers. 20.7% of the respondent have offered free service to customers Interestingly many of the owners of the enterprises who have stayed in business for long period of time indicated that they have offered free goods and services to customers. The rest of the respondent did not comment on whether they have offered free goods and services. This might be to the fact as indicated by Brynjolfsson *et al.*(2003); Fitzsimons and Lehmann (2004) that this may result in lower perceived value of the free content, causing lower demand levels while for opposing results Zeithaml (1988), as well as slower growth of the consumer base for the free service (Pauwels & Weiss, 2008).

Table 4.28: Whether Offered Free Good or Service

Whether offered free good or service	Frequency	Percent
Yes	136	55.5
No	109	44.5
No response		
Total	245	100.0

Concerning whether the respondent think offering products for free to customers can help improve the market share, 86.53% of respondent agreed that giving free products can help improve the market share of a particular business thus increasing sale volume. The rest did not agree. The finding are shown on table 4.29 which is supported by Gal and Lior (2013).

Table 4.29: Whether free service help improve Market share and sales volume

Whether free service help improve Market share and sales volume	Frequency	Percent
Yes	212	86.53
No	33	13.47
Total	245	100.0

The study sought to assess the influence of Freemium model items to Performance of WLCBMEs in Kenya. Table 4.30 shows that majority at 36.6% of the respondent's strongly agree that they are aware of freemium model, followed by 31.7% who agrees that they are aware of freemium model, 17.1% are undecided while 8.5% and 6.1% disagree and strongly disagree respectively. Majority at 40.2% agrees that their enterprises practices freemium model followed by 36.6% who strongly agree that their enterprises practices freemium model. The rest of the finding based on the items such as:

The enterprise uses perpetual license to its customers, the enterprises often gives free samples its customers and the freemium model has improved performance of this enterprise, are summarized on the same table 4.30. These results are supported by Doerr *et al.* (2010); Hung (2010); Riggins (2003);Teece (2010).

Table 4.30: Freemium model descriptive Statistics

	statement	SD	D	U	A	SA
1	I m aware of freemium model	6.1%	8.5%	17.1%	31.7%	36.6%
2	This enterprise practices freemium model	3.7%	2.4%	17.1%	40.2%	36.6%
3	The enterprise uses perpetual license to its customers	2.4%	2.4%	14.6%	41.5%	39.0%
4	The enterprises often gives free samples its customers	3.7%	6.1%	18.3%	39.0%	32.9%
5	The freemium model has improved performance of this enterprise	3.7%	9.8%	15.9%	31.7%	39.0%

4.6.2 Normality Test for Freemium model

To check for normality, the study adopted the skewness and kurtosis statistic as recommended by Myoung (2008). The skew value of a normal distribution is zero, usually implying symmetric distribution. On the other hand Kurtosis is a measure of the peakness of a distribution. West et al. (1996) proposed a reference of substantial departure from normality as an absolute skew value > 2 and an absolute kurtosis value > 7. However, for this study the recommendation of Myoung (2008) who asserted that as a rule of thumb a variable is reasonably close to normal if its skewness and kurtosis have values between -1.0 and + 1.0. The results presented in table 4.31 shows that Freemium model had a skewness coefficient of -0.185 and its kurtosis coefficient being -0.077. Based on these it was concluded that Freemium model are normally distributed since they lie with the ± 1 range recommended by Myoung (2008).

Table 4.31: Freemium model Normality Test

	Statistic	Std. Error
Skewness	-.300	.156
Kurtosis	-.561	.310

Normality test using Q-Q plot

Normality test using Q-Q plot for Freemium model shown in Figure 4.5 also illustrates that the observed values were normally distributed.
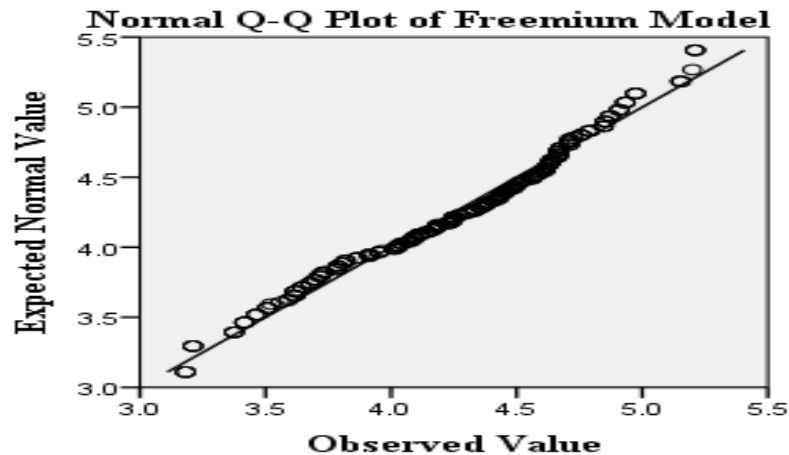
Figure 4.8: Normality test using Q-Q plot

4.6.3 Linearity Test for Freemium model

Linearity of variables was tested using correlation coefficients as suggested by Cohen, West and Aiken, (2003). To establish whether there is a linear relationship, the study adopted the Pearson moment's correlation coefficients and the result presented in table 4.32. The results indicate that the variables Performance of WLCBMEs and Freemium model had a strong positive relationship as indicated by a correlation coefficient of 0.644[**]. All the studies conducted by Brynjolfsson *et al.* (2003); Fitzsimons and Lehmann (2004); Zeithaml (1988); Pauwels and Weiss (2008), support the findings

that there is a strong positive relationship between freemium model and performance of an enterprise.

Table 4.32: Freemium model Correlations Coefficients

		Performance of WLCBMEs	Freemium model
Performance of WLCBMEs	Pearson Correlation	1	0.644[**]
	Sig. (2-tailed)		0.000
	N	245	245
Freemium model	Pearson Correlation	0.644[**]	1
	Sig. (2-tailed)	0.000	
	N	245	245
**. Correlation is significant at the 0.01 level (2-tailed).			

Scatter plot between Performance of WLCBMEs and Freemium model shown in figure 4.9. Shows clearly that there was linear relationship between Performance of WLCBMEs and Freemium model.
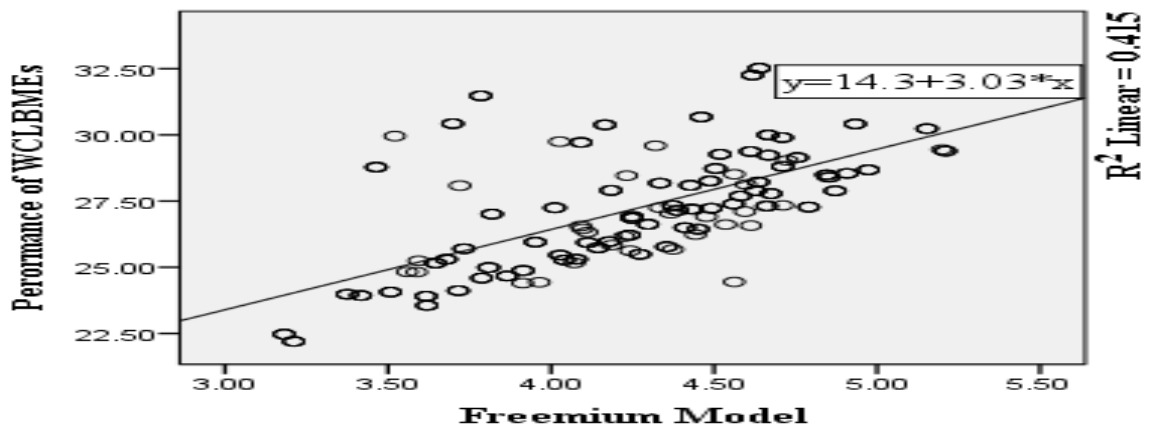
Figure 4.9: Linear Relationship between Performance of WLCBMEs and Freemium Model

4.6.4   Homoscedasticity Test for Freemium model

Levene test (1960) for equality of variance was computed using one way ANOVA procedure to test for homoscedasticity. This test was used to assess Variance homogeneity, which is a precondition for parametric tests such as the t-test and ANOVA. If the Levene test is statistically significant, the hypothesis of homogeneous variances should be rejected. The results therefore in table 4.33 indicated that the Levene statistic was 1.719 and it was further established that the Levene statistic was significant (p-value=0.456). This therefore implies that the null hypothesis was not rejected and thus the variances are said to be homogeneous.

Table 4.33: Freemium model Homoscedasticity Test

Levene Statistic	1.719
df1	7
df2	238
Sig.	0.456

4.6.5   Multicollinearity Test for Freemium model

Multicollinearity in the study was tested using Variance Inflation Factor (VIF). A VIF of more than 10 (VIF $\geq$ 10) indicate a problem of multicollinearity. According to Montgomery (2001) the cutoff threshold of 10 and above indicates the existence of multicollinearity while tolerance statistic values below 0.1 indicate a serious problem while those below 0.2 indicate a potential problem. The results in table 4.41indicate that the VIF value for Freemium model was established to be 1.485 while its tolerance statistic was reported to be .287 Based on these the assumption of no multicollinearity between predictor variables was thus not rejected as the reported VIF and tolerance statistics were within the accepted range

Table 4.34: Freemium model Multicollinearity

Co linearity Statistics	
Tolerance	VIF
.235	4.255

4.6.6 Regression Analysis for Freemium model

A simple regression analysis was conducted to establish the relationship between the Freemium model and Organization performances. An R- square value of 0.415 indicated that 41.5% of Performance of WLCBMEs is explained by Freemium model. The F-statistic presented in table 4.35 indicates that the model was significant with p-value being less than 0.05.

Table 4.35: Model Summary and ANOVA for Freemium model

Model Summary Freemium model				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.644[a]	.415	.413	1.67137

ANOVA Freemium model						
Model		Sum of Squares	df	Mean Square	F	Sig.
	Regression	482.162	1	482.162	172.603	.000[b]
1	Residual	678.816	243	2.793		
	Total	1160.978	244			

a. Dependent Variable: Performance of WLCBMEs

b. Predictors: (Constant), Freemium model

The regression results after adjusting for the heterogeneity of variances indicated in table 4.36 suggest further that there was a positive and significant relationship between Freemium model and Performance of WLCBMEs. From the regression model every unit

change in Freemium model, Performance of WLCBMEs changes by 3.032units. The regression model between Freemium model and Performance of WLCBMEs given as $Y=14.301+3.032X_3$

Table 4.36: Regression-Coefficient for Freemium model

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	14.301	.988		14.468	.000
	Freemium model	3.032	.231	.644	13.138	.000

a. Dependent Variable: Performance of WLCBMEs

4.7 Multi-level marketing and Performance of WLCBMEs

The fourth objective of the study was to assess the influence of Multi-level marketing on Performance of WLCBMEs in Kenya. The results are presented as follows:

4.7.1 Descriptive Statistics for Multi-level marketing

The study sought to assess the influence of Multi-level marketing items on Performance of WLCBMEs in Kenya. Table 4.37 shows the distribution in terms of percentage as per item. The item were: I am aware of Multi-level marketing model, This enterprise practices Multi-level marketing model, The enterprise sells its products directly to its customers, The enterprises often uses selling to its customers, Multi-level marketing model has improved performance of this enterprise. This is in line with the study conducted by Biggart, (1989); Bhattacharya and Mehta (2000) who to their conclusive remarks alluded that most enterprises prefer selling their products directly to their customers.

Table 4.37: Multi-level marketing descriptive Statistics

	Statement	SA	D	U	A	SA
1	I m aware of Multi level marketing model	4.9%	10.5%	19.5%	32.1%	32.9%
2	This enterprise practices Multi level marketing model	5.4%	1.2%	21.5%	36.6%	40.0%
3	The enterprise sells its products directly to its customers	3.7%	2.4%	14.6%	42.7%	36.6%
4	The enterprises often uses selling to its customers	3.4%	4.4%	11.2%	41.5%	43.5
5	Multilevel marketing model has improved performance of this enterprise	3.7%	4.9%	12.8%	32.9%	46.9%

4.7.2 Normality Test for Multi-level marketing

To check for normality, the study adopted the skewness and kurtosis statistic as recommended by Myoung (2008). Table 4.38 shows that Multi-level marketing had a skewness coefficient of 0.685 and kurtosis coefficient value of 0.576. Based on these values it was concluded that Multi-level marketing was normally distributed since they lie within the ± 1 range as recommended by Myoung (2008).

Table 4.38: Multi-level marketing Normality Test

	Statistic	Std. Error
Skewness	-.070	.156
Kurtosis	-.400	.310

Normality test using Q-Q plot

The normal Q-Q plot for the Multi-level marketing shown in Figure 4.10 shows that the observed values were falling along the straight line indicating that Multi-level marketing

values were normally distributed. This is consistent with the earlier findings based on skewness and Kurtosis.
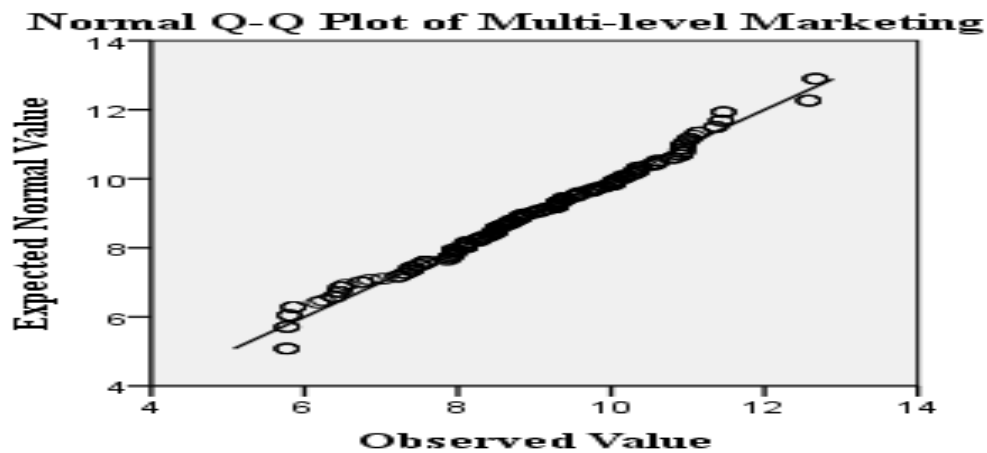
Figure 4.10: Normal Q-Q Plot of Multi Level Marketing

4.7.3 Linearity Test for Multi-level marketing

To establish whether there is a linear relationship, the study adopted the Pearson moment's correlation coefficients and the result presented in table 4.39. The results indicate that the variables Performance of WLCBMEs and Multi-level marketing had a strong positive relationship as indicated by a correlation coefficient of 0.563[**] as indicated by (Biggart, 1989; Bhattacharya & Mehta, 2000).

Table 4.39: Multi-level Marketing Correlations Coefficients

		Performance of WLCBMEs	Multi-level marketing
Performance of WLCBMEs	Pearson Correlation	1	.563**
	Sig. (2-tailed)		.000
	N	245	245
Multi-level marketing	Pearson Correlation	.563**	1
	Sig. (2-tailed)	.000	
	N	245	245
**. Correlation is significant at the 0.01 level (2-tailed).			

Scatter plot between Performance of WLCBMEs and Multi-level marketing as shown in figure 4.11 clearly shows that there is linear relationship between Performance of WLCBMEs and Multi-level marketing .
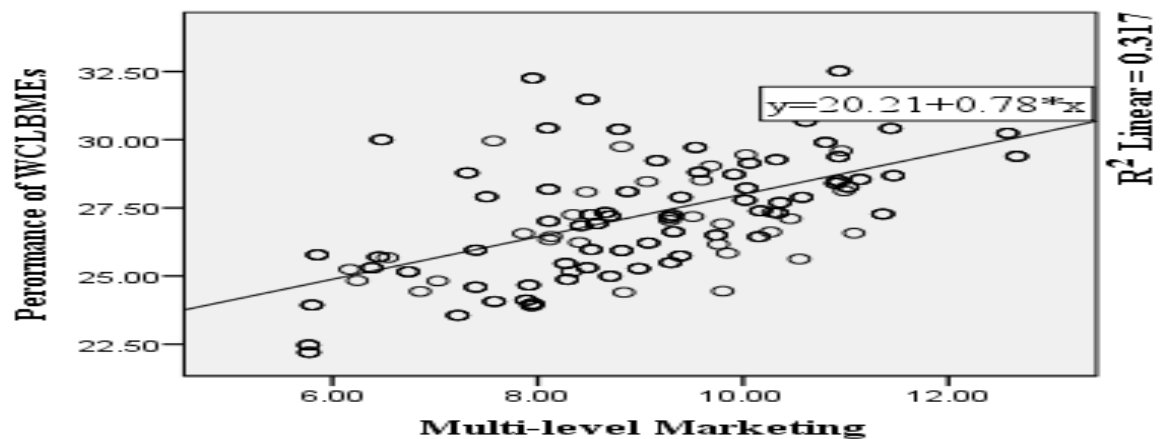
Figure 4.11: Scatter plot between Performance of WLCBMEs and Multi-level marketing

4.7.4 Homoscedasticity Test for Multi-level marketing

Homogeneity of Variance was also tested using levene test and the finding are shown in table 4.47. From the finding it was clear that the assumption of homogeneity of variance was not violated hence there was no problem of Homoscedasticity.

Table 4.40: Multi-level marketing Homoscedasticity Test

Levene Statistic	1.619
df1	7
df2	238
Sig.	0.341

4.7.5 Multi Co linearity Test for Multi-level marketing.

Multicollinearity in the study was tested using Variance Inflation Factor (VIF). A VIF of more than 10 (VIF $\geq$ 10) indicate a problem of multicollinearity. According to Montgomery (2001) the cutoff thresholds of 10 and above indicate the existence of multicollinearity while tolerance statistic values below 0.1 indicate a serious problem while those below 0.2 indicate a potential problem. The results in table 4.41 indicate that the VIF value for Multi-level marketing was established to be 3.383 while its tolerance statistic was reported to be 0.296. Based on these the assumption of no multicollinearity between predictor variables was thus not rejected as the reported VIF and tolerance statistics were within the accepted range

Table 4.41: Multi-level marketing Multicollinearity

Collinearity Statistics	
Tolerance	VIF
.296	3.383

4.7.6 Regression Analysis for Multi-level marketing.

A simple regression analysis was conducted to establish the relationship between the Multi-level marketing and Performance of WLCBMEs. An R- square value of 0.315indicated that 31.5% of Performance of WLCBMEs is explained by Freemium model. The F-statistic presented in table 4.49 indicates that the model was significant with p-value being less than 0.05.

Table 4.42: Model Summary and ANOVA for Multi-level marketing

Model SummaryMulti-level marketing

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.563[a]	.317	.315	1.80588

ANOVAMulti-level marketing

Model		Sum of Squares	df	Mean Square	F	Sig.
	Regression	368.508	1	368.508	112.998	.000[b]
1	Residual	792.470	243	3.261		
	Total	1160.978	244			

a. Dependent Variable: Performance of WLCBMEs

b. Predictors: (Constant), Multi-level marketing

The regression results indicated in table 4.43 suggest further that there was a positive and significant relationship between Performance of WLCBMEs and Multi-level marketing. From the regression model every unit change in Multi-level marketing, Performance of WLCBMEs changes by 0 .725units. The model is expressed as $Y=20.208+0.779X_3$

Table 4.43: Regression-Coefficient for Multi-level marketing

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	20.208	.669		30.214	.000
	Multi-level marketing	.779	.073	.563	10.630	.000

a. Dependent Variable: Performance of WLCBMEs

4.8 Performance of WLCBMEs

4.8.1 Descriptive Statistics for Performance of WLCBMEs

The performance of WLCBMEs was also measured in the various aspects and table 4.44 gives the details of the finding. From the table it is clear that there was steady growth as far as number of employees, number of products, market share and annual running expenditures.

Table 4.44: Descriptive Statistics for Performance of WLCBMEs

	2012	2013	2014
Number of employees	19.4%	21.4%	23.6%
Number of products	22.7%	24.8%	24.6%
Market share	20.5%	23.34%	29.22%
Annual running expenditure	21.5%	24.2%	28.3%

4.8.2   Normality Test for performance of WLCBMEs

Again the normality was tested using skewness and kurtosis values. From the finding it was clear that strategic implementation was normally distributed since the values were falling between -1.0 and + 1.0 that is -0.407 and 0.419 respectively. The findings were in agreement with Myoung (2008) recommendations.

Table 4.45: Performance of WLCBMEs Normality Test

	Statistic	Std. Error
Skewness	-0.207	0.101
Kurtosis	0.119	0.579

Normality test using Q-Q plot

Based on Q-Q plot figure further confirms values for performance of WLCBMEs were normally distributed. From the findings the assumption of normality for all the variables were met.
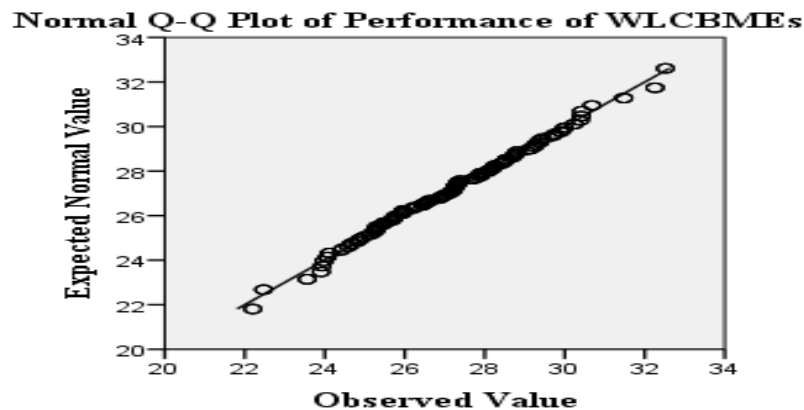
Figure 4.12: Normal Q-Q Plot of Performance of WLCBMEs

4.8.3 Correlation Analysis of Independent Variables

Correlation analysis shows the strength of relationship between variables. In this study, Pearson product moment correlation coefficient was used to establish the relationship between the predictor variables. The correlation coefficients are summarized in table 4.46. The findings also reveals that there was significant relationship between the independent variables since all the p-values were less than 0.01 that is p- values 0.000 <0.01. Despite the fact that there was a some significant relationship between the predictor variables, the problem of multi-ollinearity did not exist since the r-values were less 0.8 as suggested by Tabachnick and Fidel (2001). This was in agreement with VIF values as discussed earlier.

Table 4.46: Correlation Analysis of Independent Variables

		Bricks and Clicks model	Cutting-out Middle Man Model	Freemium model	Multi-level marketing
Bricks and Clicks model	Pearson Correlation	1	.479**	.435**	0.512**
	Sig. (2-tailed)		.000	.000	0.000
	N	245	245	245	245
Cutting-out Middle Man Model	Pearson Correlation	.479**	1	.326*	.621*
	Sig. (2-tailed)	.000		.000	0.000
	N	245	245	245	245
Freemium model	Pearson Correlation	.435**	.326*	1	.321**
	Sig. (2-tailed)	.000	.000		.000
	N	245	245	132	245
Multi-level marketing	Pearson Correlation	.512**	.621**	.321**	1
	Sig. (2-tailed)	.000	.000	.000	
	N	245	245	245	245

**. Correlation is significant at the 0.01 level (2-tailed).

In the presence of moderator, correlation coefficient r values were above 0.8 and the relationship among the independent variable was significant. Since the r values were above 0.8, Tabachnick and Fidel (2001) rule of thumb was contradicted hence probably there was a problem of multicollinearity this therefore suggest that the model was good enough in the absence of moderator

4.8.4 Test for Autocorrelation (independent of errors)

The assumption is that for any observations the residual terms should be uncorrelated (independent). This assumption was tested using the Durbin- Watson test which tests for serial correlations between errors. It tests whether the adjacent residuals are correlated. Durbin watson value of two means the residuals are uncorrelated, a value greater than

two indicates a negative correlation between adjacent residuals, whereas a value below two indicates a positive correlation (Field, 2009). However Durbin-Watson statistical values less than 1 or greater than 3 are definitely cause for concern. In this study the Durbin-Watson statistical value was 1.723.The findings suggest that the residual terms were independent see Table 4.47.

4.9 Multivariate Regression Analysis

This section presents the results on the combined effects of all the independent variables which are Bricks and Clicks model, Cutting-out middle man model, Freemium model and Multi-level marketing on the dependent variable that is Performance of WLCBMEs. A multiple linear regression model was used to test the significance of the influence of the independent variables on the dependent variable. Therefore the overall model for the study was;

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + e$$

Where:

Y = Performance of WLCBMEs

X_1 = Bricks and Clicks model

X_2 = Cutting-out middle man model

X_3 = Freemium model

X_4 = Multi-level marketing

Table 4.52 shows the analysis of the fitness of the model used in the study. The results indicate that the overall model was satisfactory as it is supported by coefficient of determination also known as the R-square of 0. 569. This means that all the independent variables explain 56.9% of the variations in the dependent variable.

Table 4.47: Overall Model Fitness

Model	R	R- Square	Adjusted R Square	Std. Error of the Estimate	Durbin-watson
1	.754[a]	.569	.551	1.39802	1.723

Predictors: (Constant), Multi-level marketing , Cutting-out middle
man model, Bricks and Clicks model, Freemium model

Table 4.48 provides the results on the analysis of the variance (ANOVA). The results indicate that the overall model was statistically significant. This was supported by an F statistic of 32.348 and the reported p value (0.000) which was less than the conventional probability of 0.05 significance level. These results suggest that the independent variables are good predictors of performance of WLCBMEs.

Table 4.48: Analysis of Variance (ANOVA)

Model		Sum of Squares	df	Mean Square	F	Sig.
	Regression	252.896	4	63.224	32.348	.000[b]
1	Residual	191.538	241	1.954		
	Total	444.434	245			

a. Dependent Variable: Performance of WLCBMEs
b. Predictors: (Constant), Multi-level marketing , Cutting-out middle man model,
Bricks and Clicks model, Freemium model

Regression of coefficients results in Table 4.49 shows that there is a positive and significant relationship between Performance of WLCBMEs(dependent variable) and Multi-level marketing, Cutting-out middle man model, Bricks and Clicks model, Freemium model(explanatory variables). From the finding, the overall model obtained is expressed as:

$Y=13.650+1.472X_1+ .938 X_2+0.537 X_3+0.089 X_4$

These were supported by beta coefficients of 1.472, 0.938, 0.537 and 0.089 respectively. These results show that a change in either of the variables will definitely lead to a positive change in Performance of WLCBMEs.

Table 4.49: Overall Regression Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
	(Constant)	13.650	1.420		9.612	.000
	Bricks and Clicks model	1.472	.241	.476	6.101	.000
1	Cutting-out middle man model	.938	.209	.409	4.491	.000
	Freemium model	.537	.575	.116	2.934	.025
	Performance of WLCBMEs	.089	.166	.066	1.536	.033

a. Dependent Variable:

In addition to that, the hypotheses:-

H$_{01}$: Bricks and Clicks model does not have an effect on performance of WLCBMEs in Kenya that is (**H$_0$:** $\beta_1 = 0$ vs **H$_1$:** $\beta_1 \neq 0$)

H$_{02}$: Cutting-out Middle Man Model does not have an effect on Performance of WLCBMEs in Kenya(**H$_0$:** $\beta_2 = 0$ vs **H$_1$:** $\beta_2 \neq 0$)

H$_{03}$: Freemium model does not have an effect on Performance of WLCBMEs in Kenya (**H$_0$:** $\beta_3 = 0$ vs **H$_1$:** $\beta_3 \neq 0$)

H$_{04}$: Multi-level marketing does not have an effect on Performance of WLCBMEs in Kenya (**H$_0$:** $\beta_4 = 0$ vs **H$_1$:** $\beta_4 \neq 0$)

were tested and the results also indicates that all the hypotheses were rejected. The table below show the summary of the hypotheses rejected. The table 4.50 shows overall decision table for all the hypothesis tested.

Table 4.50: Overall decision table for the hypothesis tested.

Hypotheses	t- value	Sig value	Decision
$\mathbf{H_0}$: $\beta_1 = 0$ $\mathbf{H_1}$: $\beta_1 \neq 0$	.476	.000	Reject $\mathbf{H_0}$
$\mathbf{H_0}$: $\beta_2 = 0$ $\mathbf{H_1}$: $\beta_2 \neq 0$	.409	.000	Reject $\mathbf{H_0}$
$\mathbf{H_0}$: $\beta_3 = 0$ $\mathbf{H_1}$: $\beta_3 \neq 0$	.116	.025	Reject $\mathbf{H_0}$
$\mathbf{H_0}$: $\beta_4 = 0$ $\mathbf{H_1}$: $\beta_4 \neq 0$	.066	.033	Reject $\mathbf{H_0}$

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

The summary of the study are presented in this chapter as guided by the specific objectives. These are followed by conclusions and recommendations. The chapter finally gives direction on areas of further research.

5.2 Summary of Findings

The general objective of this study was to establish the influence of strategic business models on performance of women-led community-based micro-enterprises in Kenya. The study relied on theoretical and empirical studies on performance and consequently developed a conceptual model of the relationship between the predictors and the dependent variable. The hypothesized relationships were then tested empirically.Prior to the empirical test, certain assumptions about the variables used in the analysis were tested for, since most statistical tests rely upon them. The study also found no violation of the assumptions of normality, heteroscedasticity, multicollinearity, linearity, outliers, and non-response bias.

5.2.1 To determine the influence of bricks and clicks model on performance of women- led community-based micro-enterprises in Kenya.

The regression model between Bricks and Clicks model and Performance of WLCBMEs was significant (it indicates the goodness of fit for the regression model established between dependent variable and independent variable). F statistic of 108.996 indicated that the overall model was significant as this was further supported by a probability value of 0.000 which less than 0.05 (p=0.00>0.05). The findings also indicated that there was a positive relationship between Bricks and Clicks model and organization performance. Consequently, the null hypothesis was rejected.

5.2.2 To establish the influence of cutting out the middle man model on performance of women-led community-based micro-enterprises in Kenya.

Regression analysis was conducted to establish the relationship between the Cutting-out Middle Man Model and Organization performance. From the finding an R- square value of 0.303 was recorded indicating that 30.3% of Performance of WLCBMEs is was explained by the n Cutting-out middle man model. The model summery table 4.36 shows the finding. The F-statistics presented in table 4.37 indicated that the overall model was significant, that is, the independent variable, Cutting-out Middle Man Model was a good joint explanatory for Performance of WLCBMEs with F-value of 105.772. P- Value =0.000<0.05 also indicates that the model was fit. From the regression coefficient table, there was positive and significant relationship between Cutting-out Middle Man Model and Performance of WLCBMEs. The hypothesis was also tested and the null hypothesis was rejected.

5.2.3 To assess the influence of freemium model on performance of women-led community-based micro-enterprises in Kenya.

A simple regression analysis was conducted to establish the relationship between the Freemium model and Organization performances. An R- square value of 0.415 indicated that 41.5% of Performance of WLCBMEs is explained by Freemium model. The F-statistic presented in table 4.42 indicates that the model was significant with p-value being less than 0.05. The regression results after adjusting for the heterogeneity of variances indicated in table 4.43 suggest further that there was a positive and significant relationship between Freemium model and Performance of WLCBMEs. From the regression model every unit change in Freemium model, Performance of WLCBMEs changes by 3.032units. The hypothesis was also tested and the null hypothesis was consequently rejected.

5.2.4 To determine the influence of multilevel marketing model on performance of women-led community-based micro-enterprises in Kenya

A simple regression analysis was conducted to establish the relationship between the Multi-level marketing and Performance of WLCBMEs. An R- square value of 0.315indicated that 31.5% of Performance of WLCBMEs is explained by Freemium model. The F-statistic presented in table 4.49 indicates that the model was significant with p-value being less than 0.05. The regression results indicated in table 4.50 suggest further that there was a positive and significant relationship between Performance of WLCBMEs and Multi-level marketing. From the regression model every unit change in Multi-level marketing, Performance of WLCBMEs changes by 0 .725units. The hypothesis was also tested and the null hypothesis was rejected.

5.3 Conclusion

On the basis of the findings of the current study, the researcher made the following conclusions: In regards to the first objective overall model was significant as this was further supported by a probability value. The findings also indicated that there was a positive relationship between Bricks and Clicks model and organization performance. Consequently, the null hypothesis was rejected. Being that the null hypothesis was rejected then the study can conclude that Bricks and Clicks model has an effect on performance of WLCBMEs in Kenya and hence it should be embraced by the enterprises to maximize on the returns.

Based on the second objective of to establish the influence of cutting out the middle man model on performance of women-led community-based micro-enterprises in Kenya the overall model was significant, that is, the independent variable, Cutting-out Middle Man Model was a good joint explanatory for Performance of WLCBMEs. From the regression coefficient table, there was positive and significant relationship between Cutting-out Middle Man Model and Performance of WLCBMEs. The hypothesis was also tested and the null hypothesis was rejected which confirms the fact that Cutting-out

Middle Man Model has an effect on Performance of WLCBMEs in Kenya. This is important in that the more the middle men are in a distribution channel, the higher the operation cost and hence the more the expenses.

The third objective which was tied to the third null hypothesis that freemium model does not have an effect on Performance of WLCBMEs in Kenya was disapproved by the findings in that the null hypothesis was rejected and that the study states with a lot of authority that freemium model has an effect on Performance of WLCBMEs in Kenya. This is evident from the findings of the current study where regression results after adjusting for the heterogeneity of variances suggest that there was a positive and significant relationship between Freemium model and Performance of WLCBMEs.

Emanating from the analyses, it was also evident enough from the current study that multi-level marketing has an effect on Performance of WLCBMEs in Kenya. The F-statistic presented also indicated that the model was significant. The regression results suggest further that there was a positive and significant relationship between Performance of WLCBMEs and Multi-level marketing.

5.4 Recommendations

On the basis of this study, the following recommendations are made: From the study, it is evident enough that the knowledge that the employees and the owners of WLCBMEs have concerning a particular business model, the more it is practiced and the more returns it brings to the enterprise. In the basis of bricks and clicks model, the researcher recommends that the employees, owners of WLCBMEs and business people should be educated on the business model putting more emphasis on its meaning, how it works and how it can benefit the business. It could be seen that however less knowledge about the model, it could still have positive impact on the performance so a little emphasis on it would do the business owners favor as far as their returns are concerned. This will encourage the business managers to use the model and will enable them attract more customers to their enterprises hence huge returns.

In regard to the cutting out the middle man model, it seems that the business understands the meaning of the model and even how it works and the relationship with performance is also positive. The extent of its positivity towards performance cannot go without say. The study hence recommend that the model should be used wherever necessary and as much as possible for the benefit of the enterprises.

Freemium model has positive correlation with the performance and as such, the researcher recommends that every business should seek to employ this particular model. This is due to the fact that most customers like lowly priced commodities and even discount as they make the purchase, this encourages them and tend to be regular customers to the said enterprise. However much this model is emphasizing on the pricing being set low or given free, the quality of goods and services are not supposed to be compromised. With this most of the customers will be retained and more will be attracted not forgetting that the business will extend its parameters as far as the market share in the region is concerned. As recommended by Myoung (2008), multi-level marketingwas normally distributed since they lie within the ± 1 range and also had a strong positive relationship as indicated by a correlation coefficient of 0.563^{**} as indicated by Biggart, (1989); Bhattacharya and Mehta (2000). The study therefore can recommend that the enterprises should adopt this model more in the business to improve on the profitability.

5.5 Areas of Further Research

The study of business model concentrated on only four sub-variables. It was not possible to study all models that determine the performance of the business. Without a doubt, other models come into the interplay and provide perceptive results to the issue of strategic business models influencing the performance of WLCBMEs in Kenya. Secondly, the study relied mostly on survey where the respondents were asked to assess viewpoints on the item in the instrument. But some success factors of business models are known to be strategic and dynamic in nature. Therefore, a longitudinal study would be more preferable as it could provide a better perspective of the effect of business

model on the firm performance in Kenya in addition to further informing the policy frameworks of the models. Lastly, the findings presented in this study are based on evidence gathered from WLCBMEs in Migori County. Future research should be extended to other business institutions in other regions which may be facing the same problem.

REFERENCES

Abdul, G., Nor Z., (1997). Pawnshop as an instrument of microenterprise credit in Malaysia", *International Journal of Social Economics*, *24*(11), 1343 – 1352.

Ahuja, G., (2000). Collaboration Networks, Structural Holes and Innovation: *A Longitudinal Study. Administrative Science Quarterly,* (45), 425-455.

Amzad, H., Kamal, N., Asif, Z., & Rana, N., (2009). Factors influencing women business development in the developing countries: Evidence from Bangladesh. *International Journal of Organizational Analysis, 17*(3), 202 – 224.

Ana, P., Helena, S., & Amaral, G., (2012). Credit risk assessment and the impact of the New Basel Capital Accord on small and medium-sized enterprises: An empirical analysis", *Management Research Review, 35*(8), 727 – 749.

Andrea, E., Smith, H., & Robert, L., (2004). Applying theories of entrepreneurship to a comparative analysis of white and minority women business owners, *Women In Management Review*, *19*(1), 18 – 28.

Åsa, L., & Dahlstrand, D., (2013). Women business ventures in Swedish university incubators, *International Journal of Gender and Entrepreneurship, 5*(1), 78 – 96.

Asyraf, W., (2008). Banking for the poor: the role of Islamic banking in microfinance initiatives, *Humanomics*, *24*(1), 49 – 66.

Ayala, M., &Dafna, S., (2006). Men and women small business owners in Israel, *Equal Opportunities International, 25*(4), 311 – 326.

Babbie, E. (1990). *Survey research methods*. Belmont, CA: Wadsworth Publishing.

Babbie, E. (1990). *Survey research methods*. Belmont, CA: Wadsworth Publishing.

Bailey, K. D. (1987). *Methods of social research* (3rd ed.). New York: Free Press.

Bailey, K. D. (1987). *Methods of social research* (3rd ed.). New York: Free Press.

Bakar, A., Muhammad, A. T., MohamadNizam, Y., Wiwied, V. (2011). Implementation of Strategic Management Practices in the Malaysian Construction Industry, *5*(1), 140-154.

Bansal, A., (2014). Brick and Click Model: An important Tool for Web Marketing, *International Journal of Engineering and Advanced Technology (IJEAT, 3*(3).

Barbara, K. (2001) Microenterprise as a practical alternative to maquiladoras", *International Journal of Social Economics*, *28*(10/11/12), 815 – 830.

Barney, J. (1991) Firm Resources and Sustained Competitive Advantage. *Journal of Management, 17*(1), 99-120.

Barney, J. B. & Hesterly, W. S. (2010). *Strategic Management and Competitive Advantage: Concepts and Cases.* (3rd ed.). Upper Saddle River, New Jersey: Prentice Hall.

Bellman, S., Gerald, L. L., & Eric, J., (2009). Predictors of Online Buying Behavior," *Communications of the ACM*, *42*(12), 32-38.

Berdegué, J.A., Reardon, T., Hernández, R., &Ortega, J., (2008b). *Modern Market Channels and Strawberry Farmers in Michoacán,* Mexico: Micro study report. Regoverning Markets Programme.

Bhattacharya, P., & Mehta, K., (2000). Socialization in network marketing organizations: Is it cult behavior. *Journal of Socio-Economics, 29*(4), 361–374.

Biggart, N., (1989). *Charismatic Capitalism: Direct Selling Organizations in America,* Chicago: The University of Chicago Press.

Bill, V., Mark, L., & James, M., (2014). *Business models that are inclusive of small farmers Summarized and adapted* by Andrew W. Shepherd, Rome: FAO.

Brandenburger, A. M., & Nalebuff, B. J. (1996). *Co-opetition*. New York, NY: Currency Doubleday

Brynjolfsson, E., Hu, Y., & Smith, M., (2003). Consumer Surplus in the Digital
Economy: *Estimating the Value of Increased Product Variety at Online
Booksellers," Management Science, 49*(11), 1580-1596.

Burt, R. S. (1992). *Structural Holes: The Structure of Competition.* , Cambridge, MA:
Harvard University Press.

Cadilhon, J., (2006). Trading partners self-developing market linkages: Mr Van's lettuce

Camillus, J. C. (2008). *Strategy as a Wicked Problem.* Harvard: Harvard Business Review

Catherine, C., (1997). The business case for equal opportunities: implications for women
in management, *Women In Management Review*, *12*(1), 11 – 16.

Cecilia, B., & Lisa, B., (2011). Family business women in media discourse: the business
role and the mother role, *Journal of Family Business Management*, *1*(2), 154 –
173.

Chiang, W., Dilip,C., & James, D., (2013). Direct Marketing, Indirect Profits: A
Strategic Analysis of Dual-Channel Supply Chain Design. *Management Science*,
1-20*.

Cooper, R., & Schindler, P., (2011). *Business Research Methods*. (11th ed.). New
York: McGraw-Hill.

Cynthia, B., & Hung, M., (2009). A comparison of the motivations of small business
owners in Africa", *Journal of Small Business and Enterprise Development*, *16*(1),
60 – 77.

Daphne, H., Chinedum, N., Nicholas, H., &Sylva, C., (2011). Challenges facing women
entrepreneurs in Nigeria", *Management Research Review*, *34*(2), 221 – 235.

Degeratu, M., Arvind, R., & Jianan, W., (2010). Consumer Choice Behavior in Online
and Traditional Supermarkets: The Effects of Brand Name, Price, and Other
Search Attributes, *International Journal of Research in Marketing*, *17* (1), 55-78.

Derfus, P. J., Maggitti, P. G., Grimm, C. M., & Smith, K. G. (2008). The Red Queen effect: Competitive actions and firm performance. *Academy of Management Journal*, *51*(1), 61-80.

Dianne, H., Welsh, J., Mark, M., Shengliang, D., & Peter, V., (2013). Microenterprise performance and microenterprise zones (MEZOs) in China", *Management Decision*, *51*(1), 25 – 40.

DiMaggio, P. J. and Powell, W. W. (1983). The Iron Cage Revisited: Institutional Isomorphism and Collective Rationality in Organizational Fields. *American Sociological Review*, *48,* 147-160.

Doerr, J., Benlian, A., Vetter, J., &Hess, T., (2010). Pricing of Content Services: An Empirical Investigation of Music as a Service. *Sustainable e-Business Management,* (58), 13-24.

Donald, B., Steven, M., & Erik, J., (2011). Sources of enterprise success in Amish communities, *Journal of Enterprising Communities: People and Places in the Global Economy, 5*(2), 112 – 130.

Elkington, M., (1994). *Towards the sustainable corporation: Win-win-win business strategies for sustainable development*. California: California Management Review.

Emma, F., Cecilia, H., &Helle, N., (2011). The politics of gendered growth, *International Journal of Gender and Entrepreneurship*, *3*(2), 164 – 173.

Felipe, A., Nilson, P., &Huascar, P., (2014). Institutional entrepreneurship in building the Brazilian market of functional yogurts, *British Food Journal*, *116* (1).

Fisher, F., (2006). *The Identification Problem in Econometrics*. New York: McGraw-Hill.

Fitzsimons, G. J., & Lehmann, D., (2004). Reactance to Recommendations: When Unsolicited Advice Yields Contrary Responses. *Marketing Science, 23* (1), 1-16.

Foss, N. J. 1996. More Critical Comments on Knowledge-Based Theories of the Firm. *Organization Science*, *7*(5), 519-523.

Gal, O., & Lior, Z., (2013). Content or community. A digital business strategy for content providers in the social age Graduate School of Business.

Gathenya, J., Bwisa, M., & Kihoro, J. (2011). Interaction between Women Entrepreneurs' Age and Education on Business Dynamics in Small and Medium Enterprises in Kenya, *International Journal of Business and Social Science, 2*(15), 265-272.

Golafshani, N. (2003). Understanding reliability and validity in qualitative research. *The qualitative report*, *8*(4), 597-606.

Gordon, A., Loeb, M., & Zhou, L., (2011). The Impact of Information Security Breaches: Has There Been a Downward Shift in Costs? *Journal of Computer Security, 19*(1), 33-56.

Granfield, M., & Nicols, A., (1975). Economic and marketing aspects of the direct selling industry. *Journal of Retailing, 51* (1), 33.

Granovetter, M. (1995). Coase Revisited: Business Groups in the Modern Economy. *Industrial and Corporate Change, 4*(1), 93-130.

Grant, R. M. (1996). Toward a knowledge-based theory of the firm. *Strategic management journal*, *17*(S2), 109-122.

Gray, C., (1996). Women - the new heroes of the business world, *Women In Management Review*, *11*(2) 3 – 17.

Greenberg, H., (2002). Don't count on cash flowFortune*, A.* Tergesen, Cash flow hocus pocus, *Business week,* 130-132.

Griffin, A., & John R., (2003). The Voice of the Customer. *Marketing Science*, *12*(1), 1-27.

Grob, C., (2010). Spiritual cleansing: A case study on how spirituality can be mis/used by a company. *Management Revue, 21*(1), 60–81.

Hall, E., & Lee, J., (2000). *Diversification strategies: Creating value or generating profits*, paper presented to the annual meeting of the decision sciences institute, Orlando*, FL,* 18-21.

Harris, W., (2004). Network marketing or pyramid scheme. *Black Enterprise*, *35*(4), 102–110.

Henricks, M., (2002). A New Standard, *Entrepreneur, 83-84.*

Hess, J., (2012). *Unidentifiable Relationships in Conceptual Marketing Models.* Unpublished working paper*,* Houston, TX : University of Houston.

Hung, J., (2010). Economic Essentials of Online Publishing with Associated Trends and Patterns. *Publishing Research Quarterly, 26* (2), 79-95.

Hur, Y., (2007). *Organizational performance, turnover, and human resource*

Ittner, C.D., Larker, D.F., & Rajan, M.V. (1996). The Choice of Performance Measures In Annual Bonus Contracts, *Havard Business Review, 8-9;*

Jerry, K., (2006). An analysis of strategic issues in institutionalizing a financial systems approach for microenterprise development in Africa", *Managerial Finance*, *32*(7), 594 – 605.

Johnson, B., Onwuegbuzie, J., & Turner, A., (2007). Toward a definition of mixed methods research. *Journal of mixed methods research, 1*(2), 112-133.

José, C., Jaime, J., & Stephen, A., (2008). Assessing the effect of social networks among Mexican enterprises: A comparison of dairy processing firms in the state of Chihuahua, *International Journal of Commerce and Management*, *18*(4), 331 – 343.

Karyn, L., &Andrea, S., (2004). Women home-based business owners: insights from comparative analyses, *Women In Management Review*, *19*(3), 164 – 173.

Katou, A. A. (2008). Measuring the impact of HRM on organizational performance. *Journal of Industrial Engineering and Management*, *1*(2), 119-142.

Kazemi, M., Khajouei, H., &Nasrabadi, H., (2012). Evaluation of information security management system success factors: Case study of Municipal organization. *AfricanJournal of Business Management, 6*(14), 4982-4989.

Kazi, A., (2012). Green microfinance promoting green enterprise development, *Humanomics, 28*(2), 148 – 161.

Keeney, R., (2009). The Value of Internet Commerce to the Customer. *Management Science*, *45*(4), 533-542.

Kiraka, L., (2013). *Micro, Small and Medium Enterprise Growth and Innovation in Kenya: A Case Study on the Women Enterprise*, Nairobi: ICBE-RF Research Report.

Klein, J., (2008). *Encouraging Entrepreneurship.* A Microenterprise Development Policy Agenda

Kothari, C. R, (2004). *Research Methodology: Methods and Techniques*, (2nd revised ed.), New Delhi: New age International publishers.

Kothari, R., (2004). *Research Methodology: Methods and Techniques* (2nd ed.). New Delhi: New Age International.

Kothari, R., (2009). *Research Methodology: Methods and Techniques* (5th ed.). New Delhi: New Age International.

Koul, R., (2008). Educational Research and Ensuring Quality Standards. *E-journal of All India Association for Educational Research (EJAIAER), 20*(3), 1-8.

Kuntze, R., (2001). *The Dark Side of Multilevel Marketing Appeals to the Symbolically Incomplete*. Unpublished PhD dissertation, Arizona: Arizona State University.

Kustin, R., & Jones, R., (1995). Research note: A study of direct selling perceptions in Australia. *International Marketing Review, 12*(6), 60–67.

Kwak, H., Richard, J., & George, M., (2002). What Products Can Be Successfully Promoted and Sold Via the Internet? *Journal of Advertising Research*, *42*(1), 23-38.

Laderman, J., (1989). Earnings, Schmernings: Look at the cash, *Business Week*, 130-132.

Leslie, A., & Levin, M., (2006). Corporate and academic responses to gender diversity", *Equal Opportunities International*, *25*(1), 60 – 70.

Liang, T. P., & Huang, J. S. (1998). An empirical study on consumer acceptance of products in electronic markets: a transaction cost model. *Decision support systems*, *24*(1), 29-43.

Lin, X.,(2007). Chinese entrepreneurs in network marketing organizations: A culture-moderated social capital perspective', *Journal of Small Business and Entrepreneurship*, *20*(3), 273–288.

Linda, A., (2002). Re-presenting women executives: valorization and devalorization in US business press, *Women In Management Review, 17*(3/4), 104 – 119.

Low, J., & Siesfield, T., (1998). *Measures that Matter:* Wall Street Considers Non-Financial Performance More Than You Think, *Strategy and Leadership,* 24-30.

Maria, B., Yvonne, F., Øystein, R.,& Øystein, W., (2013). Networking women entrepreneurs: fruitful for business growth, *International Journal of Gender and Entrepreneurship, 5*(1), 60 – 77.

Masudul, A., &Sofyan, S., (2009). Complementing community, business and microenterprise by the Islamic epistemological methodology: A case study of Indonesia, *International Journal of Islamic and Middle Eastern Finance and Management, 2*(2), 139 – 159.

Masudul, A., (2002). Microenterprise development using Islamic financing and organizational instruments: Modality and practicum, *International Journal of Social Economics,29*(1/2), 119 – 134.

Masudul, A., Mohammad, S., &Mohammad, S., (2008). A well-being model of small-scale microenterprise development to alleviate poverty: A case study of

Bangladesh village, *International Journal of Sociology and Social Policy*, *28*(11/12), 485 – 501.

McDonough, W., & Braungart, M. (2002). *From Cradle to cradle*: remaking the way we make things: North Point Press.

McGrath, R. G., & MacMillan, I. C. (2000). Assessing technology projects using real options   reasoning. *Research Technology Management*, *43*(4), 35-49.

Meyer, J. & Rowan, B. (1977). Institutionalized Organizations: Formal Structure as Myth and Ceremony. *American Journal of Sociology*, *83*, 333-363.

Meyer, P., Becker, T. E., & Vandenberghe, C., (2004). Employee commitment and motivation: A conceptual analysis and integrative model. *Journal of Applied Psychology, 89*(6), 991-1007.

Mohammad, Z. H., (2004) "Stagnated Growth of Microenterprises and Flawed Role of Credit NGOs : Evidence from Bangladesh, *Humanomics, 20* (1), 32 – 39.

Msweli, P., & Sargeant, A.,(2001). Modelling distibutior retention in network marketing organizations, *Marketing Intelligence and Planning, 19*(6/7), 507–514.

Mugenda, A. (2008). *Social Science Research: Conception, Methodology and Analysis*. Nairobi: Kenya Applied Research and Training Services.

Mugenda, A. (2008). *Social Science Research: Conception, Methodology and Analysis*. Nairobi: Kenya Applied Research and Training Services.

Mugenda, A., (2008). *Social Science Research: Conception, Methodology and Analysis*. Nairobi: Kenya Applied Research and Training Services.

Mugenda, M.,& Mugenda, G.(1999). *Research Methods: Quantitative and QualititativeApproaches:* 1[st]edition. Nairobi. Acts press.

Muhammad, R., (1997). Partnership financing of microenterprises", *International Journal of Social Economics, 24*(12), 1470 – 1487.

Nnamdi, O., Madichie, A., & Nkamnebe, M., (2010). Micro-credit for microenterprises?: A study of women "petty" traders in Eastern Nigeria, Gender in Management: *An International Journal, 25*(4), 301 – 319.

Oliver, M., Spencer, H., &John, C., (2009). Performance of microenterprises in Ghana: a resource-based view, *Journal of Small Business and Enterprise Development, 16* (3), 466 – 484.

Orodho, J. A., (2008). *Techniques of writing research proposals & reports in education and social sciences.* Nairobi: Kanezja HP Enterprises.

Panseersavan, R., (2007). Research Methodology: Prentice-Hall, New Delhi

Paul, L., Richard, B., Farouk, A., & Claire, S., (2005). MBA for small firms and microenterprises? Development issues. *Journal of European Industrial Training, 29* (8), 641 – 652

Pauwels, K., &Weiss, A.,(2008). Moving from Free to Fee: How Online Firms Market to Change Their Business Model Success- fully. *Journal of Marketing*72 (3) 14-31.

Phelan, S., & Lewin, P., (2000). Arriving at a Strategic Theory of the Firm. *International Journal of Management Review, 2* (4), 305-323.

Pratt, M., (2000). The good, the bad, and the ambivalent: Managing identification among Amway distributors', *Administrative Science Quarterly* 45, 456–493.

Pratten, J., & Lovatt, C., (2007). Women customers in pubs: still a business opportunity", *International Journal of Wine Business Research*, 19 (2) 90 – 97.

Prescott, J., & Herko, R., (2010). TOWS Analysis: The Role of Competitive Intelligence", *Competitive Intelligence Magazine*, 13 (3) 9-12.

Rego, A., & Cunha, P., (2008). Workplace Spirituality and OrganizationalCommitment: An EmpiricalStudy. *Journal of Organizational ChangeManagement*, 21(1), 53-75.

Reva, B.,& Sean, M., (2001). The business activities of Jewish women entrepreneurs in medieval England. *Management Decision*, 39 (9) 699 – 709.

Riggins, F., (2003). Market Segmentation and Information Development Costs in a Two-Tiered Fee-Based and Sponsorship- Based Web Site. *Journal of Management Information Systems*19 (3), 69-81.

Ronald, G., Cook, P., (2004). The influence of human capital attributes in microenterprise training. *Journal of Small Business and Enterprise Development*, 11 (4) 467 – 473.

Sandra, F.,& Marilyn, J., (2012). BAME women business owners: how intersectionality affects discrimination and social support. *Gender in Management: An International Journal*, 27 (8), 559 – 581.

Sandredo, K., (2006).The Dynamics of Supermarket Supplier. Presentation to FAO-Vredeseilanden Sub Regional Seminar on Enhancing Capacity of NGOs and Farmers Groups in Linking Farmers to Markets, Bali.

Sarah, P., (2006) "*Spotlight on Laura D. Tyson",* Management Decision, 44 (9), 1206 – 1213

Saunders, M., Lewis, P., & Thornhill, A., (2009). *Research methods for business students* (5th ed.). Harlow: Pearson Education.

Selltiz, C., et *al*., (1976). *Research Methods in Social Relations*", Revised ed., Holt, Rinehart and Winston, Inc., New York.

Siwan, M.,& Jennifer, R., (2013). Entrepreneurial competencies of women entrepreneurs pursuing business growth.*Journal of Small Business and Enterprise Development*, 20 (1) 125 – 142

Sparks, J., & Schenk, J., (2001). Explaining the effects of transformational leadership: An investigation of effects of higher-order motives in multilevel marketing organizations', *Journal of Organizational Behavior*, 22 (22) 849–

69.

Sparks, J., & Schenk, J., (2006). Socialization communication, organizational citizenship behaviors, and sales in a multilevel marketing organization. *Journal ofPersonal Selling & Sales Management, 26* (2), 161–180.

Spinder, D., (2000). Entrepreneurship – a learning process: the experiences of Asian female entrepreneurs and women in business. *Education + Training 42* (8), 445 – 453.

Spinder, D., (2010). Training Women to Win: A practical perspective on the training needs of women entrepreneurs. *International Journal of Gender and Entrepreneurship, 2* (3) 287 – 290.

Still, V., & Wendy, T., (2000). Women's business: the flexible alternative workstyle for women.*Women in Management Review*, 15 (5/6), 272 – 283.

Sue, L., (2010). Connecting with women entrepreneurs: equality or business imperative. *International Journal of Gender and Entrepreneurship, 2* (3), 291 – 294 supply chain to HCM City (Viet Nam). Presentation to FAO/VECO Workshop on enhancing capacities of NGOs and farmer groups to link farmers to markets, Bali, Indonesia.

Sylvia, M., (2005). Modifying best practices in women's advancement for the Latin American context. *Women in Management Review*, *20* (4), 249 – 261.

Szymanski, M., &Richard, T., (2000). E-Satisfaction: An Initial Examination. *Journal of Retailing*, *76* (3), 309-322.

Teece, D., (2010). Business Models, Business Strategy and Innovation. *Long Range Planning 43* (2-3), 172-194.

Tracy, F., (2011). *Contemporary strategic management practices in leading organizations,* Gordon institute of business science university of Pretoria.

Tully, S., (1995). *America's Best Wealth Creators.* Fortune, New Corporate Performance Measures.

United States Census Bureau (2007a). 2005 E-commerce Multi-sector Report. *U.S. Census Bureau*, Washington, D.C.

Vander, N., & Keep, W., (2002). Marketing fraud: An approach for differentiating multilevel marketing from pyramid schemes. *Journal of Public Policy &Marketing, 21* (1) 139–151.

Widiyanto, M., Cokro, H.,& Abdul, G., (2010).Improving the effectiveness of Islamic micro-financing: Learning from BMT experience. *Humanomics*, *26* (1) 65 – 75.

World Bank (2007). World Development Report 2008: Agriculture for Development. World Bank, Washington DC.

Yan, R., (2009)*.* Pricing Strategies and Firm Performances Under Alliance Brand*. Journal of Product & Brand Management, 18* (3) 226 – 232.

Yongsun, P., &Charles, M., (2002). Evidence of back-home selection bias against US female expatriates, *Women in Management Review*, *17* (2) 68 – 79.

Zajac, E., & Westphal, J., (2002). *Intra-organizational Economics*. In J. A. C. Baum (Ed.), Companion to Organizations: 233-256. Oxford, UK: Blackwell Publishing.

Zeithaml, V., (1988). Consumer Perceptions of Price, Quality, and Value: A Means-End Model and Synthesis of Evidence. *Journal of Marketing*, 52, 2-22.

Zimmerman, A., Amy, M., &Maureen, T., (2002). It's a Coupon Christmas. *The Wall Street Journal*, 11.

APPENDICES

Appendix I:Letter of Introduction

Dear respondent

My name is Pamela Awuor Ochieng' a PhD student at Jomo Kenyatta University of Agriculture and Technology school of Human Resource Development. I am pursuing a course in strategic management and thus I am conducting a research on the influence of strategic business models on performance of women-led community-based micro-enterprises in Kenya. As the owner or the employee of the microenterprise, you are requested to participate in this study by kindly answering the following questions. The information you provide shall be treated with utmost confidentiality and will be used for academic purposes only. You are requested not to indicate your name.

Yours sincerely,

Pamela Awuor Ochieng'

INTERVIEW/ OBSERVATIONGUIDE

Section A: Demographic Information

1)	What is your highest Level of Education?

…………………………………………………………………………………………

2)	How long has your business been operating?

………………………………………………………………………………………………

………

3)	How long have you been involved in businesses of the same kind?

………………………………………………………………………...............................

....

Section B: Specific Information

1)	Do you think the performance of your business has been satisfactory?

…………………………………………………………………………………………..

.....

2)	How do you measure performance in your business?

………………………………………………………………………………………………

………

………………………………………………………………………...............................

....

3)	How would you rate the customers' satisfaction in your business?

………………………………………………………………………………………………

….......

4)	How would you rate sales growth in your business?

………………………………………………………………………………………………

….......

5)	How would you rate profitability of your business?

………………………………………………………………………………………………

………

6)	To what extent do employees participate in the performance of the business?

………………………………………………………………………………………………

………

7)	Does bricks and clicks model influence the performance of your business?

………………………………………………………………………………………………

………

8)	Does cutting out the middle man model influence the performance of your
business?

………………………………………………………………………………………………

………

9)	Does freemium model influence the performance of your business?

112

……
………

10)   Does multi – level marketing influence the performance of your business?

……
……

11) Any other comment

……
……….

Thank you

Appendix II: Research Questionaire

PART 1: Respondent Background Information
Please indicate whether employee or owner.

Employer   Owner ☐   ☐

Age (please tick as appropriate)

18-24 ☐   25-30 ☐   31-36 ☐   37-42   ☐

43-48 ☐   49-54 ☐   55-60 ☐   over 60 ☐

Terms of employment a) Permanent b) Non-permanent (contract)   ☐

How many years have you worked in this enterprise?

(a) 1-5   ☐   (b) 6-10   ☐

(c) 16-20   ☐   (d) 16-20   ☐

(e) 21-25   ☐   (f) Over 25   ☐

Highest Level of Education {Please tick one (√) }

High School   Certificate   Diploma ☐   ☐

Bachelor's Degree   ☐   Post Graduate Degree   ☐   Other   ☐

(Specify)……………………………………………………………………………………
….
                                              ☐   ☐
Indicate your marital status a) Single   b) Married

                  c) Separated   ☐ d) Divorced   ☐

                  e) Widowed   ☐

PART 2: Section A

Bricks and Clicks Model

Indicate your level of agreement with the following statements by placing a *tick* in the column that best reflect your opinion. (**Strongly agree-SA, Agree-A, Neither Agree Nor Disagree-N Disagree-D, Stronglydisagree-SD**)

	Statement	SA	A	N	D	SD
A1	I am aware of bricks and clicks model					
A2	This enterprise practices bricks and clicks model					
A3	The enterprise uses web based method of selling its products					
A4	The enterprise uses paper based method of selling its products					
A5	The use of Bricks and clicks model has improved performance of this enterprise.					

Does your company conduct business offline and online...

In your own opinion, how efficient and flexible is the business…………………………….....

……
……….

Do you think conducting business both offline and online has enabled you to a greater extent reach more consumers……………………………………………………………………………….

Suggest ways in which offline and online businesses can be improved…………………………

……

……

……

……

…………………………………………………………………………………………..

Section B

Cutting out Middle Man Model

Indicate your level of agreement with the following statements.

(**Strongly agree-SA, Agree-A, Neither Agree Nor Disagree-N, Disagree-D, Strongly disagree-SD**)

	Statement	SA	A	U	D	SD
B1	I am aware of cutting out middle man model					
B2	This enterprise practices cutting out middle man model					
B3	The enterprise uses banning method to publicize its products					
B4	The enterprise uses social media as a method to method to advertise its products.					
B5	The cutting out middle man model has improved performance of this enterprise.					

Since the inception of your business, have you ever removed any intermediary in the supply chain..

In your own opinion, how has the removal of the intermediaries helped the business as far as the cost of servicing customers is concerned…………………………………....................................

……

Do you think removal of the intermediaries has enabled you to a greater extent improve your sales volume…………………………………………………………………………………………
…

Suggest other ways in which the supply chain can be made efficient apart from disintermediation…………………………………………………………………………………………
……..

Section C

Freemium Model

Indicate your level of agreement with the following statements: (**Strongly agree-SA, Agree-A, Neither Agree Nor Disagree-N,Disagree-D, Stronglydisagree-SD**)

	Statement	SA	A	U	D	SD
C1	I am aware of freemium model					
C2	This enterprise practices freemium model					
C3	The enterprise uses perpetual license to its customers					
C4	The enterprise often gives free samples to its customers					

		SA	A	U	D	SD
C5	Freemium model has improved performance of this enterprise.					

Since the inception of your business, have you ever offered either a good or a service to your customers for free...?

In your own opinion, do you think offering the products for free to customers can help improve the market share of a particular business…………………………….....................................

…….

Do you think giving out your products for free has enabled you to a greater extent improve your sales volume…………………………………………………………………………………

Suggest other ways in which the profitability of a business can be improved……………........

………………………………………………………………………………………………………
………………………………………………………………………………………………………
……………

Section D

Multi-level Marketing

Indicate your level of agreement with the following statements :(**Strongly agree-SA, Agree-A, Neither Agree nor Disagree-N, Disagree-D, Stronglydisagree-SD**)

	Statement	SA	A	U	D	SD
D1	I am aware of multi-level marketing model					
D2	This enterprise practices multi-level marketing model					

119

D3	The enterprise sells its products directly to its customers					
D4	The enterprise often uses network selling to sell its products					
D5	Multi-level marketing model has improved performance of this enterprise.					

Since the inception of your business, have you paid people outside the business to sell your products and services directly to the consumers..?

In your own opinion, do you think paying people outside the business to sell the products and services on behalf of the business can help in the growth of the business……………………….

………
……….

Do you think paying people outside the business to sell the products and services on behalf of the business has enabled you to a greater extent improve your sales volume and profitability…

………
……….

Suggest some of the advantages of using the above model as a tool to marketers……………...

………
………
………
……………………………………

Section E
5.0 Performance of WLCBMEs

5.1 (a) what was your enterprise sales growth in percentage (%) in the following years?

2012……………..   2013…………………   2014…………………

(b) Please indicate the numbers in the following aspects of your enterprise for the past

three years:

Aspect	2012	2013	2014
No. of employees			
No. of products			
Market share			
Annual running expenditure			

c) What was the position of your enterprise profitability in the past three years?

(Profit =Income – Expenses)

2012…………………………………………….

2013…………………………………………….

2014…………………………………………..

d) How satisfying was your enterprise overall profitability in the following years?

Year	Very dissatisfying	Dissatisfying	Neutral	Slightly satisfying	Very satisfying
2012					
2013					
2014					

e) What was your enterprise Profit ratio for the past three years?

(Profitability ratio = Profit x

100)

Capital

2012……………….. 2013…………………………. 2014………………..

Appendix III: Letter of Introduction

JOMO KENYATTA UNIVERSITY
OF
AGRICULTURE AND TECHNOLOGY
DEPARTMENT OF ENTREPRENEURSHIP, TECHNOLOGY,
LEADERSHIP & MANAGEMENT

Telegrams "Thika"
Tel (0151) 52181-4
Fax (0151) 52164
Email director@ihrd jkuat ac ke

OFFICE OF THE CHAIRPERSON
P. O. BOX 62000-00200
NAIROBI

DATE: 26th February, 2016

JKU/44/ HD433-1702/2010

To whom it may concern:

Dear Sir/Madam,

RE: PHD. RESEARCH PROJECT FOR: PAMELA AWOUR OCHIENG'

This is to introduce to you **Ms. Ochieng'** who is a student pursuing Doctor of Philosophy degree in Business Administration in the Department of Entrepreneurship, Technology, Leadership, and Management in the School of Entrepreneurship, Procurement and Management, College of Human Resource Development at Jomo Kenyatta University of Agriculture and Technology.

The student is currently undertaking a research proposal on: "**Influence of Strategic Business Models on Performance of Women-lead Community –Based Micro-enterprises in Kenya**" in partial fulfilment of the requirement for the programme.

The purpose of this letter is to request you to give the student the necessary support and assistance to enable her obtain the necessary data for the research. Please note that the information given is purely for academic purposes and will be treated with strict confidence.

Thank you.

Yours faithfully,

2 6 FEB 2016

Dr. Alice Simiyu
Postgraduate Research Coordinator
Department of Entrepreneurship, Technology, Leadership and Management

JKUAT is ISO 9001:2008 Certified
Setting Trends in Higher Education, Research and Innovation

Appendix IV: Research Permit

THIS IS TO CERTIFY THAT:
MS. PAMELA AWUOR OCHIENG
of JKUAT, 62000-200 NAIROBI, has been
permitted to conduct research in *Migori County*

on the topic: *INFLUENCE OF STRATEGIC BUSINESS MODELS ON PERFORMANCE OF WOMEN-LED COMMUNITY-BASED MICRO-ENTERPRISES IN KENYA*

for the period ending:
3rd May, 2017

Permit No : NACOSTI/P/16/60900/10452
Date Of Issue : 1st August, 2016
Fee Recieved : Ksh 2000

Applicant's Signature

Director General
National Commission for Science, Technology & Innovation