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Abstract

Multinationals Corporations invests across the borders either as owner's equity or venture capitalists. Over years they have invested in Kenyan market with immense success, others have attempted to enter the market with miserable results. Dismal performance of Multinational Corporations (MNCs) may pinpoint their failure to manage product strategy. The study's main objective was to establish the effect of product standardization on performance of multinational corporations. The study used descriptive research design. The research intended to obtain data from 56 Multinational Corporations within the Nairobi environ the actual respondents were 44 while 12 did not respond representing a response rate of 78%. Primary data was obtained from the questionnaire that was administered and answered by financial and marketing managers. Descriptive study was adopted a statistical analysis by use of analytical tables. A test of Multicolinearity was directed using the regression analysis to ascertain whether there is correlation between product strategy and performance. The findings revealed that the product strategy employed are customisation and innovation and standardisation with respondents contributing performance at 61 to 68 percent. The study established that product strategies has effect on performance of multinational corporations on FMCG firms in Kenya. This is attributed to the fact that majority of the companies' employ product strategies. The study established that product strategies have effect on performance of multinational corporations on FMCG firms in Kenya. All the multinational companies agreed that they use at least one strategy. The study therefore recommends that local firms should adopt the said strategies in order internationalize.

Key Words: *Product Standardization, Performance of Multinational Corporations*

1. Introduction

Multinational business bustle is a historical observable phenomenon. The economics of Phoenicians and Carthaginians, in the primeval world, were extremely reliant on international business. Modern direct investments are associated with industrial revolution, particularly in international movement of factors of production and resource seeking became the common motivation for foreign direct investment. Initially multinational corporations (MNCs) would import any type of consumer or manufactured goods to East Africa from Britain and other European countries before the establishment of industrial areas in Nairobi and at Thika. The fast-moving consumer goods (FMCGs) segment characterizes one of the major industries worldwide (KPMG, 2016). The sector includes provision of low cost items with very high consumption level. The goods have a little shelf life and non-durable and MNCs employ mostly a strategy engrossed on motivating highest line sales.

The modern day business environment has increasingly become complex as a result of stiff competition, reduced customer loyalty, stringent regulatory environment, technological advancement, high costs of operation a macro environmental factors, such as political, economic, technology, and socio-cultural issues (FitzRoy & Hulbert, 2005). Following these line of issues, it becomes hard to penetrate and make headways in the Kenyan market hence there is a need to research on the strategies adopted by these firms. The research targets to contribute and the accepting of the product strategy employed by MNCs in developing markets. In order for the firms to succeed in their internationalization efforts, they must ensure that they adopt effective strategies that include adopting the right market penetration mode and business models that suit the new business environments (Kaynak, 2014). The Fast-moving –consumer- goods (FMCG) market in the world and particularly in Kenya is extremely volatile characterized by stiff competition, low customer loyalty and high operational costs (Celen, Erdogan, & Taymaz, 2005). Furthermore, it complements to the understanding on how MNCs chooses product strategy and on the argument behind employment of various types of strategies. As the case may be the research explores the product strategies employed by these MNCs in order to perform in a fast and dynamic market of rapid goods. Looking at it that way it is important, owing to the market growth and internationalization particularly in developed countries, MNCs in their core markets to go to the developing markets as they would like to avoid stagnation at home.

Product standardization objective is to have product homogenization therefore organization works for a common consumption behavior. Uniformity is only attained in total in a few circumstances since due to difference in cultural and environmental dispensation minor alterations are done. If the firm is large or has high international business experience managers should consider a standardization strategy for price, place, process, and product (Chung, 2003). Enterprises that use systematic examination on a large scale, have gotten to the conclusion that management and marketing agendas cannot be, in various times, standardized (Madari & Neacsui, 2010). The changes between the environments in which companies are based may determinant to them to match their products to the particular of the host country (Diaconu, 2012). There are some product strategies suitable for some companies and not for others.

Differentiation lets the dealer to take that opportunity and react to the gap therefore providing the services and goods, in this way make them available to the segment of the market (Mullins & Orville, 2010). The producer of these good is able to use all aspect in marketing mix namely

product pricing, promotion and distribution decision. Differentiation strategy has a great advantage behind it, this is, since the goods are specifically designed for the segment then there is minimal competition (Bordes, 2009). Another strategy is where a customer-focused objective is met. This done by customisation. The intention in this strategy is to meet customer's satisfaction, retention and royalty. Though standardisation may meet the goals by ultimate quality production, attention to a specific customer may yield more superior results. This is where production process has to be flexible in order to tailor product or service in required way (West, Ford, & Ibrahim, 2010). The major benefit for this strategy to the producer is that there is no finished goods inventory, hence no held up capital or dead stock. The ruination to the strategy is that the customer has to delay for longer waiting for the goods. In order to attain long term competitive advantage, while looking for remedies to deal with problems encountered in the market firm employ innovation as a strategy (Drucker, 2001). Strategies oriented competitive acumen backs day-to-day processes for example relating or comparing the competitor's goods physiognomies versus business's individual merchandise. The idea will advise its promotional department of what restrictions plus confines on competing goods also about the following group of merchandises (Waithaka, Hannah, & Linda, 2016).

Performance is a sure way of ascertaining firm survival and satisfaction of the stakeholders. Performance is represented by profitability, growth and market value (Cho & Pucik, 2005). Growth in asset, disregarding effectiveness position, will upsurge its total profit and liquidity position. Improved liquidity brings about production capacity therefore economies of scale, eventually it results sizeable market share. Market share symbolizes the outside evaluation and prospect of companies' upcoming performance. This should have a connection with past profitability as well as development levels, but also integrate changes in competitive moves plus future prospects of the market (Santos & Brito, May 2012)

Multinational corporations are an important aspect in the great enhancement in well-being that has happened in emerging economies over the last 40 years (Tirimba & Machari, 2014). Either adaptation or Standardization should be most significant element of a multinational corporation (MNC)'s global advertising strategy as a connection price, offering promotional mix marketing agendas, such as product and network arrangement, transversely to different economies (Keegan, 2010). Multinationals have invested in Kenya from pre-colonial era through the time when she was declared a crown land. Many FDIs continued with their activities even after declaration of freedom in 1963. Multinationals in Kenya have had a great metamorphosis since the establishment of the British trading companies before, the British colony. Most of the firms that were established in Kenya in early colonial period were wholly owned subsidiary like Barclays Bank, Standard Chartered Bank, British American Tobacco, British American Insurance, Provincial Insurance Company of Kenya, The Agakhan Hospital, and many others.

There are numerous handles that a MNC will face in an endeavor to internationalize, like environmental, cultural, legal, political, or even social issues. Another major handle may be adventuring in new markets where their products are not known competing with firms that are well established and enjoying advantage of their idiosyncratic asset. Therefore, academicians warn on the danger of venturing into these markets without carefully considered strategies. None of the MNC or in this case any other venturing in Kenya would invest with an intention of failing. The research arena undertakes a huge position bearing in mind that the multinational companies (MNCs) selection of product strategy is a central factor that will influence its future performance (Rasheed, 2005). Kenya is an emerging economic power, recently was upgraded to a middle

income status, and with developing of Lappset it will definitely change the whole formula. Initially MNCs invested in Kenya as Greenfield firms since they had a protection of their mother country United Kingdom, and subsequently by the Kenyan government up to the early this century. Multinationals in Kenya have had a great metamorphosis since the establishment of the British trading companies before, the British colony. Most of the firms that were established in Kenya in early colonial period were wholly owned subsidiary like Barclays Bank, Standard chartered Bank, British American Tobacco, British American Insurance, Provincial Insurance of Kenya, The Agakhan Hospital, and many others.

On a vending viewpoint, FMCG is habitually refer to as a low margin – high volume game. Looking at profit margins are typically somewhat slim, businesses working in the FMCG sector typically employs a plan fixated on driving top line sales (KPMG, 2016) Fast moving consumer goods comprise a extensive variety of normally bought consumable goods like detergents, toiletries, teeth cleaning products , cosmetics, soap , shaving products plus baby care, there are other nondurable such as plastic goods air cleaners for cars, light bulbs, batteries, paper products, glassware plus oil products (Nagarajan & Sheriff, 2013). Prices of the FMCG are moderately less and returns gotten from end to end of such sales are more volume based. The organized FMCG retailing in Kenya is a new idea and is fast holding up in towns and semi-urban Kenya, in fact are sold by mostly by supermarkets previously done by small retail shops spread all over villages. According to Nagarajan et al (2013). These goods follow a detailed supply chain process reason being the troublesomeness of FMCG Products includes wild Growth, consumer anticipations not fulfilled, fresh entry exists in product mix, unknown/new category and buyer education and innovative product with no market. The goods in the FMCG business are by nature defined as wholesale goods, denoting that they are produced and subsequently traded in bulky numbers to dealers and venders and there are many consumers, both straight downstream from the making business as well as the final consumer (Sorgenfrey & Lasse, 2012).

Multinational Corporations (MNCs) have adopted different strategies over a period of time. Strategies are expected to boost the performance of an organization. However, some MNCs have not been very successful regardless of the strategies adopted. The international fast consumer moving goods has been successful to some extent since some of those that attempted to penetrate the Kenyan markets in the late 90s attained miserable results. Some employed global others international while others employed national or local strategies. It is not clear how each of the strategies used have contributed to the performance of the international fast consumer moving goods. It remains inconclusive as to which product strategies affect the MNCs performance. The research intended to establish the effect of product strategies on the different levels of performance registered by different MNCs. Earlier studies about product strategies and firm performance as observed below have a diverse opinion. Businesses in the manufacturing segment face local and global competition also looking at quick changes in consumer needs whereby various manufacturing businesses have come to understand that to continue feasible, a strategy of product differentiation probably reasonably feasible choice than strategies founded on efficiency in relation to price (Spencer, Joiner, & Salmon, 2009). A research on the competitive advantage case of Nigeria's Unilever, found out that whether there is little implication on product differentiation in relative to the firms performance, the acquired knowledge shows that there is a positive connection between differentiation and performance (Dirisu, Oluwole, & Ibidunni, 2013).

A current research has found that reliability, responsiveness and differentiation are the must-have conditions the market expects from consumer goods companies today (Satori, 2017). Though the

researcher fails to alienate differentiation from the rest of the strategies differentiation is emphasized as a must. Henry (2003) recommended; the standardisation of supply and product strategies has effect on firm performance in a situation relating to two or more financial markets. He suggests standardisation provides large firm with opportunity to establish a consistent positioning and image in the host country. A research in Kenya established that commercial banks financial innovativeness had a substantial outcome on fiscal performance of the banks. Out of these results, it was found obvious that innovativeness measurement by commercial banks expressively affect financial performance of the banking segment (Cherotich, Sang, Shisia, & Mutung'u, 2015). Another research concluded that, production quality enhancements, technical requirement making new and meaningfully improved consumer value in so doing manipulating the institution performance and development. Innovation of a product consequently has a better impact commercial banks performance with a definite link (Lilly & Dennis, 2014). The connection between consumer fulfilment and service design factors such as standardization and customization can be subject to social effects (Wang, Xiaoqin Ma, & Qi, 2010). Wang et al suggests that whether their findings be able to be sweeping to other nations is a inquiry to be responded by upcoming cross-cultural research. A researcher on FMCGs in India, Russia and China, pointed out that since his data and foundations used primarily concerned the mentioned markets also Carlsberg beer, a further quantitative method to the question involving more businesses or markets would enhance the accepting of the model vis-à-vis entry modes and strategy in developing markets (Sorgenfrey & Lasse, 2009). It is in the interest of the above inconclusive arguments that the current study aimed at establishing the effect of product strategy on the performance of Multinational Corporations in Kenya.

2. Literature Review

The manufacture of merchandises with dissimilar physiognomies incurs two groupings of supply chain costs and production costs (Cooper & Kleinschmidt, 1990) and market intervention costs (Fisher, 1997). Prime costs comprise material, human resource, manufacturing, overhead costs, and production technology investments (Randall & Ulrich, 2001). According to Randall et al (2001) market inconsistency causes mediation costs to occur. It should be noted that mediation costs have the following in consideration opportunity, product mark-down and inventory holding costs if the correct right goods are not there to fulfil the demands. Fisher (1997) says production and mediation costs may be directed by what an Organisation decides is a supply chain plan. This was acknowledged by the study done by Randall et al (2001). According to Fisher (1997) once choosing a suitable strategy for supply chain, the initial phase a venture has to contemplate the physiognomies of the final commodities, as well as merchandise length of life cycle, certainty of request, commodity diversity, and lead times and service and market standards. Main feature connected to the supply chain tactic choice is the commodity physiognomies of a specific supply chain (Huang, Uppal, & Shi, 2002). Researchers have agreed that companies providing functional products necessitate efficient/lean chains, while companies offering innovative products dictate more nimble supply chain. More researches have scrutinized the relationship between product characteristics and supply chain strategy. Development of focused-demand chains for a lengthy duration through research that observes the trend whereby a lighting company of United Kingdom advanced supply chain accepted traditionally to a firm with four focused-demand chains (Childerhouse, Aitken, & Dowill, 2002). There are four comparable supply chain plans which are

employed in dissimilar phases in the product life cycle, which can be deliberated as a substitution for commodity features (Aitken, Childerhouse, & Towill, 2003).

Products are standardized since the globe is a market arena, and consumers are targeted without favor to state boundaries and regional preference (Cravens & Piercy, 2003). Coca-Cola is a large soft drink producer; due to the high level of standardisation they realize the importance of promoting the brands worldwide as a homogenous product. Consumers with homogeneous needs allows for globalization of products therefore achievement of global brands consumption of global brands like antivirus, computer packages, windows 2010, hair shampoo for soft or hard hair. Consumers' mobility; now that the globe has become a world village individuals have access to products in all parts for case in point MacDonal'd's burgers, Hennessy Whiskey and so on. On the other hand firm take advantage of economies of scale obtained from mass production, the standard products are able to perform globally. Raising of technological feasibility, due to homogeneity of production process the units can be uniform in nature example being computer software or Nestle product as well as Cadbury cocoa. Enthusiasts of standardization have faith in those customers' desires; needs and necessities do not differ across numerous markets and nations. They trust that the globe is turning into more and more comparable in one environmental and consumer desires and no matter the position they are customers have the same need. By contending, standardization of the marketing mix fundamentals and the idea of a single strategy for the entire world market assure decreased costs as well as dependability with consumers. Properly organized businesses have progressed from insisting on customizing products to offering globally standardized goods that are progressive, functional, low priced and reliable (Levitt, 1983) e. In relation to that discussion Levitt (1983) multinational companies that concentrated on idiosyncratic consumer preferences have become "Amused and unable to swim in the ocean because of the amount of water".

Exceptional international firms will accomplish long-term success being directed on what everyone wants rather than perturbing on basis of the details of what everyone thinks they might like. In reference to Levitt (1983) globalization of markets being discussed. Universal organizations work with firm steadiness – at small comparative cost – as if the whole sphere stood a solitary enterprise; it vends the similar items in the similar way universally. Through global adaptation firm which regulates its merchandises way of doing things in every market internationally – becomes the end to at high comparative expenditures border. Nevertheless, the aforementioned is contrasted by factions of the global adaptation method, who respond unswervingly to the far-reaching and to a certain degree persuasive attractiveness of their argumentation. The conflicting case contends that globalization appears to be as much an exaggerated as it is a philosophy and a diagnostic concept (Ruigrok & Tulder, 2007). Lipman (1988) argues that the standardized marketing theory the aforementioned is bust. Not only are cultural and other alterations very much still in evidence, but marketing a single product one way universally can fright off consumers, estrange employees, and visionless a ventures to its consumers' requirements. The essential foundation of the adaptation school of predisposition is that the marketer is subject to a new set of macro environmental factors, to different constraints such as language, climate, race, geography, professions, education, perception, and to quite frequent conflicts resulting from different laws, philosophies, and societies (Czinkota & Ronkainen, 2014). There is clarity that societies in diverse nation's express themselves in dissimilar dialects; guidelines and principles vary traversing national boundaries; greatest nations drive on the right, but some drive on the left.

Additionally, there are extra issues such as type of weather, trade and industry conditions, race, geography, political constancy, and occupations. The greatest significant basis of restrictions by far, and the furthestmost problematic to measure, are traditional dissimilarities entrenched in history, education, religious conviction, principles and assertiveness, behaviors and civilizations, aesthetics as well as variations in sensitivity, requirements and desires, money matters and legislative jurisdiction systems. Enthusiasts of this school of thought which have faith in that multinational corporations ought to find out how they should regulate a complete marketing plan also, together with in what way they trade, allocate it, in order to fit new market requirements. Changing and shifting marketing plan plus marketing mix features are important and energetic to outfit local tastes, encounter distinct market requirements and customer's non-identical supplies (Cho & Cheon, 2005). Together the schools of thought are practical, rational as well as comprehensible, stressing the rewards and paybacks that a multinational corporation could gain by gaining such a method. Nevertheless, it is recognized as well as respected that the thrilling use of either approach is unworkable. The fact lies in neither of these two differentiated situations as both progressions live together. There is a claim that adaptation plus standardization are not an all-or mediocrity suggestion but no issue of degree. Heterogeneity among dissimilar countries does not allow standardization in an absolute power. The other side of the story is that, the massive costs tangled in the adaptation approach plus the paybacks of standardization does not resonate with adaptation being used broadly, as theoretically advocated. The interrogation here is forthright. When businesses' methodology can fall wherever on a continuum, why the extreme views? (Vrontis & Thrassou, 2013) Vrontis (2013) and (Kanso & Nelson, 2006) Noted out the importance and inevitability of the two adaptation and standardization and uphold the discussion that both ideologies should be used instantaneously. Though, it is accepted that philosophy that pursues to assimilate the two theories is inadequate, proposing an additional impetus to the being of the issue and the requisite of developing new theory to apprehend an assimilated/medium methodology. The interrogation here is forthright that MNCs gain from standardisation this is according to product life cycle by Dean (1950). The theory argues that once a product matures it is standardized. The intention of standardisation is to assume quality and ease of production, therefore the research wanted to know whether the strategy leads to performance of a firm.

In competitive global markets, to withstand development and uphold profitability for the lengthier period, MNCs need to develop a stable stream of innovative merchandise or services (Kotler & Keller, 2013). This is a vital development due to fast deviations in consumer tastes, technology and competition. A bottle for Heineken beer or tin container keeps changing shape and design, just to appeal to consumers though the standard contents remains the same. It is important to know Innovation important component development of economy of countries also effectiveness of a business (Beaver, 2002). Some researchers have argued innovation is a most important tool of competition largely understood as a business' idiosyncratic asset. It of paramount importance to note that innovation is taken as an effective method to advance business's output owing to the resource restriction issue facing an organization (Lumpkin & Dess, 1996). Innovations has a capacity essentially to upturn the firm performance in several features. Predominantly, four diverse performance scopes are engaged in the writings to characterize firm performance (Yilmaz, Alpan, & Ergun, 2005). The scopes are production performance, innovative performance, monetary performance, production performance, market performance and monetary performance. Innovation has a extensive effect on a undertaking performance by creating a high-quality market situation that takes competitive advantage and great performance (Walker, 2004). Hicks and Niehans (1983) proposed the transaction cost innovation theory in the study on innovation. A big

number of research concentrating on the innovation-performance association offer a positive assessment of developed innovativeness subsequent in enlarged business performance. These studies are commonly theoretical in design and/or emphasis simply on a solitary category of innovation somewhat than bearing in mind that there four innovation varieties which have been made clear, and then explored its impact on performance. Most common innovation types examined are process and product innovations. The studies by (Baer & Frese, 2003)) focus just on process innovations while studies of (Luca & Gima, 2007). Several of these research hug more or less a positive association between innovations and firm performance, but there are also some studies indicating a negative link or no link at all (Subramanian & Nilakanta, 1996).

Product Innovation in FMCGs more than opening up opportunities for industry players, it has added the entrants in the industry specializing on FMCGs particularly with the new commodities (Noyer, 2007). Not only does the growth in the FMCGs segment led to the enlargement of the sector dealing with the product, it has as well led to expansion in level of complexity of product strategies. Research done on innovation have characteristically described an optimistic association between innovation and performance assessment. The current models of studies on the influence of innovativeness and performance of a business, the attention has moved to the multifaceted innovation process plus conduits by which the innovation contributions are changed into improved performance. It would appear Innovation in product, process, market, factor and organization, but the first three dimensions are a further acquainted in the innovation literature (Otero-Neira, Lindman, & Fernández, 2009). Generally, innovation seems to have helpful results in increasing performance of a trendsetters (Boot & Thakor, 1997). To agree with Schumpeter theory on innovation, many researchers have linked the innovation decision of firms to their performance through the impact of innovation input on innovation output and the innovation output on productivity and better performance. Above studies are in agreement that there is a correlation between innovation strategy and productivity when it comes to the operation of a business it gives an extra empirical evidence on production level and the activities that have been innovated.

3. Material and methods

Research design is the conceptual structure within which research is conducted; it constitutes the study plan which involves data collection its measurement plus analysis (Kothari, 2007). The research adopted a descriptive survey design in determination of the empirical connection between product strategy and the performance of the multinationals dealing with FMCGs. By using a descriptive study, the research was able to depict whether product strategy do have an impact on the performance of MNCs in Kenya. According to Kothari (2007) the research is in a business of describing the performance of an individual Organisation. Unlike other designs with descriptive according to Kothari (2007), the research will have a pre-planned design for analysis, a wellstructured instruments for data collection and advanced decisions about operational procedures (Saunders, Lewis, & Thornhill, 2012).

A population is a well-defined or set of people, services, elements, and events, group of things or households that are being investigated (Mugenda & Mugenda, 2003). Another scholar describes population as a set of all measurements of interest to the sample collector (Ott & Longnecker, 2010). These firms are either manufacturing in Nairobi or importing their products to Kenya. The research involved all the multinationals operating in Nairobi and it's environ. The total number of MNCs dealing with FMCG is 57 (KPMG, 2016). According to KPMG (2016) report the MNCs operating within Nairobi are 45. The study adopted a census survey.

The researcher adopted primary data. Data was obtained via questionnaire. The questionnaires had together used structured plus the questions were semi-structured, others were structured actuality enquired collectively with closed ended. Ordinal measurement scale was employed where Likert scale was specifically used, that is (Very Small scope (1) Small Scope (2) neither Small nor Large Scope (3) Large Scope (4) Very Large Scope (4)) was used. How the instrument was developed: Section (i) demographic profile, Section (ii) product strategy (iii) differentiation product strategy, Section (iv) customization product strategy, Section (v) innovation product strategy Section (vi) standardisation product strategy (vii) profitability (viii) market share and (ix) product acceptability. The questionnaire was hand delivered. Two assistants were engaged to deliver and collect the questionnaire to and from the firms.

Consistency of a measuring instrument that is the degree to which a measuring instrument contains adjustable error is what is referred to reliability (Frankfort-Nachmias & Nachmias, 2008). Another school defines reliability as a degree to which the variables or set of variables is reliable in what is intended to quantify. When numerous quantifications are being done, the reliable measure will be unswerving in their standards. This changes from validity in that, it relates to not what should be measured, but in its place, it relates to how it is measured (Hair, Black, Babin, & Anderson, 2013). In this research, Cronbach's Alpha was employed to exam reliability of the instrument whereby the value of coefficient Alpha can range from zero (certainly not internal consistency) to .9 (far-reaching internal consistency). Nachmias et al (2008) said that validity talk about to the point whereby a calculating instrument calculate what it is thought to be quantified. In case some question is causing problems they should be pointed out and removed or reframed. In ascertainment plus eradicating such difficulties, a trial research was given to well-informed respondents in the area to exam the queries for understanding, connotation, relevance and intelligibility. The uncertain declarations, queries or pointers was improved to sufficiently characterize the material being measured. By so doing, the researchers were seeking assistance from knowledgeable collogues to help advance the instrument of validity. A pilot survey showed that there are 48 out of 57 are within the Nairobi city center and it's environ. Range of Cronbach's Alpha is from 0 headed to 0.9, if smaller than .6 value is well thought-out to be unacceptable (Burns & Burns, 2008). Coefficients range from .7 to .9 are satisfactory referring to most instruments, nevertheless, a coefficient alpha of 0.7 expressing an instrument of great reliability (McMillan & Schumacher, 2013).

The Ordinary Least Square was data analysis method employed (OLS) for approximation of multiple regression equation. The type of the research dictated employment of qualitative and quantitative data. Statistical Package for Social Sciences (SPSS) package for data analysis version 18.0 was used as a tool for analysis. To start with, it was coding of raw data to enable its input into the computer. Afterwards, the data précised by employing descriptive statistics example being standard deviation, frequency distributions and percentages. The analyzed information was presented in form of frequency tables plus bar graph attached to the study document. Multicolinearity was tested to check whether there is a correlation between variables by employing Pearson correlation analysis. Theoretical models were employed in the study to establish functional relationship that exists (if at all there is any) among variables. Precisely, the models supported the study to statistically establish the contribution aided by the independent variable on the dependent variable. The research used a multiple regression equation as plus a Linear Regression Analysis underlined below:

$$Y_1 = \alpha + \beta_3 X_1 + \epsilon$$

Where:

Y : Firm performances

β_3 : represents Product standardisation

α : represents constant, the value of performance where the products value was 0

X1: denotes regression coefficient of the Product Standardisation

ϵ : This is the error term capturing the unexplained disparities in the model.

In the research, the prime independent variables were: the product Innovation, product customization product differentiation plus product standardisation.

Prime dependent variable was firm performance measured by profitability, acceptability and market share

4. Findings

The goal of the research was to determine the effect of product strategies employed by multinational corporations in Kenya and their implication on performance case of FMCG firms. From this study four variables were studied including innovation, standardisation, differentiation and customisation employed by multinational corporations' performance dealing with FMCGs in Kenya. According to regression results performance increase in market share by $0.323 + 0.357CS$ units if the products are customized. Respondents also agreed that customisation make a product to be of a higher quality. They agreed highly that customization builds competitive advantage by making customers more loyal. Wang at el 2010 had suggested further finding on standardization and customization in which this research would like to conquer with them as far as the findings are concerned. The study would agree less on the Schumpeter's theory on innovation where he said, in order to keep or improve their position firms must develop new and upgrade their routines, that is introduce innovations. Research found performance would increase in market share by $0.323 + 0.451 IS$ units if the innovation strategy is employed. Buckley et al 1958 argues that when a product matures it's standardized. The study concluded that the firm will increase its acceptability performance by $0.187 + 0.145SS$.

The study findings are in line with, Cherotich at al 2015, who argues from their findings, that it was found evident that innovativeness dimension of commercial banks significantly affect financial performance of the banking sector in Kenya. Respondents highly agreed that differentiated products are of higher quality and builds competitive advantage by making customers more loyal. Regression results indicates that performance on profitability would increase by $0.457 + 0.489DS$ units. This confirms the Caves Economies theory that product needs to be differentiated therefore attaining the advantage of the foreign needs as well gain competitive advantage. This does not agree less with the findings that, businesses in the manufacturing segment face local and global competition in addition to quick changes in consumer demands whereby various manufacturing businesses have come to understand that to continue feasible, a strategy of product differentiation may be a more feasible choice than strategies based on efficiency and price (Spencer, Joiner, & Salmon, 2009). Despite the fact that more firms seem to employ standardization strategy, the research finds that differentiation would add more units of performance if employed. Also Dirisu at el (2015) who studied case of competitive advantage of

Unilever in Nigeria and found out that whether there is little implication on product differentiation in relative to the firm's performance, the acquired knowledge shows that there is a positive connection between differentiation and performance. According to the aforesaid study product differentiation and performance is on the peripheral but the current study shows a great relationship between the variables.

5. Conclusions

The study established that product strategies have effect on performance of multinational corporations on FMCG firms in Kenya. All the multinational companies agreed that they use at least one strategy. Though the four variables discussed, were found to be significant determinates in firm performance in either profitability, acceptability or market share, differentiation has been found to have a high effect on profitability performance, for FMCGs by Multinational corporations.

6. Recommendations

After the successful research findings, it is possible to make a few recommendations. First, the study establishes that product strategy on performance, for FMCGs improve the performance in either profitability, acceptability or market share of most organizations. Local firms venturing in the region should keenly look at the study when implementing their strategy. The research has found out that most firms dealing in FMCG prefer standardisation strategy, in fact, by the nature of the goods one would agree less with the strategy, but the findings are that the differentiation would make the whole big difference in profitability.

7. Future research areas

Though this research answered various study questions fully, there some areas which still need further studies, so as to enable comprehensive understanding of the phenomena that exists. To begin with, the study only concentrated on FMCGs by MNCs in Kenya and in this case the ones based in Nairobi future research should cast their nets wider. The research examined the strategies independently future works should combine two of them together for example innovation and differentiation. Having studied product strategy on performance, for FMCGs by MNCs in Kenya the study would like to recommend further studies on Kenyan companies trying to spread their wings in the region therefore recommending the most ideal strategies on internationalization.

Conflict of Interests

The author has not declared any conflict of interests.

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