

First Mover Strategy and its Impact on Competitive Advantage among Selected Originator Pharmaceutical Companies in Kenya

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Abstract In a fast-changing global environment, pharmaceutical managers in Kenya face the challenge of implementing strategic approaches to remain competitive. Despite the effort, Competitive Advantage among Originator Pharmaceutical Companies in Kenya remain below expectations. In 2020, the industry contributed just 4.6% to Kenya's exports, while importing 60% of its pharmaceutical products from 2017 to 2021. This underscores the need for effective first-mover strategies to enhance the competitive advantage of originator pharmaceutical firms. The study investigated how barriers to entry strategy, rapid product cycles strategy, mass marketing dominance strategy and niche market penetration strategy affected competitiveness among Originator Pharmaceutical Companies. The study variables were anchored by the game theory, firm capability theory, and the theory of innovation. The research adopted a descriptive design and targeted 583 staff from originator drug manufacturers in Kenya. However, a sample of 322 respondents was selected using stratified and simple random sampling techniques. Data collection involved questionnaires and the collected data was analyzed using descriptive statistics and multiple linear regressions. The findings indicated that competitive advantage of the originator pharmaceutical companies in Kenya was affected by barriers to Entry Strategy, Rapid Product Cycle Strategy, Mass Market Dominance Strategy, and Niche Penetration Strategy. Hence the study recommended that Kenyan Originator pharmaceutical firms should strengthen first-mover strategies through investment in R&D, agile production, branding, and targeted market approaches. Future studies should explore strategy sustainability, intellectual property rights, consumer behavior, and partnerships across diverse regulatory landscapes.

Keywords: Barriers to Entry Strategy, Niche Market Penetration Strategy, Mass Market Dominance Strategy, Competitive Advantage, Rapid Product Cycle Strategy, Kenya

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1. Introduction

Pharmaceutical companies today operate in a rapidly changing global environment, which requires managers to understand and implement strategies that align with evolving market dynamics [1]. These transformations have led many firms to adopt strategies that enhance their competitive edge, focusing on possessing distinctive features that allow them to thrive in a volatile market and outperform competitors [2,3]. The pharmaceutical industry, known for its intense competition and innovation-driven nature, often employs first-mover strategies to gain a competitive advantage.

Strategic management literature suggests that pioneering approaches can lead to success, enabling companies to outperform rivals by leveraging stronger and more dynamic resources [4]. First-mover strategies help companies build customer loyalty, secure critical

resources, and establish leadership positions in the market [4]. These strategies are particularly crucial for companies looking to achieve optimal performance and competitiveness [5,6]. The pharmaceutical industry is essential for economic growth, not only by producing drugs for healthcare but also through various other contributions to global economies, as emphasized by the [7]. The sector is expanding rapidly, with heightened competition, particularly in developed markets like the U.S., Europe, and Japan, where advanced technology, strong regulatory frameworks, and intellectual property protections support the dominance of originator pharmaceutical companies. These factors help secure early market entry, establish brand dominance, and capture significant market share [7].

In Africa, the pharmaceutical industry is growing faster than in other regions, with countries like Nigeria and Tanzania showing remarkable development. Kenya, in particular, serves as a key market hub for affordable generic drugs, mainly imported from India, which

dominate due to their competitive pricing [8]. However, the industry's competitiveness and pricing structure are unsustainable, often benefiting producers who can maintain profitability through lower production costs [8].

Competitive advantage refers to a firm's ability to perform better than its rivals by leveraging its unique resources and attributes. It is the capacity to provide greater value, achieve higher returns on investment (ROI), and maintain an edge over competitors [9]. By enhancing resources, skills, and systems, firms can sustain a competitive advantage, improving their performance through effective strategy implementation. Competitive advantage is attained when firms develop unique attributes or combinations of qualities that set them apart from their competitors [9].

[10] identifies three primary ways to achieve competitive advantage: focus, cost leadership, and differentiation. [10] emphasize the importance of factors such as technological mastery, skilled human resources, innovation, efficiency, and superior products in creating sustained competitive advantage. [10] add that a firm's reputation and superior products are key to outperforming competitors.

Empirical studies, especially in small and medium-sized enterprises (SMEs), have highlighted the importance of corporate reputation, innovation, and efficiency in achieving competitive advantage. Studies have shown that aspects like company image, brand positioning, and creative advancement play a significant role [11,12,13,14]. Others have focused on technology and innovation as key factors in maintaining competitive advantage [15,16].

The study focuses on using corporate reputation, innovation capability, and efficiency as metrics to evaluate SME performance. Innovation capability refers to a firm's ability to develop novel products and services, giving it a competitive edge in decision-making, market responsiveness, and customer satisfaction [17]. Corporate reputation is shaped by stakeholder perceptions of a company's quality, ethics, leadership, financial performance, and social responsibility. Efficiency measures how well a firm reduces waste, optimizes resources, and enhances overall performance [18].

First-mover strategies refer to the advantages gained by being the first significant player in a market segment [19]. These strategies are crucial for businesses aiming to remain competitive and innovative [20]. They involve various tactics such as technological leadership, securing key resources, building strong brand recognition, and creating customer loyalty. By pioneering a new product or service, first movers aim to establish a competitive lead and create barriers for later entrants [20].

Successful first-mover strategies include building complementary assets, creating barriers to entry, leveraging distribution advantages, improving quality, and responding effectively to new competitors [21]. According to [21], product development is a key strategy for first movers, particularly when technological advancements are involved. Arora, [21] highlight niche market penetration, mass market dominance, and quality improvement as essential strategies for first movers.

In Kenya's pharmaceutical sector, originator companies implement first-mover strategies to strengthen their competitive position [9]. For example, the niche market

penetration strategy focuses on developing specialized treatments for rare diseases, serving marginalized demographics, and building brand loyalty among healthcare professionals and patients [9]. The research specifically examined how initial market entrants create barriers to new competitors, accelerate product development, control a broad consumer base, and target niche markets.

First-mover advantages include obstacles to market access, such as exclusive technical knowledge, customer transition costs, economies of scale, and legal protections, which help firms achieve superior operational results. The quality improvement strategy is achieved through product enhancement, market expansion, vertical integration, and cost reduction. The mass market dominance strategy involves adopting the dominant design at market entry or as it becomes widely accepted, while the niche market penetration strategy focuses on avoiding direct competition with industry leaders by targeting underserved or less competitive market segments.

Kenya's pharmaceutical industry is divided into three main sectors: producers, wholesalers, and retailers, all of which are essential to the country's healthcare system [22]. Kenya is the leading pharmaceutical manufacturer in the COMESA region, producing over half of the region's market share [23]. The country has 63 pharmaceutical companies, with 35 involved in manufacturing, including both local enterprises and large multinational corporations, subsidiaries, or joint ventures [7]. Among these, 15 are originator pharmaceutical companies.

The Kenya Medical Supplies Authority (KEMSA) is the largest government buyer of both local and imported drugs (Ouma, 2018). Pharmaceutical products are distributed through pharmacies, healthcare facilities, and retail outlets [24]. Nairobi is the central hub for wholesale distributors of pharmaceutical products [8]. The pharmaceutical industry in Kenya is highly competitive, requiring companies to leverage resources, including marketing strategies, to maintain a competitive advantage, while also complying with regulatory requirements. A significant portion of global pharmaceutical sales occurs in markets like the United States, Western Europe, and to a lesser extent in Asia Pacific [9]. Kenya, along with Nigeria and South Africa, is a key player in Sub-Saharan Africa's pharmaceutical sector, producing drugs to meet local needs and for export. The Pharmacy and Poisons Board (PPB) is the primary drug regulatory authority in Kenya, while the Kenya Pharmaceutical Manufacturers (FKPM) represents the industry's manufacturers.

1.1. Statement of the Problem

The pharmaceutical industry in Kenya plays a crucial role in the country's economy, contributing to both economic growth and social progress [25]. As a key sector, it has the potential to generate substantial foreign exchange and bolster Kenya's economic base through international trade, particularly in the export of pharmaceutical products [26]. However, despite governmental efforts to support the sector, originator pharmaceutical companies continue to face several challenges that hinder their growth, including low operational efficiency and limited innovation capacity [27],

[28]. These challenges have resulted in the pharmaceutical sector growing at a slower rate than the overall national economy, which reflects a disparity between the sector's potential and its actual contribution to Kenya's economic development [27].

Data from the Ministry of Health [9] highlights that in 2020, the pharmaceutical industry accounted for just 4.6% of Kenya's total export earnings, underscoring the sector's underperformance in global markets. Between 2017 and 2021, Kenya continued to heavily depend on imported pharmaceutical products, with imports making up around 60% of the total pharmaceutical market. This reliance on imports reflects a major challenge for local pharmaceutical firms, as they struggle to compete with generic drug manufacturers. Generic drugs, which replicate the formulations of brand-name (originator) drugs, are typically sold at significantly lower prices—around 80–85% cheaper—due to lower research and development costs and faster regulatory approval processes [9]. The competition between branded and generic drugs is compounded by factors such as low household income, limited brand loyalty, and growing consumer trust in generic alternatives. As a result, many patients opt for more affordable generic drugs over higher-priced branded products, further eroding the market share of originator pharmaceutical companies.

While empirical research has extensively examined the elements of first-mover strategies in various global contexts—such as Europe, Asia, the U.S., and industries like SMEs, hospitality, manufacturing, and finance [9]—there are notable gaps in the literature. Many of these studies suffer from weak methodological rigor, including issues like non-random sampling, heavy reliance on secondary data, exploratory research designs, and small sample sizes [29]. Moreover, while numerous studies have analyzed first-mover strategies, few have specifically investigated their impact on the competitive advantage of firms. Most research in this area has focused on business performance, excellence, and innovation as dependent variables [30,31,32], 2020; [33].

In light of these gaps, the current study aims to address the lack of comprehensive research by specifically evaluating how first-mover strategies impact the competitive advantage of originator pharmaceutical companies in Kenya. This research is essential for understanding how these strategies can be leveraged to overcome the challenges faced by local pharmaceutical firms, particularly in terms of competition with generic drugs, and how they can strengthen the position of originator companies in a competitive and increasingly globalized market.

1.2. Objectives of the Study

- i. To examine the effect of barriers to Entry strategy on competitive advantage of selected originator pharmaceutical companies in Kenya.
- ii. To determine the effect of Rapid Product cycles on competitive advantage of selected originator pharmaceutical companies in Kenya.
- iii. To assess the effect of Mass Marketing dominance strategy on competitive advantage of selected originator pharmaceutical companies in Kenya.

- iv. To analyses the effect of niche market penetration strategy on competitive advantage of selected originator pharmaceutical companies in Kenya.

2. Review of Literature

This section reviewed both theoretical and empirical literature as presented below.

2.1. Theoretical Review

This study is grounded in several key theories that effectively support the analysis of the research variables. While many frameworks could apply, the Technology-Organization-Environment (TOE) framework, Game Theory, Dynamic Capabilities Theory, and the Theory of Innovation were deemed the most relevant due to their direct alignment with strategic business operations and competitive positioning in a dynamic industry like pharmaceuticals.

Game theory, introduced by [34], is a mathematical and economic model for analyzing strategic interactions where outcomes are influenced by the decisions of all involved players. It distinguishes between cooperative games, where players can communicate and form agreements, and non-cooperative games, where no such interaction is permitted [35] emphasize that every player's choice impacts the others, and strategies are shaped by the goal of maximizing utility within a finite group.

In the pharmaceutical context, game theory helps firms anticipate competitors' reactions when making initial strategic moves, such as launching a new drug or entering a new market. This predictive capability assists firms in deciding whether being a first mover offers advantages like early brand recognition, resource acquisition, or setting industry norms. However, it also exposes risks, including high innovation costs or unintentionally revealing strategic directions. Thus, game theory serves as a tool to assess if early entry will deliver sustainable competitive advantages.

Introduced by [36], the Dynamic Capabilities Theory (RBV) explains how firms adapt and innovate in rapidly shifting environments. Dynamic capabilities involve the firm's capacity to purposefully reconfigure internal and external resources in response to change [36]. This theory extends the Resource-Based View (RBV), addressing its limitations in dynamic market conditions [13].

Scholars such as [9] have emphasized that traditional RBV is insufficient in turbulent environments, prompting the adoption of dynamic capabilities to ensure flexibility and responsiveness. Organizations must continually renew capabilities to meet evolving challenges [36] explain that these capabilities are embedded in organizational routines that support innovation and adaptation. [36] argue that dynamic capabilities are critical to navigating volatility, promoting agility, and maintaining competitiveness. [36] further note that firms must be able to absorb new knowledge and restructure operations strategically to stay ahead. Hence, the ability to time and execute restructuring initiatives is a core competency for sustaining long-term market leadership.

Innovation Theory, primarily developed by Joseph

Schumpeter in the early 20th century, remains central to understanding economic and strategic transformation [37]. In his landmark work *Capitalism, Socialism, and Democracy* (1942), Schumpeter introduced the concept of “creative destruction,” where innovation disrupts existing markets, creating new opportunities for growth and progress.

[37] categorized innovation into several types: product, process, market, and organizational, each playing a role in driving economic evolution [38]. According to his view, successful innovators may enjoy a temporary monopoly until challenged by newer entrants or technologies, triggering cycles of disruption [39]. This theory highlights the importance of novelty in fostering market competition and growth.

[40] assert that first-mover advantage is often a direct result of strategic innovation. By adopting new products or processes earlier than rivals, firms can enhance their value proposition and institutional competitiveness. The application of innovation theory is thus essential for understanding the formation of competitive advantages and the strategic benefits of early market entry in the pharmaceutical industry.

2.2. Empirical Review

The section below presents the empirical literature based on previous studies related to the current study. Tit examines four main approaches: barriers to entry, rapid product cycles, mass market dominance, and niche market penetration. These strategies have been studied across various sectors and regions, offering a wide spectrum of insights though not always directly applicable to the pharmaceutical sector in Kenya due to contextual and structural differences.

2.2.1. Barriers to Entry and Competitive Advantage

Several studies have explored how firms establish barriers that prevent new entrants from challenging their market positions. [41] examined the challenges small and medium-sized enterprises (SMEs) in Bangladesh face when entering international markets. Using a systematic random sampling method, they surveyed 1,000 firms but received only 212 responses just 21.2%. While their findings pointed to socioeconomic constraints as major hurdles, the limited response rate reduces the reliability of the conclusions. Additionally, the study’s context in a developing economy may not align with environments in other developing nations such as Kenya.

Another study by [42] focused on Russian SMEs and their barriers to exporting. Using qualitative comparative analysis rooted in the Resource-Based View (RBV), the researchers identified that internal capabilities, industry-specific corruption, and firm longevity played key roles in limiting export activities. Although insightful, the study’s sole reliance on RBV and its Russian focus—where structural and economic conditions differ vastly limits its direct applicability to the Kenyan pharmaceutical landscape.

[43] explored entry barriers faced by Chinese e-commerce professionals. Their study, based on interviews and a non-probability sampling method, revealed that cost

advantages held by existing firms were the biggest barriers, while the cost of opening new branches posed less of a concern. However, because of the use of convenience sampling and the focus on online retailers, the findings may not translate well to pharmaceutical firms dealing with stricter regulations and higher R&D demands.

2.2.2. Rapid Product Cycle Strategy and Competitive Advantage

The fast-paced development and release of new products can give companies an edge, as highlighted by [18]. Studying an Indonesian microfinance bank, they concluded that rapid product cycles and value creation significantly improved marketing performance. However, microfinance banks operate under conditions quite different from pharmaceutical firms, especially regarding innovation timelines and regulatory scrutiny.

In the U.S. hospitality sector, [18] found that flexible organizational structures (specifically adhocracies) helped restaurants accelerate new product development. Their exploratory research linked innovation-friendly cultures to better performance. Yet, the small sample size and selection method may have introduced bias, and again, the restaurant industry differs significantly from pharmaceutical manufacturing in terms of innovation cycles and strategic objectives.

A broader industrial study by [8] in Portugal looked at how incorporating informal knowledge into production processes impacted business performance. They found that product novelty boosted success, yet the study’s focus on large manufacturing firms in a mature economy limits its direct relevance. Additionally, relying on pre-collected data may not reflect recent market shifts or innovation trends.

2.2.3. Mass Market Dominance Strategy and Competitive Advantage

Strategies aimed at dominating large market segments were also examined. [9,29,44] evaluated the profitability of different segmentation strategies within the tourism industry. Their simulation-based findings suggested that micro-segmentation, rather than a broad-brush mass-market approach, yielded the highest profitability. However, tourism’s operational model is markedly different from that of originator pharmaceutical firms.

[45] explored how Nokia lost its dominant market position between 2003 and 2013. Their findings revealed that technology, strategy, and networks were all tightly interwoven with competitive advantage. Unlike the current research, which integrates both primary and secondary data, Lamberg’s study relied solely on existing reports and articles, limiting its depth. Still, the research underscores how quickly dominance can fade without continuous adaptation.

In China, [30] found that standardization and innovation both significantly contributed to mass market success in manufacturing. Their work showed that streamlined operations and creative product development enhanced competitiveness. Despite its relevance, the context—a Chinese industrial zone with large-scale firms—may not reflect the dynamics in Kenya’s pharmaceutical sector, where regulatory compliance and drug approval timelines are major constraints.

2.2.4. Niche Market Penetration and Competitive Advantage

Niche strategies focus on targeting specific market segments to avoid direct competition with mass-market players. [33] examined how Air Arabia used a niche strategy to maintain competitiveness. A mixed-methods approach revealed gaps in service quality and outlined the importance of market segmentation and customer engagement. While informative, this aviation-focused study doesn't directly translate to the pharmaceutical space, though it provides transferable lessons on specialization and service differentiation.

[31] studied niche strategies in Swedish steel firms, finding that targeting smaller segments improved profitability and brand loyalty. These firms focused on relationship-building and service expansion. Though the study's insights into customer-centric approaches are useful, the industries differ significantly in innovation cycles and product development strategies.

[32] examined how niche marketing influenced performance in a Kenyan construction materials company. They used a descriptive approach to assess the relationship between strategic market segmentation and organizational success. The findings support the idea that specialized marketing enhances firm performance. Though more contextually aligned with Kenya, the study's focus on construction materials again limits direct applicability but still offers relevant strategic lessons for focused market entry.

3. Research Methodology

[46] posit that research designs are not without imperfections, yet the integration of multiple designs can effectively mitigate the limitations inherent in each design. This study employed a descriptive approach; similar design was used by [47]. The design provides a robust groundwork for studies where the problem is clear and provides a detailed understanding and crucial perspectives on the factors requiring numerical assessment as it was in the current study [46].

The study targeted a population of 583 employees from selected pharmaceutical companies in Kenya. However, a sample of 322 respondents was selected using a proportional stratified and simple random sampling techniques, as recommended by [46]. This approach involved dividing the population into distinct strata based on specific attributes to ensure each group was adequately represented, thus enhancing the generalizability of the results [46]. The sample size was determined using a formula: $n = N / (1 + N(e)^2)$ as suggested by [46]. Data was collected using questionnaires. However, before collecting the data as recommended by [46], expert guidance was sought to test the validity of the data collection instrument. Data analysis involves the systematic examination and interpretation of raw data to generate meaningful insights and knowledge [46]. This process includes data cleaning, categorization, sorting, and tabulation, followed by computing and interpreting the data to draw conclusions [46]. In this study data was analyzed using descriptive statistics and multiple linear regression in order to achieve the research objectives. [46]

recommend the use of multivariate regression models when predicting a response variable based on multiple predictors is necessary. Given that the response variable in this study is continuous, a multiple linear regression model was employed as the most appropriate analytical tool [47], [9]. This model helped examine the relationship between the independent and the dependent variables.

The empirical model outlined below was utilized.

$$CA = \beta_0 + \beta_1 BES + \beta_2 RPC + \beta_3 MMD + \beta_4 NMP + \varepsilon \quad (1)$$

Where:

CA = Competitive Advantage

BES = Barriers to Entry Strategies

RPC = Rapid product Cycle Strategies

MMD = Mass Market Dominance Strategies

NMP = Niche Market Penetration Strategies

$\beta_1 - \beta_4$ = Coefficients of the independent variables BES, RPC, MMD and NMP respectively

β_0 = Constant

ε = the error term

4. Research Findings and Discussion

This section present findings and discussion of the results.

4.1. Response Rate

The study involved the distribution of 322 questionnaires among various departments within 15 originator pharmaceutical companies in Kenya. The sample consisted of customer service representatives, operations managers, marketing managers, and production managers. The response rate was high, with 300 completed surveys, resulting in a 93.17% response rate. Only 6.83% of the respondents failed to participate. The response rate exceeded the 80% threshold recommended for statistical analysis, affirming the credibility and acceptability of the research findings.

4.2. Demographic Information

4.2.1. Gender

Out of the total respondents, 57% were male (171) and 43% were female (129), indicating a relatively balanced gender distribution within the study sample.

4.2.2. Highest Education Level

The majority of respondents (50%) held an undergraduate degree. Other respondents included 25.33% with a master's degree, 14% with a diploma, and 10.67% with a Ph.D. This diversity in educational background suggests a well-rounded representation from various academic levels.

4.2.3. Age Bracket

The largest age group (36%) of participants was between 40-49 years, followed by those aged 30-39 (30%). The study also included respondents over 50 years old (20%) and younger participants (14%). This wide range of ages suggests that the survey captured a broad spectrum of experience and perspectives.

Table 1. Correlation Matrix

		Barriers to entry strategy	Rapid product cycles	Mass Marketing	Niche Marketing
Barriers to entry strategy	Pearson Correlation	1.000			
	N	300			
Rapid Product cycles	Pearson Correlation	0. 0.851**	1.000		
	N	300	300		
Mass Marketing	Pearson Correlation	0.708**	0.654**	1.000	
	N	300	300	300	
Niche Marketing	niche market penetration strategy	0.588**	0.657**	0. 0.694**	1.000
	N	300	300	300	300

4.2.4. Work Experience

A majority of respondents (50.67%) had 10 to 15 years of work experience, with 14.33% having over 15 years of service. Those with 5 to 9 years of experience made up 25% of the sample, while only 10% had less than 5 years of experience. These results indicate a wealth of industry expertise among the respondents.

4.3. Correlation Analysis

It was necessary to establish the relationship among the variables before carrying out the regression analysis. Hence correlation was done among the variables.

Table 1 shows the strength and direction of the relationships between first-mover strategy components and the competitive advantage of originator pharmaceutical companies in Kenya; a Pearson correlation analysis was conducted. The results of the analysis, as summarized in Table 1 indicate strong positive correlations between all four strategic dimensions and competitive advantage.

Barriers to entry strategy exhibited the strongest positive correlation with competitive advantage ($r = 0.851$), suggesting that the ability of a company to limit or delay the entry of competitors plays a significant role in sustaining its market advantage. This could include mechanisms such as regulatory protections, intellectual property rights, and economies of scale.

Rapid product cycle strategy also showed a strong correlation ($r = 0.708$), indicating that frequent innovation and product updates contribute to sustained competitive positioning by responding to market demands and medical advancements more swiftly than competitors.

Mass market dominance strategy was positively correlated with competitive advantage as well ($r = 0.708$). This implies that companies that dominate market presence through extensive distribution and promotional efforts tend to maintain a stronger market position. Finally, niche market penetration strategy had a strong positive correlation ($r = 0.694$), demonstrating that targeted strategies focused on underserved or specialized segments also significantly contribute to competitive advantage.

4.4. Regression Analysis Results

In order to test the effect of the independent variables (barriers to entry strategy, rapid product cycles strategy, mass marketing dominance strategy and niche market penetration strategy) to the dependent variable

(Competitive advantage), a multiple linear regression was carried out, the results are presented in Table 2.

Table 2. Overview of the Model

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.898 ^a	.806	.785	0.068

The Model results, which are shown in Table 2 above indicate that, the adjusted R-squared value was 0.785, meaning that first-mover strategies components barriers to entry strategy, rapid product cycles strategy, mass marketing dominance strategy and niche market penetration strategy accounted for 78.5% of the variation in competitive advantage among the Kenyan originator pharmaceutical companies. This also highlights a gap of 21.5%, representing other factors not examined in the study.

Table 3. Analysis of Variance

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	210.512	3	70.171	94.473	.002
	Residual	70.562	95	0.751		
	Total	281.074	98			

The results presented in Table 3 indicate that the model was statistically significant, as evidenced by an F-statistical value of 70.109, which exceeds the statistical mean value of 52.628. Furthermore, the significance level of 0.002, being lower than the threshold of 0.05, confirms the model's reliability in assessing the effect of first-mover strategy elements such as barriers to entry strategy, rapid product cycles strategy, mass marketing dominance strategy and niche market penetration strategy on the competitive advantage of selected originator pharmaceutical companies in Kenya.

Table 4 results indicates that barriers to entry strategies ($\text{Sig} = .002 < 0.05$) significantly affected the competitive advantage of originator pharmaceutical companies in Kenya, Rapid product cycles significantly ($\text{Sig} = .000 < 0.05$) affected competitive advantage of originator pharmaceutical, Mass marketing dominance strategies contribute significantly ($\text{Sig} = .001 < 0.05$) to the competitive advantage of originator pharmaceutical firms and lastly, the study showed that niche market penetration strategies significantly affected ($\text{Sig} = .001 < 0.05$) competitive advantage of originator pharmaceutical companies in Kenya. The findings are consisted with

earlier studies by [41] that examined the challenges small and medium-sized enterprises (SMEs) that found socioeconomic constraints as major hurdles, the limited response rate reduces the reliability of the conclusions. Additionally, the study's context in a developing economy may not align with environments in other developing nations such as Kenya. Moreover, [42] identified that internal capabilities, industry-specific corruption, and firm longevity played key roles in limiting export activities. Although insightful, the study's sole reliance on RBV and its Russian focus—where structural and economic conditions differ vastly limits its direct applicability to the Kenyan pharmaceutical landscape. In addition, [9,29,44] and [30] found that standardization and innovation both significantly contributed to mass market success in manufacturing. Niche strategies focus on targeting specific market segments to avoid direct competition with mass-market players. Finally, as noted by [32] who examined how niche marketing influenced performance in a Kenyan construction materials company. The findings support the idea that specialized marketing enhances firm performance. Though more contextually aligned with Kenya, the study's focus on construction materials again limits direct applicability but still offers relevant strategic lessons for focused market entry.

Table 4. Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	0.771	.215		3.586	.002
Barriers to Entry Strategy	0.851	.145	.3652	5.869	.001
Rapid Product Cycle Strategy	0.708	.351	.2145	2.017	.000
Mass Market Dominance Strategy	0.654	.429	.1154	1.524	.001
Niche Penetration Strategy	0.694	.328	.2142	2.021	.001

5. Conclusion

The study found that barriers to entry strategies significantly affected the competitive advantage of originator pharmaceutical companies in Kenya. By leveraging patents, regulatory requirements, and economies of scale, these firms create obstacles that limit competition from generic drug manufacturers, helping them maintain market dominance, higher pricing power, and profitability.

The research also highlighted the importance of rapid product cycles in strengthening the competitive advantage of these companies. Continuous investment in research and development allows them to introduce innovative drugs more quickly than competitors, fostering customer loyalty and ensuring a steady revenue stream.

Additionally, the study revealed that mass marketing dominance strategies contribute significantly to the competitive advantage of originator pharmaceutical firms. Aggressive promotional campaigns, expansive distribution

networks, and strong brand positioning enable these companies to reach a wide audience, build trust with healthcare professionals, and increase market share.

Lastly, the study showed that niche market penetration strategies help originator pharmaceutical companies establish a competitive edge by targeting specialized segments such as rare diseases and unique treatments. This focused approach enhances customer loyalty, reduces competition, and allows for premium pricing, ensuring long-term profitability and sustainability.

5.1. Policy Recommendations

This study provides several strategic recommendations for enhancing the competitive advantage of originator pharmaceutical companies in Kenya through effective first-mover strategies. To begin with, firms should reinforce barriers to entry to maintain their market leadership and limit competition from generic drug producers. This can be accomplished through continuous investment in research and development (R&D), securing strong intellectual property rights, and building alliances with regulatory bodies to expedite drug approvals. Strengthening brand equity and customer loyalty through quality assurance and strategic marketing is also essential.

In terms of rapid product cycle strategies, companies should invest in agile manufacturing processes and streamlined supply chain operations to bring products to market faster than competitors. Embracing advanced production technologies, collaborating with research institutions, and ensuring quick regulatory compliance can accelerate drug launch timelines. Additionally, implementing effective post-market surveillance will allow companies to stay responsive to evolving market conditions and regulatory shifts.

For mass market dominance, increasing investment in advertising, expanding distribution channels, and leveraging digital marketing will broaden market reach. Engaging healthcare professionals through education and fostering partnerships with hospitals and pharmacies will build brand trust and boost prescription rates. Competitive pricing strategies should also be prioritized to balance market accessibility with profitability.

Lastly, a niche market penetration approach can help firms tap into specialized areas with unmet medical needs. Identifying such areas, developing targeted treatments, and tailoring marketing to specific patient demographics can create strong market differentiation. Collaborations with medical research institutions and advocacy groups will further strengthen credibility and foster patient loyalty, positioning companies for sustained success in both mainstream and niche markets.

5.2. Limitations and Future Research Direction

The study was based on primary data that was collected from the respondents' perception on the First Mover Strategy and its impact on Competitive Advantage among Originator Pharmaceutical Companies in Kenya. Hence the results should be used with caution since sometimes respondents can provide untrue information. However, care was taken by explaining to the respondents the

purpose of the study additionally validation of the instruments was also done through by experts in order to ensure the data collected represents the facts as they.

Therefore, future research on first-mover strategies in the pharmaceutical industry could focus on their long-term sustainability, particularly in developing markets like Kenya. While this study centered on originator pharmaceutical companies, future investigations might assess how first-mover advantages change over time in response to market dynamics such as the entry of generic drugs, and shifts in regulatory policies. Additional research could also evaluate how first-mover strategies perform across different pharmaceutical categories, including vaccines, biologics, and over-the-counter drugs, to see if strategic benefits vary by product type.

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