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**Influence of Strategic Alliances in Enhancing Sustainable
Competitive Advantage at Total Energies Marketing Kenya Plc**



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Influence of Strategic Alliances in Enhancing Sustainable Competitive Advantage at Total Energies Marketing Kenya Plc

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ABSTRACT

Purpose: The study aimed to examine how strategic alliances influence sustainable competitive advantage at TotalEnergies Marketing Kenya PLC. Anchored on Competitive Advantage Theory and Dynamic Capabilities Theory, the study focused on understanding how partnerships with suppliers, distributors, government agencies, and technology providers enhance long-term competitiveness in the dynamic petroleum sector.

Methodology: A case study research design was employed. Primary data were collected through structured interviews with senior managers and staff involved in managing strategic partnerships, while secondary data were sourced from company reports, industry publications, and regulatory documents. Data were analysed thematically to identify patterns linking alliance strategies to sustainable competitive advantage.

Findings: The study found that strategic alliances enable TotalEnergies Marketing Kenya PLC to access essential resources, strengthen its distribution network, and adopt cleaner and innovative technologies. Partnerships with logistics providers improved operational efficiency, while collaborations with international suppliers supported product availability despite global market volatility. Alliances with government and community entities enhanced regulatory compliance and the firm's social license to operate. The study also identified risks such as dependency, unequal power dynamics, and exposure to external market shocks.

Unique Contribution to Theory, Practice and Policy: The study contributes to theory by demonstrating how Dynamic Capabilities and Competitive Advantage frameworks interact within strategic alliances in the petroleum sector. Practically, it highlights the necessity of robust governance structures, diversified partnerships, and digital collaboration tools for optimizing alliance outcomes. For policy, the study underscores the importance of government–industry partnerships that support regulatory compliance, energy transition, and long-term sector resilience.

Keywords: *Strategic alliances, Competitive advantage, Dynamic capabilities, Petroleum industry, Sustainability, Total Energies Marketing Kenya PLC, Kenya.*

1.0 INTRODUCTION

Strategic alliances enable firms to access complementary resources, accelerate innovation, and respond to market change. Prior studies show alliances cultivate dynamic capabilities and improve sustained performance in diverse contexts. In Kenya's capital-intensive, highly regulated energy sector, alliances are central to supply reliability, operational efficiency, and the energy transition. TotalEnergies Marketing Kenya PLC (TEMK) illustrates these dynamics, operating a nationwide network and engaging partners across supply, logistics, technology, finance, and sustainability.

1.1 BACKGROUND OF THE STUDY

Research shows that strategic alliances are central to building sustainable competitive advantage by enabling firms to access complementary resources, innovate, and strengthen market positioning. Mamédio et al. (2019) highlight that alliances support dynamic capabilities in turbulent environments, while Zairbani & Prakash (2024) demonstrate alliance-driven innovation among SMEs. In high-pressure sectors, governance structures embedded in alliances mitigate opportunism and strengthen competitiveness (Mbabu & Ombok, 2024).

This study is anchored on Competitive Advantage Theory, which emphasizes differentiation and cost leadership (Porter, 2011), and the Dynamic Capabilities Theory, which stresses a firm's ability to reconfigure resources for competitiveness (Teece et al., 1997). These theories collectively support the argument that alliances enhance innovation, resource access, and responsiveness to market changes.

Kenya's energy and petroleum sector is characterized by high capital intensity, regulatory pressures, and the need for technological advancement. TotalEnergies Marketing Kenya PLC (TEMK), a leading multinational player, operates over 200 stations and reported KSh 12.84 billion gross profit in 2023. Its strategic alliance with M-Gas in 2024 illustrates how partnerships can expand clean energy access and strengthen competitiveness.

1.1.1 Strategic Alliances

Strategic alliances are cooperative agreements between firms that aim to achieve shared objectives while maintaining organizational independence. As described by Mamédio et al. (2019) and Hitt et al. (2019), these alliances often foster innovation, expand market access, and create long-term competitive advantages. They can take various forms, including non-equity collaborations, joint ventures, mergers, acquisitions, equity partnerships, and collaborative research and development. Strategic alliances enable firms to enter new markets and apply distinctive strategies that set them apart from competitors, thereby fostering the creation of uncontested market spaces often described as the "blue ocean strategy" (Ribeiro et al., 2021).

Depending on their structure and purpose, strategic alliances can be classified as horizontal (within the same industry), vertical (across different stages of the supply chain), or complementary (among

firms with different but synergistic strengths) (Fan et al., 2021). These collaborations often lead to benefits such as reduced operational costs, minimized competition, and accelerated innovation (Hossain, 2021). In the Kenyan context, Muchangi (2019) found that such alliances significantly enhance the competitiveness of commercial banks. This study specifically examines strategic alliances through the lenses of joint ventures, equity partnerships, and joint R&D initiatives, evaluating their operational, financial, and innovation impacts on firm performance.

1.1.2 Sustainable Competitive Advantage

Sustainable Competitive advantage refers to a firm's ability to implement unique and effective strategies that differentiate it from its competitors, enabling superior market performance. Ribeiro et al. (2021) describe competitiveness as the capacity to discover and apply distinct approaches that allow a firm to compete differently from others within the same industry. Firms with sustainable competitive advantage continuously align their offerings with customer needs, ensuring long-term market relevance. Michael Porter identified two main types of competitive advantage: cost advantage and differentiation advantage. Cost advantage allows firms to produce goods or services at lower costs, enabling them to offer competitive prices while maintaining profitability (Ford, 2020).

Differentiation advantage, in contrast, involves providing unique or superior products that add value to customers, helping firms stand out in the marketplace (Goyal, 2020). These strategies form the basis for achieving either price leadership or product uniqueness. Competitive advantage is measured in various ways in empirical research. Ribeiro et al. (2021) use cost leadership to evaluate how firms influence production and pricing. Ford (2020) highlights the importance of delivering innovative and value-driven customer experiences. In this study, competitive advantage is evaluated based on customer satisfaction and the firm's market share. Customer satisfaction reflects how well a firm meets or exceeds consumer expectations, fostering loyalty and repeat business (Kuhl & Krause, 2019). Market share reflects a firm's competitive standing and can increase through strategies focused on customer needs and market growth (Argente et al., 2021). Thus, the study explores how strategic alliances among commercial banks affect these two key dimensions of competitive advantage.

1.1.3 Energy and Petroleum Sector in Kenya

Kenya's Energy and Petroleum sector is vital for electricity production, petroleum distribution, and the advancement of renewable energy, and it is overseen by the Energy and Petroleum Regulatory Authority (EPRA). As reported in the EPRA (2024) Energy and Petroleum Statistics Report, total electricity consumption for the 2023/2024 financial year reached 10,472.92 GWh, with industrial users consuming 51.86%, domestic households 30.76%, and small commercial enterprises 16.38%. The electricity generation mix was led by geothermal energy (41.7%), followed by hydro (24.7%), wind (13.1%), thermal (8.2%), and solar (3.5%). In the petroleum sub-sector, EPRA licensed 95 operations, including petroleum retail dispensing stations and LPG storage and filling

plants, indicating sustained expansion and investment across the fuel distribution value chain (EPRA, 2024).

The significance of this sector to Kenya's economy is evident in its contribution to public investment and national development priorities. The National Treasury (2024a) reported that the energy and petroleum sector accounted for 61% of the total non-guaranteed public debt among State-Owned Enterprises, amounting to KSh 48.0 billion as of June 2023. This reflects the heavy capital investment directed into the sector due to its infrastructural and economic importance. Additionally, the sector received a budgetary allocation of KSh 70.3 billion in the FY 2024/25 national budget to support reliable and affordable energy production (National Treasury, 2024b). Given its influence on industrialization, job creation, and improved access to energy services, the sector is vital to Kenya's socio-economic development, justifying its selection as the focus of this study on strategic alliances and competitive advantage.

1.1.4 Total Energies Marketing Kenya PLC

Total Energies Marketing Kenya PLC, a subsidiary of the global energy conglomerate Total Energies SE, has been a significant player in Kenya's energy sector since its establishment in 1955. The company operates an extensive network of over 200 service stations across the country, offering a range of products including fuels, lubricants, liquefied petroleum gas (LPG), and related services. In the financial year ending December 31, 2023, Total Energies Marketing Kenya PLC reported a gross profit of KSh 12.84 billion, up from KSh 9.58 billion in 2022, and a profit after tax of KSh 3.02 billion, reflecting its resilience amid economic challenges such as currency depreciation and fluctuating global oil prices (TotalEnergies Marketing Kenya PLC, 2024). The company's total assets stood at KSh 75.3 billion, with inventories valued at KSh 13.06 billion and trade receivables at KSh 29.42 billion, underscoring its substantial operational scale and financial stability (TotalEnergies Marketing Kenya PLC, 2024).

Total Energies Marketing Kenya contributes significantly to the national economy not only through its financial performance but also by enhancing energy security, accessibility, and sustainability. Its infrastructure investments, such as the new 20-inch pipeline, support efficient fuel distribution and industrial growth. The company's environmental initiatives align with Kenya's carbon reduction goals, while its 2024 partnership with M-Gas promotes clean cooking access through pay-as-you-cook smart meter technology and mobile payments. This collaboration is expected to benefit over one million people annually, supporting the government's aim to increase LPG usage, and making Total Energies a strong case for exploring how strategic alliances drive sustainable competitive advantage in the energy sector.

1.2 Research Problem

Strategic alliances have become increasingly important for firms navigating global market complexities driven by globalization, technological change, customer expectations, and regulatory

shifts. Such partnerships allow organizations to capitalize on one another's strengths, thereby boosting and maintaining their sustainable competitive advantage over the long term. While extensive research exists on alliances in sectors like banking, hospitality, and manufacturing, there is limited focus on Kenya's energy sector, despite its economic significance and reliance on partnerships for innovation and efficiency. TotalEnergies, with its strong collaborative track record, presents a compelling case for examining how strategic alliances influence sustainable competitive advantage in this context.

Kenya's energy and petroleum sector is a key driver of economic growth, industrialization, and infrastructure development, with 2023/2024 electricity consumption reaching 10,472.92 GWh primarily from geothermal sources and the petroleum sub-sector expanding through 95 new operational licenses. The sector's strategic importance is reflected in its large public investment share, including KSh 70.3 billion in the 2024/25 budget and 61% of non-guaranteed SOE debt. Within this evolving landscape, Total Energies Marketing Kenya PLC plays a central role, reporting KSh 12.84 billion in gross profit and operating over 200 service stations. Its 2024 partnership with M-Gas, combining smart metering and LPG distribution to improve clean cooking access, highlights how strategic alliances can enhance social impact, efficiency, and competitiveness positioning Total Energies as an ideal case for examining alliance-driven advantage in Kenya's energy sector.

Although existing research has examined the link between strategic alliances and sustainable competitive advantage, inconsistencies remain regarding how these partnerships impact firm performance across different sectors. For instance, Muñoz de Prat et al. (2020) found that joint ventures in Spain promote sustainability through innovation and resource sharing; however, their study lacked a robust theoretical framework and did not account for sector-specific dynamics, especially within the energy industry. Similarly, Salama et al. (2022) showed positive alliance outcomes in Egypt's hospitality sector but did not explore broader strategic impacts like efficiency or market growth. These gaps highlight the need for more theory-driven, sector-focused studies especially in the energy industry to clarify the mechanisms through which alliances contribute to sustainable competitive advantage.

A clear contextual gap exists in the literature, as most studies on strategic alliances have focused on regions and industries markedly different from Kenya's energy sector. For example, Setyadi et al. (2023) studied Indonesia's timber industry, while Salama et al. (2022) and Muñoz de Prat et al. (2020) focused on hospitality and multi-industry contexts in Egypt and Europe, respectively, which differ in regulatory, market, and structural conditions. Although insightful, these studies do not reflect the unique dynamics of Kenya's energy sector, which plays a central role in economic transformation, infrastructure development, and employment. Additionally, while King'oku and Muathe (2024) examined strategic alliances within Kenya, their focus on commercial banking limits applicability to the capital-intensive and technologically complex energy sector. This study

addresses conceptual, contextual, and theoretical gaps by focusing on Total Energies Marketing Kenya PLC, a firm that exemplifies alliance-driven strategies within Kenya's energy landscape. Accordingly, it sought to answer the research question: What is the influence of strategic alliances in enhancing sustainable competitive advantage at Total Energies Marketing Kenya PLC?

1.3 Research Objective

The research objective of this study was to establish the influence of strategic alliances in enhancing sustainable competitive advantage at Total Energies Marketing Kenya PLC

1.4 VALUE OF THE STUDY

The study contributes to theory, policy, and practice by:

- Extending knowledge on alliances within Kenya's energy sector.
- Providing policymakers with insights on private-sector collaborations that support national energy goals.
- Enabling managers to understand how alliances enhance competitiveness and operational resilience.
- Creating new research pathways on alliances in capital-intensive and sustainability-driven industries.

2.0 LITERATURE REVIEW

2.1 Introduction

This chapter reviews theoretical and empirical literature on the influence of strategic alliances in enhancing sustainable competitive advantage at Total Energies Marketing Kenya PLC. It examines Competitive Advantage Theory and Dynamic Capabilities Theory, analyzes existing studies, and identifies knowledge gaps to justify and contextualize the current research.

2.2 Theoretical Foundation

The theoretical framework anchors the study by providing the lens through which strategic alliances and sustainable competitive advantage are understood and analyzed. This research draws from the Competitive Advantage Theory and the Dynamic Capabilities Theory to explain how firms like Total Energies Marketing Kenya PLC can strengthen their market position through collaborative strategies.

2.2.1 Competitive Advantage Theory

The Competitive Advantage Theory (CAT), developed by Michael Porter in 1985, provides a framework for understanding how firms can outperform their competitors by pursuing strategies that lead to the creation of high-quality and distinctive products or services (Wang, 2014). According to Porter, firms can gain a competitive edge through either cost advantage, which

involves producing at lower costs than rivals, or differentiation advantage, where firms offer unique, high-value products that are preferred by customers (Išoraitė, 2018). The theory takes a managerial approach to competitiveness, focusing on internal strategic positioning rather than purely on marketing dimensions (Heeks, 2006). Porter also developed the Five Forces model, a tool for assessing industry attractiveness by examining the bargaining power of buyers and suppliers, the threat posed by substitutes and new entrants, and the intensity of competition among current players. CAT encourages firms to pursue long-term market success through well-defined strategies that enhance market share and create strong, defensible positions.

Despite its wide acceptance, the theory has faced several criticisms. One major critique is its rigid separation between cost leadership and differentiation strategies. Scholars argue that many firms effectively adopt a combination of both strategies to remain competitive, challenging Porter's view that such an approach leads to being "stuck in the middle" and therefore strategically ineffective (Wang, 2014). Additionally, the theory has been considered too static, with limited flexibility to account for the rapidly changing market conditions brought about by technological advancements and continuous innovation. These limitations have been addressed in later studies by recognizing that competitive advantage can be dynamic and multi-dimensional. Ma (2000) argues that multiple firms within the same industry can concurrently possess distinct forms of competitive advantage. Recent literature also expands the theory to include the role of collaborative strategies such as strategic alliances, mergers, and joint research initiatives, which allow firms to share resources and innovation to achieve better market performance.

The Competitive Advantage Theory provides a relevant and valuable perspective for the current study examining how strategic alliances enhance competitive advantage at Total Energies Kenya. It supports the idea that strategic partnerships can enable firms to reduce costs, access new technologies, and develop unique products and services that appeal to customers. These alliances enable firms to enhance brand visibility, optimize operations, and boost customer loyalty, collectively strengthening their competitive position in the marketplace. By applying CAT, this enquiry aims to demonstrate how strategic collaborations empower Total Energies Marketing Kenya PLC to remain competitive in a highly dynamic and competitive energy sector, achieve operational efficiency, and respond effectively to both local and global market demands.

2.2.2 Dynamic Capabilities Theory

The Dynamic Capabilities Theory (DCT), introduced by Teece, Pisano, and Shuen in 1997, extends the resource-based view by highlighting that firms need not only valuable resources but also the capacity to adapt, integrate, and reconfigure both internal and external capabilities to navigate rapidly evolving environments. The theory underscores the role of strategic flexibility and innovation in helping firms succeed in dynamic and unpredictable markets. As Teece (2007) explains, dynamic capabilities consist of three core processes: identifying opportunities and threats, effectively responding to opportunities, and transforming organizational resources to

remain competitive and relevant. This framework recognizes that in order to sustain a competitive advantage over time, organizations must develop processes and routines that support continuous learning and change. As a result, DCT focuses on the firm's capacity to renew itself and realign its resources in response to shifting market demands and technological advancements.

While the Dynamic Capabilities Theory has provided valuable insights into strategic management, it has also attracted criticism. One key limitation is the theory's abstract and sometimes ambiguous nature, which can make empirical testing and practical application challenging. Critics argue that the concepts of sensing, seizing, and transforming are not always clearly defined or measurable, leading to difficulties in assessing a firm's dynamic capabilities in practice. Furthermore, the theory has been viewed as overly focused on large, resource-rich firms, potentially limiting its relevance to smaller or less established organizations. However, more recent literature has addressed these concerns by developing operational frameworks and case studies that demonstrate how dynamic capabilities manifest in diverse organizational contexts. Scholars have also emphasized the importance of leadership, organizational culture, and strategic partnerships as enablers of dynamic capabilities, making the theory more applicable and grounded in real-world business scenarios.

In the context of this enquiry on how strategic alliances enhance competitive advantage at Total Energies Marketing Kenya PLC, the Dynamic Capabilities Theory holds particular relevance. Strategic alliances serve as a key avenue through which firms cultivate and reinforce their dynamic capabilities. Through collaborations with other organizations, Total Energies Marketing Kenya PLC is able to access new knowledge, technologies, and markets, thereby improving its capacity to detect and respond to shifts within the energy sector. These alliances also support organizational learning and the reconfiguration of resources, fostering innovation, operational efficiency, and adaptability to regulatory and environmental changes. As such, DCT offers a valuable framework for understanding how strategic partnerships drive not only short-term performance improvements but also long-term resilience and sustained competitiveness in a constantly evolving business landscape.

2.3 Strategic Alliance and Sustainable Competitive Advantage

A substantial body of research has examined strategic alliances, focusing on their structure, development over time, associated benefits, and long-term sustainability (Inigo & Albareda, 2020). In parallel, various studies have concentrated on how the foundational traits of alliances or the attributes of their partners impact alliance performance and outcomes (Al-Tabbaa et al., 2019). Additionally, scholars have explored the risks and notably high failure rates associated with strategic alliances (Christ, 2016; Anderson et al., 2014; Bleeke & Ernst, 1991; Reuer & Zollo, 2005), as well as the heterogeneity among alliances and their partners (Parkhe, 1991).

David-West et al. (2020) note that strategic partnerships offer numerous benefits, including the geographic expansion of operations, which enables firms to reach wider customer bases. These alliances also provide regional banks the opportunity to leverage their partners' strengths and best

practices, ultimately improving service delivery and operational efficiency. Hossain (2021) adds that mergers and acquisitions within the region not only help firms minimize operational expenses and reduce direct competition but also enhance their long-term competitive positioning. Ntwiga (2020) highlights that Kenya's banking sector has experienced significant transformation and growth, largely fueled by the adoption of disruptive technologies and the liberalization of the financial market. Consequently, commercial banks in Kenya are under increasing pressure to align their services with those of both local and global competitors. In support of this perspective, Muchangi (2019) underscores the vital role of strategic alliances in boosting the competitiveness of Kenyan banks, emphasizing the need for these institutions to integrate such partnerships into their strategic planning to sustain a competitive edge.

According to Maméidio et al. (2019), strategic alliances are cooperative arrangements between firms with shared goals, designed to create synergies that foster long-term competitive success. A central objective of these alliances is to reduce or eliminate competition among partners by collaboratively developing innovative products or services that meet specific market demands. Hitt et al. (2019) refer to this innovation-focused strategy as the "blue ocean strategy," which can be implemented through joint ventures, equity-based collaborations, or shared research and development efforts.

2.4 Empirical Studies and Research Gap

Muñoz de Prat et al. (2020) carried out a study in Spain examining the link between joint ventures and sustainability, aiming to understand how strategic collaborations support sustainable organizational development. Employing an exploratory research design, the study relied on a systematic literature review, analyzing 424 empirical and theoretical studies related to joint ventures and sustainability. Using qualitative content analysis, the researchers identified key patterns, themes, and relationships among relevant variables. The findings indicated that joint ventures play a significant role in promoting sustainability within firms by facilitating resource sharing, innovation, and strategic coherence. However, the study was based on cross-industry literature, lacked a defined theoretical foundation, and did not specifically address the energy sector in Kenya, which is the primary focus of the current research.

Setyadi et al. (2023) investigated the impact of strategic alliances on competitive advantage through market expansion and product innovation within Indonesia's timber industry. The study employed a quantitative research design, collecting data from stakeholders in the Perhutani timber sector through field observations and hypothesis testing methods. Results revealed that strategic alliances particularly those involving the exchange of raw materials, technology, and marketing capabilities positively contribute to competitive advantage. Additionally, the study emphasized the importance of maintaining strong relationships with raw material suppliers and enhancing collaboration in production and skill development to sustain a competitive edge. However, the

study's focus on Indonesia's manufacturing sector, specifically timber, limits its applicability to the energy sector in Kenya, which is the central concern of the present research.

Salama, Mahmoud, and Mohammad (2022) explored the impact of strategic alliances on achieving sustainable competitive advantage within Egypt's hospitality industry, specifically focusing on four- and five-star hotels in Greater Cairo, including Cairo and Giza. Utilizing a descriptive quantitative research design, the study gathered data through structured questionnaires distributed to managers from 50 hotels and 10 travel agencies, yielding 213 valid responses out of 300 (71%). The research examined dimensions such as alliance formation barriers, partner selection criteria, and motivations for entering alliances. Descriptive and inferential statistical methods were used to analyze the data and identify relationships among these variables. The findings showed that hotel managers acknowledged the strategic value of alliances, with partner selection criteria and alliance motives having a positive influence on their perceived importance. Conversely, perceived barriers had a negative impact. The study further revealed that the perceived significance of strategic alliances had a strong positive effect on achieving sustainable competitive advantage, especially among environmentally conscious ("green") hotels. These alliances enhanced competitiveness by facilitating resource sharing, knowledge exchange, and collaborative marketing in response to market and technological shifts. Nonetheless, the study was limited to the hospitality sector in Egypt and did not address the energy industry in Kenya, which is the focus of the current research.

Nshimiyimana, Kule, and Kapaya (2021) examined the influence of strategic alliance management on the performance of microfinance institutions (MFIs) in Rwanda. Drawing a sample of 220 MFIs from a population of 491, the researchers collected data through structured questionnaires and utilized Structural Equation Modeling (SEM) to assess the relationships among variables. The analysis revealed that strategic alliance management had a significant positive impact on MFI performance, accounting for 58.8% of the variance ($R^2 = 0.588$). These findings indicate that effective management of alliances can substantially enhance organizational outcomes. The study recommends that policymakers and MFI leaders prioritize and invest in strategic alliances to strengthen institutional performance and overall competitiveness.

Irungu, Kamau, and Chege (2025) investigated how strategic alliances influence the globalization of agribusinesses in Kiambu County, Kenya. Using a case study method and data from 55 agribusinesses, the study found that horizontal and forward linkages each representing 32.7% of partnerships were the most common forms of alliances, followed by export cooperatives. These partnerships significantly improved market access, business growth, supply chain efficiency, and profitability. However, obstacles such as limited funding, low technology adoption, and regulatory challenges hindered the full benefits of globalization. The study concluded that strategic alliances are essential for agribusinesses seeking international integration and sustainable development, recommending stronger horizontal and vertical collaborations, greater promotion of cooperative models, and increased awareness of alliance opportunities.

King'oku and Muathe (2024) investigated the impact of strategic alliances on competitive advantage within Kenya's commercial banking sector, driven by the increasingly competitive and dynamic financial landscape. Employing a causal research design, the study targeted all 42 licensed commercial banks using a census survey approach. Data was gathered through semi-structured questionnaires, which were tested for validity and reliability, and analyzed using both descriptive and inferential statistics, including multiple regression analysis. The results indicated that joint ventures, equity alliances, and joint research and development had positive and statistically significant effects on competitive advantage, with the model accounting for 68.9% of the variance ($R^2 = 0.689$). The study concluded that strategic alliances are instrumental in strengthening competitiveness and recommended that commercial banks intensify the adoption of such partnerships to boost performance. However, the research was limited to the financial services sector, specifically commercial banks, and did not address the energy sector in Kenya, which is the primary focus of the current study.

Cheboi, Mulili, and Nyiva (2022) examined the effect of strategic alliances specifically in innovation, financing, and distribution on the competitiveness of supermarkets in Nairobi through a case study approach involving 77 branch managers. The study found that all three forms of alliances significantly enhanced competitiveness, with innovation and financing partnerships having particularly strong impacts. However, the full potential of these alliances was sometimes limited by challenges such as inadequate support from top management. The authors recommended enhancing strategic partnerships through technology integration, partnering with financially stable entities, improving distribution systems, and ensuring consistent leadership backing and regulatory compliance. Despite offering valuable insights, the study was confined to the retail sector in Nairobi and may not be directly applicable to industries like the energy sector in Kenya, which is the focus of the current research.

3.0 RESEARCH METHODOLOGY

3.1 Introduction

Chapter Three discusses the research methodology used to explore the influence of strategic alliances in enhancing sustainable competitive advantage at Total Energies Marketing Kenya PLC. It includes research design, data collection methods, data analysis procedures, ethical considerations, and limitations, ensuring a systematic approach to meet the study objectives.

3.2 Research Design

A research design serves as a structured framework that directs the entire research process, specifying how data will be gathered, measured, and analyzed to effectively address the research questions. Creswell (2014) describes it as a blueprint that ensures coherence and alignment between the research problem, objectives, and chosen methods. Kothari (2004) similarly defines it as an organized plan that balances relevance to the research objectives with efficiency in

execution. Yin (2018) adds that research design represents the logical progression linking the study's questions, the empirical data, and the resulting conclusions. In this study, a case study research design was employed.

A case study design is well-suited for this research as it facilitates an in-depth exploration of the influence of strategic alliances in enhancing sustainable competitive advantage within the real-world setting of Total Energies Marketing Kenya PLC. As Yin (2018) explains, case studies are particularly valuable when the distinction between the phenomenon and its context is unclear, and when a comprehensive understanding of complex processes is required. This approach allows for the integration of both qualitative and quantitative data, enabling a more nuanced interpretation of strategic and operational dynamics. The relevance of this design is further supported by prior studies such as Muchangi (2019), who investigated strategic alliances in Kenya's banking sector, and Cheronon (2019), who examined equity alliances in energy firms both of which successfully applied the case study method. These examples affirm the appropriateness of this design for analyzing the role of strategic partnerships in enhancing sustainable competitive advantage at Total Energies Marketing Kenya PLC.

3.3 Data Collection

The study followed a clear protocol in the collection of primary data to ensure ethical standards and organizational cooperation. First, an introduction letter was obtained from the University of Nairobi to formally authorize the researcher to conduct the study. This letter was presented to the Human Resources Department at TotalEnergies Marketing Kenya PLC's head office to seek official permission to collect data. Upon approval, the researcher proceeded with scheduling interviews with selected personnel. These preparatory steps ensured that the data collection process adhered to institutional guidelines and respected the policies of the host organization.

The study targeted eight senior and middle-level managers at Total Energies Marketing Kenya PLC's headquarters in Nairobi. They were selected based on their strategic roles and active involvement in decisions concerning strategic alliances. Their perspectives were considered crucial in providing insight into the formation, management, and outcomes of such partnerships within the organization. To accommodate participants' availability and preferences, interviews were conducted both in person at the company premises and virtually through video conferencing platforms. This flexible approach minimized disruptions to their schedules while enabling the collection of rich, qualitative data.

The main method of data collection was semi-structured interviews guided by an interview schedule. This approach allowed the researcher to explore specific themes related to strategic alliances and competitive advantage while maintaining flexibility to probe deeper into emerging issues during the discussions. The choice of an interview guide was informed by its proven effectiveness in qualitative research, particularly where the aim is to gather detailed, contextual information from key informants. Previous studies, such as Muchangi (2019) and Mbabu &

Ombok (2024), successfully employed interview guides in examining strategic partnerships within Kenyan firms. These studies demonstrated the method's ability to capture managerial insights, making it appropriate for the present research.

The interview guide used in this study consisted of four main parts. Part A captured respondents' bio-data including gender, department, and length of service at TotalEnergies Marketing Kenya PLC. Part B explored the nature of strategic alliances at the company, including key partners and types of collaborations. Part C focused on the competitive environment by identifying major competitors and the factors that give TotalEnergies a sustainable edge in the industry. Finally, Part D assessed the perceived influence of strategic alliances on sustainable competitive advantage. This structured yet flexible format ensured that all relevant aspects of the research objectives were comprehensively addressed during data collection.

3.4 Data Analysis

This study employed content analysis as the primary method for examining qualitative data obtained through interviews. As a systematic and objective technique, content analysis was well-suited for identifying recurring themes, patterns, and underlying meanings within qualitative responses. Given the exploratory aim of the research to investigate the relationship between strategic alliances and sustainable competitive advantage at Total Energies Marketing Kenya PLC content analysis was particularly appropriate. It enabled the extraction of rich, contextual insights from participants' perspectives while preserving the depth and complexity of the data.

The content analysis process adhered to a structured protocol consisting of three key stages: preparation, organization, and reporting. In the preparation phase, all interview responses were transcribed verbatim to ensure accuracy and completeness. The researcher read and re-read the transcripts to gain full immersion in the data, thereby developing a comprehensive understanding of the participants' perspectives. This initial engagement supported the identification of recurring phrases and meaningful statements related to strategic alliances and sustainable competitive advantage.

During the organization phase, the data underwent open coding, whereby key ideas and concepts identified across the transcripts were systematically labeled. These initial codes were then grouped into broader categories based on thematic similarities and alignment with the study objectives. For example, codes pertaining to alliance types (such as joint ventures and equity partnerships), competitive elements (such as cost leadership and innovation), and observed outcomes (such as market share and customer satisfaction) were clustered into relevant thematic categories. Manual coding was employed, supported by a coding matrix to track the frequency and co-occurrence of particular themes. To enhance the reliability of the analysis and minimize researcher bias, a second coder was engaged to review and validate the emerging themes.

In the final reporting phase, the identified themes and categories were interpreted in line with the research objectives and theoretical framework. Direct quotations from interviewees were used to substantiate key findings and preserve the authenticity of participants' perspectives. The analyzed data were then linked to the study's conceptual framework, particularly focusing on how strategic alliances influenced competitive advantage as reflected in market share, customer satisfaction, and operational outcomes. Patterns, inconsistencies, and emerging insights were examined in relation to existing literature, thereby enabling a comprehensive interpretation of the findings and situating them within the broader academic and practical context of strategic alliances and sustainable competitive advantage.

4.0 FINDINGS AND DISCUSSION

4.1 STRATEGIC ALLIANCE LANDSCAPE AT TEMK

Alliances span upstream supply (leveraging the TotalEnergies SE network), dealer/franchise retail partnerships, banks and fintechs for payments and loyalty, logistics and infrastructure partners (including pipeline access), regulators and industry bodies for compliance, and training/HSE organizations for capability and reputation. These relationships form a multi-tier ecosystem underpinning market presence, operational discipline, and sustainability positioning.

4.2 COMPETITIVE CONTEXT AND SOURCES OF SCA

TEMK competes with multinational marketers and agile independents driving price competition. Sources of SCA include brand equity, national retail reach, robust supply chain assets, data-enabled loyalty programs, HSE leadership, parent-backed financial strength, and skilled, safety-oriented human capital. These resources and routines are valuable, rare, difficult to imitate, and organizationally embedded.

4.3 HOW ALLIANCES ENHANCE SCA AT TEMK

- (a) Diversification into cleaner energy: Partnerships support solarization, LPG innovation, and carbon-reduction solutions, aligning with environmental standards and transition trajectories.
- (b) Market reach & loyalty: Dealer networks and digital/payment alliances extend access, convenience, and stickiness, enabling personalization through data.
- (c) Cost efficiency & risk sharing: Joint infrastructure and coordinated logistics distribute capital burden, mitigate price and currency shocks, and stabilize margins.
- (d) Operational reliability: Technology partners enable fleet visibility, inventory automation, and loss control, sustaining uptime and service levels.
- (e) Human capital & reputation: Alliances with training and HSE organizations elevate competencies, safety culture, and stakeholder trust.

4.4 SYNTHESIS WITH LITERATURE

Findings converge with prior evidence that alliances drive innovation, efficiency, and market outcomes while adding energy-sector nuances: reliability, compliance, and resilience are core SCA dimensions beyond pure financial metrics. The Kenyan context emphasizes regulatory alignment and infrastructure dependencies alongside customer experience and brand considerations.

5.0 SUMMARY OF FINDINGS

Strategic alliances are integral to TEMK's sustained advantage. They unlock technologies and markets otherwise costly to internalize, reinforce operational reliability, support environmental compliance, and strengthen customer relationships. Alliances thus function as both strategic and operational mechanisms for resilience and growth in an evolving industry.

In summary, the study underscored that strategic alliances are a critical driver of sustainable competitive advantage for Total Energies Marketing Kenya PLC. The alliances have enabled the company to optimize resources, foster innovation, enhance market reach, and strengthen institutional capacity. The findings provide valuable insights for both policymakers and industry players on the importance of nurturing strategic partnerships as a pathway to long-term sustainability in the energy sector. Recommendations from the study advocate for expanding partnerships in renewable energy, deepening technological collaborations, and strengthening stakeholder engagement to address emerging challenges while maximizing competitive advantage.

5.1 CONCLUSIONS

In conclusion, the study affirms that strategic alliances have been instrumental in enabling Total Energies Marketing Kenya PLC to sustain and enhance its competitive advantage. The evidence demonstrates that such alliances provide access to new markets, technologies, skills, and infrastructure that would be costly or impossible to develop independently. Furthermore, alliances strengthen the company's ability to adapt to industry shifts, particularly the global transition toward renewable energy. For Total Energies Marketing Kenya PLC to maintain this momentum, the continuous refinement of its alliance strategies will be essential. This includes strengthening governance frameworks for partnership management, expanding collaborations in emerging areas such as digital innovation and green energy, and deepening stakeholder engagement to ensure alignment with both corporate and societal goals.

5.2 RECOMMENDATIONS

- 1) Deepen renewable-energy partnerships to scale solar and low-carbon solutions and optimize lifecycle economics.
- 2) Advance digital innovation alliances for payments, loyalty, and data analytics to enhance personalization and retention.
- 3) Co-invest in supply chain digitization and joint infrastructure with logistics partners for visibility, cost control, and service continuity.

4) Institutionalize alliance governance with performance dashboards, risk registers, and periodic joint reviews to sustain alignment.

5) Expand capability-building partnerships (leadership, HSE, sustainability) to embed adaptable, learning-oriented culture.

5.3 LIMITATIONS

This study faced several limitations that may have influenced the findings and conclusions. First, the scope of the research was limited to Total Energies Marketing Kenya PLC, which may restrict the generalizability of the results to other organizations within the energy sector or across different industries. While the study provides valuable insights into the influence of strategic alliances on sustainable competitive advantage within a multinational energy company, the unique operational structure, market positioning, and global integration of Total Energies mean that the findings may not fully apply to firms with different business models, resources, or industry dynamics.

Second, the data collection process relied primarily on interviews, questionnaires, and document reviews, which may have introduced certain response and interpretation biases. Some participants may have provided responses they considered favorable to organizational interests or aligned with company policies, thereby limiting the extent of unfiltered insights. Similarly, reliance on company records, reports, and industry documents may have constrained the analysis to available data while overlooking potentially relevant aspects of alliances and performance not explicitly documented.

Third, the cross-sectional design of the study posed a limitation in capturing long-term dynamics of strategic alliances. Alliances are inherently evolving relationships, and their impact on sustainable competitive advantage often materializes over extended periods. The study's findings therefore reflect a snapshot of the influence of alliances at a given point in time and may not fully capture progressive outcomes or challenges that emerge over the life cycle of these partnerships.

Fourth, the study did not fully account for external macro-environmental factors such as fluctuating global oil prices, government regulatory frameworks, technological disruptions, and geopolitical risks, all of which significantly influence the energy sector. While these factors were acknowledged, their complex and interdependent influence on the performance of strategic alliances was beyond the scope of this study. This limitation suggests that the observed outcomes could be partly shaped by broader industry dynamics that were not exhaustively analyzed.

Lastly, the study was limited by resource and time constraints, which restricted the depth of coverage and the possibility of conducting comparative analysis with other firms in the industry. Such comparisons could have provided additional perspectives on how strategic alliances differently influence competitive advantage across firms. Future research could address these limitations by adopting longitudinal designs, expanding the scope to include multiple firms within the energy sector, and exploring in greater detail the external contextual influences that shape the success and sustainability of strategic alliances.

5.4 FURTHER RESEARCH

This study has provided valuable insights into the role of strategic alliances in fostering sustainable competitive advantage at Total Energies Marketing Kenya PLC. However, it also opens up several avenues for further research. Future studies could replicate this research in other organizations within the energy sector, such as Kenya Pipeline Company, KenGen, or multinational oil companies like Vivo Energy and OLA Energy. A comparative approach would enhance understanding of how strategic alliances contribute to competitive advantage across different organizational contexts, ownership structures, and market dynamics. Such cross-case analysis could help identify best practices and common challenges in forming and sustaining alliances.

Additionally, future research could adopt a longitudinal approach to examine how strategic alliances evolve over time and how their outcomes influence long-term competitiveness. Since alliances are often dynamic and subject to shifts in partner priorities, market conditions, and technological advancements, a long-term perspective would provide a more comprehensive understanding of both the benefits and risks associated with these collaborations. This would also allow researchers to capture delayed impacts of strategic alliances, particularly in areas such as innovation, sustainability initiatives, and operational efficiency.

Further investigations could also examine the role of external environmental factors, such as government regulation, global energy transitions, and fluctuating oil prices, in shaping the effectiveness of strategic alliances. Specifically, research could explore how energy companies in Kenya and beyond navigate external pressures, including climate change policies, renewable energy shifts, and geopolitical risks, and how these influence the stability and performance of alliances. Understanding these dynamics would provide deeper insights into the resilience and adaptability of alliances in turbulent environments.

Moreover, future studies could focus on the role of technology and innovation in strengthening the link between strategic alliances and sustainable competitive advantage. With increasing emphasis on digitalization in the energy sector such as the use of data analytics, blockchain in supply chain management, and automation in operations research could investigate how alliances built around technological collaboration enhance efficiency, reduce costs, and create new growth opportunities. Such research would be particularly relevant in understanding how companies like TotalEnergies leverage innovation to remain competitive in an industry undergoing significant transformation.

Lastly, further studies could explore the human capital dimension of strategic alliances, focusing on how employee competencies, cultural integration, and knowledge-sharing practices influence alliance success. Since alliances often involve collaboration across diverse organizational cultures, research on human resource strategies that facilitate trust, learning, and synergy would enrich understanding of how internal factors support sustainable competitive advantage. This line of inquiry would contribute to both academic theory and practical strategies for managing alliances more effectively.

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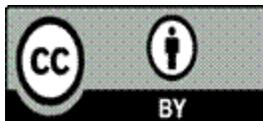
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