

**FACTORS AFFECTING COMPETITIVENESS WITHIN THE AUTOMOTIVE
INDUSTRY IN KENYA. A CASE OF GENERAL MOTORS EAST AFRICA.**

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ABSTRACT

The purpose of this study was to investigate on factors affecting competitiveness within the automotive industry in Kenya. The reason why the study focused on the mentioned topic is due to the fact that Kenyan automotive industry has not been competitive as expected due to poor government regulations which have resulted to increased cheap importation from international markets hence affecting local competitiveness. The study indented to solve this problem among others through looking at the effects of technology, marketing strategies and also government regulation on competitiveness within the automotive industry. In literature review, the study focused on Michael porters five forces and also resource based view which are theories of competitiveness. In research methodology, the study focused on descriptive research design where a total of 253 respondents were retrieved from GMEA. Sample size was calculated using stratified sampling technique where the researcher intended to work with a sample of 156 employees. Data collection was carried out using questionnaire where descriptive analysis and inferential analysis which includes correlation and regression analysis was conducted. In data analysis, the study identified that 99% of the respondents agreed that technology affects competitiveness within the automotive industry, 94% of the respondents also agreed that marketing strategies affects competitiveness within the automotive industry and in the last objective, 80% of the respondents agreed that government regulations affects competitiveness within the automotive industry. The study also identified that there is relationship between independent variables and dependent variable (Sig $P < 0.05$). The study concluded that GMEA Should enhance partnership with the government and other manufactures of motor vehicles globally towards ensuring that effectiveness in terms of technology based production and also government regulation has been enhanced.