Sustainable Supply Chain Practices and Competitive Advantage In The Horticultural Sector In Kenya

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Abstract

Agriculture being the main economic activity and contributor to the country's GDP, fruits and vegetables takes the bigger percentage of the agricultural productivity. Competitive advantage in this sector is key in enhancing sustainability and performance of the sector. The study therefore seeks to address the influence of sustainable supply chain management on the competitive advantage in the horticultural industry in Kenya. Specifically, the study sought to find out the relationship between green purchasing and competitive advantage in the horticultural industry; establish the relationship between reverse logistics and competitive advantage in the horticultural industry; and analyse the moderating effect of value addition on the relationship between sustainable supply chain and competitive advantage in the horticultural industry. The study adopted several theories to support the specific objectives which are transaction cost economies theory, institutional theory, theory of reasoned action, diffusion innovation theory and stakeholder theory. The study adopted a descriptive research design while the target population was 236 horticultural firms in Nairobi Kenya. A census was used whereby all the 236 firms included in the study. Questionnaire was used to collect the study data while the data was analysed through mixed analysis where both qualitative and quantitative techniques was used. Inferential analysis was used to establish the relationship between variables. The data was presented in form of tables and figures. The study found a positive relationship between green purchasing and competitive advantage in the horticultural industry in Kenya. Also, further reverse logistics had a positive influence on competitive advantage in the Horticultural Industry in Kenya. The study recommends that the management of the horticultural companies should improve on their green purchasing practices. This can be done by applying flexible sustainable supply chain practices through research so as to understand the changing environmental needs and remain relevant in the market. The study also recommends that the companies should ensure that their reverse logistics are properly structured. This would ensure that customer needs are met, ensuring customer loyalty and making it difficult for competitors to imitate simple services that are geared towards value creation and the environment.

Keywords: Competitive Advantage, Green Purchasing, Horticultural Industry, Green

Distribution, Sustainable supply chain, Value Addition