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Analysis Of Global Expansion Strategies On Growth Of Soapstone Industry In Kisii County, Kenya

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Abstract
The production of soapstone items in Kisii County, Kenya, is one of the oldest traditional handcraft activities, historically supporting local livelihoods through the sale of handcrafted products. However, the introduction of imported and industrial goods during the colonial period created intense competition, reducing the market share of local products. Over time, producers diversified their offerings to target tourism and export markets, yet the industry remains dominated by a small number of producers operating within limited markets, contributing to low regional income levels. This study examined the effect of partnership strategy on the growth of the soapstone industry in Kisii County, Kenya. Guided by the Industry Life Cycle theories, the study adopted a pragmatism philosophy and a mixed-method research design. Data were collected from 386 respondents, selected from a target population of 10,600 using Yamane's formula, through structured questionnaires. Both qualitative and quantitative data were analyzed using descriptive and inferential statistics with the aid of SPSS software. Reliability was ensured through a pilot study and Cronbach's Alpha, while validity was maintained through appropriate research procedures. Findings revealed a significant positive relationship between partnership strategy and industry growth. Regression results indicated that partnership strategy significantly predicts industry performance. The study concludes that adopting effective partnership strategies enhances the growth of the soapstone industry. It recommends that industry players strengthen collaborative arrangements to improve resource sharing, market access, and overall competitiveness in both local and international markets.

Keywords: *cost of living, global strategy, growth, hosting, innovation, market, partnership strategy*

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I. Introduction

Global expansion strategies refer to business approaches through which firms extend their operations beyond domestic borders to sell goods or services in multiple countries, often facilitated by bilateral and multilateral trade agreements. According to Contractor (2021), such strategies have become increasingly important in the post-COVID-19 global economy, which is characterized by heightened uncertainty, shifting value chains, and reconfiguration of globalization. Firms pursue global expansion to enhance competitiveness, exploit location advantages such as access to markets, labor, and resources, and achieve more stable earnings compared to relying solely on domestic markets (Rothaermel, 2017; Hitt, Li, & Xu, 2019). These strategies enable firms to mitigate risks, access new opportunities, and sustain long-term growth (Gulsoy, Lynch, & Ozkanil, 2017; Yabs, 2019).

In Kenya, participation in global trade has expanded through regional and international agreements, improving the investment climate and increasing foreign capital inflows (Obudho, 2020). This creates opportunities for local industries, including the soapstone industry in Kisii County, to integrate into global value chains. Soapstone, a metamorphic rock widely used in carving and industrial applications, has a long global history, with production in regions such as the United States, Europe, and Asia (King, 2023; Hansen & Storemyr, 2017). In Africa, countries such as Kenya and South Africa possess significant soapstone resources, although the sector remains underutilized compared to other craft industries (Bensoo, Mensah, & Essel, 2015).

The soapstone industry in Kisii County is one of Kenya's oldest indigenous industries, historically producing items for domestic use before transitioning to tourism and export markets (Akama & Onyambu, 2020). Today, soapstone products are sold globally and contribute to cultural tourism. However, despite this potential, the industry faces persistent challenges, including low incomes among artisans, limited market access, exploitation by intermediaries, inadequate infrastructure, and low adoption of modern technology (Itaku, 2023). These challenges have constrained the industry's growth and its contribution to local economic development.

Although global demand for handcrafted products continues to rise, the soapstone industry in Kisii has not fully leveraged global market opportunities. This gap suggests the need to examine how strategic approaches

can enhance industry performance. Therefore, the objective of this study is to analyze the effect of global expansion strategies on the growth of the soapstone industry in Kisii County, Kenya.

Statement of the problem

The soapstone industry is a key component of Kenya's tourism craft sector, with its products widely sold in international markets (Akama, 2020). The industry supports the livelihoods of over 7,000 people in Kisii County and remains a significant pillar of the local economy (Onyambu, 2018; Itaku, 2023). Despite its global reach and economic importance, the region continues to experience low-income levels, with artisans receiving disproportionately low returns from their products. Evidence indicates that items previously sold at Ksh 2,000–2,500 are now often sold at as low as Ksh 200, reflecting declining earnings at the producer level (Business Daily, 2020).

A major challenge lies in the structure of the value chain, where intermediaries capture a substantial share of profits, even though a large proportion of soapstone products are destined for international markets. At the same time, increasing industrial demand for soapstone has intensified pressure on available resources. Although Kisii County is estimated to possess approximately 15 million tonnes of soapstone, the resource remains underutilized in terms of value addition, export potential, and socio-economic benefits.

Furthermore, there is weak integration between the soapstone industry and the tourism sector. Empirical evidence from studies conducted among local carvers in Tabaka indicates low tourist inflows and limited direct sales, resulting in reduced income for artisans and continued dependence on intermediaries. These challenges collectively hinder the industry's capacity to contribute effectively to economic growth, poverty reduction, and sustainable development in the region.

The problem, therefore, is not only low income among artisans but also an inefficient value chain, limited value addition, and inadequate market access, which constrain the growth of the soapstone industry in Kisii County. This study addresses this gap by examining the effect of global expansion strategies on the growth of the soapstone industry in Kisii County, Kenya.

Purpose of the study

The aim of this study was to analyze the effect of global expansion strategies on growth of soapstone industry in Kisii county, Kenya.

Specific Objectives

To examine effect of partnership strategy on growth of soapstone industry in Kisii county, Kenya.

II. Literature Review

Theoretical Review

Industry Life Cycle Theory

Industry Life Cycle Theory explains the progression of industries through distinct stages of development over time and how these stages influence firm behavior and performance. The theory was initially developed by Franco Modigliani and Richard Brumberg in the 1950s and later advanced by Michael Porter, who integrated it into strategic management analysis. Porter (1980) argues that industries evolve through identifiable phases that shape competitive dynamics, profitability, and strategic choices of firms. As such, the theory remains central in explaining how firms adapt to changing market conditions (Grant, 2022; Hill & Jones, 2021).

The theory posits four key stages: introduction, growth, maturity, and decline. The introduction stage is characterized by innovation, limited market size, and high production costs, where firms focus on product development and market awareness. In the growth stage, demand increases rapidly, attracting new entrants and intensifying competition, thereby requiring firms to adopt expansion and differentiation strategies. The maturity stage is marked by slowed growth, market saturation, and heightened competition, often leading firms to emphasize cost efficiency, process improvement, and market retention strategies. Finally, the decline stage occurs when demand decreases due to technological advancements or changing consumer preferences, prompting firms to adopt exit, diversification, or consolidation strategies (Porter, 1980; Sabol & Sander, 2019; Grant, 2022).

Despite its relevance, the theory has notable limitations. It assumes a linear and predictable progression of industry stages, which may not hold in dynamic and globalized markets characterized by rapid technological change. Industries may skip stages, regress, or evolve in non-linear ways. Additionally, the theory places greater emphasis on industry-level factors while giving limited attention to firm-specific capabilities such as innovation, leadership, and resource endowment, which can significantly influence performance outcomes (Hill & Jones, 2021).

In this study, Industry Life Cycle Theory provides a relevant framework for understanding the position and growth dynamics of the soapstone industry in Kisii County. The industry is largely situated in the maturity stage, characterized by moderate growth and increasing competition among producers and traders. At this stage,

firms are required to adopt strategies that enhance efficiency, strengthen market presence, and sustain competitiveness. In particular, partnership strategy is critical in facilitating resource sharing, improving market access, and enhancing value addition. Therefore, the theory offers a suitable foundation for examining the effect of partnership strategy on the growth of the soapstone industry in Kisii County, Kenya.

Empirical Review

Partnership strategy has been widely examined as a critical driver of business growth across different sectors and regions. Wood (2021) defines partnership as a long-term collaborative arrangement between two or more parties who agree to conduct business together while sharing resources, risks, and returns. Partnerships may involve individuals, firms, governments, or institutions operating across different geographical locations. Such arrangements enable pooling of expertise, capital, and capabilities, which enhances efficiency and competitiveness. Globally, partnership strategies often take forms such as strategic alliances, joint ventures, and collaborative networks aimed at achieving mutual benefits (Hassan & Aswati, 2020).

Empirical evidence suggests that partnership strategies significantly influence firm performance and growth. For instance, Ko and Liu (2020) examined strategic alliances among technology firms in the United States and Europe using panel data analysis. Their findings indicated that firms engaging in partnerships experienced improved market value and operational efficiency due to enhanced knowledge sharing, reduced costs, and increased access to new markets. Similarly, Gao (2025) found that strategic alliances among Chinese listed firms improved resource allocation efficiency and stimulated investment growth, highlighting the role of partnerships in enhancing organizational competitiveness.

Further, Lin, Zhang, and Chen (2025) established that collaborative partnerships contribute to improved organizational sustainability and performance through knowledge exchange and technological collaboration. Likewise, Lobo, Ferreira, and Ribeiro (2025) found that firms engaged in strategic alliances demonstrated higher levels of innovation and resilience, as partnerships facilitated technology transfer and global market access. However, these studies largely focus on large-scale and technology-driven firms, limiting their applicability to small-scale and traditional industries such as artisanal and mining sectors.

In the context of small and medium enterprises (SMEs), Agyapong and Boakye (2021) found that partnership strategies significantly enhanced market expansion and revenue growth among manufacturing SMEs in Ghana. Similarly, Mabenge, Ngorora-Madzimure, and Makanyeza (2022) reported that partnerships improved access to credit, market information, and technology among SMEs in Zimbabwe, thereby promoting growth and sustainability. Abor and Quartey (2020) also established that inter-firm partnerships in Nigeria improved productivity and market access by enabling firms to share resources and reduce operational risks.

Within Kenya, Wanjiku and Omagwa (2021) found that strategic partnerships among SMEs improved productivity, operational efficiency, and market access. Mutuku and Cheruiyot (2022) similarly observed that partnerships in agribusiness enhanced access to financing, technical expertise, and markets, leading to improved enterprise performance. Despite these findings, most studies in Kenya have focused on formal sectors such as manufacturing and agribusiness, with limited attention given to informal and artisanal industries.

In relation to the soapstone industry, available evidence indicates that partnership strategies remain underutilized despite their potential benefits. Obwori et al. (2019) note that soapstone enterprises in Kisii face financial constraints and limited access to funding, suggesting the need for partnerships with financial institutions and other stakeholders. Additionally, historical evidence from other countries shows that partnerships can support the development of mineral-based industries through resource mobilization and knowledge sharing (Calvins, Offield, & Ali, 2024). However, there is limited empirical research specifically examining how partnership strategies influence growth in the soapstone industry in Kisii County.

Overall, while existing studies demonstrate the positive impact of partnership strategies on firm growth, they largely focus on formal, large-scale, or technology-driven sectors. There remains a significant gap in empirical evidence regarding the role of partnership strategy in promoting growth within small-scale, resource-based, and artisanal industries such as the soapstone industry in Kisii County. This study therefore seeks to address this gap by examining the effect of partnership strategy on the growth of the soapstone industry in Kisii County, Kenya.

Conceptual framework

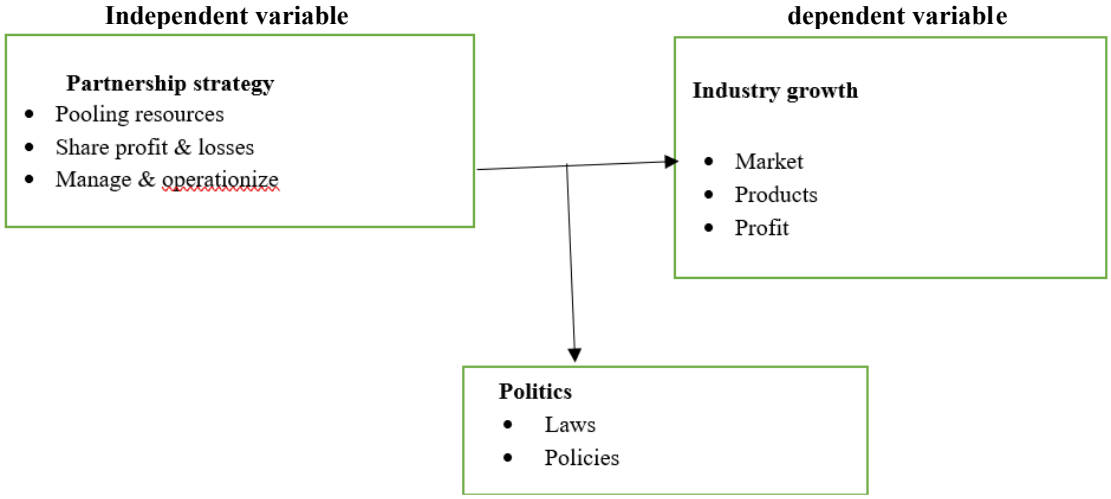


Figure 1: Conceptual Framework

Source: Researcher, (2025)

III. Methodology

The study was guided by the pragmatism research philosophy, which emphasizes the use of practical approaches to solve research problems. Pragmatism allows the integration of both qualitative and quantitative methods, enabling the researcher to draw on multiple sources of evidence. It focuses on the research problem and supports the use of both deductive and inductive reasoning. This flexibility made it suitable for the study, as it allowed the researcher to select appropriate methods and procedures that best addressed the objective of examining the effect of partnership strategy on the growth of the soapstone industry.

A mixed-methods approach was adopted, combining both quantitative and qualitative techniques. This approach enabled the collection of comprehensive data and enhanced the depth of analysis. Primary data were collected using structured questionnaires administered to respondents in the soapstone industry in Kisii County, Kenya, between January 1 and January 31, 2026. The questionnaires consisted of both closed-ended questions, which generated quantitative data, and open-ended questions, which provided qualitative insights. Data collection was conducted by trained enumerators to ensure consistency and improve response rates. The collected data were coded, cleaned, and analyzed using the Statistical Package for Social Sciences (SPSS), applying both descriptive and inferential statistics.

The study adopted a mixed-methods research design, which integrates qualitative and quantitative approaches within a single framework. This design was appropriate because it allowed for triangulation of data, minimized bias, and provided a more comprehensive understanding of the research problem. Quantitative and qualitative data were collected concurrently and integrated during analysis to enhance the validity and reliability of the findings.

The study was conducted in Kisii County, Kenya, a region widely known for soapstone mining and carving. Kisii soapstone is recognized for its softness, durability, and suitability for producing a variety of products, including sculptures and decorative items sold in both local and international markets. The area hosts a wide range of stakeholders involved in the soapstone value chain, including miners, artisans, traders, and exporters. The concentration of these stakeholders made the region an appropriate and information-rich setting for examining the relationship between partnership strategy and industry growth.

The target population comprised 10,600 respondents drawn from soapstone self-help groups, cooperative societies, and relevant government ministries at both national and county levels. These respondents included artisans, miners, traders, and policymakers involved in the development and regulation of the soapstone industry. The inclusion of multiple stakeholder groups ensured that diverse perspectives were captured, enhancing the comprehensiveness of the study.

Sampling involved both probability and non-probability techniques. The population was first stratified into homogeneous groups, after which simple random sampling was used to select respondents within each stratum. Purposive sampling was applied to identify key informants from government institutions. The sample size was determined using Yamane's formula at a 5% level of precision, resulting in a sample of 386 respondents. This sample was proportionately distributed across the different stakeholder groups to ensure adequate representation.

Data were collected using a structured questionnaire designed to capture both quantitative and qualitative information. The instrument was developed to be clear, concise, and aligned with the research objective. It

included closed-ended questions for statistical analysis and open-ended questions to capture respondents' experiences and opinions. The questionnaires were administered by trained enumerators, which improved accuracy and response rates. A pilot study was conducted prior to the main data collection to test the clarity, reliability, and validity of the instrument. The pilot study helped identify and correct ambiguities, refine question wording, and improve the overall quality of the instrument.

Reliability of the research instrument was assessed using Cronbach's alpha coefficient through SPSS. A threshold of 0.7 and above was considered acceptable, indicating internal consistency of the instrument. Validity was ensured through careful design of the questionnaire, alignment with the research objective, and expert review. The pilot study further strengthened validity by identifying and addressing potential weaknesses in the instrument.

Data analysis involved organizing, coding, and cleaning the collected data before analysis. Descriptive statistics such as frequencies, percentages, means, and standard deviations were used to summarize the data, while inferential statistics, including correlation and regression analysis, were used to examine relationships between variables. The regression model was used to determine the effect of partnership strategy on the growth of the soapstone industry, with statistical significance tested at the 5% level.

Ethical considerations were strictly observed throughout the study. Participation was voluntary, and informed consent was obtained from all respondents. Confidentiality and anonymity were maintained by using non-identifiable codes, and respondents were assured that the information provided would be used solely for academic purposes. The study obtained the necessary approvals from relevant authorities, and the researcher adhered to principles of integrity, honesty, and transparency in data collection, analysis, and reporting. Participants were also given the right to withdraw from the study at any stage without penalty.

IV. Research Findings

Descriptive Statistics Results

Descriptive statistic was used to define and describe the properties of a set of data. The presentation of descriptive statistic was based on the frequencies, percentage, mean and standard deviation of study variables. These variables were Partnership strategy, proactive strategy, reinvestment strategy which were independent variables, while growth of soapstone industry in Kisii, Kenya was the dependent variable and politics strategy was the moderating variable. The respondents were asked to indicate their level of agreement from 1- Strongly Disagree, 2- Disagree, 3-Neutral, 4- Agree and 5 Strongly Agree

Partnership strategy

Table 1 presents respondents' perceptions regarding the role of partnership strategy in enhancing business performance in the soapstone industry. The results are presented using a five-point Likert scale where 5 = Strongly Agree and 1 = Strongly Disagree.

Table 1: Partnership strategy

No.	Statement	5	4	3	2	1	Mean	SD
1	One accounting record is maintained	44.0% (129)	13.0% (38)	29.4% (86)	4.1% (12)	9.6% (28)	3.778	1.309
2	Profit and loss are shared according to partnership agreement	25.6% (75)	47.1% (138)	18.4% (54)	3.8% (11)	5.1% (15)	3.843	1.015
3	Resources and skills are pooled together for business success	13.7% (40)	47.4% (139)	15.7% (46)	14.3% (42)	8.9% (26)	3.427	1.158
4	Partnership can be formed amongst leading firms	0.0% (0)	39.6% (116)	42.7% (125)	9.2% (27)	8.5% (25)	3.133	0.902
	Overall Score						**3.545**	

Source: Researcher Data (2026)

The findings indicate that 44.0% (129) of respondents strongly agreed and 13.0% (38) agreed that partnership businesses maintain a single accounting record. In contrast, 29.4% (86) were neutral, while 4.1% (12) disagreed and 9.6% (28) strongly disagreed. The mean score of 3.778 suggests general agreement among respondents that maintaining a unified accounting system is common practice within partnerships. This implies that partnership businesses in the soapstone industry adopt centralized financial management practices, which enhance transparency, accountability, and efficient tracking of transactions. However, the relatively high standard deviation (SD = 1.309) indicates variability in responses, suggesting that some firms may not consistently implement centralized accounting systems.

The results further show that 25.6% (75) of respondents strongly agreed and 47.1% (138) agreed that profits and losses are shared according to partnership agreements. Meanwhile, 18.4% (54) were neutral, 3.8% (11) disagreed, and 5.1% (15) strongly disagreed. The mean score of 3.843 reflects strong agreement that partnership agreements play a critical role in guiding the distribution of financial outcomes. This finding underscores the importance of formal agreements in promoting fairness, reducing conflict, and ensuring

accountability among partners. The relatively low standard deviation (SD = 1.015) suggests consistency in respondents' perceptions regarding this practice.

Regarding the pooling of resources and skills, 13.7% (40) of respondents strongly agreed and 47.4% (139) agreed that partnerships facilitate the combination of financial, technical, and managerial capabilities. Additionally, 15.7% (46) were neutral, while 14.3% (42) disagreed and 8.9% (26) strongly disagreed. The mean score of 3.427 indicates moderate agreement that partnerships enhance resource mobilization and operational efficiency. This suggests that collaboration among partners strengthens the capacity of soapstone enterprises to compete in the market. However, the standard deviation (SD = 1.158) reflects moderate variability, implying that the extent of resource pooling may differ across firms depending on partnership structure and management practices.

The findings also reveal that 39.6% (116) of respondents agreed and 42.7% (125) were neutral regarding the formation of partnerships among leading firms. A smaller proportion, 9.2% (27), disagreed and 8.5% (25) strongly disagreed, while none strongly agreed. The mean score of 3.133 indicates a moderate level of agreement, suggesting that partnerships among leading firms are not widely established within the soapstone industry. This may be attributed to competitive dynamics, trust issues, or a preference for independent operations. The relatively low standard deviation (SD = 0.902) indicates consistency in responses.

Overall, the composite mean score of 3.545 indicates that respondents generally agree that partnership strategy contributes positively to business performance in the soapstone industry. Partnerships appear to support structured financial management, facilitate resource sharing, and enhance operational efficiency. However, the moderate scores suggest that the adoption and effectiveness of partnership strategies vary across firms, influenced by factors such as trust, organizational structure, and management practices.

Analysis of qualitative responses further reinforces the quantitative findings by identifying key themes that explain how partnership strategy contributes to industry growth. One major theme is profit and loss sharing based on partnership agreements. Respondents emphasized that clear agreements provide a framework for fairness and stability in business operations. Such arrangements enhance trust, reduce conflicts, and encourage active participation among partners, thereby supporting sustainability and growth.

Another key theme is the pooling of resources and skills. Respondents highlighted that partnerships enable the combination of financial capital, technical expertise, and managerial capabilities. This collaboration helps overcome financial constraints, improves productivity, and enhances product quality. As a result, partnership arrangements strengthen the competitiveness of soapstone enterprises in both local and international markets.

The utilization of partner strengths also emerged as a significant theme. Respondents noted that partnerships allow individuals with diverse skills to contribute to different aspects of the business, such as production, marketing, and distribution. This specialization improves efficiency and overall performance, enabling firms to maximize their potential and achieve better outcomes.

The formation of alliances and joint ventures for market expansion was another important theme identified. Respondents indicated that partnerships facilitate access to new markets by enabling collaboration with other organizations, including exporters and traders. Such alliances enhance market reach, improve product visibility, and increase sales, thereby contributing to the growth and sustainability of the industry.

Additionally, respondents emphasized that partnership strategy enhances business competitiveness. By combining resources, skills, and networks, partnerships enable firms to improve efficiency, product quality, and market access. This collaborative approach strengthens the ability of soapstone enterprises to compete with other craft industries and imported products.

These findings are consistent with the theoretical foundations of the study. The emphasis on alliances and market expansion aligns with Industry Life Cycle Theory, which suggests that firms in mature industries adopt collaborative strategies to sustain growth. The pooling of resources reflects Mercantilism Theory, which highlights the importance of strengthening domestic industries through cooperation. The utilization of partner strengths corresponds with Kaizen Theory, which emphasizes continuous improvement through teamwork and efficient use of capabilities. Furthermore, the role of formal agreements and structured partnerships is supported by Institutional Theory, which explains how organizational practices are shaped by regulatory and governance frameworks.

Growth of soapstone industry in Kisii, Kenya

Table 2 presents respondents' perceptions regarding the growth of the soapstone industry in Kisii County, Kenya. The statements assess key indicators of industry growth, including market expansion, product innovation, profitability, and income generation.

Table 2: Growth of soapstone industry in Kisii, Kenya

No.	Statement	5	4	3	2	1	Mean	SD
1	The soapstone industry in Kisii has expanded into new markets	44.0% (129)	13.0% (38)	29.4% (86)	4.1% (12)	9.6% (28)	3.778	1.309
2	Soapstone firms have introduced new product designs	0.0% (0)	39.6% (116)	42.7% (125)	9.2% (27)	8.5% (25)	3.133	0.902
3	Profit margins have improved over time	13.7% (40)	47.4% (139)	15.7% (46)	14.3% (42)	8.9% (26)	3.427	1.158
4	The industry has created higher earning opportunities	25.6% (75)	47.1% (138)	18.4% (54)	3.8% (11)	5.1% (15)	3.843	1.015
	Overall Score						**3.545**	

Source: Researcher Data (2026)

The results show that 44.0% (129) of the respondents strongly agreed and 13.0% (38) agreed that the soapstone industry in Kisii has expanded into new markets. Additionally, 29.4% (86) remained neutral, while 4.1% (12) disagreed and 9.6% (28) strongly disagreed. The mean score of 3.778 indicates that respondents generally agree that the industry has experienced market expansion. This suggests that soapstone products are increasingly reaching new customers and markets beyond the traditional local market, possibly through tourism, export opportunities, and improved marketing channels. However, the relatively high standard deviation (SD = 1.309) indicates some variation in responses, implying that not all stakeholders may have equally experienced this market expansion.

The findings indicate that 39.6% (116) of respondents agreed that soapstone firms have introduced new product designs, while 42.7% (125) remained neutral. Meanwhile, 9.2% (27) disagreed and 8.5% (25) strongly disagreed, while none strongly agreed. The mean score of 3.133 indicates a moderate level of agreement regarding product innovation in the soapstone industry. This suggests that although some firms are introducing new designs, innovation may still be limited or uneven across the industry. The relatively low standard deviation (SD = 0.902) indicates that respondents' perceptions are relatively consistent.

The results show that 13.7% (40) strongly agreed and 47.4% (139) agreed that profit margins in the soapstone industry have improved over time. Additionally, 15.7% (46) were neutral, while 14.3% (42) disagreed and 8.9% (26) strongly disagreed. The mean score of 3.427 indicates moderate agreement that profitability in the industry has improved. This suggests that increased market access, improved product demand, and better production practices may have contributed to enhanced profit margins. However, the relatively higher standard deviation (SD = 1.158) indicates that experiences of profitability may vary among different firms.

The findings reveal that 25.6% (75) strongly agreed and 47.1% (138) agreed that the soapstone industry has created higher earning opportunities. Additionally, 18.4% (54) remained neutral, while 3.8% (11) disagreed and 5.1% (15) strongly disagreed. The mean score of 3.843, which is the highest among the statements, indicates strong agreement among respondents that the industry has significantly contributed to income generation. This suggests that the soapstone industry plays an important role in improving livelihoods, creating employment opportunities, and enhancing economic development within Kisii County. The standard deviation (SD = 1.015) indicates moderate consistency in responses.

The overall mean score of 3.545 indicates that respondents generally agree that the soapstone industry in Kisii has experienced growth. The results suggest that the industry has expanded into new markets, improved profitability, and created income opportunities for individuals involved in soapstone carving and trade. However, the relatively moderate score also suggests that certain aspects of growth, such as product innovation, may still require further development to enhance the competitiveness and sustainability of the industry.

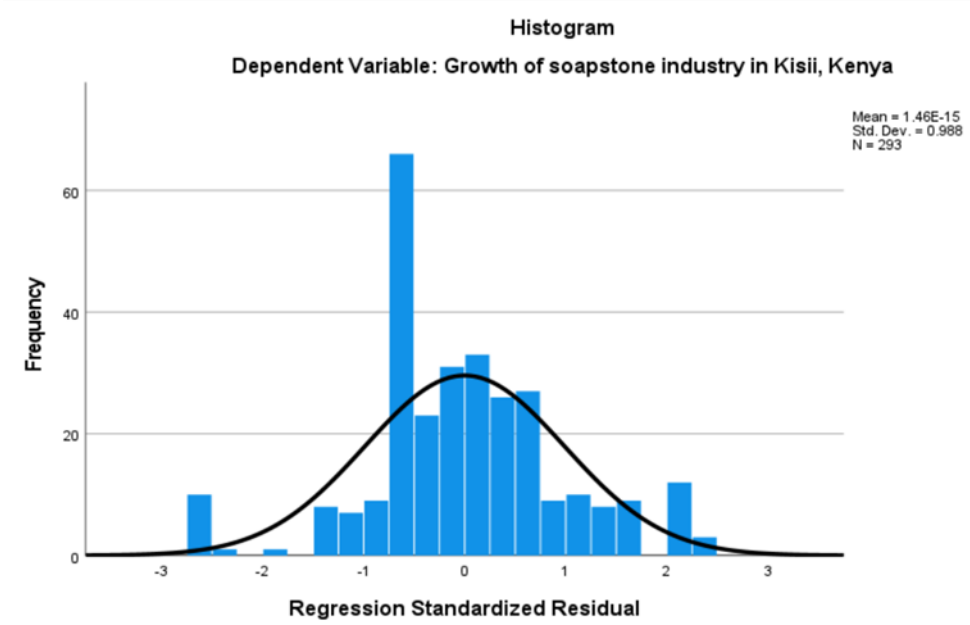
Diagnostic Tests

Prior to conducting the regression analysis, diagnostic tests were performed to determine whether the data satisfied the assumptions of the Classical Linear Regression Model (CLRM). Testing these assumptions is essential because violations may lead to biased, inefficient, or inconsistent parameter estimates, thereby compromising the reliability and validity of the study findings. As noted by Hyder and Amir (2023), failure to meet regression assumptions can result in misleading statistical inferences and unreliable conclusions.

Normality Test

The histogram presented in Figure 2 illustrated the distribution of the regression standardized residuals for the dependent variable, Growth of the Soapstone Industry in Kisii, Kenya.

Figure 2: Histogram

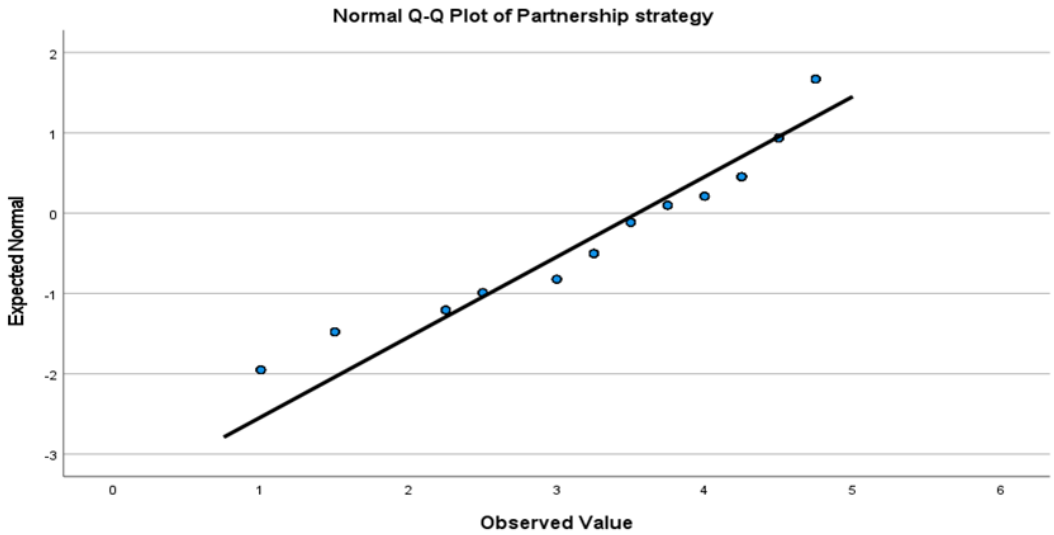


Source researcher (2026)

As shown in the figure, the residuals are approximately symmetrically distributed around zero. The reported mean of 1.46E-15 is effectively zero, which indicates that the residuals are cantered around zero as expected in a well-specified regression model. This suggests that the model does not systematically overestimate or underestimate the dependent variable. The standard deviation of 0.988 is very close to 1, which is consistent with standardized residuals and further confirms proper model estimation. The bell-shaped curve superimposed on the histogram demonstrates that the residuals approximate a normal distribution. Although a few observations appear in the tails, there are no extreme outliers beyond ±3 standard deviations. With N = 293, the distribution supports the assumption of normality of errors. Therefore, the regression model satisfies the normality assumption, enhancing the validity and reliability of subsequent inferential statistics and hypothesis testing.

In addition to statistical tests, the study conducted visual inspection using Quantile–Quantile (Q–Q) plots to assess the distribution of residuals. Q–Q plots compare the observed quantiles of the residuals to the expected quantiles of a normal distribution. If the residuals are approximately normally distributed, the plotted points align closely along the diagonal reference line. Visual examination of the Q–Q plots indicated that the residuals generally followed the diagonal line with only minor deviations at the tails. Such slight departures from the reference line are common in large datasets and do not substantially threaten the validity of regression analysis.

Figure 3: Partnership strategy



Source researcher (2026)

The normality of the Partnership strategy variable was further examined using a Normal Quantile–Quantile (Q–Q) plot. The Q–Q plot compares the observed values of the variable against the expected values from a theoretical normal distribution. If the data are normally distributed, the plotted points should lie approximately along the diagonal reference line. Visual inspection of the Q–Q plot for indicates that the data points generally follow the diagonal line, particularly in the central region of the distribution. This suggests that the variable approximates normality around the mean.

Correlation Analysis

The study conducted Pearson Product-Moment Correlation analysis to examine the strength and direction of the linear relationships between global expansion strategies (partnership, proactive, reinvestment, and political strategies) and the growth of the soapstone industry in Kisii County, Kenya. Pearson's correlation coefficient (r) was used to determine both the magnitude and direction of association between the variables. The correlation coefficient (r) ranges from −1 to +1. Values closer to +1 indicate a strong positive linear relationship, meaning that as one variable increases, the other also increases. Values closer to −1 indicate a strong negative relationship, where an increase in one variable is associated with a decrease in the other. Values close to 0 suggest little or no linear relationship between variables. For interpretation purposes, the strength of relationships was categorized as follows: 0.00–0.19 (very weak), 0.20–0.39 (weak), 0.40–0.59 (moderate), 0.60–0.79 (strong), and 0.80–1.00 (very strong). Statistical significance was evaluated at the 0.01 and 0.05 levels (two-tailed).

Table 3: Correlation Matrix

		Partnership Strategy	**proactive strategy**	**Reinvestment Strategy**	**Political Strategy**
Partnership Strategy	Pearson Correlation	1	1	1	1
	Sig. (2-tailed)	293	293	293	293
	N				
Proactive strategy	Pearson Correlation	.407**			
	Sig. (2-tailed)	.000			
	N				
Reinvestment Strategy	Pearson Correlation	.342**	.428**	.328**	.512**
	Sig. (2-tailed)	.000	.000	.000	.000
	N	293	293	.090	.123
Political Strategy	Pearson Correlation				
	Sig. (2-tailed)				
	N	293	293	293	293
Growth of soapstone industry in Kisii, Kenya	Pearson Correlation	.508**	.644**	.657**	.423**
	Sig. (2-tailed)	.000	.000	.000	.000
	N	293	293	293	293

Source: Research Data (2026)

The correlation results indicate a positive and statistically significant relationship between partnership strategy and growth of the soapstone industry ($r = 0.508$, $p < 0.01$). This suggests that firms engaging in structured partnerships such as shared accounting systems, profit-sharing arrangements, and pooling of resources tend to experience higher levels of growth. The strength of the relationship is moderate, implying that collaboration enhances market access, operational efficiency, and resource utilization. Therefore, partnership strategy appears to play a meaningful role in driving expansion and competitiveness within the soapstone industry in Kisii County.

The findings reveal a strong positive and statistically significant relationship between proactive strategy and industry growth ($r = 0.644$, $p < 0.01$). This indicates that firms that anticipate market trends, formulate forward-looking policies, and engage in scenario planning are more likely to achieve higher growth levels. The strength of the correlation suggests that proactive strategic orientation enhances adaptability and competitive positioning. By identifying opportunities and mitigating threats in advance, proactive firms are better positioned to expand markets and improve performance, making proactive strategy a critical determinant of growth in the soapstone industry.

Reinvestment strategy shows a strong positive and statistically significant relationship with growth ($r = 0.657$, $p < 0.01$), the strongest among the strategies examined. This implies that firms that reinvest profits to strengthen their financial base, expand operations, and finance internal growth tend to experience higher performance outcomes. The strength of this association suggests that capital reinjection enhances productivity, innovation, and sustainability. Therefore, reinvestment strategy emerges as a key driver of growth, highlighting the importance of internal financing mechanisms in supporting long-term expansion of the soapstone industry.

The results indicate a moderate positive and statistically significant relationship between political strategy and growth ($r = 0.423$, $p < 0.01$). This suggests that awareness of political dynamics, regulatory environments, and governance structures contributes to industry growth. Firms that understand and align with political and policy frameworks may benefit from favorable regulations and improved market stability. Although the relationship is weaker compared to proactive and reinvestment strategies, it remains significant, indicating that political considerations play a supportive but important role in influencing growth of the soapstone industry in Kisii County.

Simple Linear Regression for each variable

Simple Linear regression was conducted to establish direct effect of each independent variable on the growth of soapstone industry in Kisii, Kenya.

Partnership strategy and Growth of soapstone industry in Kisii, Kenya

The first objective of the study was to examine the effect of partnership strategy on the growth of the soapstone industry in Kisii, Kenya. The regression results are presented in Table 4.

Table 4: Regression for Partnership strategy and Growth of soapstone industry in Kisii, Kenya

Model Summary[b]				
Model	**R**	**R Square**	**Adjusted R Square**	**Std. Error of the Estimate**
1	.508[a]	.258	.256	.72221

ANOVA[a]						
Model		**Sum of Squares**	**Df**	**Mean Square**	**F**	**Sig.**
1	Regression	52.844	1	52.844	101.314	.000[b]
	Residual	151.783	291	.522		
	Total	204.627	292			

Coefficients[a]						
		Unstandardized Coefficients		**Standardized Coefficients**		
Model		**B**	**Std. Error**	**Beta**	**t**	**Sig.**
1	(Constant)	2.226	.155		14.337	.000
	Partnership strategy	.424	.042	.508	10.065	.000
a. Dependent Variable: Growth of soapstone industry in Kisii, Kenya						

Source: Research Data (2026)

The coefficient of determination ($R^2 = 0.258$) shows that partnership strategy explains 25.8% of the variation in growth. This implies that while partnership strategy significantly contributes to growth, 74.2% of the variation is explained by other factors not included in this model. The adjusted R^2 (0.256) is very close to R^2, indicating model stability and minimal overestimation of explanatory power.

The ANOVA results show that the regression model is statistically significant ($F = 101.314$, $p < 0.001$). The F-statistic tests whether the model provides a better fit than a model with no predictors. Since the p-value is less than 0.05, the model significantly predicts growth. This confirms that partnership strategy has a statistically significant effect on growth. Based on the regression coefficient results, simple linear regression model equation was written as

$Y = 2.226+0.424X_1$

Where Y is Growth of soapstone industry in Kisii, Kenya

X_1 is Partnership strategy

The constant ($B = 2.226$, $p < 0.001$) represents the expected level of growth when partnership strategy is zero. Although this is a theoretical scenario, it provides the baseline level of growth. The unstandardized coefficient for partnership strategy ($B = 0.424$) indicates that a one-unit increase in partnership strategy leads to a 0.424-unit increase in growth of the soapstone industry. The standardized coefficient (Beta = 0.508) confirms a moderate effect size. The t-value ($t = 10.065$, $p < 0.001$) indicates that the coefficient is statistically significant, meaning the observed effect is unlikely due to chance. Overall, the findings demonstrate that partnership strategy has a positive and statistically significant effect on growth of the soapstone industry in Kisii, Kenya.

The regression analysis results indicated that partnership strategy has a positive and statistically significant effect on the growth of the soapstone industry in Kisii County. The qualitative themes obtained from the open-ended responses provide additional explanations supporting these quantitative findings. The theme of profit and loss sharing agreements suggests that clear partnership structures encourage cooperation among members and improve business stability. This strengthens organizational performance and supports industry growth. Similarly, the theme of pooling of resources and skills explains how partnerships allow businesses to combine financial capital, technical skills, and knowledge, which enhances productivity and competitiveness. The theme of utilization of partner strengths demonstrates how collaboration enables specialization among partners, improving efficiency in production and marketing activities. Finally, alliances and joint ventures help soapstone

producers expand into new markets, including tourism and export markets, thereby increasing sales and business growth. These qualitative insights reinforce the regression findings by demonstrating how partnership strategies practically contribute to improved performance and growth of the soapstone industry.

V. Discussion Of The Findings

The first objective of the study was to examine the effect of partnership strategy on the growth of the soapstone industry in Kisii, Kenya. In this study, partnership strategy was treated as the independent variable, while industry growth was the dependent variable. Partnership strategy was conceptualized as collaborative arrangements where two or more parties combine resources, share profits and losses, and jointly manage business operations to achieve mutual benefits. It was operationalized through indicators such as pooling of resources, sharing of profits and losses, and joint management of operations. Industry growth was measured in terms of market expansion, product development, profit increase, and income generation. The objective therefore sought to establish whether partnership arrangements among soapstone industry stakeholders influence industry growth in Kisii County.

The descriptive results indicated that respondents generally agreed that partnership strategy contributes positively to the growth of the soapstone industry. The findings suggest that collaboration among firms through shared resources, skills, and structured profit-sharing arrangements improves business performance and operational efficiency. This implies that partnerships enable firms to overcome common constraints faced by small and medium enterprises, particularly limited capital and fragmented production systems. These findings align with Wood (2021), who argues that partnerships allow businesses to combine labour, capital, and expertise to enhance performance. Similarly, Hassan and Aswati (2020) observe that partnerships strengthen sustainability by enabling shared management and resource utilization. Overall, the findings indicate that partnership arrangements provide a practical mechanism for improving competitiveness and long-term growth in the soapstone industry.

Qualitative findings further reinforced the importance of partnership strategy in enhancing industry performance. Respondents noted that partnerships facilitate profit and loss sharing based on agreed terms, pooling of resources and skills, and formation of alliances that support market expansion. These arrangements were viewed as critical in improving productivity and access to wider markets, including export opportunities. The findings are consistent with Ko and Liu (2020), who found that strategic partnerships enhance knowledge sharing and market access, and Agyapong and Boakye (2021), who reported that collaboration among SMEs improves resource mobilization and market reach. The evidence therefore suggests that partnership strategy strengthens the operational capacity and competitiveness of soapstone enterprises.

The correlation analysis revealed a positive and statistically significant relationship between partnership strategy and growth of the soapstone industry. This indicates that increased adoption of partnership practices is associated with improved industry performance. The result implies that firms that engage in collaboration are better positioned to leverage shared knowledge, financial resources, and technical capabilities, thereby improving productivity and market expansion. This finding is consistent with Vanags, Abeltina, and Zvirgzdina (2018), who argue that partnerships enable firms to exploit complementary strengths and reduce operational costs. It also supports Kopp (2025), who notes that partnerships enhance access to capital and managerial expertise. Despite some literature highlighting potential challenges such as coordination difficulties and conflict (Obwori et al., 2019), the current study confirms a generally positive contribution of partnerships to industry growth.

The regression results further established that partnership strategy has a positive and statistically significant effect on the growth of the soapstone industry. This suggests that improvements in partnership practices lead to corresponding improvements in industry performance. The findings imply that partnerships enable firms to access new resources, enhance operational efficiency, and strengthen competitiveness. These results are consistent with Calvins, Offield, and Ali (2024), who found that partnerships in resource-based industries facilitate access to capital and technical expertise necessary for growth. Similarly, Wood (2021) emphasizes that partnerships improve resource mobilization and operational effectiveness. The findings therefore highlight the importance of partnership strategy as a key driver of growth in small-scale and artisanal industries such as soapstone production.

The multiple regression analysis confirmed that partnership strategy remains a significant predictor of industry growth even when combined with other strategies. This suggests that partnership arrangements continue to play an important role in strengthening firm capacity and enhancing competitiveness alongside other global expansion strategies. The findings align with Hassan and Aswati (2020), who argue that strategic partnerships improve organizational effectiveness through shared decision-making and coordinated operations. Vanags et al. (2018) similarly note that partnerships reduce operational risks and enhance market opportunities. Although Kopp (2025) cautions that partnerships may present governance and coordination challenges, the evidence from this study indicates that such challenges do not outweigh the overall positive contribution of partnerships to industry growth.

From a theoretical perspective, the findings support the assumptions of Industry Life Cycle Theory, Mercantilism Theory, and Pragmatism Philosophy. Industry Life Cycle Theory suggests that industries at the maturity stage rely on collaboration and efficiency-enhancing strategies to sustain growth (Sabol & Sander, 2019). The findings confirm that partnership strategy serves as a mechanism for improving competitiveness in such a stage. Mercantilism Theory emphasizes collective strength and resource mobilization to enhance domestic industry competitiveness (Kenton, 2024), which is reflected in the positive role of partnerships in the soapstone industry. Guided by Pragmatism Philosophy, the study prioritizes practical solutions to real-world challenges, and partnership strategy emerges as a viable approach for addressing resource constraints, improving market access, and enhancing sustainability in the soapstone industry.

VI. Result Findings

Effect of Partnership Strategy on Growth of Soapstone Industry in Kisii, Kenya

The first objective of the study was to examine the effect of partnership strategy on the growth of the soapstone industry in Kisii, Kenya. Descriptive results indicated that respondents generally agreed that partnership strategies contribute positively to industry growth (Mean = 3.545). The key aspects highlighted included profit-sharing arrangements among partners and the maintenance of common accounting records, which enhance financial transparency, accountability, and coordination within the industry.

The Pearson correlation analysis revealed a moderate, positive, and statistically significant relationship between partnership strategy and industry growth ($r = 0.508$, $p < 0.01$). This indicates that stronger partnership arrangements are associated with higher levels of growth in the soapstone industry. The simple linear regression results further showed that partnership strategy accounted for 25.8% of the variation in industry growth ($R^2 = 0.258$), demonstrating a meaningful explanatory power.

In the multiple regression analysis, partnership strategy remained statistically significant ($\beta = 0.210$, $p < 0.001$). The unstandardized coefficient ($B = 0.175$) indicates that a one-unit improvement in partnership strategy leads to a 0.175-unit increase in the growth of the soapstone industry, holding other variables constant. Based on these results, the null hypothesis (H01), which stated that there is no statistically significant effect of partnership strategy on the growth of the soapstone industry in Kisii, Kenya, was rejected.

VII. Conclusion

Effect of Partnership strategy on Growth of soapstone industry in Kisii, Kenya

The study concludes that partnership strategy has a positive and statistically significant influence on the growth of the soapstone industry in Kisii County, Kenya. The findings indicate that collaborative arrangements among firms, including profit-sharing agreements, shared accounting systems, and pooling of resources and skills, enhance operational efficiency and strengthen business performance. The correlation and regression results confirmed that partnership strategy significantly contributes to industry growth. This implies that firms that adopt structured partnerships are better positioned to access resources, reduce operational costs, and expand market opportunities. Although the effect of partnership strategy was moderate compared to other strategies, it remains an important mechanism for strengthening cooperation among firms and promoting sustainable development within the soapstone industry.

Recommendations

The study recommends that soapstone firms in Kisii County should strengthen and formalize partnership arrangements to enhance collaboration and support industry growth. Firms should establish clear partnership agreements that define financial responsibilities, profit-sharing mechanisms, and operational roles in order to improve transparency and accountability in joint business activities. Such arrangements can enhance trust among partners and facilitate efficient coordination of business operations. In addition, industry stakeholders should promote strategic alliances among leading soapstone firms to encourage resource sharing, joint marketing initiatives, and knowledge exchange. Strengthening collaboration among firms will enable businesses to expand market opportunities, improve product competitiveness, and enhance the overall performance and sustainability of the soapstone industry.

Suggestion for Further Studies

This study focused on the effect of partnership, proactive, and reinvestment strategies on the growth of the soapstone industry in Kisii County, with politics strategy examined as a moderating variable. Future studies may expand the scope by examining other strategic variables that may influence the growth of the soapstone industry such as innovation strategy, digital marketing strategy, and market diversification strategy. Such studies would provide a broader understanding of the strategic factors that contribute to industry growth. Further research may also consider conducting similar studies in other mining and craft-based industries within Kenya or other developing countries to allow comparative analysis and enhance generalization of the findings. Finally, studies

may also explore the role of global value chains and international market access in enhancing the competitiveness and sustainability of the soapstone industry.

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