

**Enhancing Competitive Strategies for Small-Scale Poultry Producers:
A Case Study of Warrenton Super Chicken**

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Acronyms and Abbreviations

AGOA	African Growth and Opportunity Act
DALRRD	Department of Agriculture Land Reform and Rural Development
EU	European Union
EFEM	External Factor Evaluation Matrix
I-EFEM	Internal-External Factor Evaluation Matrix
IFEM	Internal Factor Evaluation Matrix
IB	Infectious Bronchitis
Kg	Kilogram
MDM	Mechanically Deboned Meat
PESTEL	Political, Economic, Social, Technology, Environment and Legal
R&D	Research and Development
SANHA	South African National Halaal Authority
SAPA	South African Poultry Association
SAR	South African Rand
USAD	United States Department of Agriculture
VCA	Value Chain Analysis

ABSTRACT

This study examines the competitiveness of Warrenton Super Chicken, a small-scale broiler producer in South Africa, whose participation in the market faces challenges. Some of these include high input costs, competition from cheaper poultry imports, and poor market penetration. Using value chain analysis, the study identifies key strategies to enhance competitiveness. These include market differentiation, cost efficiency, vertical integration, product diversification, and partnerships. The study sample included industry stakeholders such as farm managers, employees, government officials, and customers, whose insights provided a comprehensive understanding of the producer's operating context. A qualitative research design was used, through a purposeful sampling strategy of twelve (12) key participants. The data obtained from the interviews was analysed using thematic analysis.

The findings of the study support the recommendations that Warrenton Super Chicken in the Northern Cape, as producer can improve its business activities through a competitive strategy that includes initiatives such as targeting niche markets and leveraging vertical integration to reduce input costs. The study also highlights the need to adopt new technologies and form partnerships to expand market reach. In so doing, the producer can address the pricing threats posed by the cheap imports while adapting to price-sensitive markets. The study guides small poultry producers with a framework to initiate programmes and actions for surviving in competitive markets.

1 INTRODUCTION

1.1 Background

The aim of the study was to apply a value chain analysis (VCA) to identify strategies to improve the competitiveness of an integrated small-scale broiler producer, Warrenton Super Chicken. In other words, use the VCA to identify how Warrenton Super Chicken can compete on an equal footing with larger, commercial producers to become more profitable. Analysing their value chain, identifies opportunities for improving value at certain critical stages of chicken production, preferably without increasing input costs. Consequently, then passing that value to the consumer to put their product at an advantage against the competition. A background to the poultry industry is given hereafter.

1.2 South Africa's Poultry Industry

According to the South African Poultry Association (SAPA), during the year 2021, broiler production was the second largest product sector in the agricultural sector in South Africa - ahead of most other animal sectors. The SAPA report further states that poultry meat's share of the gross value of all agricultural production was 13.6 % in 2021, and 32,6% of all animal products (SAPA, 2021).

A report by the Department of Agriculture, Land Reform and Rural Development (DALRRD, 2021) indicates that the broiler sector remains the biggest within the agricultural sector of South Africa in terms of production value. In the report it is highlighted that the sector generated R48.5 billion of gross value for the year 2019/20, which was about 15.5% of the total gross value of agricultural products. When compared to other livestock products, broiler accounts for 34% of all animal products in South Africa in Rand terms. The report further indicates that South Africa is the major broiler producer in Southern Africa, accounting for 75% of total broiler production in the region (DALRRD, 2021).

According to SAPA's calculations, poultry consumption in the year 2021 amounted to 2.292 million tons, with chicken accounting for 2.267 million tons of that consumption. The per capita consumption of poultry meat for 2021 was 38.10 kg, and chicken was 37.70kg for the same year. The domestic chicken production, including subsistence farming and depleted breeders in the broiler and egg industries, was 1.909 million tons. This is 99.97 % of total poultry production according to SAPA's estimates. This means that the remaining 0,358 million tons gap between production and consumption relates to imports from South Africa's global trading partners. Importation of chicken products has caused Warrenton Super Chicken to reconsider its production.

1.3 The Impact of Poultry Imports

The growth in poultry consumption in South Africa, which is attributable to the growth in the country's population and demographic evolution, attract global players who are exporters of poultry, and poultry products. They usually have the capacity to produce at scale to cater for their domestic markets and are able to export. According to the Poultry Sector Master plan, developed by the South African government and key stakeholders to help the industry to remain globally competitive, the production of poultry industry grew since 1994 but began to stagnate around 2008. Production remained stagnant for the subsequent 10 years leading to 2018, as well as thereafter, despite consumption that continued to grow (SA Poultry Sector Master Plan, 2019). This has happened because imported poultry enters into the economy in large quantities, displacing South African meat especially at the lower end (SA Poultry Sector Master Plan, 2019). For example, in 2018 South Africa imported 383 000 tons of chicken (excluding Mechanically Deboned Meat – [MDM]), which represents about 19% of domestic consumption. This is according to the DALRRD's report (2021) on the profile of the broiler market value chain.

South Africa is said to be among the most unprotected markets in the world and because of this, large exporters such as Brazil and the European Union (EU) have taken advantage and dump large quantities of cheap poultry meat in the country (SAPA, 2021 Poultry Industry Profile). Other countries such as Nigeria, Botswana and Namibia have mitigated against this risk of foreign importers by, either not allowing these imports

altogether, or only allowing poultry imports in the uncommon event that there is a domestic market shortage. Namibia, for example, introduced a poultry meat import quota in 2013, which was set at 1 200 tons/month in 2021. Under the terms of the African Growth and Opportunity Act (AGOA), the USA is allowed an annual export volume of 69 972 tons of frozen bone-in chicken to South Africa, which is free from anti-dumping duties. This means imports up to this volume are not considered as dumping and therefore are not subjected to dumping tariffs. A dumping tariff is a fee charged on imported products to protect the local industry against cheaper imports. For the period from April 2020 to March 2021, the USA sent 65 458 tons of bone-in portions to South Africa (SAPA, 2021).

Because imported poultry meat is often priced below the cost of production of domestic producers (DALRRD Report, 2021), it constitutes predatory competition. This has led to South Africa's domestic industry shedding jobs and mothballing production capacity just to remain in business. The report indicates that only large, integrated poultry operations can achieve the economies of scale needed to survive the challenge of dumped imports. As a result of this situation, investment in the local industry has stalled.

1.4 The Plight of local small-scale Poultry Producers

According to the USDA Foreign Agricultural Services, the broiler meat industry in South Africa is dominated by two large producers, namely Rainbow Limited and Astral Foods. Together these two companies produce 46% of the total broiler meat production. Rainbow produces approximately 235 million broilers per annum and Astral Food produces about 220 million broilers per annum.

Country Bird is the third largest broiler producer, producing 68 million broilers per year. The other 4 medium-sized producers (Tydstroom, Daybreak, Fouries Poultry Farms and Rocklands) produce more than 50 million broilers per year and collectively they supply 22% of the market. These top 7 companies supply about 75% of total South African broiler meat and 25% is supplied by hundreds of smallholder producers.

The focus of this research is Warrenton Super Chicken, which falls in the category of small-scale broiler producers (broilers producing 500 – 9000 chickens per cycle), or smallholder producers as alluded to above. Warrenton Super Chicken is a small-scale producer in the South African market and, as indicated above, contributes to a small piece of the production in terms of the total domestic market share, namely 25% (DALRRD, 2017). Small-scale broiler producers are hard hit by the cheap imports from the EU, North and South America and need to consider aspects such as adjusting their value chain for production to remain a competitor in this industry.

Several challenges act as impediments for smallholder producers to compete in the mainstream market. Some of the challenges are (SAPA, 2017):

- Low priced and high growth of imports.
- Exchange rate fluctuations.
- High costs of day-old chicks.
- Increased input costs, especially feed prices.
- Lack of marketing skills.
- Lack of technical training.
- Lack of strong farmer organization, support structures and mentorship.
- The significant growth in volume of imports into South Africa.
- Continuous threat of poultry diseases, especially the new variant of Infectious Bronchitis (IB) prevalent in SA.

1.5 Warrenton Super Chicken: Background of the Company

Warrenton Super Chicken (Kwavuko Communications and Marketing, n.d.) is a poultry enterprise based in Warrenton, in the Frances Baard district of the Northern Cape. The company profile describes Warrenton Super Chicken as an integrated broiler farming, processing and retail business. The operations of the company comprise of a broiler farm, a medium sized poultry abattoir and a retail store selling chicken meat and other products from the abattoir.

During the interview with the Managing Director of Warrenton Super Chicken it was revealed that the operations of the company are that of a typical integrated poultry farm, whereby 1-day old chicks are bought and put into broiler houses. They are then raised for six weeks until they reach slaughter weight, which is typically around 1,8 Kg. Once they reach slaughter weight, the chickens are transported to the abattoir for slaughtering. Thereafter they are processed and packaged into different chicken meat products to be sold to customers. During the rearing period the chicks are given chicken feed according to their different stages, namely starter, grower and then finisher. They are also inoculated as per the requirements. The inputs for the farm, namely 1-day old chicks, chicken feed and medication for inoculation, are all sourced from reputable national suppliers. There is a scarcity of reputable suppliers of both 1-day old chicks and feed in the country.

The information gathered from the interview with the Managing Director the broiler farm comprises of 9 fully equipped broiler houses (fitted with feeding pens, water dispensers, fans, and heaters) with a capacity of varying between 6 000 and 10 000 chickens each. Because it takes five to six weeks for 1-day old chicks to reach slaughtering weight, the farm can run a four-week cycle of 12 000 chickens slaughtered per week, with two weeks break in between. This cycle can be altered, depending on the demand and demand period. If this is the case the abattoir will have to run for more hours in a day and operate with shift workers. The owners of the company Warrenton Super Chicken granted the researcher consent to participate in the research, without reservations and freely provided the information report here. However, as a result of the concerns about competitive advantage disclosure, specific references to their business model have been omitted.

Due to low demand caused by a number of factors, both known and unknown, the business is now operating below its capacity. On an average slaughtering around 6 000 – 10 000 chickens per month is the norm, instead of a possible 48 000. This is hampering the profitability of the business and puts the idling infrastructure at the risk of dilapidation. This could lead to a decrease in the asset value and the value of the business itself. The company sells its products to one or two wholesalers, local township retailers, catering companies, and individual customers who buy from the business' own retail shop. This shop is based at the farm, not far from the abattoir.

According to the Managing Director of Warrenton Super Chicken, the company tends to supply to steady contracts which is beneficial because these provide a steady demand for a certain quantity of product for a fixed period. The duration can be up to three years, at a viable market price. Without these contracts the company has to rely on its once-off customers, who are not necessarily consistent in terms of their demand for products.

Like any other poultry enterprise in the country, Warrenton Super Chicken is affected by the industry related challenges of cheap poultry imports currently affecting the South African poultry industry. The company therefore must look for ways to remain competitive in the market in order to operate as a profit-making business and deliver value to its owners.

1.6 Porter's Value Chain Analysis Model

The assumption is that the challenges and opportunities for Warrenton Super Chicken can be assessed in terms of their impact on competitiveness by undertaking a VCA. This will assist to determine potential areas of improvement to better value creation. This study therefore aims to conduct a VCA on the business operations of Warrenton Super Chicken to identify strategies that can be adopted to make improvements in its value generation. Consequently, to determine whether these strategies will make the company more competitive.

A VCA conceptualise the activities that are needed to provide a product or service to a customer. VCA depicts the way a product or service gains value (and costs) as it moves along the path of design, production, marketing, delivery, and service to the customer (Ensign 2001:21). Value chain analysis can be a useful tool when a company seeks to achieve a competitive advantage. Shulz (2000: 8-19) argues that, although VCA has historically centred on eliminating waste, evidence indicates that it also contributes to increased sales, improved quality and customer service, greater market share and accelerated delivery times. VCA can additionally assist to formulate competitive strategies, understand the sources of the competitive advantage, and develop the interrelationships between activities that create value (Porter 1985).

According to Hofer and Schendel (1978), competitive advantage is the unique position an organisation develops relative to its competitors through its pattern of resource deployment. Ensign (2001:21) states that competitive advantage is based on how value is created or arrived at in carrying out a competitive strategy. According to this researcher competitive strategy and competitive advantage can result from any number of different configurations of activities within an organisation. To illustrate the point Ensign (2001:21) records the experience of Xerox, an automation company in the United States of America:

“Xerox’s assessment of its supplier relationships led to a reduction in number of suppliers, from more than 5000 to fewer than 500. Xerox also consciously reduced the number of [supplier] bids it receives [by tightening who is qualified to offer their services]. Such streamlining of procurement resulted in significant savings. At the same time, Xerox moved toward integration of operations and standards across functions and physical locations.”

One can therefore conclude that there exist strong academic arguments and empirical evidence for the linkage between value chain analysis and creating competitiveness or competitive advantage for organisations.

1.7 Summary

Competition in the South African poultry industry has become challenging over the past two decades due to rapidly changing market dynamics. This has made it necessary for players in the industry to carefully consider their value chains for maximum value creation and profit maximization. Without enhanced value chains, companies run the risk of unknowingly adopting uncompetitive internal and external behaviours within their operations, such as reduced product quality and increased production costs.

These uncompetitive behaviours in turn may force small-scale broiler producers, such as Warrenton Super Chicken to increase their selling price. In conjunction small broiler producers sometimes reduce their throughput, just to stay afloat. This unfortunately will ultimately render them uncompetitive when compared with large integrated producers operating in the South African market. Cheap poultry imports from the EU, the USA and South America put an extra competitive burden on small-scale poultry producers in the South African market. This has proven to affect their sustainability.

1.8 Problem statement

The problem is that Warrenton Super Chicken, just as other small-scale broiler producers, is struggling to compete in the mainstream poultry market against large commercial producers because of a lack of ability to be competitive. The company is operating below its capacity with slaughtering between 1500 and 3000 broilers per week due to a lack of sufficient markets. This is due to as this company that fails to get to market with a product that is cheap enough to compete with that of big suppliers. The key to success in the poultry industry is the ability to supply the required quantities of good quality chicken at an affordable price to the market, while making a commercial profit. To do this small-scale broiler companies need to establish ways of gaining competitive advantages.

The research question for this study is: how can the competitiveness of Warrenton Super Chicken be improved?

1.9 Research objectives

The primary objective of this research is:

- To assess the role of value chain analysis on the competitiveness of small-scale poultry producers in South Africa, with a focus on Warrenton Super Chicken as a case study.

Secondary Objectives

- To review literature on the strategic use of value chain analysis in improving competitiveness within the poultry industry.
- To examine external and internal challenges faced by small-scale poultry producers in South Africa.
- To identify and analyse strategic interventions enabled by value chain analysis that could mitigate these challenges.
- To empirically investigate the application of VCA at Warrenton Super Chicken, assessing its impact on the company.
- To develop actionable recommendations for small-scale poultry producers on leveraging value chain analysis for competitive advantage.

Primary Research Questions

- How does value chain analysis impact the competitiveness of small-scale poultry producers in South Africa?
- What are the external and internal challenges influencing the competitiveness of Warrenton Super Chicken?
- How can value chain analysis be applied to address the challenges faced by Warrenton Super Chicken?
- What actionable strategies can be used by small-scale poultry producers to leverage value chain analysis for improved competitiveness?

1.10 Research methodology

In outlining the research methodology this section will detail the research design, followed by the research strategy. Target population and sampling for the study is discussed thereafter, as well as the measurements and instruments. Following, the data collection procedure is explained, after which the ethical considerations of the study will be explained.

1.11 Research Design

According to Bryman and Bell (2017), the typology of the research design can be classified into two categories, namely, empirical and non-empirical studies. Empirical studies derive new knowledge from data, whereas non-empirical studies use the literature review, modelling as well as the philosophical and conceptual analysis to develop new knowledge. Empirical studies can be qualitative, quantitative or mixed, while non-empirical studies are generally qualitative in nature.

This research project used a qualitative explanatory case study method. Yin (1984:23) defines the case study method “as an empirical inquiry that investigates a contemporary phenomenon within its real-life context; when the boundaries between phenomenon and context are not clearly evident; and in which multiple sources of evidence are used.”

1.12 Research Strategy

The study adopted a qualitative research approach whereby data was collected from primary and secondary sources. An interpretive research approach, as adopted here, uses inductive reasoning to develop theories or explanations from patterns and themes observed in the data, rather than starting with preconceived hypotheses (Putnam & Banghart, 2017). Inductive reason is a logical process in which specific observations or evidence are used to form general conclusions or theories (Sauce & Matzel, 2017).

1.13 Population and sampling

Because this is a qualitative case study, data will be collected from a limited sample of purposefully convenience participants. They will be carefully chosen based on their role in the industry and the company. For purposes of this study 5 individuals, occupying critical positions in the down and upstream parts of the company’s value chain were engaged in one-on-one semi structured, open-ended interviews. The researcher administered these interviews according to a questionnaire. The questionnaire was composed of questions reflecting possible competitive advantages that can be gained as highlighted in literature and from the value chain analysis evaluation.

1.14 Measurement and Instruments

The analyses using VCA tools will evaluate current productivity and activity items where value is lost. The success of any strategies adopted from this research would be measured in terms of an increase in profit for the company.

1.15 Data Collection

Data was collected by the researcher in the following ways:

- Literature review of relevant secondary literature, investigating themes related to creating competitiveness.
- VCA using the described tools at the company to establish its current value chain.
- Using the information revealed by the VCA and the literature review, a questionnaire of open-ended semi structured questions to interview 5 purposefully selected participants with insight to the industry value chain.

Interviews (Table 1) were undertaken with permission of the company owner and then the consent of each participant.

Table 1: Research Participants

Participant	Organisation and occupation	Reason for interviewing
-------------	-----------------------------	-------------------------

Farm and Abattoir Manager	Warrenton Super Chicken	To obtain an in-depth understanding of the company's operations and value chain.
South African Poultry Association representatives	SAPA Board Members responsible for: Small Commercial Broilers, Abattoirs, Small Farmers respectively	To get insights on industry standards, norms, trends and prevailing dynamics.
Relevant Government Official(s)	Officials from Northern Cape Department of Agriculture, Land Reform and Rural Development	Understanding the department's role in supporting the company and how this can be enhanced to ensure increased impact.
Wholesaler	One of Warrenton Super Chicken's clients who is a wholesaler	To understand the downstream value chain dynamics from a wholesale perspective.
Retailer	One of Warrenton Super Chicken's clients who is a Retailer	To understand the downstream value chain dynamics from a retail perspective.

Source: Researcher's own compilation, 2023

The researcher asked each participant if he could audio-record the interview. Each interview was then be transcribed verbatim and analysed using thematic analysis. According to Braun and Clarke (2012) thematic analysis is a method for systematically identifying, organising, and offering insight into, patterns of meaning, [often referred to as themes], across a data set. Jnanathapaswi (2021) defines a theme as a phrase or sentence that identifies what a unit of data entails and what it means. Kampira (2021) argues that thematic analysis is premised on the view that all information is conveyed with meaning. These explanations can be deduced from identifying a central idea or a cluster of ideas, [in other words a theme], that gives it a comprehensive meaning.

Braun and Clarke (2006) view thematic analysis as foundational in nature and it can, therefore, be applied as a basis for more rigorous qualitative data analysis processes. Kampira (2021) indicates that one of the benefits of using thematic analysis is that it can be used within various frameworks, to answer quite different types of research questions. Nowell et al. (2017) believe that thematic analysis' flexibility and ease of use is its core advantage. They assert that it is basic; yet very helpful in querying the meaning of qualitative data. According to Kampira (2021) the aim of thematic analysis in qualitative research is to categorize patterns of meanings across a dataset to answer the researcher's research question.

1.16 Trustworthiness

Trustworthiness is a way by which researchers can persuade readers that their research findings are valid (Lincoln & Guba, 1985). The researchers refined the concept of trustworthiness by introducing the criteria of credibility, transferability, dependability, and confirmability to parallel the quantitative criteria of validity and reliability.

Credibility addresses the fit between respondents' views and the researcher's representation of them (Tobin & Begley, 2004). Transferability refers to the extent to which a study and its findings can be applied to other contexts or settings. Lincoln and Guba (1985) highlight that the researcher cannot know the sites, the contexts or setting, that [other researchers] may wish to transfer the findings [to]. However, the researcher is responsible for providing detailed descriptions, so that those who seek to transfer the findings to their own site, can judge transferability. The stability and consistency of the study's findings over time and across different researchers' work, is considered as dependability, Confirmability refers to the objectivity and neutrality of the researcher in interpreting the data from the interviews, questionnaires and other data collection methods.

The research design chosen for this study addressed the above four criteria through careful planning, data collection, analysis, and reporting. These criteria are essential in

ensuring that the findings of the study are accurate, reliable, and applicable to other contexts.

1.17 Literature review

The literature reviewed in chapter 2 has two key themes, namely:

The value of maintaining competitive advantages

The success of an organisation is reflected through its extent of competitiveness in the market (Mnjala, 2014). According to Jyoti and Chahal (2015), organisations which perform better than others in the market possess something special and difficult to imitate, which allows them to outperform their rivals. These unique skills and assets, or resources, are referred to as sources of competitive advantage (Bharadwaj, Varadarajan & Fahy, 1993). Maintaining a competitive advantage is crucial for the long-term success and sustainability of any business.

The value of strategic planning in managing change

Strategic planning plays a crucial role in effectively managing change within an organization (Fragouli & Yankson 2015). According to Lewin (1947), change management is a process that includes creating a perception that change is required, thereafter transforming toward favourable behaviour, and lastly maintaining the favourable behaviour so that it becomes a habit. Strategic planning provides the foundation and roadmap for effectively managing change within an organization. It brings coherence, clarity, and purpose to the change process, making it more likely to succeed and achieve the desired outcomes.

1.18 Ethical considerations

University ethical clearance was obtained (UFS-HSD2024/0247, 11 June 2024. See appendix 2). Prior to conducting interviews consent was obtained from each of the

participants. The protection of participant’s’ privacy and confidentiality were also ensured (See Appendix 2). The owners of Warrenton Super Chicken were requested to give clearance for the VCA and interviews to be conducted with staff members. The research participants were guaranteed confidentiality by indicating that participants will not be referred to by their names in the study but rather as Participant 1 and Participant 2.

1.19 Demarcation of the field study

The focus of the study was on Warrenton Super Chicken, a small-scale broiler producer based in the Northern Cape involving critical players in their value chain. The study findings can be valuable to other SA small chicken producers. The study may not be useful to larger or non-SA chicken producers, because variables like geographic market for the products and economies of scale were not the focus of this study.

1.20 Chapter layout of study

The chapter layout is detailed in the table below:

Table 2: Chapter Layout

Chapter	Contents
Chapter 1: Introduction	This chapter introduces the research title and provides a background of the study. The overview of the challenge is highlighted which leads to the definition of the problem statement. The chapter also explains the purpose of the study and details the research objectives.
Chapter 2: Literature Review	Chapter 2 details existing literature on value chain analysis and competitiveness in animal production and specifically chickens as business concepts. It further highlights the linking between the two concepts at company level.
Chapter 3: Research Methodology	This chapter examines the research design, namely how the data will be collected and analysed, the population and sampling, sample size, measurement and instruments, data interpretation and ethical considerations.

Chapter 4: Research Findings	Chapter 4 focuses on the research findings from the VCA and the interviews. The research results are analysed in relation to existing literature to assess if there is alignment or divergence in the literature with the findings.
Chapter 5: Conclusions and Recommendations	This chapter presents conclusions to the research study and makes recommendations to the small-scale broiler producers' industry/sector.

1.21 Conclusion

This proposal highlighted intends and purposes of the proposed study, as well as how and where it was conducted. The research participants were also mentioned with the sample size, instruments and methodology that were applied. The key themes of the literature review and ethical considerations were also highlighted. The ethical approach followed and the protection of the confidentiality and integrity of the research participants were discussed. The next chapter, the literature review, includes a review of published work related to value chain analysis and its application to small producer environments.

2 LITERATURE REVIEW

2.1 Introduction

The purpose of this study is to apply a value chain analysis (VCA) to identify strategies to improve the competitiveness of an integrated small-scale broiler producer, using Warrenton Super Chicken as a case study. This means that the VCA will be used to identify if Warrenton Super Chicken might be able to compete on a more equal footing with larger, commercial producers and can become more profitable. The study perceives a VCA may identify opportunities for improving value at certain critical stages of chicken production, preferably without increasing input costs. The value will then be passed to the consumer to put Warrenton Super Chicken's products at an advantage against the competition. Tools to assess the value chain factors in the Warrenton Super Chicken company have been described in chapter 1. This chapter looks more closely at how these various factors can be optimised through strategic planning to benefit the company.

The purpose of this chapter is to review literature on VCA by looking at academic research from amongst others:

- Reflecting on the foundational principles on value chain analysis (VCA),
- Analysing case studies on the poultry production value chain,
- Discussing competitiveness in the livestock food production,
- Reviewing existing poultry value chain strategies, and
- Looking at the gaps in the literature review for future studies.

Analysing the literature in relation to the above issues will then lay the foundation for the study's objective and give direction to the process of value chain analysis as a tool for enabling the competitiveness of small-scale broiler producers in South Africa.

2.2 Foundational Principles of Value Chain Analysis

Value chain analysis (VCA) is a crucial strategic instrument that helps organisations comprehend the sequential steps required to produce and distribute a product. This study examines the theoretical foundations of VCA, focusing on its definition, significance, fundamental elements, and management strategies.

Value chain analysis was first introduced by Michael Porter in *Competitive Advantage* (1985). It predominantly dissects a company's operations into sequential phases. This analysis seeks to identify activities that contribute considerably to both value addition and cost incurred. It thereby leads to enhancing operational efficiency, developing a competitive edge, and improving customer value. Through the years, its significance has grown. VCA not only provides nuanced operational comprehension, as described by Smith (2020), but also illuminates opportunities for differentiation. Thus, fostering superior competitive positioning, as suggested by Johnson (2021).

The VCA is divided into two major categories: principal and support activities. According to Porter (1985), primary activities pertain directly to product or service production and distribution. These include inbound logistics, outbound logistics, operations, marketing, sales, and services. Support activities provide the necessary infrastructure for primary activities. Infrastructure, human resource management, technological advancement, and procurement are included. While these components are universally acknowledged, Lee (2019) emphasises that specific adjustments and nuances may be necessary, based on distinct industry sectors and changing market conditions.

Understanding the VCA's components is not sufficient for its optimisation; strategic management is essential. According to Wang (2020), strategies include identifying activities with significant value contributions, facilitating differentiation, and enhancing operational efficiency. Diaz (2022) focuses on the current digital era, with integrating technology into the value chain promises immense benefits, including cost reductions, operational improvements, and increased customer value. Moreover, Patel (2023) emphasises the significance of constructing collaborative ecosystems. This is particularly important in the current global business environment, namely to obtain the benefits of combined efforts. Roberts (2022) indicates that continuous VCA surveillance,

supported by metrics and key performance indicators, followed by cyclic enhancements, remains crucial. The theoretical foundations of VCA endow businesses with a robust framework for enhancing their competitive advantage. Understanding and bettering each chain activity enables businesses to increase their operational prowess, solidify their differentiation, and fortify their market position.

2.3 Case Studies of the Poultry Value Chain

Considered to be a pillar of global food production, the poultry industry is governed by complex dynamics and a diverse value chain. This literature review, informed by a comprehensive examination of case studies, sheds light on the challenges faced by businesses with comparable operational footprints, the strategies employed by successful small-scale poultry producers, and the profound lessons learned from failed endeavours.

Within the breadth of the poultry industry, many businesses have operational configurations that are similar, causing them to encounter similar challenges. The complexity of administering an integrated supply chain ranks first among these obstacles. According to Fuentes and Moreno (2019), any disruption—often caused by external factors such as climate change and global health crises—can disrupt the value chain's operation. This includes suppliers of animal feed, poultry farms, processing facilities, and wholesalers. The constant evolution of regulatory standards and the economic dynamics of globalisation add to the environmental complexities. The difficulties of ensuring compliance, especially with regards to product safety and animal welfare mandates, is even worse for smaller poultry producers (Diaz & Lee, 2021).

A comprehensive examination of successful small-scale poultry businesses exposes a set of proven-effective strategies. Several businesses have integrated end-to-end processes. They increased supervision and control over their value chains as a result of vertical integration (Barnes & Kim, 2019). In addition, concentrating on niche market segments, such as organic or free-range poultry products, has enabled smaller companies to appeal to specific customer groups and justify higher prices (Thompson & Patel, 2020). By adopting digital tools for tasks such as inventory monitoring, and

integrating automation into operations, unleashed new levels of productivity in businesses (Evans & Garcia, 2022).

The terrain is not, however, devoid of obstacles. A comprehensive examination of businesses that did not withstand the test of time yields insightful information. A prevalent error has been undercapitalization, wherein businesses lack the financial reserves required to navigate unexpected expenses or scale when market conditions are favourable (Morrison & Wang, 2023). Similarly, a number of competitors have become entangled by disregarding the nuances of market research. Misinterpreting consumer preferences or disregarding emerging market trends has led to the failure of product offerings. This ultimately led to their demise in the market (Chen & Liu, 2019). The management of personnel resources is also a recurring theme. For many in the poultry value chain, ignoring the significance of expert labour and visionary leadership has proven to be detrimental (Roberts & Khan, 2021).

The value chain of the poultry industry is rife with both prospective benefits and inherent dangers. Participants in the industry will be better equipped to develop and refine future strategies if they learn from both the successes and failures presented in various case studies.

2.4 Industry competitiveness in livestock food production

As globalisation intensifies market pressures, the competitiveness of the animal food production industry has assumed the spotlight. This analysis examines the determinants of competitiveness, focusing on the impediments faced by smaller organisations compared to the strategies employed by industry giants. These insights have the potential to revolutionise the business models and strategies of established and new companies in this industry.

The competitive dynamics of animal sustenance production are contingent upon a number of crucial factors. Priority is given to production efficiency, wherein streamlined processes result in reduced costs and accelerated delivery times. Modern studies, such as those conducted by Taylor and Zhang (2019), link the adoption of modern agricultural

techniques with enhanced competitiveness. Quality assurance is a second crucial factor. As consumers become more health-conscious in today's society, consistent product quality has become a defining aspect of market standing. According to Robinson (2020), the bedrock of competitiveness consists of factors spanning from feed quality to processing standards. In addition, the ability to ensure consistent supply, even in the face of external disruptions such as pandemics or climatic shifts, distinguishes market participants. This sentiment is reiterated by Lee and Kim (2021).

It is important to remember that small-scale producers face unique obstacles that frequently impede their competitive edge. According to Smith and Chang (2022), the advantages of economies of scale enjoyed by larger competitors enable them to set prices more competitively, which put smaller competitors at a disadvantage. Moreover, navigating the complex maze of regulations, particularly those pertaining to food safety and environmental benchmarks, is costly and time-consuming for smaller organisations (Martinez & Lewis, 2020). Another obstacle is market entry. The expansive networks possessed by industry giants frequently overshadow the outreach efforts of smaller companies; thereby limiting their growth ambitions (Jensen & Roy, 2021).

In contrast, industry leaders have strategically positioned themselves by employing winning strategies. A strategy emphasised by Hawkins and Chen (2023) is that continuous investment in research and development (R&D) to innovate production methods keeps a company at the vanguard of its industry. Sustainability is an additional strength of industry leaders. Adopting ecologically sustainable agricultural practices not only garners consumer support but also fortifies them against environmental disruptions. According to Fernandez and Gupta (2022), such measures significantly improve brand perception and market standing. In addition, diversifying product offerings to appeal to a broader consumer base enables these top-tier producers to mitigate risks and expand their market presence. This strategy is highlighted by Garcia and Ortiz (2019).

The competitiveness of the animal food production sector is a multifaceted concept influenced by a variety of determinants, challenges, and strategic manoeuvres. As this industry undergoes further transformation, the insights from this academic investigation will unquestionably guide forthcoming business decisions and strategic realignments.

2.5 Poultry industry value chain strategies

Literature on the poultry industry stresses the importance of strategically positioning the value chain of a business. This body of literature reveals a spectrum of producer strategies, from those successful and those not. The purpose of this discussion is to compare and contrast these strategies to obtain a deeper understanding of their efficacy and application.

Vertical Integration

According to Barnes and Kim (2019), the allure of vertical integration is palpable for smaller businesses. Entities can maintain a continuous supply chain and maintain product excellence by coordinating multiple aspects of production under a single umbrella. Thereby the effects of potential external disturbances are mitigated. However, a closer look reveals that vertical integration is not entirely devoid of disadvantages. It requires a significant financial investment and can be complicated by the management of expansive operations.

Focusing on Niche Markets

Thompson and Patel (2020) advocate niche targeting, perceiving it as a refuge from generic products' typical unrelenting price battles. This strategy enables entities to serve a distinct audience segment, typically for a fee. Nonetheless, the lens of criticism reveals potential risks. A niche that is excessively specialised may limit market reach, leaving businesses vulnerable to niche taste shifts or the incursion of industry giants into their domain.

Technology integration

According to Evans and Garcia (2022), incorporating cutting-edge technology seamlessly into operational blueprints can increase efficiency, refine processes, and reduce human-caused inconsistencies. They however point out that the lack of

incorporating cutting-edge technology possesses drawbacks. Rapid technological evolution can render previous investments obsolete. Moreover, if the staff is not adequately trained, these technological advancements may be more of a detriment than of an advantage.

2.6 Gaps in the literature review

Gaps relating to Competitiveness

Existing studies evaluate a wide range of problems and solutions, but there is a gap with identifying how geography plays a role. Changes in market trends, regulatory frameworks, and local tastes in different geographical locations can have a significant effect on competitive tactics.

Thompson and Patel (2020) discussed niche markets like organic poultry, but it is not clear what the bigger effects of sustainable and ethically aligned poultry projects have on obtaining a competitive edge. As the world moves towards more sustainable processes, this oversight becomes more and more important.

Most of the scholarly work about competition focuses on an operational point of view but places the customer's point of view in the background. Understanding how customers' wants and needs changed, especially after a global health crisis such as COVID 19, could provide rich information on how to stay competitive in the future.

Fuentes and Moreno's (2019) study shed light on changes caused by outside factors like erratic weather patterns or health crises. However, there is not much written about how to predict, cushion, or rebalance in response to these outside shocks. This, despite the paramount topic given the world's recent turmoil and how it has affected business operations and value chains, particularly small ones. Even though Morrison and Wang (2023) expands extensively on the dangers of not having enough capital, there is inadequate research on alternative financial instruments. Examples are community resource mobilisation or the key role banks play in making the poultry industry more competitive.

The literature falls short in discussing the power of collaborative projects, like working with technology giants to introduce new technology or cooperating with sustainability experts to support environmentally friendly poultry practises. Investigations are necessary to assess what that means for future competitive goals.

The gaps mentioned above show various research gaps. Filling in these gaps will not only give a holistic picture of what it means to be competitive in the poultry industry, but it will also open new strategic paths for companies trying to enter the industry. Future academic work could be guided by these gaps, enabling debate on the topic in a more complex and complete way.

Gaps relating to the strategy

Vertical integration, while capital-intensive, disperses risks throughout the complete value chain. However, despite its profit potential, the allure of niche market targeting can increase vulnerability due to a restricted market segment.

The adaptability of technological integration needs to be noted, suggesting that businesses can expand without incurring additional costs. In contrast, niche-focused strategies may encounter growth obstacles. Expanding beyond the niche may jeopardise the authenticity of the brand. Niche products, such as organic or free-range poultry, resonate with the modern consumer psyche in an era characterised by conscientious consumption. Consumers wary of highly processed foods may also be suspicious of excessive technological development.

Complexity is inherent in the formulation of poultry industry strategies. Depending on their size, market niche, and future objectives, poultry producers frequently combine multiple strategic routes to maximise synergies while minimising risks. Future research may examine the strategies employed by poultry producers to adapt to this extremely dynamic industry.

2.7 Key Insights and Implications of the literature review for Warrenton Chicken

Literature extensively discusses the strategies that poultry companies implement within their value chains. Warrenton Super Chicken, a small-scale broiler producer, encounters a unique set of obstacles. A combination of thorough analysis and insights from the literature can inform transformative solutions to these issues. According to Barnes and Kim (2019), the adoption of vertical integration is a noteworthy strategy. Even though it requires substantial capital, it offers small scale poultry producers increased control over production. This allows them to optimise costs, improve product quality, and reduce external dependencies. Thereby their competitive advantage is augmented.

Thompson and Patel (2020) highlighted the advantages of niche markets, including organic and free-range poultry. Warrenton Super Chicken has the opportunity to work on specialised production, which would give them an advantage in premium pricing and attract quality-conscious customers. Warrenton Super Chicken prides itself with producing a brine free product and has serviced the Halaal market in the past by producing chicken that complies with the South African National Halaal Authority (SANHA) standards. This means the business has the willingness to enter niche markets as it has shown in the past.

The changing technological landscape, as highlighted by Evans and Garcia (2022), requires Warrenton Super Chicken to consider digital innovation. This includes adopting digital inventory management for real-time updates, implementing automation to increase efficiency and hygiene, and employing technologies such as blockchain to provide consumers with a transparent view of the journey of their poultry. Not only does this approach modernise operations, but it also serves as a distinct selling point.

In addition, Chen and Liu (2019) undertook research that suggest that small scale poultry producers should invest in consistent market research to remain informed of consumer behaviour, emerging trends, and potential market shifts. Consequently, they can modify their offerings in a timely manner to maintain market relevance. Diversifying beyond poultry is also recommended. Fuentes and Moreno (2019) suggested that

diversifying into related products can provide alternative revenue streams. This may protect the business from industry downturns.

While the literature provides an abundance of strategies, it also suggests areas that have not been thoroughly investigated, such as collaborative ventures. Warrenton Super Chicken can capitalise by forming alliances with technology companies, marketing agencies, and other poultry companies. Such collaborations can result in resource optimisation and shared development.

Therefore, to solidify its market position, Warrenton Super Chicken should incorporate innovation throughout its entire value chain. Literature provides a multitude of strategies that, when adapted to the context of Warrenton Super Chicken, have the potential to usher in a growth period and elevate the business' market standing. The successful execution of these strategies requires foresight, meticulous planning, and an unwavering commitment to adapt to the constantly shifting landscape of the industry.

2.8 Conclusion

The literature highlights the significant impact that strategic positioning within the value chain has on a company's competitiveness. By utilising strategies such as vertical integration, businesses can gain increased control over costs, product quality, and supply schedules. In addition, the literature emphasises the potential benefits of targeting niche markets. These niche markets, such as organic or free-range poultry, allow businesses to appeal to distinct demographics and frequently command a premium price.

Adoption of technology is another prominent theme in the literature. Modern tools and platforms can significantly optimise operations, reduce costs, and increase overall productivity. Maintaining market relevance in a world where consumer preferences change rapidly, necessitates a keen awareness of alterations in consumer behaviour and preferences. Literature emphasises the importance of businesses monitoring consumer preferences.

According to the literature, diversification can act as a buffer against market volatility. By diversifying their products or services, businesses can generate alternative revenue streams that provide stability during sector-specific downturns.

The dynamic interaction between strategic positioning, technological adoption, consumer behaviour insights, and diversification in determining poultry industry competitiveness is highlighted. Not only does the literature provide a road map for utilising these strategies, but it also emphasises their symbiotic nature. Ultimately, in the swiftly evolving poultry market, a company's success and longevity will be determined by its sensitivity to these insights, its ability to effectively synthesise them, and its responsiveness to both challenges and opportunities. The next chapter details, the research design, which is used to guide the scientific collection and analysis of field data for the study.

3 RESEARCH METHODOLOGY

3.1 Introduction

To comprehensively assess the competitive position of Warrenton Super Chicken within the dynamic South African poultry industry, it is imperative to adopt a diligent and methodologically rigorous approach. This chapter provides an overview of the research methodology utilised, presenting a framework that functions as both a guide for the study and a justification for the choices made during the research undertaking. At the core of this investigation lies the pursuit of understanding the complex competitive dynamics and devising a course of action. A strategy needs to be crafted for the ongoing expansion and financial viability of Warrenton Super Chicken because of the challenges that it encounters. To comprehensively examine the complexities of the chicken sector, particularly in the South African environment, it is necessary to adopt a comprehensive and expansive approach that encompasses a detailed analysis of the operational subtleties of Warrenton Super Chicken. An assessment of the broader macroeconomic forces in SA needs to be done on how to shape Warrenton's competitive position.

The research design, sampling strategy, and data collection methods selected for this study are based on established academic research practices and ethical considerations. This is to be highlighted by this chapter. The choices made in developing the research design adopted, conjoin to help the researcher facilitate an overarching picture of the organisation's standing within its industry. Throughout this chapter, the reader will gain knowledge regarding the epistemological foundations of the research, the rationale behind the selected case study methodology, the complexities of the sampling procedure, and the meticulousness of the data collection and ethical protocols. The approach is carefully designed to support the research's validity, credibility, relevance, and applicability to the issues encountered by Warrenton Super Chicken within its competitive environment.

3.2 Research Design

In this section, the epistemological considerations relevant to this study are discussed. To develop a comprehensive and insightful comprehension of the operational environment of Warrenton Super Chicken, it is appropriate to adopt an interpretivist epistemological perspective. The aforementioned framework enables a comprehensive exploration of the complex and diversified context in which Warrenton Super Chicken operates. It recognises the existence of various subjective perspectives and a multitude of viewpoints within this dynamic setting. The interpretivist method plays a crucial role in understanding the underlying motives, values, and perceptions of stakeholders in the poultry business (McChesney and Aldridge, 2019). This technique enables the extraction of comprehensive and contextual information.

The adoption of a qualitative research methodology is suitable in the interpretivist paradigm due to its emphasis on subjective experiences and individual perspectives (Rashid, Rashid, Warraich, Sabir & Waseem, 2019). The aforementioned architecture facilitates the examination of the complex interplay of experiences, beliefs, and motivations exhibited by the individual actors within Warrenton Super Chicken (Johnson & Onwuegbuzie, 2021). The examination of these actors' perspectives is crucial for the formulation of strategies firmly rooted in the practical circumstances and first-hand knowledge of those involved in the poultry industry in South Africa.

To obtain an understanding of the intricate competitive environment and the specific factors surrounding Warrenton Super Chicken, a qualitative explanatory case study methodology has been chosen. The utilisation of this methodology enables the researcher to conduct an in-depth exploration of the distinctive environment of the organisation, unravelling the complex interconnections, patterns, and dynamics in operation. This approach is particularly advantageous when examining phenomena in their authentic real-world contexts (Tomaszewski, Zarestky & Gonzalez, 2020). The case study approach involves undertaking a thorough investigation and providing a comprehensive analysis of one or more specific incidents related to the research study's focus. The objective is to uncover and elucidate the intricate complexities and subtle nuances of real-world events (Tomaszewski et al., 2020). The aforementioned approach is widely recognised for its ability to analyse and elucidate the complex aspects of

phenomena, facilitating the integration of a comprehensive understanding of the intricate dynamics within the operating environments of Warrenton Super Chicken.

The systematic approach is especially relevant for examining the diverse factors that influence the competitive position of Warrenton Super Chicken in the dynamic chicken market of South Africa. By directing attention towards the inherent complexities of Warrenton Super Chicken's operational and competitive context, this methodology enables a more refined comprehension of the obstacles and prospects that the organisation confronts. It also provides the potential tactics that can be embraced to augment its competitive advantage and overall financial success within the sector. The chosen research design allows for a thorough examination of Warrenton Super Chicken within its specific contextual environment. This design provides a strong basis for developing practical strategies that are relevant to the company's context, with the goal of enhancing its competitiveness and long-term viability in the poultry industry. Both local and global challenges are considered (Tepliuk, Sahaidak, Petrishyna, Fokina-Mezentseva, Fomenko, & Vasyliev, 2023).

3.3 Appropriateness of the Research Design

The chosen research approach is deemed appropriate due to the necessity of gaining a deep and nuanced understanding of the numerous variables that impact small-scale chicken farming. A comprehensive literature review will be undertaken to examine and understand the effects of globalisation and trade liberalisation to determine competitive disadvantages and advantages. This analysis enables a comprehensive investigation into the poultry industry's organisational context, market conditions, regulatory frameworks, and competitive landscape (Toscano, Balzarotti, & Re, 2022). The literature review assesses various strategies relevant to Warrenton Super Chicken from both global and SA research findings. The secondary data will be thoroughly examined in a systematic and critical manner to validate, enhance, and provide context for the conclusions obtained from the interviews. This data includes a diverse range of contextual information and empirical evidence. The integration of this complementary approach is crucial for developing a full comprehension of the competitive dynamics and strategic considerations fundamental to the operational success of Warrenton Super Chicken (Tepliuk, 2023). The chosen design is closely aligned with the research

objectives, facilitating a thorough investigation into Warrenton Super Chicken’s competitive position, value chain, and potential solutions for enhancing competitiveness.

Table 3: Research Concepts

Key theme from Literature	Relevance to this research	Author and year
Vertical integration (section 2.5.1)	Opportunity for Warrenton Super Chicken	Barnes & Kim (2019)
Niche market (section 2.5.2)	Opportunity for Warrenton Super Chicken	Thompson & Patel (2020)
Technology integration (section 2.5.3)	Opportunity for Warrenton Super Chicken	Evans & Garcia (2022)

3.4 Sampling

Sampling is a fundamental concept in research methodology. It involves selecting a subset of individuals or items from a larger population to gather data and draw conclusions from that population. The purposive sampling method is used wherein specific individuals or groups are intentionally selected based on criteria or characteristics, rather than being randomly selected. This is done with the purpose of focusing on specific characteristics of a population that are of interest, which will best serve the research objectives. (Snow, 2022; Creswell & Creswell, 2020). For this study on the production and market challenges experienced by small poultry producers in South Africa, purposive non-probability sampling has been used to ensure that the participants selected are small poultry producers and have relevant experiences to share. The research sample was carefully selected to include a diverse range of

stakeholders involved in the value chain of Warrenton Super Chicken, such as management, suppliers, and customers.

Sampling links to a cross-sectional timeframe, which is an observational research method that analyses data from a representative subset of that population at a specific point in time. Instead of following individuals over a prolonged period (as in longitudinal studies), cross-sectional studies offer a snapshot of the particular variables of interest at a single moment (Bryman, Becker & Sempik, 2008). The field data collection was conducted in the months of April, May and June 2024, during which the researcher gained an understanding of the prevailing conditions in the poultry industry.

In accordance with a purposive sampling approach, a selection has been made of five individuals by the researcher for participants who hold significant roles in the VCA. They have considerable SA industry knowledge and exert strategic influence in both the upstream and downstream segments of the SA chicken production value chain, particularly that of Warrenton. According to Rosenberg, Ramsarup and Lotz-Sisitka (2019), it is believed that these individuals possess extensive expertise and nuanced views on the operational mechanics, competitive dynamics, and market realities of Warrenton Super Chicken. As a result, they are considered valuable sources of information. The strategic selection of these individuals plays a vital role in acquiring a 360-degree comprehension of the company's competitive position. This selection aims to gather insights and experiences that are highly pertinent to the study objectives.

3.5 Use of an interview schedule

The study has been conducted with the aid of an interview schedule which was presented to selected participants, namely the staff of WSC, poultry producers, industry experts, and supply chain stakeholders. The schedule is presented below in sections, each with a title, description, and corresponding interview questions. The sections cover various topics such as understanding niche markets, vertical integration and technology integration in the context of Warrenton Super Chicken. The interview schedule is Appendix 3.

Table 4 shows the link between reviewed literature on possible strategies and the interview questions to be posed to research participants.

Table 4: Interview Questions

Theme from literature (Table 3) to address improving Warrenton competitiveness	Interview schedule question
Section A: Demographic Profile	Q1. What is your role in poultry production or value chain?
Section B: Niche market	Q2. How many years have you been on this role?
	Q3. Why would a niche market be a possible strategy for competitive advantage for Warrenton?
	Q4. What are the key factors influencing competitiveness in your industry or market?
	Q5. How can you adapt to changing consumer preferences and behaviours to maintain or improve competitiveness?
	Q6. How can you enhance your product or service quality to gain a competitive edge?
Section C: Vertical Integration	Q7. What is the customer's perception of the Warrenton Super Chicken brand, and how can it be improved to gain a competitive advantage?
	Q8. Are there opportunities for strategic partnerships or collaborations that could enhance your competitiveness?
	Q9. How can you improve your cost structure and operational efficiency to compete more effectively on pricing? Can this be achieved through vertical integration?
	Q10. What are the potential risks and external threats that could impact your competitiveness if you decide to vertically integrate, and how can they be mitigated?
Section D: Technology Integration	Q11. What are the best practices of industry leaders in terms of competitiveness, and how can you implement them in your organization?
	Q12. What are the emerging trends and technological advancements that could impact your competitiveness?
	Q13. How can you innovate and develop new products or services to meet changing customer demands in this industry?

The interview schedule questions must delve into strategies available to Warrenton to answer the research question how the competitiveness of Warrenton Super Chicken can be improved?

3.6 Sampling strategy

Due to the qualitative nature of this study, it is crucial to achieve data saturation, which necessitates a deliberate and limited sample size. The attainment of data saturation holds significant importance within the realm of qualitative research, as it signifies the point at which the inclusion of further data fails to yield novel insights (Fusch & Ness, 2022). Hence, it is imperative to employ a focused and meticulously chosen sample to obtain a wide range of meaningful insights, while also securing efficiency and thoroughness in the investigation of the participants' perspectives. Due to the time-limits, the interviews may not reach data saturation.

The utilisation of this sampling approach is crucial for Warrenton Super Chicken because it allows for the acquisition of comprehensive and situation-specific information (See table 5 for details of the selected participants). This is essential for the development of successful and inventive strategies aimed at improving the company's competitiveness within the chicken business industry. The emphasis on important stakeholders throughout the value chain guarantees the incorporation of various viewpoints that are essential for developing a thorough comprehension of Warrenton Super Chicken's operational environment and market dynamics. This aids in the creation of well-informed and nuanced strategic suggestions.

3.7 Study sample description

The study sample comprised of a diverse group of participants, selected to provide insights into the competitiveness of Warrenton Super Chicken. The participants were chosen, based on their roles within the poultry industry and ability to provide informed perspectives on the key factors affecting WSC's competitiveness. The sample included individuals with varying levels of experience in poultry production, ranging from operational management, industry representation to customer relationships.

Table 4: Study Sample

Participant Group	Number	Roles and Responsibilities	Key Insights
Farm and Abattoir Managers		Oversee day-to-day operations of WSC, including rearing of broilers and processing at the abattoir. Insights into operational costs, biosecurity, and product consistency.	Over 10 years of experience in production processes and industry trends. Insight into challenges such as managing operational costs and biosecurity.
Employees		Involved in direct operations of WSC, with practical experience in poultry production and processing. Provided insights on cost structures and vertical integration.	Offered practical insights into improving operational efficiency and managing feed costs. Relevant perspectives on vertical integration.
Industry Representatives		Provided broader industry context, discussing regulatory and competitive pressures faced by small-scale producers. Addressed imports, market access, and government support.	Discussed the impact of regulatory and market access challenges, particularly in relation to competition from imports and small-scale producer competitiveness.
Government Officials		Provided insights into government support for small-scale poultry producers. Discussed financial aid, training, and infrastructure development programs.	Highlighted the availability of financial aid and training programs aimed at improving the competitiveness of local producers.
Wholesalers and Retailers		Key customers of WSC offering perspectives on product quality, pricing, and market potential. Insights into consumer preferences for ethically produced and brine-free chicken.	Provided external views on market positioning, emphasizing the demand for ethically produced and brine-free chicken, and the potential for improved marketing efforts.

3.8 Data Triangulation

Data triangulation refers to the use of multiple sources, methods, investigators, or data points to gain a comprehensive understanding of a research phenomenon. It acts as a validation strategy in qualitative research, enhancing the reliability, validity, and depth of the data. Triangulation aids in confirming the consistency of findings through cross-verification from more than two sources or methods (Natow, 2020). Data triangulation will be instrumental in ensuring the robustness of the study on challenges faced by small poultry producers in South Africa. By employing this method, the research aims to provide a multi-faceted view of the industry, aiding in effective policymaking and intervention strategies. Carter, Bryant-Lukosius, DiCenso, Blythe & Neville (2014) note that data source triangulation can be attained by collecting multiple participant perspectives (such as is done along this Value Chain) and secondary reliable data that aligns to answering the research questions. Additionally in this research the researcher discussed internal processes with key employees lending to another source of data based on processes.

3.9 Data collection methods

The primary method employed for data gathering is one on one, semi-structured interviews, derived from a comprehensive examination of secondary sources such as industry publications, and relevant scholarly literature (Ahlin, 2019). The selection of primary and secondary data collection methods in this study has been carefully chosen to provide the flexibility to explore the complex and multidimensional subjective experiences of the participants.

The decision to use semi-structured interviews is of paramount importance due to its capacity to provide researchers with the freedom to delve into the thoughts, experiences, and perspectives of participants in an unstructured manner. Thus resulting in more comprehensive and intricate findings (Adeoye-Olatunde & Olenik, 2021). The aforementioned methodology aligns with the interpretivist epistemological perspective adopted by the research and plays a crucial role in uncovering deep insights about the competitive nature of Warrenton Super Chicken within the poultry sector of South Africa.

Interviews can be conducted either in person or over secure video conferencing systems, depending on the preferences, convenience, and comfort of the participants. The primary objective of the interviews is prioritising participant comfort and trust to cultivate a setting that promotes the facilitation of open, sincere, and perceptive discussions (Adeoye-Olatunde et al., 2021). The primary focus of the discussions will be to obtain insights into the potential competitive advantages identified through a thorough analysis of the value chain.

The primary method of initial contact was emails, followed by phone calls if there was no response within a stipulated timeframe (namely 7 days). The contact details of potential participants were sourced from the company Warrenton Super Chicken. Participants were informed in advance by the researcher about the study's objective, helping to build trust and giving them clarity. This enabled them to prepare and decide if they wish to contribute. If participants expressed interest, the researcher coordinated a suitable time and venue for the interview. Preference for the mode of interview was determined by the participant, namely in-person or through a secure video conferencing system.

3.9.1 Duration

Each interview lasted between 30 to 45 minutes. Participants were informed about the envisaged time span in advance to help them allocate appropriate time and set expectations.

3.9.2 Recording the interview

Before the interview began, consent was obtained to audio-record the session. For in-person interviews, the cell phone's voice recording feature of the researcher's cell phone was used. For video conferencing, the in-built audio recording feature was utilised.

3.9.3 Ensuring Comfort and Trust

As highlighted by Adeoye-Olatunde et al. (2021), the importance of participant comfort and trust cannot be overstated. The following steps will be taken to ensure comfort and trust:

- For in-person interviews, a quiet, neutral, and comfortable venue was chosen. This could be a quiet room in their workplace or a private space in a public area like a library or a cafe.
- For video calls, participants were encouraged to select a space where they were at ease and can speak without distractions or disturbances.
- Lastly, at the beginning of each interview, the study's objectives were reiterated, and they reassured the participant of the confidentiality of their responses. An open and non-judgmental attitude was maintained throughout, encouraging participants to share candidly.

3.9.4 Post-interview

The following post-interview steps were followed:

- Participants were thanked for their time and insights.
- They were informed about the next steps, including how the data will be used and when the study's results might be published or shared.
- An email was sent within 24 hours of the interview, expressing gratitude and providing a point of contact for any further queries or contributions.

3.9.5 Interview Transcription and Data Organization

After completing the interviews, the recordings were uploaded to Otter.ai, an automated transcription tool. This allowed the audio from each interview to be converted into text. Once the transcriptions were generated, they were carefully reviewed to correct any errors and to ensure that the responses were accurately captured. The transcriptions were then compiled into one document, with each interview clearly labelled according to the participants. This organized document was prepared for analysis, making it easier to reference and extract insights during the next phase of thematic analysis.

3.10 Data analysis

Thematic analysis was used as a qualitative research method to explore, identify, and report on the themes emerging from the data collected. This approach, highlighted by

Lester, Cho, and Lochmiller (2020), is useful to extract insights from extensive qualitative data sets. Thematic analysis clearly identifies related and relevant themes emerging from the data.

The process began with transcribing the recorded interviews. Following transcription, the data was imported into Atlas.ti, a qualitative analysis software for coding, and categorizing large volumes of qualitative data. The coding process involved assigning labels to segments of text that represented distinct issues that relate to the value chain dynamics, competitive advantages, and challenges in small-scale poultry production. After coding, the categories were organized into broader themes, such as "market challenges," "potential for vertical integration," "niche market strategies," and "technology integration." This enabled a clear and coherent narrative, ensuring that the key issues affecting Warrenton Super Chicken's competitiveness were identified. These themes were cross-referenced with relevant literature to draw connections between empirical data and existing research.

The findings of the analysis are presented in Chapter 4. In this chapter each theme is discussed in depth, supported with quotes from the participants to enhance clarity. This structured presentation of results underscores the significance of each theme and aligns with the study's objectives. Through this approach, the thematic analysis offers a comprehensive understanding of the competitive landscape for small-scale poultry producers in South Africa.

3.11 Ethical considerations

Ethical considerations for this research project are anchored on valuing the importance of Informed Consent and Voluntary Participation in research studies.

Step 1 – gaining the UFS ethics committee approval (see Appendix 2)

Step 2 – participant consent to be interviewed (see Appendix 2)

Each participant was provided with a thorough orientation about the study's aims, procedures, and potential consequences, promoting a more profound comprehension of the research procedure and facilitating voluntary and well-informed engagement. The

orientation preceded the decision-making on whether to be interviewed or not (Anderson & Thompson, 2022). The ethical implications of the research are highlighted by the free nature of involvement, as participants are explicitly granted the right to withdraw at any point without facing any negative consequences.

The principle of confidentiality and no maleficence is a fundamental ethical consideration in various professional fields, including but not limited to healthcare, research, and counselling. This principle emphasises the importance of protecting the privacy and well-being of those involved in these contexts. To ensure the privacy and anonymity of participants and maintain the integrity of acquired data, robust confidentiality mechanisms were implemented to safeguard proprietary information (Roberts & Wilson, 2023). Strict adherence to rigorous ethical rules is vital and plays a crucial role in preventing any potential injury or excessive stress to participants or other participating stakeholders.

3.12 Conclusion

This chapter has presented a comprehensive and transparent structure for investigating the competitive landscape of Warrenton Super Chicken in the poultry sector of South Africa, outlining the research techniques employed in this study. The selected epistemological standpoint, in conjunction with the qualitative explanatory case study methodology, highlights the dedication to uncovering the intricate realities and complexity that exist inside the operational environment of the organisation. By employing a carefully designed sample approach and rigorous methodologies for data gathering, this research aims to produce in-depth, complete, and nuanced findings.

The chapter also places significant importance on ethical considerations, highlighting the utmost regard for the rights of participants, their privacy, and the integrity of the collected information. The thorough focus on ethics not only serves to maintain the credibility of the research, but also guarantees its moral purity. The approach described in this chapter acts as a fundamental framework and guiding principles for the succeeding stages of the investigation. The research demonstrates a strong dedication to generating practical insights and thorough knowledge that has the ability to stimulate strategic reforms for Warrenton Super Chicken. As the research progresses towards the empirical data and subsequent analyses in the upcoming chapters, it is important to

note that the underlying methodology employed in this study is both rigorous and specifically designed to address the unique issues and intricacies of the South African poultry business. The next chapter presents the findings and discusses these findings against the background of literature reviewed.

4 DATA ANALYSIS AND INTERPRETATION

4.1 Introduction

The analysis and interpretation of biographical data, as well as responses to the interview schedule, provided significant insights into the operational and strategic challenges faced by Warrenton Super Chicken. The biographical data established a foundational understanding of the participants' roles and experiences within the poultry industry, while the interview schedule explored how various factors, such as niche markets, operational efficiency, strategic partnerships, and consumer preferences, impact Warrenton Super Chicken's competitiveness. The unexpected findings, particularly around issues such as reluctance to adopt brined chicken, the high costs of vertical integration, and limited success in formal market penetration, were compared/confirmed with existing literature. This offers deeper insights into the opportunities and risks for Warrenton Super Chicken.

4.2 Analysis and Interpretation of Biographical Data

The biographical data obtained from the participants aimed to establish a baseline understanding of their roles and experience within the poultry production industry, specifically in relation to Warrenton Super Chicken. The demographic section of the interview (**Section A**) primarily focused on two key questions: the role of the participant in chicken production and the number of years they occupied that role.

Analysis of the biographical data revealed that five (5) of participants held senior positions, such as farm managers or production supervisors. The biographical data indicated a deep understanding of both operational and strategic aspects of poultry production. In terms of experience, participants had different lengths of service in the industry. The shortest number of years of experience being 3 years, while others had

more than 10 years of experience. Their experience suggested that their perspectives were informed by practical knowledge and long-term observations of industry trends.

It was also noted four (4) of the participants had less than five years of experience in their current roles. This led to a contrast in responses, particularly around adaptability to new technologies and consumer preferences. These individuals, newer to their roles, offered fresh perspectives on new approaches and the importance of niche markets as a strategy for enhancing competitiveness. Biographical data provided an important context for interpreting responses to the interview schedule.

4.3 Analysis and Interpretation of Interview Schedule

The interview schedule covered a range of topics designed to solicit responses on how value chain analysis (VCA) could improve the competitiveness of Warrenton Super Chicken. The questions focused on key areas such as niche market strategies, operational efficiency, customer perceptions, and potential strategic partnerships.

In response to the first question in section B of the interview schedule, question 3 namely **why would a niche market be a possible strategy for competitive advantage for Warrenton?** six (6) of the participants agreed that focusing on niche segments could help Warrenton Super Chicken differentiate itself from larger commercial competitors. According to participants 1 and 5, niche markets could allow the company to offer specialized products, such as organic or free-range chicken, which might attract higher-income consumers willing to pay premium prices. This strategy, they argued, could help protect the company from price competition with imported chicken products, which are typically cheaper and cater for the mass market.

When asked about the key factors influencing competitiveness in the poultry industry through **question 4, What are the key factors influencing competitiveness in your industry or market?** participants overwhelmingly cited **cost structure** and **operational efficiency** as critical factors. They highlighted the high cost of feed, energy, and day-old chicks as significant challenges, particularly for small-scale producers like Warrenton Super Chicken. The **fifth question, how can you adapt to changing consumer preferences and behaviours to maintain or improve competitiveness?** focused on adapting to changing consumer preferences and behaviours. Participants

generally agreed that shifts towards healthier eating habits presented opportunities. However, four (4) of the participants expressed concerns that Warrenton Super Chicken lacked the capacity to adapt quickly to these trends due to its limited financial and operational resources. *“Adapting to changing consumer preferences brings with it the need for more financial resources because the methods to provide assurance are costly”*, said participant 3.

On the topic of customer perceptions, **question 7, what is the customer's perception of the Warrenton Super Chicken brand, and how can it be improved to gain a competitive advantage?** feedback was mixed. Five (5) of the participants believed that the Warrenton Super Chicken brand had a strong local presence but noted that there was room for improvement in terms of market reach. The consensus was that the company needed to invest in marketing efforts.

The interviews also delved into strategic partnerships and collaborations through **question 8, are there opportunities for strategic partnerships or collaborations that could enhance your competitiveness?** Participants recommended forming alliances with feed suppliers, logistics companies, and even other poultry producers to leverage economies of scale. Some participants suggested that entering into partnerships with local retailers and institutions (such as schools or hospitals) will provide a stable demand for the company's product.

Responses to **question 9, how can you improve your cost structure and operational efficiency to compete more effectively on pricing? Can this be achieved through vertical integration?** reiterated the importance of vertical integration. Several respondents suggested that controlling more aspects of the supply chain, such as feed production and chick hatcheries, will reduce input costs and improve profit margins. However, they also cautioned that this would require significant upfront investment, which might be a challenge for Warrenton Super Chicken given its current financial challenges.

When discussing risks associated with vertical integration in **question 10** by asking **what are the potential risks and external threats that could impact your competitiveness if you decide to vertically integrate, and how can they be mitigated?** participants highlighted potential external threats, such as fluctuating input

prices and disease outbreaks, particularly avian diseases. Many respondents agreed that any decision to vertically integrate would need to be carefully weighed against these risks.

Finally, participants were asked about best practices of industry leaders through **question 11, what are the best practices of industry leaders in terms of competitiveness, and how can you implement them in your organization?** and on emerging trends through **question 12, what are the emerging trends and technological advancements that could impact your competitiveness?** The responses emphasized the adoption of new technologies as a key area where Warrenton Super Chicken could improve its competitiveness. Examples included the use of data analytics to monitor feed efficiency and health tracking systems to better manage flock health.

4.4 Analysis, Discussion and Interpretation of findings

4.4.1 Niche Market Differentiation

Warrenton Super Chicken's potential to leverage niche markets was identified as a significant strategy for enhancing its competitiveness. Two key niche markets emerged from the data: The Halaal market and the export market in the SADC region. Several participants emphasized that entering the Halaal market could expand Warrenton Super Chicken's customer base. They argue that both Muslim and non-Muslim consumers often prefer Halaal-certified products due to their perceived ethical and quality standards. However, they all noted that the certification process is stringent and would require additional compliance costs. These remarks were made by participant 1 and 5. For instance, participant 3 and 5 explained, *"The Halaal market offers a lucrative opportunity, but the challenge is the rigid compliance process for getting and retaining a Halaal certification"*, which involves hiring approved personnel.

The SADC region also represents a valuable opportunity for Warrenton Super Chicken. Participants remarked that South Africa had been a major supplier of chicken to Mozambique before losing this market to foreign imports. A participant remarked, *"Entering this market has the potential to increase market size because it will be one of*

the few companies that offer brine-free chicken”, which is a key differentiator in these markets.

4.4.2 Cost Efficiency and Vertical Integration

One of the primary concerns for Warrenton Super Chicken is the high cost of feed, which impacts on its operational efficiency and competitiveness. Vertical integration, specifically in feed production and hatchery operations, was proposed as a solution to reduce input costs. Six (6) of the participants recommended that Warrenton Super Chicken utilizes its 21-hectare farm to produce feed internally, such as planting corn or sorghum. However, they also acknowledged that the farm’s size might limit the potential for large-scale feed production. Participant 2 stated that *“The biggest challenge in the poultry industry is the high cost of feed...Warrenton Super Chicken can plant feed ingredients to reduce these costs,”*. Converting broiler houses into layer houses to hatch Warrenton Super Chicken’s own day-old chicks was suggested as another form of vertical integration. While this would reduce the cost of purchasing chicks from external suppliers, it would require significant investment. A participant noted, *“Warrenton Super Chicken can integrate vertically by getting into laying...this will decrease input costs which can be passed on to the customer”*.

4.4.3 Product Differentiation

Product differentiation, particularly through the production of brine-free chicken, emerged as a key competitive advantage for Warrenton Super Chicken. The company’s commitment to offering high-quality, ethically produced chicken aligns well with market trends toward healthier and more sustainable food choices. Several participants suggested that Warrenton Super Chicken could enhance its product offerings by specializing in high-value cuts, such as drumsticks, wings, and thighs. These cuts could be sold at premium prices. One participant remarked, *“Warrenton Super Chicken can process and package their chicken such that the company specializes in highly valued special cuts, with the rest of the meat used to make products like wors and polonies”*.

In addition to traditional products, participants highlighted the potential for Warrenton Super Chicken to introduce value-added products, such as marinated or pre-cooked chicken. These products cater to convenience-driven consumers. This was viewed as

a way to differentiate Warrenton Super Chicken in the marketplace and appeal to higher-income segments. A participant suggested, *“Warrenton Super Chicken could introduce processed poultry products like chicken woks, which would allow it to tap into a broader customer base and command premium pricing”*. These innovations would enable Warrenton Super Chicken to stay relevant in a competitive market that is increasingly focused on value-added products.

4.4.4 Strategic Partnerships and Market Expansion

Forming strategic partnerships was identified as a critical strategy for expanding Warrenton Super Chicken’s market reach and enhancing its competitiveness. Several participants recommended collaborations with marketing firms and retail chains to extend Warrenton Super Chicken’s visibility in formal retail markets, such as major supermarkets and upmarket hotels. **Participant 2 noted** *“Warrenton Super Chicken needs a lot of assistance with getting new customers and penetrating new markets. A partnership with a marketing company would be of great value to the business”*. Such partnerships could allow Warrenton Super Chicken to focus on perfecting its production processes while marketing agents handle customer acquisition and negotiations.

Participants highlighted that Warrenton Super Chicken has not yet effectively penetrated major supermarket chains, which would provide access to a larger customer base. By forming partnerships with retailers, Warrenton Super Chicken could expand its footprint in formal markets. One participant commented, *“Collaborating with local retailers who prioritize ethically produced food could help increase Warrenton Super Chicken’s market reach”*.

4.4.5 Technology and Operational Efficiency

Adopting advanced technologies was frequently cited as a means to improve Warrenton Super Chicken’s production efficiency and reduce operational costs. Participants discussed various technological solutions, from automated feeding systems to advanced processing machinery. Several participants emphasized the need for Warrenton Super Chicken to invest in more efficient and quicker processing equipment. *“New machinery to improve the speed of production, especially for large orders, will help Warrenton scale operations and enhance efficiency”* was noted by one participant. This

would allow Warrenton Super Chicken to handle larger volumes, meet growing demand, and reduce operational delays.

Enhancing biosecurity through technology was also deemed critical, especially for high-end markets and export opportunities. Participant 4 noted that *“Biosecurity is becoming a key concern in the poultry industry, and Warrenton Super Chicken needs to upgrade its hygiene protocols to compete with industry leaders”*.

4.4.6 Consumer Preferences and Market Trends

The interviews revealed that consumer preferences are shifting towards healthier, ethically produced products, such as brine-free, hormone-free, and organic chicken. Warrenton Super Chicken is well-positioned to capitalize on this trend, but participants suggested that further adaptations are needed to remain competitive. Warrenton Super Chicken’s focus on brine-free chicken aligns with growing consumer demand for healthier alternatives. However, participants recommended further innovation, such as introducing organic certifications or developing new product lines. Participant 6 noted that *“There is a shift toward organic and ethically produced poultry, and Warrenton Super Chicken should consider obtaining organic certifications to capture this growing market segment”*.

As consumer demand for convenience grows, there is a significant opportunity for Warrenton Super Chicken to develop value-added products like marinated or ready-to-cook chicken. These products appeal to time-sensitive consumers. Participants identified the need for Warrenton Super Chicken to innovate by diversifying its product offerings. Their offerings could include processed chicken products, such as pre-cooked or marinated options. *“Introducing value-added products, like pre-cooked or marinated chicken, would allow Warrenton Super Chicken to cater to busy consumers who are looking for convenience”*. This aligns with the broader trend of consumers seeking products that not only meet health standards but also provide convenience.

4.4.7 Risks and External Threats

The study identified risks from external sources using both the PESTEL and Porter's Five Forces frameworks. The PESTEL analysis helped examine the broader external environment affecting Warrenton Super Chicken's competitiveness. Political factors, such as trade policies and import regulations, were identified as critical issues. These issues pertain especially to imported poultry from countries like Brazil and the European Union. Economic factors such as exchange rates and input costs, were identified as causing financial challenges for Warrenton Super Chicken. Infrastructure challenges such as the availability and cost of communication, logistics, water and electricity also emerge as factors affecting the growth small producers. Thus, PESTEL underlined the need for Warrenton Super Chicken to focus on non-price competition strategies, such as quality and local branding.

Porter's model provided a view of the competitive forces within the poultry industry. Specifically, there are issues such as the bargaining power of suppliers and buyers, threat of new entrants or substitute products, and the intensity of competitive rivalry. The bargaining power of suppliers—particularly suppliers of feed and day-old chicks—directly affects the costs of production at Warrenton Super Chicken. The threat of substitutes is observed by the presence of alternative protein sources and competing imports that reduce consumer reliance on Warrenton Super Chicken's products. The intensity of competitive forces is observed in the price pressure from imported poultry, which increase financial risks associated with vertical integration.

Participants pointed out that while vertical integration offers cost efficiencies in the long term, it nonetheless poses immediate financial risks. Comments such as "The risk of investing in layer facilities is significant..." emphasized concerns around capital-intensive projects. Stakeholders underscored the importance of adapting Warrenton Super Chicken's value chain in response to these external pressures. For instance, rather than competing on price alone, participants suggested differentiating through product quality and customer engagement as feasible competitive strategies

4.5 Discussion of findings in relation to the Existing Literature

In the analysis of Warrenton Super Chicken's value chain and competitiveness, several unexpected findings emerged that provide deeper insights into the challenges and opportunities faced by the company. These results are contextualized in relation to existing literature to understand how they align with, or diverge from, previous studies on competitiveness in the small-scale poultry production sectors.

4.5.1 Reluctance to fully adopt Brined Chicken

Despite high consumer demand for cheaper, brined chicken, Warrenton Super Chicken remains focused on producing brine-free chicken. This is positioned as a premium product. The research suggested that shifting to brined chicken could reduce production costs and make Warrenton Super Chicken more competitive in the lower-end market segments. Studies on consumer behaviour in the poultry industry indicate that cost-conscious consumers, particularly in emerging markets, prioritize price over quality. Brined chicken is more affordable due to shorter production cycles and lower feed costs (Grashuis, 2020). Warrenton Super Chicken's reluctance to adopt brined chicken aligns with the literature on small producers that emphasizes quality differentiation as a means of competing against larger, price-focused competitors (Niranjan & Sharma, 2019). This strategy allows small-scale producers to carve out niche markets based on health-consciousness and premium quality. This finding also aligns with research by Malone et al. (2021), which suggests that small-scale producers often choose to compete on quality rather than price to avoid direct competition with large-scale imports. However, it contrasts with studies like those by Haque et al. (2018), which emphasize brining as a common strategy for cost reduction and competitiveness in price-sensitive markets.

4.5.2 High Costs of Vertical Integration

Vertical integration, especially in feed production and hatchery operations, is typically seen as a cost-saving measure. However, research shows that the financial risks associated with this strategy were higher than anticipated. With limited land for feed production, together with producing enough feed internally, is an expensive option. Literature on vertical integration in small-scale agribusiness often highlights the benefits

of controlling the supply chain, reducing input costs, and increasing operational control (Aghion & Tirole, 2018). However, studies also focus on the challenges of the high capital investment required for infrastructure development and the potential for operational inefficiencies, particularly for small-scale producers (Swinnen, 2019). This finding aligns with existing literature, such as the work of Wilkinson (2020). This research cautions that vertical integration for small producers can expose them to significant financial risks. It contrasts with the often-optimistic view of vertical integration in earlier studies, which sometimes overlook the resource limitations faced by small enterprises (Porter, 1985).

4.5.3 Limited Success in Formal Retail Market Penetration

Despite producing high-quality, brine-free chicken that aligns with premium consumer preferences, Warrenton Super Chicken has struggled to penetrate formal retail markets like large supermarket chains and high-end hotels. Given the rising demand for ethically produced, health-conscious products, this limited success in formal sectors was unexpected. A study by Mkhize and Ellis (2023) highlights that while there is evidence of a growing demand for ethically produced, health-conscious products in South Africa, this trend is not uniform across all consumer segments and product categories. Unfortunately, in recent years, even poultry meat consumption seems to have declined due to a rise in unemployment and a drop in consumer spending power. Moreover, small producers often struggle to meet the stringent supply chain requirements, including consistent supply volumes, certifications, and strong brand visibility (Grunert, 2015) to meet the demands of the health-conscious market segment. This finding contrasts with studies that suggest formal retail markets are increasingly adopting premium products to align with shifting consumer trends towards ethical consumption (Hughes, 2018). However, it aligns with research by Petersen and Green (2019), which highlights the barriers small producers face in scaling up to meet the demands of formal retail channels. These barriers make it difficult for small scale poultry producers such as Warrenton Super Chicken to scale their production and logistical reach to meet the demands of formal retail channels.

4.5.4 The Importance of Strategic Partnerships

An unexpected finding was the emphasis on the need for strategic partnerships with marketing companies or local producers. The research highlighted that Warrenton Super Chicken's competitiveness could dramatically improve by outsourcing marketing and customer acquisition efforts. This aspect was not initially anticipated to play a major role. Literature on small business competitiveness, particularly in agribusiness, emphasizes the importance of partnerships to pool resources, share risks, and improve market access (Bornhorst & Zhou, 2021). However, heavy reliance on external partners for marketing and customer acquisition is not frequently highlighted as a major contributor in research on small-scale producers. However, this finding aligns with studies like those of Besser and Miller (2020), which advocate for collaboration in marketing and distribution for small producers to extend their reach in competitive markets. But it contrasts with the assumption that small producers, such as Warrenton Super Chicken, would focus more on direct-to-consumer models and rely less on outsourcing customer-facing functions.

4.5.5 Consumer Perception of Brine-Free vs. Brined Chicken

The findings revealed that while Warrenton Super Chicken's brine-free chicken is perceived as a premium product, some market segments prioritize cost over quality. This unexpected insight suggests that Warrenton Super Chicken could benefit from offering brined chicken alongside its premium offerings; thus catering to both high-end and price-sensitive consumers. Studies on consumer behaviour in the poultry industry emphasize that while health-conscious consumers prefer organic or brine-free products, a significant portion of the market values price over quality. This is due to general financial constraints (Harker et al., 2020). The tension between maintaining product integrity and responding to price-sensitive market demands, is a common challenge for small producers (Chikazunga & Kirsten, 2018). This finding aligns with broader studies on consumer preferences, such as those by Smith and Bialik (2021). These studies show that while premium products have niche appeal, mass-market success often requires providing affordable options. However, it contrasts with Warrenton Super Chicken's initial strategy of focusing solely on premium customers. The findings highlight the need to balance between price-sensitive and premium markets.

4.6 Conclusion

The data collected from the biographical analysis and interview schedule revealed key themes that are critical to understanding and improving the competitiveness of Warrenton Super Chicken. While participants acknowledged the businesses strengths in product quality and niche market differentiation, they also highlighted significant challenges, such as high input costs, the complexities of vertical integration, and limited market reach. Strategic partnerships, technological adoption, and a more flexible approach to consumer preferences were identified as essential strategies for enhancing Warrenton Super Chicken's operational efficiency and market position. These insights, aligned with existing literature, demonstrate that Warrenton Super Chicken targeted efforts are needed to address financial constraints, external threats, and shifting market dynamics to sustain long-term competitiveness.

The next chapter provides the conclusions reached by the study, recommendations for Warrenton Super Chicken for enhancing competitive strategies, general recommendations for small scale poultry producers and indications for future research.

5 CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter presents the key findings and analysis from the study of Warrenton Super Chicken's competitiveness within the small-scale poultry industry in South Africa. This chapter gives an outline of the primary research problem, and then a description of the study sample whose insights inform the study. Furthermore, there is a detailed interpretation and contextualisation of these findings, together with highlighting their alignment with, and contrast to, the broader industry trends. The chapter concludes with a summary of recommendations for enhancing Warrenton Super Chicken's competitiveness. It also identifies areas for future research to address ongoing challenges in the small-scale poultry sector.

5.2 Research problem

The research problem focused on Warrenton Super Chicken, a small-scale broiler producer in South Africa, that is struggling to compete in the mainstream poultry market against larger commercial producers. This difficulty stems from several factors, including high input costs, competition from cheaper poultry imports, and challenges in penetrating new markets. The research problem focuses on identifying strategies that can improve Warrenton Super Chicken's competitiveness, leveraging value chain analysis (VCA) to highlight areas for improvement in production efficiency, market positioning, and operational integration.

5.3 Findings in Relation to the primary Research Questions

The study addressed each of the research questions as presented below:

1. How does value chain analysis impact the competitiveness of small-scale poultry producers in South Africa?

The study confirms that value chain analysis is an essential tool for use by small-scale poultry producers, such as Warrenton Super Chicken. The reason is that it allows for an insightful observation of the activities contributing to value creation and costs. By breaking down each component of Warrenton Super Chicken's operations—from feed procurement to final product delivery—VCA highlighted specific areas where inefficiencies were affecting competitiveness.

2. What are the external and internal challenges influencing the competitiveness of Warrenton Super Chicken?

The study identified a range of external and internal challenges through a combination of PESTEL and Porter's Five Forces analyses. The primary external challenge was the influx of low-cost poultry imports from countries like Brazil and the EU, which created intense price competition in the South African market. The competitiveness of international poultry producers is partly due to government subsidies in countries such as the United States and European Union. These subsidies lower production costs, allowing these countries to export poultry at prices that undercut local South African producers.

Additional external factors included fluctuating exchange rates affecting feed and input costs. The South African poultry industry struggles with high feed costs due to reliance on imported grain, which is heavily influenced by currency fluctuations. In terms of social factors, while there is a growing middle class in South Africa, many consumers still opt for cheaper imported poultry, often ignoring the benefits of supporting local businesses.

Internally, Warrenton Super Chicken faced high operational costs, particularly in feed and chick procurement, and limited economies of scale. These factors affected its ability to compete with larger producers. As well, Warrenton Super Chicken's infrastructure is underutilized which led to financial strain.

3. How can value chain analysis be applied to address the challenges faced by Warrenton Super Chicken?

Value chain analysis was instrumental in diagnosing specific areas where Warrenton Super Chicken can adjust its operations to mitigate the identified challenges. To reduce input costs, the study recommended exploring alternative feed suppliers and, in some areas, invest in feed production capabilities as part of a vertical integration strategy. Warrenton Super Chicken was encouraged to develop product differentiation strategies, such as focusing on quality, and branding its products as locally sourced and ethically produced. This could appeal to consumers willing to pay a premium. Implementing technology in operations, such as automated feeding systems and temperature regulation, was suggested to increase efficiency and reduce operational costs.

4. What actionable strategies can be used by small-scale poultry producers to leverage value chain analysis for improved competitiveness?

Based on the insights generated from the study, several actionable strategies were proposed for small-scale poultry producers: Leveraging VCA findings, Warrenton Super Chicken was advised to explore bulk purchasing options and conclude partnerships with local suppliers to secure more favourable pricing on feed and other inputs. To compete against low-cost imports, small-scale producers can focus on product differentiation strategies that emphasis quality, ethical practices, and local origin.

Using the study report attached as the knowledge base, composes a detailed section that shows how the study answered the research questions below:

Conclusions drawn and strategic recommendations

5.3.1 Niche Market Differentiation

Warrenton Super Chicken can increase its competitiveness by targeting niche markets such as Halaal, organic, and premium consumers. The Halaal market, in particular, was identified as a lucrative opportunity, albeit with challenges related to certification. Similarly, markets in the SADC region, which prefer brine-free chicken, present further opportunities. This finding directly relates to the question of whether a niche market can provide a competitive advantage. The findings support the strategy that targeting niche markets allow Warrenton Super Chicken to differentiate itself from larger, more price-competitive producers.

5.3.2 Cost Efficiency and Vertical Integration

High feed costs are a significant barrier to Warrenton Super Chicken's competitiveness, and vertical integration is proposed as a strategy to address this. The suggestion to produce feed internally and hatch their own day-old chicks would reduce input costs and improve operational control. This finding answers the research question regarding how Warrenton Super Chicken can improve its cost structure and operational efficiency. The data reveal that a strategy of vertical integration, though capital intensive, could be a long-term solution for cost management and price competitiveness.

5.3.3 Strategic Partnerships and Market Expansion

Forming strategic partnerships with marketing companies, local retailers, and other small producers could help Warrenton Super Chicken expand its market presence. These partnerships would enable the company to focus on production while leveraging external expertise in sales and customer acquisition. This finding aligns with the question about opportunities for strategic partnerships and collaborations. The findings indicate that a strategy of collaborations can enhance competitiveness by expanding market reach and improving supply chain efficiencies.

5.3.4 Technology and Operational Efficiency

Investment in new technology, particularly advanced processing equipment, is critical for improving production efficiency. Warrenton Super Chicken could enhance its processing capabilities to handle larger orders and ensure the precise cutting of carcasses. This finding is directly tied to the research question about technological advancements and their impact on competitiveness. The findings indicate that embracing technology is not only necessary to improve production efficiency but also to align with industry best practices and maintain high product quality.

5.3.5 Consumer Preferences and Market Trends

Whereas the research observes a shift in consumer preferences towards ethically produced, organic and health-conscious products, including hormone-free and brine-free chicken, the market however is not willing to pay the price and therefore Warrenton Super Chicken's current focus is problematic. In this regard, the producer may consider introducing brine products which are cheaper. This

finding connects to the research question about how Warrenton Super Chicken can adapt to changing consumer preferences to maintain competitiveness.

5.3.6 Risks and External Threats

Warrenton Super Chicken faces significant external threats, particularly from cheap poultry imports from Brazil and the European Union, which are reported to be subsidised by their respective governments. These imports distort local pricing, leading to profitability challenges for small-scale poultry producers such as Warrenton Super Chicken. Additionally, high input costs, especially poultry feed and medicines add to the financial strain. Warrenton Super Chicken cannot change global trade policies, but it can mitigate risks posed by advocating for policy support, improving operational efficiencies and differentiating its product offering. By taking a proactive risk-management approach, Warrenton Super Chicken can strengthen its competitiveness and long-term valuable participation in the domestic poultry industry.

5.3.7 Expansion into Niche Markets

Warrenton Super Chicken can enhance its competitiveness by targeting the Halaal market to gain access to both Muslim and non-Muslim consumers who perceive Halaal products as high-quality, ethically produced and free of contaminations. By acquiring Halaal certification, Warrenton Super Chicken will be able to supply Muslim households, Halaal butcheries, fast-food chains and retailers that require Halaal certified poultry meat. Halaal products are often perceived as higher value, enabling Warrenton Super Chicken to command premium pricing, which can offset cost disadvantages from imports. Many major retailers such as Checkers, Woolworths, Spar, Pick n Pay require Halaal certification for their suppliers to cater for Muslim customers, this provides an opportunity for Warrenton Super Chicken to expand its distribution channel .

5.3.8 Cost Reduction through Vertical Integration

Warrenton Super Chicken has the potential to reduce input costs by vertically integrating its feed production, utilizing its available farmland. This could lower the company's dependency on external feed suppliers and improve its pricing competitiveness. Converting broiler houses to layer houses to produce their own day-old chicks presents another cost-saving strategy. This move would allow Warrenton Super Chicken to control a critical part of its supply chain and potentially reduce operational costs.

Addressing External Threats

Imported poultry, particularly from Brazil and the EU, remains a significant challenge for Warrenton Super Chicken. To counteract this, Warrenton Super Chicken needs to focus on differentiating its products (brine-free, organic) and targeting niche markets where imported products may not have the same appeal. The research identified a growing demand for ethically sourced, organic, and hormone-free products. By aligning with these trends, Warrenton Super Chicken can cater to consumers willing to pay a premium for quality and ethical production.

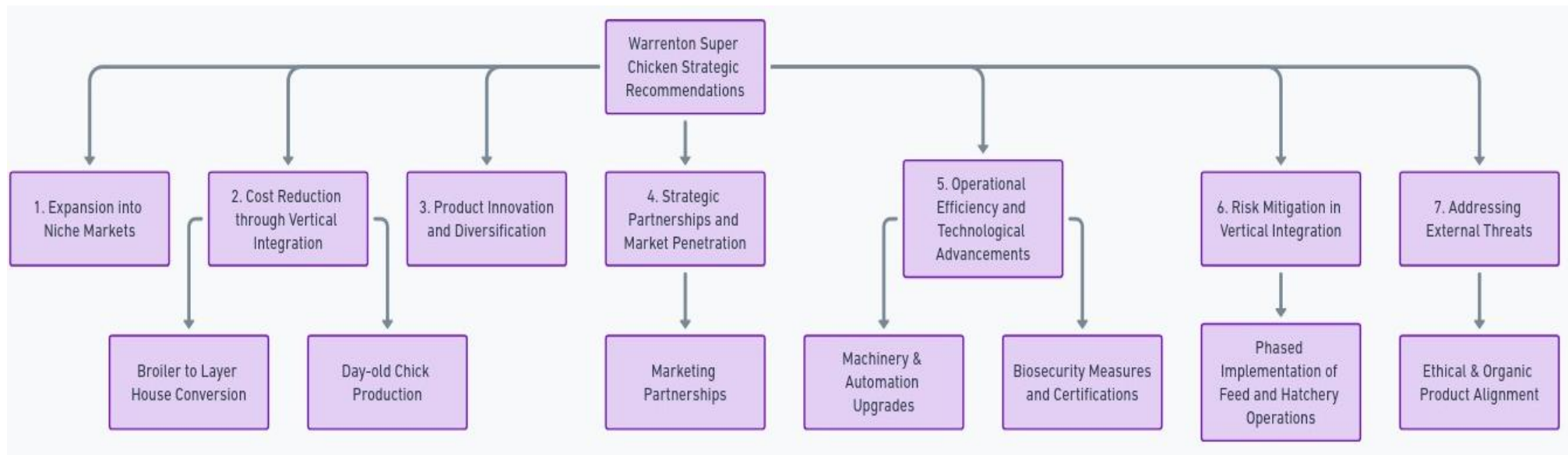


Figure 1: Implementation Framework

The figure 1 illustrates how the recommendations fit into the competitive strategy of Warrenton Super Chicken:

1. Expansion into Niche Markets

- Target Halaal Segment

Developing products that cater to the Halaal market, meeting specific certification requirements.

- SADC Region Expansion

Expanding into neighboring Southern African markets like Namibia, Botswana, and Mozambique, with a focus on products such as brine-free chicken for differentiation.

2. Cost Reduction through Vertical Integration

- In-house Feed Production

Reducing feed costs by producing it in-house, using available farmland efficiently.

- Broiler to Layer House Conversion

Converting existing broiler houses for dual purposes to maximize facility use.

- Day-old Chick Production

Ensuring a steady, controlled supply chain for chicks to lower costs and improve quality.

3. Product Innovation and Diversification

- Specialized Cuts and Processed Products

Offering new products like chicken wors (sausages) and polonies to appeal to diverse tastes.

- Brine-Free and Organic Options

Targeting health-conscious consumers with premium, organic, and brine-free options, enhancing brand positioning.

4. Strategic Partnerships and Market Penetration

- Marketing Partnerships

Collaborating with other brands or influencers to boost brand visibility.

- Formal Retail Channels

Distributing through formal retail channels like supermarkets, hotels, and restaurants for broader market reach.

5. Operational Efficiency and Technological Advancements

- Machinery and Automation Upgrades

Investing in advanced machinery to improve processing efficiency.

- Biosecurity Measures

Implementing biosecurity protocols and certifications to ensure quality and safety.

6. Risk Mitigation in Vertical Integration

- Phased Implementation of Feed and Hatchery Operations

Gradual setup to manage risk in expanding operations.

- Financial Support

Leveraging grants and financial programs to support expansion and minimize financial risk.

7. Addressing External Threats

- Differentiation from Imported Poultry

Highlighting local quality compared to imports, especially from countries like Brazil and the EU.

- Ethical and Organic Product Alignment

Focusing on ethical and organic practices to appeal to modern consumers.

Warrenton Super Chicken's strategic roadmap, as envisaged from the research findings, highlights expansion into niche markets, cost reduction through vertical integration, product innovation, and operational efficiency enhancements. The plan focuses on tapping underserved markets, creating high-value products, forming strategic partnerships, and mitigating risks while differentiating from external competition.

Contributions of the study

The study reveals insights that directly benefit Warrenton Super Chicken by identifying strategies that enhance the producer's competitive edge in a challenging market. By focusing on quality, niche offerings, and exploring value-added products like specialized cuts and processed items, Warrenton Super Chicken can better meet customer

preferences. Additionally, the study suggests ways for Warrenton Super Chicken to streamline its value chain through vertical integration. This can reduce input costs and improve supply chain control. In so doing the study empowers Warrenton Super Chicken to implement strategies that are tailored to its operational realities.

Methodological Contributions

This study makes an important methodological contribution by using qualitative approaches to explore the unique challenges and strategies of small-scale poultry producers in South Africa. Currently, there is limited research on how small producers survive in an industry dominated by large players and cheap imports. This approach also provides a basis for future studies to quantitatively assess the impacts of strategies such as vertical integration and product diversification.

Theoretical Contributions

The study advances academic knowledge by applying value chain analysis in the context of small-scale poultry production, a sector that has received limited attention in academic literature. This study highlights the unique challenges faced by small producers and proposes value chain analysis as a practical tool for identifying competitive strategies in this context. This contribution provides a foundation for further research into the strategic management of small-scale agricultural enterprises in developing economies.

5.4 Areas for Future Research

Warrenton Super Chicken has hesitated to adopt brined chicken as a strategy to lower costs and compete in price-sensitive markets. Future research could explore the financial implications of adopting brining technology for small-scale poultry producers, and how dual product offerings (brine-free and brined) could help balance quality with affordability, enabling broader market segmentation.

While vertical integration was suggested to lower input costs, the financial risks associated with this strategy were substantial. Further research could evaluate the long-term viability of vertical integration for small poultry producers in South Africa, particularly in terms of cost-benefit analysis. Furthermore, forthcoming research can

investigate alternative models for achieving cost efficiencies without large capital investments.

As consumer preferences shift towards healthier and ethically produced products, understanding these preferences more deeply in emerging markets is crucial. Future research could focus on consumer behaviour and attitudes towards organic, brine-free, and free-range poultry. Emphasis can be placed on the factors influencing purchasing decisions, such as price sensitivity, ethical concerns, and brand loyalty.

Technological improvements, such as automated feeding systems and biosecurity enhancements, were cited as necessary for improving production efficiency. Future research could evaluate the cost-effectiveness of various technologies for small-scale poultry producers. Assessing which technologies offer the best return on investment and how these innovations can be scaled effectively in resource-constrained environments also need to be researched.

While government support was mentioned as a critical factor in improving competitiveness, the effectiveness of these programs remains underexplored. Future research could focus on assessing the availability, accessibility, and impact of government support programs (such as grants, training, and infrastructure development) on the competitiveness and sustainability of small poultry producers in South Africa.

5.5 Conclusion

This study explored the competitiveness of Warrenton Super Chicken by examining its operational challenges, market positioning, and strategic opportunities. Key strategies have been identified which can be used to enhance Warrenton Super Chicken's competitiveness through value chain analysis and insights from industry stakeholders. These include targeting niche markets, such as Halaal and SADC regions, implementing vertical integration initiatives. This has to be executed to reduce production costs, and diversifying product offerings by also providing processed chicken. Also highlighted are strategic partnerships and technological advancements which are considered critical for improving operations and reaching new markets.

While Warrenton Super Chicken's focus is on offering premium, brine-free products, the company needs to innovate and adapt to maintain a competitive edge in both premium and price-sensitive markets. The company has significant potential for growth if targeted investments in technology, market penetration strategies, and risk management are made.

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APPENDICES

APPENDIX 1 – Proof of English Editing

Word House
Word House

2024-11-20

This letter confirms that the editing group, **WordHouse**, language edited the field study of:

Mosimanegape Macomo

**Enhancing Competitive Strategies for Small-Scale Poultry Producers:
A Case Study of Warrenton Super Chicken**

submitted to the UFS Business School in the Faculty of Economic and Management Sciences in
partial fulfilment of the requirements for the degree
Magister of Business Administration

UFS Business School
University of the Free State
Bloemfontein

APPENDIX 2 – UFS ethical clearance

RESEARCH STUDY INFORMATION LEAFLET AND CONSENT FORM

DATE

The research will be conducted between March and May 2024

TITLE OF THE RESEARCH PROJECT

Enhancing Competitive Strategies for Small-Scale Poultry Producers: A Case Study of Warrenton Super Chicken

PRINCIPLE INVESTIGATOR / RESEARCHER(S) NAME(S) AND CONTACT NUMBER(S):

Mosimanegape Macomo *2017118726* *0723336925*

FACULTY AND DEPARTMENT:

*Economics and Management Science
UFS, Business School*

STUDY LEADER(S) NAME AND CONTACT NUMBER:

*Dr Peta Thomas
082 811 0045*

WHAT IS THE AIM / PURPOSE OF THE STUDY?

The aim of this research is to assess the impact of value chain analysis (VCA) on the competitive advantage of small-scale poultry producers in South Africa. As a case study, this investigation will concentrate on Warrenton Super Chicken. The study seeks to investigate the ways in which VCA can be utilised by small-scale producers to recognise and resolve competitive obstacles, optimise operations, and enhance their market standing in the industry.

By conducting a comprehensive analysis of Warrenton Super Chicken and the wider industry landscape, this research will provide significant insights for scholarly publications, industry standards, and policy development. Ultimately aiding the development and maintenance of small-scale poultry businesses amidst the ever-changing dynamics of the market.

WHO IS DOING THE RESEARCH?

Mosimanegape Macomo, Masters in Business Administration (MBA) student at University of the Free State, Business School.

HAS THE STUDY RECEIVED ETHICAL APPROVAL?

This study has received approval from the Research Ethics Committee of UFS. A copy of the approval letter can be obtained from the researcher.

Approval number: **UFS-HSD2024/0247**

WHY ARE YOU INVITED TO TAKE PART IN THIS RESEARCH PROJECT?

You are invited to take part in this research because you are a key role player and valuable informant in the poultry value chain of Warrenton Super Chicken, and have been selected to voluntarily participate in this study.

The process of participant selection was conducted using a purposive sampling strategy, which sought to obtain comprehensive and pertinent insights from a wide array of viewpoints within the poultry sector. The selection of participants was based on their capacity to provide significant insights relevant to the study's purpose and objectives, thereby guaranteeing an accurate understanding of the strategic opportunities and competitive challenges that small-scale producers like Warrenton Super Chicken experience.

WHAT IS THE NATURE OF PARTICIPATION IN THIS STUDY?

The main method of participating in this research is via semi-structured interviews. The purpose of these interviews is to collect comprehensive and detailed information regarding the processes, obstacles, and approaches associated with the implementation of value chain analysis as a means to improve the competitive edge of small-scale poultry producers in South Africa. In light of the research design, participants shall not be subjected to audio or video recordings without their explicit consent. Additionally, questionnaires, surveys, or focus groups shall not be utilised.

The research will utilise semi-structured, one-on-one interviews with participants to elicit their insights, experiences, and knowledge on a variety of crucial subjects pertinent to the study. Although the interviews are semi-structured, which affords some degree of latitude in the discussion, participants can anticipate inquiries that bear similarity to those specified in the interview guide. The inquiries will encompass both the practical elements of managing a poultry enterprise and the more strategic deliberations pertaining to value chain optimisation and competitiveness.

It is anticipated that every interview will have a duration of around 45 to 60 minutes. The purpose of this duration is to ensure that the conversation delves into an adequate level of detail while also validating the time commitments of the participants. The participants will be contacted at a time that is opportune for them in order to minimise any potential disruptions to their daily routines. Participants will be provided with a concise summary of the study and an interview guide prior to the interview.

The review period for this material is expected to be no longer than 15 minutes. Respondents will be granted the opportunity to provide additional clarifications or remarks promptly following the interview or for a brief period of time, usually not exceeding 15 minutes.

Considering the inherent characteristics of this research, participants face minimal physical hazards. The paramount concern is the preservation of confidentiality and sensitivity with regard to the information exchanged, particularly with regard to competitive strategies and business practices. Throughout the duration of the study, participants will be encouraged to express any unease or concerns they may be experiencing.

CAN THE PARTICIPANT WITHDRAW FROM THE STUDY?

Being in this study is voluntary, and you are under no obligation to consent to participation. If you do decide to take part, you will be given this information sheet to keep and be asked to sign a written consent form. Due to the fact that the method of participation is semi-structured interviews the participant is free to withdraw from the participation in the study at any time and without giving a reason.

WHAT ARE THE POTENTIAL BENEFITS OF TAKING PART IN THIS STUDY?

The research presents numerous prospective advantages for you as a participant, society and industry at large, These benefits include the following:

- The participants will be granted access to an overview of the study's results, which could potentially offer them beneficial insights into competitive strategies, industry trends, and value chain analysis best practices.*
- Participants make valuable contributions to knowledge by sharing their experiences and insights. This knowledge can be used to inform policy development, academic research, and practical strategies that are all focused on enhancing the competitiveness and sustainability of the poultry industry in South Africa.*

The data gathered and participation in the research will be handled with the highest level of confidentiality. Although the University of Free State, which is supervising the research, may have access to aggregated data or findings, this access will be strictly regulated by ethical guidelines in order to safeguard the privacy and confidentiality of all those who will be participating in the study.

WHAT IS THE ANTICIPATED INCONVENIENCE OF TAKING PART IN THIS STUDY?

Measures have been put in place to ensure that the participants experience minimal risks, inconveniences, or discomforts during the course of this research. Nevertheless, it is critical to recognise and attend to any concerns that you may have with respect to your participation in the study.

The measures implemented to mitigate the potential hazards are detailed in the table below.

Potential Risks and Inconveniences	Measures to Mitigate Risks
Confidentiality Risk	All data will be anonymized, personal or business identifiers removed from publications, data stored securely, access restricted to the research team, and participants assigned pseudonyms in reports or publications.
Psychological Discomfort	Participants can discontinue participation at any time if they feel uncomfortable.
Time Commitment	Interviews are scheduled at convenient times for participants to minimise disruption.

Although the anonymization of data significantly reduces the likelihood of individuals being identified through the study, the possibility cannot be completely eradicated, especially in a closely-knit industry where particular details may suggest individual identities. Before publication, you will be given an opportunity to examine the content for potentially identifying information in an effort to mitigate this risk.

WILL WHAT I SAY BE KEPT CONFIDENTIAL?

The data gathered and participation in the research will be handled with the highest level of confidentiality. Specific measures encompass the following: data anonymization to guarantee the exclusion of personal or business identifiers from the research outcomes; and strictly for academic research and analysis, utilising information; no disclosure of personally identifiable information to third parties without explicit consent.

Although the University of Free State, which is supervising the research, may have access to aggregated data or findings, this access will be strictly regulated by ethical guidelines in order to safeguard the privacy and confidentiality of the participants. Your answers may be reviewed by people responsible for making sure that research is done properly, including the transcriber, external coder, and members of the Research Ethics Committee. Otherwise, records that identify you will be available only to people working on the study, unless you give permission for other people to see the records. Before providing consent to participate in the study, you will be duly informed of the intended use of the information you will provide, the individuals who will be granted access to it, and the protocols that will be implemented to safeguard their information.

HOW WILL THE INFORMATION BE STORED AND ULTIMATELY DESTROYED?

Hard copies of your answers will be stored by the researcher for a period of five years in a locked cupboard/filing cabinet at a safe storage facility for future research or academic purposes; electronic information will be stored on a password protected computer. Furthermore, the collected information will also be kept in an organised manner, in secure cloud storage and/or external hard drive, to facilitate easy retrieval, and highly secure passwords will be used for access control. In instances where information has to be shared with other parties it will be done in compliance with all the legal and ethical frameworks prescribed, such as obtaining return permission from you as a participant on the content and/or type of information that can be shared.

The information collected including the names and/or identities of everyone participating will be destroyed in accordance with the university's policy on data destruction. You will be informed before and after destruction of information.

In the event that any harm or injury is ascribed to a participant's involvement in the research, prompt measures will be implemented to address the issue at hand, which may involve directing the individual to suitable support services. In light of the incident, the research team will conduct a comprehensive review in order to establish supplementary safety measures for subsequent participants.

WILL I RECEIVE PAYMENT OR ANY INCENTIVES FOR PARTICIPATING IN THIS STUDY?

There will be no payment or incentive for participation in the research project apart from gaining from the insights that the research outcomes will produce.

In the event that any harm or injury is ascribed to a participant's involvement in the research, prompt measures will be implemented to address the issue at hand, which may involve directing the individual to suitable support services. In light of the incident, the research team will conduct a comprehensive review in order to establish supplementary safety measures for subsequent participants.

HOW WILL THE PARTICIPANT BE INFORMED OF THE FINDINGS / RESULTS OF THE STUDY?

If you would like to be informed of the final research findings, please contact Mosimanegape Macomo on 072 3336925 or email 2017118726@ufs4life.ac.za. The findings are accessible for twelve (12) months.

Should you require any further information or want to contact the researcher about any aspect of this study, please contact 072 3336925 or email 2017118726@ufs4life.ac.za. Should you have concerns about the way in which the research has been conducted, you may contact Dr Peta Thomas on 082 811 0045 or via email on ptwaight@gmail.com.

Thank you for taking the time to read this information sheet and for participating in this study.

CONSENT TO PARTICIPATE IN THIS STUDY

I, the undersigned,

_____ (participant's full names to be included), (the
"Participant")

confirm that I voluntarily agree to participate in the research study referred to as the

_____ (the "Study") in relation to

and which Study is being conducted by

(insert the name of the researcher), (the “**Researcher**”).

I, the undersigned Participant, further confirm that–

1. the Researcher has explained the nature, procedure, potential benefits and anticipated inconvenience of my participation in the Study;
2. I have read (or had explained to me) and understood the Study as explained in the attached information sheet;
3. I have had sufficient opportunity to ask questions and am prepared to participate in the Study;
4. I understand that my participation in the Study is entirely voluntary and that I am free to withdraw at any time without penalty (if applicable);
5. I voluntarily provide the UFS and the Researcher with my personal information and consent to the UFS and the Researcher collecting, disclosing and processing my personal information in order to conduct the Study and any related activities in relation thereto;
6. I hereby acknowledge and confirm that I understand the purpose for which the UFS and the Researcher may collect, store, use, delete, destroy, outsource, transfer or otherwise process, as the context and circumstances may require and as contemplated in terms of POPIA, my personal information as set out herein;
7. I am aware that the findings of the Study will be anonymously processed into a research report, journal publications and/or conference proceedings and that my personal information will be aggregated and deidentified at such stage;
8. I also give the UFS permission to share, without notification, the collected data with other researchers at the UFS or other Higher Education Institutions. This permission is dependent on the same principles of ethical research practices, anonymity/confidentiality, safekeeping of information, and other issues listed above applying.

I, the Participant, agree to the recording of the *interview*.

Full Name of Participant: _____

Signature of Participant: _____ Date: _____

Full Name(s) of Researcher(s): _____

Signature of Researcher: _____ Date: _____

APPENDIX 3 – Interview Schedule

Introduction: I am trying to identify strategies to improve the competitiveness of Warrenton Super Chicken – a small chicken producer. I am a researcher undertaking an MBA from the University of the free State and my supervisor is Dr Peta Thomas.

SECTION A- DEMOGRAPHIC QUESTIONS
A1. What is your role in chicken production?
A2. How many years have you been in that role?
SECTION B - INTERVIEW SCHEDULE QUESTION
Q1. Why would a niche market be a possible strategy for competitive advantage for Warrenton?
Q2. What are the key factors influencing competitiveness in your industry or market?
Q3. How can you adapt to changing consumer preferences and behaviours to maintain or improve competitiveness?
Q4. How can you enhance your product or service quality to gain a competitive edge?
Q5. What is the customer's perception of the Warrenton Super Chicken brand, and how can it be improved to gain a competitive advantage?
Q6. Are there opportunities for strategic partnerships or collaborations that could enhance your competitiveness?
Q7. How can you improve your cost structure and operational efficiency to compete more effectively on pricing? Can this be achieved through vertical integration?
Q8. What are the potential risks and external threats that could impact your competitiveness if you decide to vertically integrate, and how can they be mitigated?
Q9. What are the best practices of industry leaders in terms of competitiveness, and how can you implement them in your organization?
Q10. What are the emerging trends and technological advancements that could impact your competitiveness?
Q11. How can you innovate and develop new products or services to meet changing customer demands in this industry?

Thank you for your time.