

**INFLUENCE OF MARKETING STRATEGIES ON PERFORMANCE OF
INSURANCE COMPANIES IN MERU COUNTY, KENYA**

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REQUIREMENTS FOR THE AWARD OF MASTER DEGREE IN BUSINESS
ADMINISTRATION (MARKETING OPTION) OF
MOUNT KENYA UNIVERSITY**

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**DECLARATION
AND
APPROV
AL**

Declaration by Candidate

I want to stress that this research project is completely unique and has not been submitted before for any kind of award or degree at any university.

Sign: 


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Approved by Supervisor

I attest that the applicant worked under my direct supervision to complete the tasks detailed in this research project.

Sign:  _____

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DEDICATION

I wish to dedicate this research to my family members.

ACKNOWLEDGEMENT

First and foremost, I thank God Almighty for the sustenance and giving me the strength to pursue and complete this research project work. Secondly, I sincerely thank my supervisor, **Dr. Peter Simotwo**, whose knowledgeable supervision proved to be really helpful to me as I labored to finish the project. I would want to express my deepest gratitude to the faculty and staff at Mount Kenya University for making it possible for me to pursue a Master of Business Administration degree. Lastly, I would like to use this opportunity to show my appreciation to Mr. John Kithinji, Head of Security at Mount Kenya University-Meru Campus for holding my hands high when I will be down.



ABSTRACT

This research investigates the effect of marketing strategies, specifically market penetration, market development, and diversification on the performance of insurance companies in Meru County, Kenya. As the insurance sector faces increasing competition and changing consumer needs, understanding the effectiveness of these strategies is crucial for enhancing organizational performance and sustaining growth. The study employs a mixed-methods approach, incorporating both quantitative and qualitative data collected through structured questionnaires distributed to a sample of insurance professionals in the region. The research findings reveal that market penetration strategies significantly influence the performance of insurance companies. Respondents indicated that effective pricing strategies, customer attraction initiatives, and competitive advantages are essential components of successful market penetration efforts. The analysis showed a strong positive correlation (0.72) between market penetration and performance, emphasizing its role in expanding market share and driving revenue growth. Additionally, the study highlights the importance of market development strategies in reaching new customer segments and fostering long-term growth. Respondents noted that aligning individual performance expectations with organizational goals enhances the effectiveness of market development initiatives. The results indicate a correlation coefficient of 0.75, reinforcing the idea that strategic alignment and effective partnerships are vital for successful market entry. Diversification strategies, while beneficial, were found to have a comparatively lower impact on performance, with a correlation coefficient of 0.70. The study emphasizes that while diversification can mitigate risk and enhance customer loyalty, it should not be the primary focus for insurance companies. Successful diversification must align with core competencies and involve careful market research to ensure effective implementation. The inferential analysis, including correlation, regression, and ANOVA, confirms the significance of these marketing strategies in enhancing organizational performance. The results demonstrate that effective market penetration and development strategies are critical for improving performance metrics, with implications for policy and decisionmaking within the insurance sector. In conclusion, this research contributes to the existing literature on marketing strategies in the insurance industry and offers practical recommendations for insurance companies in Meru County. By prioritizing market penetration and development strategies, while strategically implementing diversification initiatives, companies can improve their competitive advantage and overall performance. Future research could further explore the evolving dynamics of marketing strategies in response to technological advancements and shifting consumer preferences in the insurance sector.

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LIST OF ABBREVIATION AND ACRONYMS

PESTEL	Political, Economic, Social, Technological, Environmental and Legal
SPSS	Statistical Package for Social Sciences
TCG	Theatre Communications Group
UK	United Kingdom



CHAPTER ONE

INTRODUCTION

1.1 Background to the Study

Performance includes multiple activities that help in establishing the goals of the organization, and monitors the progress towards the target (Johnson et al., 2016). It is used to make adjustments to accomplish goals more efficiently and effectively. Organization performance is what business executives and owners are usually frustrated about. This is because even though the employees of the company are hard-working and are busy doing their tasks, their companies are unable to achieve the planned results. Results are achieved more due to unexpected events and good fortune rather than the efforts made by the employees. However, for any business to be successful, functions must be defined and accomplished. It is important for an organization to develop strategies that are designed around the skills that would enhance the performance of the organization. Performance is affected by myriad factors including: the lines of communication and command connecting these individuals (organizational authority structure and the degree of centralization), the resources and information to which the individuals have access, the nature of the task faced by the individuals, and the type and severity of the crisis under which the individuals operate (Richard et al., 2014).

Thus, performance refers to ability of an enterprise to achieve such objectives as high profit, quality product, large market share, good financial results, and survival at predetermined time using relevant strategy for action (Koontz & Donnell, 2018). Performance provides the basis for an organization to assess how well it is progressing towards predetermined objectives, identify areas of strength and weakness and decide on the future initiatives with the goal of how to initiate performance improvement

(Vanweele, 2016). Rowley (2016) used both financial and non-financial indicators. The financial indicators were a percentage growth in sales, labeled as sales growth and percentage profit margin labeled as profitability. They used public image and goodwill, quality of services and efficiency of operations as the non-financial indicator. Firms need to be competitive to serve chosen segments effectively in a meaningful and sustainable manner through development of appropriate marketing strategies. In the present-day business environment, market competitiveness is a function of how well firms can develop and implement strategies, but competitiveness also can impact the nature of chosen strategy by the firm (Hugh & Elizabeth, 2016). A strategy is an organization's commitment to particular products, markets, customers, competitive approaches, and method of business operation and that firms that strategically respond to competition improve their business performance and are able to remain competitive than those that do not (Bernard & Koerte, 2015). The firms' strategies should be characterized by a responsive work organization, based on co-operative relations not only within the firm but also in its relations with external partners such as customers, suppliers and competitors. Flexibility and adaptability are also considered as key management concepts to develop a sustainable competitive advantage, and successful firms apply them in new organizational strategies.

Pholphirul, Rukumnuaykit, Charoenrat, Kwenyou, and Srijamdee, (2021) examined a study on marketing strategies and performance of tourism and hospitality enterprises in Thailand. The focus of the study determined the extent in which service marketing strategies tend to affect enterprises in the tourism and hospitality industry, especially, operators in small numbers of tourists. The application of the 4P strategy implementation on the potential and profitability of service operators in Nong Khai Province, Thailand will be of significance. Asgarnezhad Nouri, Zarei, Bashirkhodaparasti, Saebnia, and

Nazer Asl, (2020) examining the impact of marketing capabilities and marketing strategies on business performance of export firms in Tabriz, Iran. Further, they claimed that in the current times, it is difficult to maintain customer satisfaction and loyalty due to expanding of globalization process, increase competition, entry of different domestic and foreign firms, diversified products and technology advancement. Therefore, utilizing marketing capabilities and strategies to service the in the competitive markets seems necessary as these factors can provide a good basis for improving the business performance of the firm.

In a study that will be examined by Amin, (2021) highlighted the significance of marketing strategy has been an operational focus and a method for achieving an allinclusive business success. Further claimed that promotional marketing strategy, price marketing strategy, place marketing strategy and product marketing strategy were considered to be the main aspects that positively influence the of Insurance companies in Abuja. (Akanji & Ogunsiji, 2020). Uwamariya and Gitahi, (2021) existence of marketing strategies and performance of commercial banks in Rwanda. Moreover, examined the objective of research will be to examine the influence of consumer retention strategies on the performance of Equity Bank in Rwanda. Evidently, the performance of the Equity Bank is determined by adoption on the various marketing strategies.

In Kenya, recruitment firms are particularly faced by fierce market forces in the local market originating from both local and foreign entrants to the market that have continuously reduced their profit margins and with this change, there is need to employ appropriate responsive marketing strategies since reliance of the old marketing strategies might not give desired results due to the changing consumer demands (Wilburn, 2016). To enhance performance and to survive from competition, the insurance companies have

had to come up with new marketing concept to maintain their market shares. The large insurance companies have over the years operated with strategies that ensured that they remain successful, however the uncertain business environment have increased the level of competitiveness, which is putting increasingly greater pressure to the insurance companies to acquire and to increase their competitive advantages through the adoption of appropriate marketing strategies. Therefore, to survive and thrive, the insurance companies have to make greater efforts to acquire or improve constantly their strategies, and as a result, their level of competitiveness can provide them a higher level of growth and performance.

1.1.1 Marketing Strategies

Marketing strategy is a procedure by which companies react to situations of competitive market and forces of market or react to environment forces and internal forces to enable the firms to achieve its objective in the target market (Slater, Hult, & Olson, 2015). The traditional marketing strategy is a plan for pursuing the firm's objective or how the company is going to obtain its marketing goals within a specific market segment (Walker, 2016). This implies that a firm's marketing strategy is a crucial determinant of successful firm performance and it can be considered to be a set of accurate, consistent, complete, realistic, specified, and valid actions designed to attain chosen firm objectives. This position will be consistent with the thinking in the marketing literature, to the extent that a more accurate and more complete data, with respect to the internal and external environments, helps facilitate the development of effective marketing strategy (Taghian, 2015).

According to Slater and Narver (2016) market penetration strategy involves organizations products and services are sold in existing markets. Therefore, the goal of the strategy for market penetration is to concentrate on increasing the current product or service market

share on the existing market. According to Levay, Drossinos and Thiel (2017) organizations adopt market penetration strategy to increase income from sales without altering the products or services. Therefore, it is argued that the after assessing the multiple alternatives and their intrinsic hazards, the selection of penetration mode is made at company level and is therefore a strategic decision for the company.

Ansoff (2017) defines market development as taking current products and finding new markets achieved through opening up previously excluded market segments, new marketing and distribution channels and entering new geographic markets. McCarthy (2015) developed two possible methods of implementing market development strategy as moving the present product into new geographical areas and expanding sales by attracting new markets. Market orientation enables firms to produce offerings, which, relative to offerings by competitors, are perceived by markets to offer better value (Day, 2014).

Diversification has been a key strategy employed by organizations in an attempt to improve their attractiveness and performance (Chen & Ho, 2014; Rogers, 2016). Teo (2017) observed that when opportunity for success is limited in a firm's product offerings and market, diversification into an area with opportunity is inevitable. Thus, generally, firms diversify to minimize risks as well as attain organizational goals through increased return on investment (Li & Jin, 2016).

1.1.2 Insurance Industry

The insurance industry plays a vital role in providing financial security and risk management solutions to individuals and businesses. However, customer retention remains a significant challenge for insurance companies worldwide, including those operating in Meru County, Kenya. In a competitive market, retaining customers is not only more cost-effective than acquiring new ones but also essential for maintaining a

stable revenue stream and fostering long-term growth. Meru County, located in the eastern part of Kenya, has seen a growing number of insurance providers vying for market share. Despite the increasing presence of these companies, many continue to experience high customer churn rates. This trend raises concerns about the effectiveness of their marketing strategies, which are crucial for attracting and retaining clients in an industry that heavily relies on trust and long-term relationships.

Marketing strategies in the insurance sector encompass various activities, including advertising, customer engagement, brand positioning, and service delivery. Effective marketing not only attracts new customers but also builds strong relationships with existing ones, ensuring their loyalty and continued patronage. However, many insurance companies in Meru County struggle with implementing effective marketing practices, leading to dissatisfaction and attrition among their customer base. Preliminary observations suggest that poor marketing strategies, such as lack of personalized communication, inadequate customer service, and minimal use of digital marketing tools, contribute to the high rate of customer turnover. Traditional marketing methods, while still relevant, are often insufficient in addressing the evolving needs and preferences of modern consumers who increasingly rely on digital platforms for information and services.

This study seeks to explore the specific marketing challenges faced by insurance companies in Meru County and to understand the impact of these challenges on customer retention. By identifying the weaknesses in current marketing approaches and analyzing their effects on customer loyalty, this research aims to provide actionable insights and recommendations for improving marketing strategies. The ultimate goal is to help insurance companies enhance their customer retention rates, thereby ensuring their sustainability and competitiveness in the market.

Understanding the dynamics between marketing strategies and customer retention in the context of Meru County will not only benefit local insurance providers but also contribute to the broader body of knowledge in the field of insurance marketing. This study, therefore, holds significant implications for both industry practitioners and academic researchers interested in developing effective marketing frameworks for the insurance sector.

1.2.2.1 Marketing Penetration Strategy

Putri and Hermawan, (2021) argued that marketing strategy is considered to be an effective tool that constitute to viewing of promotional and advertising strategies, even though not giving maximum profits as in pre- pandemic. Moreover, organization tend to adopt creative consultant needs to use a market penetration strategy aimed at improving the business performance. In competitive markets, a firm has to constantly adapt, update its offering and improve its market share to maintain or improve its positions (Auma & Waithaka, 2020). It will be evident that market penetration growth strategy tend to have a positive influence on the performance of any organization.

1.2.2.2 Marketing Development Strategy

Van Hong and Nguyen, (2020) emphasized on the fact that marketing development strategy is considered to be a critical contribution towards the business success that constitute of logistics service sector. The essence of marketing strategies existed and thus driven by work in logistics enterprises which constitute to increase of a company's general performance. On the other hand, Temchenko, Astafieva, and Bondarchuk, (2020) that marketing strategy management is the necessary components of improving the efficiency and production competitiveness, creation, development and realization of competitive advantage of enterprises in the market conditions. In order to exist, organizations must clearly define and perform its mission. Moreover, competition

encourages the enterprise to think of effective means to accomplish its mission and its competitive status.

1.2.2.3 Diversification Strategy

In today's dynamic and turbulent business environment, diversification is deduced as a catalyst for achieving competitive advantage and the creation of synergy in market operations (Oladimeji & Udosen, 2019). Therefore, organizations tend to operate in a highly competitive environment, especially among firms that produce the same or similar goods. Product diversification is considered to be a commonly seen as an expansion strategy that firms tend to adopt within their life cycles which determines the performance of the organization (Mendoza-Abarca & Gras, 2019)

1.2 Statement of the Problem

Customer retention is a critical challenge for insurance companies operating in Meru County, Kenya. Despite the growing number of insurance providers in the region, many firms struggle with high rates of customer attrition. This issue can be largely attributed to the ineffectiveness of current marketing strategies employed by these companies. In Meru County, insurance companies are increasingly facing difficulties in maintaining a stable customer base, which undermines their financial stability and market position. The reliance on outdated marketing techniques, inadequate customer engagement, and insufficient use of digital platforms have been identified as significant factors contributing to customer dissatisfaction and high churn rates.

Poor marketing strategies often result in a lack of personalized communication, ineffective promotion of services, and an overall disconnect between the company and its clients. These shortcomings not only fail to address the evolving needs and preferences of customers but also hinder the development of long-term, trust-based relationships essential for customer loyalty. The problem, therefore, is twofold: insurance companies

in Meru County are facing high customer turnover due to ineffective marketing strategies, and there is a lack of comprehensive understanding of how these strategies impact customer retention. This gap in knowledge impedes the ability of these companies to devise and implement more effective marketing approaches that could enhance customer satisfaction and loyalty.

Addressing this issue requires a detailed examination of the marketing practices employed by insurance companies in Meru County and their impact on customer retention rates. By identifying specific shortcomings in current marketing strategies and understanding their effects on customer behavior, this study aims to provide actionable insights and recommendations for improving marketing practices and thereby enhancing customer retention in the insurance sector.

Several studies have been undertaken both internationally and nationally on the need of marketing strategies by a firm. Covin, Green and Slevin, (2016) found that marketing strategies are more likely to be emergent and not explicitly intended than deliberate. Elbana and Child (2017) found that uncertainty is a crucial constituent that influences the marketing strategy making process since the uncertainty constituents play a significant role in the strategy making process. In the local scene, Masika (2017) did marketing strategies adopted by commercial banks in Kenya and found out that commercial banks in Kenya pursue marketing segmentation, product strategies, distribution, pricing, marketing relationship and promotions strategies.

Hassan (2018) carried a study on the effects of strategic organizational practices on the performance of manufacturing industry in Kenya and established that strategic management practices were major drivers of performance in the manufacturing industry. Nevertheless, none of these studies has covered the effects of marketing strategies namely market penetration, market development and diversification on customer retention

among insurance companies in Meru. There exists a research gap that needs to be addressed, therefore, this study seeks to assess the influence of marketing strategies on customer retention among insurance companies in Meru County, Kenya.

1.3 Purpose of the Study

This study will assess the influence of marketing strategies on performance of insurance companies in Meru County, Kenya.

1.4 Objectives of the Study

- i. To determine the effect of market penetration strategy on performance of insurance companies in Meru County, Kenya.
- ii. To examine the effect of market development strategy on performance of insurance companies in Meru County, Kenya.
- iii. To assess the effect of product development strategy on performance of insurance companies in Meru County, Kenya.
- iv. To analyze influence of diversification strategy on performance of insurance companies in Meru County, Kenya.

1.5 Research Questions

- i. What is the effect of market penetration strategy on performance of insurance companies in Meru County, Kenya?
- ii. What is the effect of market development strategy on performance of insurance companies in Meru County, Kenya?
- iii. What is the effect of product development strategy on performance of insurance companies in Meru County, Kenya?
- iv. What is influence of diversification strategy on performance of insurance companies in Meru County, Kenya?

1.6 Significance of the Study

The significance of the study lies in its potential to yield valuable insights and practical implications for various stakeholders involved in the Insurance companies in Meru County, Kenya. This study holds considerable significance for various stakeholders within the insurance industry and beyond. By analyzing the effect of marketing strategies on customer retention, insurance companies can gain insights into what works and what doesn't. This understanding can help them refine their marketing approaches to better meet customer needs and preferences. The study will provide actionable recommendations for improving marketing practices, which can lead to increased customer satisfaction and loyalty. Effective marketing strategies are crucial for reducing customer churn and ensuring long-term business stability.

Marketing professionals within the insurance sector can benefit from the study's findings by learning about the common pitfalls and successful strategies used in the industry. This can guide them in developing more effective marketing campaigns and customer engagement strategies. The study offers a framework for assessing marketing practices and setting benchmarks. Industry practitioners can use this information to adopt best practices and innovate their own marketing strategies. The findings can help policy makers and regulators understand the challenges faced by insurance companies in customer retention. This awareness can contribute to the development of policies and regulations that support better marketing practices and customer protection within the industry.

The study contributes to the academic field of insurance marketing by providing empirical evidence on the impact of marketing strategies on customer retention. It adds to the body of knowledge and can serve as a basis for further research. The research offers a valuable case study for students and researchers studying marketing strategies and customer retention in the insurance sector. As insurance companies implement better

marketing strategies, customers are likely to experience improved service quality and personalized attention. This enhances overall customer satisfaction and trust in the insurance sector.

By promoting better marketing practices, the study will help increase the competitiveness of the insurance market in Meru County. This can lead to better products and services for consumers, fostering a more dynamic and customer-focused industry.

1.7 Scope of the Study

This study will examine the effect of market penetration, market development, product development, and diversification strategies on performance of insurance companies in Meru County, Kenya. The study focuses on insurance companies operating specifically within Meru County, Kenya. It encompasses all insurance providers in the region, regardless of their size or market segment. The study covers marketing strategies and customer retention data within a specific period, typically focusing on the most recent practices and customer feedback from the past 1-2 years.

Primary data will be collected through surveys and interviews with customers and marketing managers of insurance companies in Meru County. Secondary data will be gathered from company reports, industry publications, and academic literature. The research will evaluate a range of marketing strategies, including traditional methods (e.g., print and radio advertising) and modern approaches (e.g., digital marketing, social media campaigns).

1.8 Limitations of the Study

Access to comprehensive and up-to-date data from insurance companies may be restricted. Companies might be reluctant to share detailed marketing practices or customer retention metrics. Efforts will be made to ensure a broad and representative sample of companies and to use available data sources effectively. Survey and interview

participants may provide socially desirable responses or be influenced by recent experiences, potentially skewing results. Anonymity and confidentiality will be ensured to encourage honest feedback, and responses will be cross-checked for consistency. Findings may be specific to Meru County and might not be applicable to insurance companies in other regions with different market dynamics or demographic profiles. The study's results will be contextualized within the Meru County market, and recommendations will be tailored to the local context. The study may not cover every possible marketing strategy or tactic used by all insurance companies due to the diversity and complexity of marketing practices. The research will focus on the most prevalent and impactful strategies, and areas of significant interest or concern will be prioritized.



Mount Kenya University

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter will present the empirical review, theoretical and conceptual frameworks recap of reviewed literature and knowledge gap.

2.2 Empirical Review

2.2.1 Market Penetration Strategy and Performance of Insurance Companies

Armstrong (2018) explains that market penetration is the mode in which a particular product gains a market share in a particular market. It can also refer to the way in which a particular product or brand shares a recognition in a particular market segment. All the modes of market penetrations are as a result of how effective the marketing strategy is effective. Thiam (2017), indicates that market penetration majorly focuses on gaining more and more customers in a market niche. It is majorly about harvesting customers in a market segment to try products by the organization. Market development however focuses on developing customer relations. Market development is in essence trying to cement a deeper relationship with the customer in order to win the customer's loyalty in the long run.

Njomo and Margaret (2016) study explored the impact of strategies for market entrance and authoritative turn of events: a soda case. The delineated irregular examining procedure has been utilized. The exploration haphazardly picked an example of 160 soda pop organizations. Information will be gathered and broke down utilizing both unmistakable and inferential factual devices. Connection examination will be utilized to distinguish the position and bearing of the two factors direct relationship. The discoveries demonstrated an organization between entrance strategies and authoritative turn of

events. Estimating technique for entrance has been negative and has no amazing impact on improvement of organization.

Ekwulugo (2018), reported that a way of also trying to dominate a particular market in order to rip from its full benefit is trying the different market penetration strategies. Also, in another study by Ardyan (2018) found out that the majority of organizations in the United States used market penetration strategies in order to gain a foothold in the markets they wished to control. He further points out that that market penetration can take various forms. Each form is dependent on the kind of marketing strategy that the firm will choose to adopt into their grand plan of market penetration. Market penetrations that assume a pricing strategy tend to control the prices of their products in the market. The prices can be low in order to try and have the advantage of attracting more customers, dominate the market with their products and also discourage new investments by other organizations into the market in which they are trying to be dominant.

According to Bonaglia and Goldstein (2016), studied on how effective the organization achieves its well down laid goals and strategies. It is how the organization employs its different strategies towards making sure that it has a good grip or footing in the market segment in which it selects. Organization performance is a measure success by the organization. A well ranked performance score by the organization is an indication that all the adopted strategies are working in the right way for the company. Organization performance encompasses three basic elements in the organization. The elements include the market performance, financial performance and the shareholder return. A good market performance is an indication of a proper grip in the market segment and thus the ability of the organization to have better financial records and thus offer good return on shareholder investments (Blackburn, Hart, & Wainwright, 2018).

Agyemag and Ryan (2018), found in order to achieve a market penetration success, there is the need for the organization to invest in a proper marketing strategy. A good marketing strategy makes the difference if the organization is to receive a proper market penetration in whichever segment it chooses to diversify in. There ought to be a comprehensive guide to marketing that is deeply embedded to every other strategy adopted by the organization. A marketing strategy is important in that it provides a guide into how the different aspect of production will take place. A good marketing strategy is the ultimate edge of an organization to its competitors. Tsiotsou and Vlachopoulou (2016), indicates that in trying to adapt to the strategy of pricing in order to gain a market penetration, it is always prudent to take in stock of the performance of the products in the market. It is not obvious that a low pricing strategy will work for any organization that seeks to make use of it. There are mixes of other factors that try to influence how successful the product will be in the market despite the pricing strategy that the organization will use in order to have a market advantage.

Pleshko, Heiens and Peev (2014), study on the impact of pricing strategy on organizational performance in India found out there exist a strong correlation between the pricing strategy of a product and the organization performance. Organizations are seen to perform better in a market segment when it has its pricing strategy to its focus. Pricing and quality of product seem to share a strong correlation. They found out that better quality products with a higher price seem to enjoy a better market domination than poor quality products with a low pricing strategy. In his study on the Apple Company, Dolata, (2017), found out that the reason for better performance of Apple products in the market will be due to the quality of products from their production line. Despite the high pricing strategy, apple has been able to dominate the Smartphone market and the reason for this will be a better quality of products.

In a study in the export market by organization, West, Ford, and Ibrahim (2015), notes that there are different elements that do affect the prices of products in the international market. The reasons for the different pricing strategy were out of the PESTEL model that mostly focused on political factors, economic factors, social factors, technological factors, environmental forces and legal forces. All these forces combined have a direct effect on the final price of the product. West, Ford, and Ibrahim (2015), states that market pricing works to enable the product gain a foot hold in the market. Penetration pricing helps the organization in trying to gain acceptance in the market. The penetration pricing strategy should be such that it offers the feeling to customers that the products are of better advantage compared to the competitors' products. Penetration pricing strategy can be used to launch a new product portfolio effectively or gain a market share in a new market segment.

2.2.2 Market Development Strategy and Performance of Insurance Companies

As indicated by Ansoff (2017), market improvement includes selling an all-around existing item into a market that will be not accepting the item previously; the technique can include offering the item to various client portion, selling the item in another territory or districts in which the item will be not being sold or even in business sectors out of the country. The procedures every organization set up to enter and work in the new market assumes significant part in the capacity of the organization to keep up its predominance on the lookout. A portion of the techniques utilized by organization to support the primary mover advantage incorporate making of high exchanging costs. With presence of one item on the lookout, a client embraces to the attributes of the item and the pioneer organization thinking that it's hard to change to different brands that later come into the market, this can be accomplished by offering excellent items that address the issues of

clients (Park, 2015). Organizations entering a market that had not been investigated requirements to make fitting dispersion channel, proper item bundling, evaluating.

An investigation on essential direction and firm execution in an imaginative climate expanding available direction research will be investigated by (Voss & Voss, 2015). The examination analyzed the effect of three option vital directions client direction, contender direction and item direction on an assortment of emotional and target proportions of execution in the charitable expert theater industry. The investigation established a twostage research plan related to Theater Communications Group (TCG), a public assistance organization for the charitable expert venue field. To test the speculations, the examination led a progression of relapse investigations that subbed the different exhibition measures as needy factors. For every exhibition measure, the examination directed a various leveled, directed relapse investigation that tests for free and communication impacts for the theorized mediator. The outcomes showed that the relationship between essential direction and execution changes relying upon the sort of execution measure utilized (Voss & Voss, 2015). In any case, the most unambiguous outcome will be that a client direction displays a negative relationship with endorser ticket deals, complete pay, and net excess/deficiency. The investigation's emphasis on a solitary aesthetic industry restricted the generalizability of the discoveries.

2.2.3 Product Development Strategy and Performance of Insurance Companies

Product development is part of a major focus and an approach by companies that seek to have a strong aspect or presence and domination in the market (Saban, Lackman, & Peace, 2015). It is part of a scheme to attain uniqueness in the products that it tries to channel out into the market. Product development aims at offering additional advantages to the customers by offering newer or additional characteristics to the products (Revilla & Knoppen, 2017). Often, the effort towards product development is aimed towards

addition of different characteristics to the products, making it unique thus offering an advantage to the customer. Zack, McKeen and Singh (2018), in their writing on product development indicate that product development can take the form of modification of the products in terms of its general presentation or still creation of an entirely new product in order to cover the interest of the targeted market thus having the direct benefit on the consumers of the product.

Product development is an interchange term with innovation of the product. Both processes assume the conversion of a product into an entirely new product or the modification for the sole purpose of fitting into the interest of the consumers (Farrell & Gallagher, 2014). Martinsuo, Suomala and Kannianen (2018), indicate that product development is often a strategy towards combating competition or trying to be ahead of the pack in the market segment. In today's business environment, competition has become rife and part of a growth strategy and market strategy is the adoption of product development and innovation. According to Blackburn *et al.*, (2018), the major expectation by consumers from the producers of products and services (organizations) is meeting the expectation of producing products and services that are satisfying to the consumers. An organization stands to lose both in market performance and other aspects such as revenue turnover when the products and services that they channel out to the market do not meet the general expectations of the consumers.

According to Linzalone (2013), that product development is as a result of globalization that has seemed to affect world market. In his argument he indicates that globalization has enabled companies reach newer markets and consequently offers competition to the dominant companies in those markets. In order to survive the market turbulence brought about by globalization, there is the need for companies to engage in product development. In his study on the performance of new products. Park (2015), observes that best

performing companies generate their revenues from the new products they launch in the market. Therefore, there is the need for firms to constantly engage in the new product development in order to register impressive sales figures.

In the study by Healy, Ledwith and O'Dweyer (2014) they state that there are fundamental reasons and a number of factors that lead a company to setting up its own approaches to new product development. Such factors can be listed as the size of the industry, type of products and the number of products that it channels out. The factors dictate how the organization is going to conduct the process of product development. Some industries actually focus their product development to putting additional technical specification to their products (Arthur & Mensah, 2016). Others focus their development towards easing the time of development of the product that is reducing the amount of time it takes to produce a product and consequently focusing on the mass production of the product.

Reddi and Moon (2017), reveal in their writings posit that for a smooth product development process, there are two basic factors that come into play. These are the processes towards the production of the product and the personnel that will be entrusted to handle the process towards production. Mahmoud and Hinson (2017), observe that the personnel aspect of product development involves the management of the organization, the persons that handle the product right from the production line to the market level and the feedback from the consumers of the product. These three stakeholders interact and try to look at the many ways in which to develop a new product or make improvements to the products. Fantasy and Salem (2016), also contribute to the common agreement among scholars that product development is out of intensive market research by the organization.

Investigating the mediating effects of an affiliation's not kidding strategy in the market course execution relationship, Ge and Ding (2015) used entrancing estimations, organization coefficients and reliabilities of the forms alongside mean scores on the three genuine methods. Considering an illustration of 371 gathering firms in China, evidence found that the three segments of market bearing apply different ramifications for genuine philosophy and execution. Among them, customer bearing has the most grounded relationship with genuine framework and market execution. The outcomes of essential condition examinations demonstrated that the mediating effect of genuine approach is overwhelmingly uncovered being developed strategy, the most imperative factor in making unmatched motivation for the organization in the creating industry area (Ge and Ding, 2015).

2.2.4 Diversification Strategy and Performance of Insurance Companies

Sharma and Anand (2018) diversification are a risk strategy that organizations employ through having a different range of products in its portfolio. They further explain that diversification aims at increasing the market share by the organization and consequently increasing profitability in the organization. According to Weiss (2016) diversification is a dictate of the market risk. After the risk levels have been worked out, it is prudent for the organization to work out a proper exit strategy in an event that a particular portfolio does not perform as expected or when the outcomes in the long run may not be favorable to the organization. Burkirwa (2017), indicates that diversification can also be seen as a strategy of penetrating into the new market segments by the organization. In diversification, organizations try to explore new market segments in order to reap maximum benefits and increase on its market base.

According to Hassan (2018), diversification and market performance stand to be the most researched concepts in the business circles today. However, the relationship between

diversification and market performance seem to be blurry in the outcomes. This is for the reason that the different methodologies that are used to measure the two parameters. Chen (2016), argues that the blurriness in the two aspects, diversification and market performance is out of the factors such as the negligence of various market strategies. This is because the dynamics of the different industries in which these organizations are placed affect the organizations in different ways. Diversification can also be looked at as the tool of domination in a market. Domination in diversification can be used as a tool in which the organization can give various choices and options in the market therefore overriding the consumers with its products in the market. Mensah (2014), observes that in large firms and more established markets, business managers have used diversification as a tool for market domination in that there is always an option from the same organization in the market.

In the study of the effect of diversification in the organizations in North America, Hashai (2015), reveal there are mixed results from diversification by firms. His comparison of firms that choose diversification versus the firms that chose to focus on a particular market and develop it to the best interest of the consumer, he found out that firms that chose to diversify performed rather poorly than the non-diversified firms. He concludes that diversification did not work out properly for firms in north America owing to the complex nature of markets the firms found themselves in and the strain in terms of resources both financial and personnel wise that were required. In a study by Dhandapani and Upadhyayula (2015), on the acquisition made by top 100 firms in the United States, he notes that more than twenty years down the line, the firms have already disengaged from the acquisitions or there is low business profitability from the acquisitions. He notes that the firms came to a sudden realization that the rush to acquire new markets and

competitors will be in futility as there will be not a good business sense in making the acquisitions.

Delbufalo, Poggesi and Borra (2016), tried to examine the impact of diversification on the firms In Italy. He noted that there is an increased tendency of firms to invest in regions outside China such as Australia and other eastern pacific countries. They noted that the reason that advised the corporates to conduct the diversification will be the need to reach newer markets before the competitors and the need to raise extra revenues. In their study, they noted that markets in China are very competitive and had a negative effect on the revenues that were being generated. Goryni, Nowak and Walniak (2014), on the effect of diversification in the pharmaceutical industry in Germany, he concludes the pharmaceutical industry is becoming less and less profitable in Germany. He notes that diversification in the pharmaceutical industry has to incorporate the element of technology as more and more health care treatments are moving towards integrating the aspect of technology in a bid to reach newer markets. the business model of these businesses has been pegged towards technology as it is of little or no meaning for a business to adopt technology whereas its core model does not make use of technology (Bresciani, Vrontis, & Thrassou, 2015).

In the investigation of diversification in insurance industries in Kenya, Ngandu (2014), notes that diversification has been of much value to the insurance sector in Kenya. Insurance firms that are found to diversify their markets and products are registered as better performers compared to the industry players who choose to operate on their core products. He notes that with the increase in wealth and incomes by citizens of the country, there is a rise of uptake in other insurance product such as health, education and insurance. Inoti, Onyuma and Muiro, (2014), in their study further points out that telecommunication industry especially in the emerging markets is under fierce increase

in competition. There is a rise in investments by firms that are more established into the emerging markets. This has led to the diversification by firms into other technological products such as mobile data in a bid to retain their profitability and market share.

2.3 Theoretical Framework

This study will be moored by the Igor Ansoff's Framework, and Resource Based View Theory.

2.3.1 Igor Ansoff's Theory

Igor (1957) posited that for an organization to increase its performance, it needs to achieve products and market growth through four different strategies which depends on whether or not a company or product is already present in the market. He considered two dimensions; one dimension is based on the product being either new or existing while the other dimension consider market as new or existing. The four main growth strategies include market penetration, market development, and diversification. The internal growth strategies pose different levels of risks and need for investment. Market penetration which involves selling more of existing products in already exiting market possess the lowest risk (Shroder, 2015), this strategy is aimed at achieving market dominance through gaining competitor's customers, attracting non-users and having the current users buy more (Gardetti, 2015). Organization could also opt to introduce new products in an already existing market by developing products that are closely related to the existing products, developing totally new products to match existing needs of customers or a product that rejuvenates the usage of existing product (Free- Management-e-Books, 2016) as a strategy, this strategy will be described by Igor (1957) as product development strategy. Diversification strategy proposed by Igor (1957) involves developing a totally new product and selling it in a new market that the organization will be not operating in, while market development entails selling the existing product into a new market. Both

diversification and product development pose the highest risk and are the least employed growth strategies (Shroder, 2015). This theory is very important to the study because the management of the recruitment companies will get to evaluate the products that they offer and decide whether to sell their old products or even create new ones as long as they market them in a good way which will attract more customers. The theory supports market penetration strategy, market development strategy and diversification strategy.

2.3.2 Resource Based View Theory

Wernerfelt (1984) characterized organization's asset as both substantial and immaterial resources which are tied semi-forever to the firm. The capacity of an organization to misuse the assets that the business has upgrades its upper hand (Wernerfelt, 1984). As indicated by Petaraf and Barney (2013) organizations in a comparable industry have diverse measure of assets suggesting that some organizations are more gifted to accomplish certain targets and capacities than others since they have one-of-a-kind assets, moreover in the event that different organizations can't copy these assets, at that point the controlling organization is bound to create more upper hand over others in the business (Petaraf & Barney, 2013). Organizations market-based assets identify with those resource and abilities that are either utilized in building brands, connections, advancement or information. These resources' structure basic base in affecting an organization's presentation (Srivastava et al., 2018). Resource based theory is therefore relevant to this study as it helps in understanding the importance of identifying rare, non-imitable and non-substitutable marketing resources, competencies and capabilities relevant to the insurance companies and the effect on their performance.

2.4 Conceptual Framework

Independent Variables

Dependent Variable

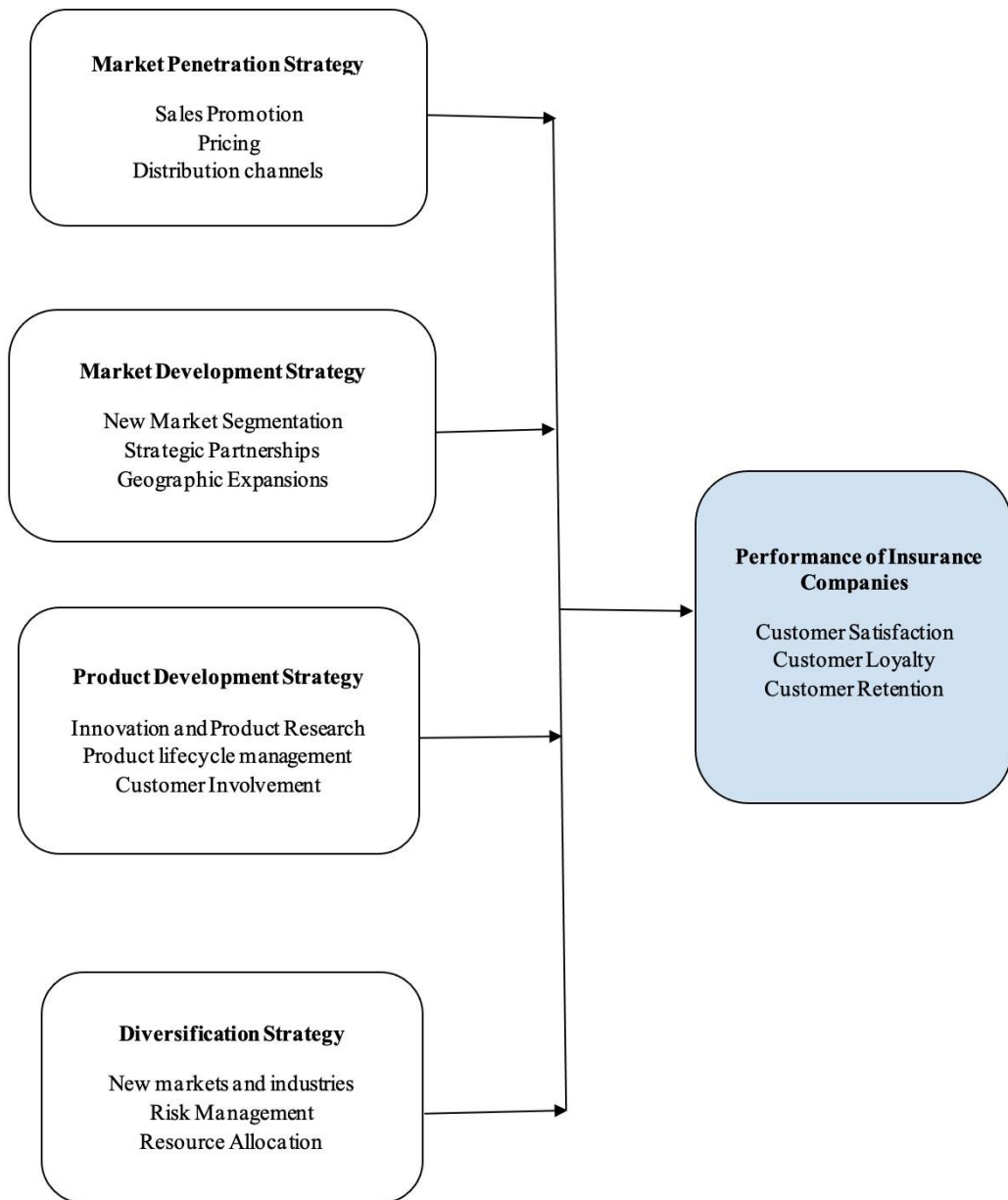


Figure 1: Conceptual Framework

Source: Researcher (2024)

2.4 Summary of Literature Review

The Resource-Based theory which determines the strategic resources available to a firm. These resources can be exploited by the firm in order to improve the performance of the firm to increase in profits which lead to increased market share which leads to a firm's growth. The theory will be introduced by Wernerfelt (1984) with the idea of resource position barriers being roughly analogous to entry barriers in the positioning. The

empirical review shows previous studies, which have been conducted, therefore this study will be current and address current problems in the industry.

Njomo and Margaret (2016) study explored the impact of strategies for market entrance and authoritative turn of events which will be a case study of soda. Pleshko, Heiens and Peev (2014), study on the impact of pricing strategy on organizational performance in India found out there exist a strong correlation between the pricing strategy of a product and the organization performance. In his study on the Apple Company, Dolata, (2017), found out that the reason for better performance of Apple products in the market will be due to the quality of products from their production line. The studies reviewed above are from soda companies, Apple manufacture and most are based in developed countries which are not in the same cluster with Kenya. Therefore, this study will be specific to the marketing strategies and performance of insurance companies in Meru County, and will aim to fill the research gap on the effect of marketing strategies on performance of insurance companies in Meru County, Kenya. As indicated by Ansoff (2017), market improvement includes selling an all-around existing item into a market that will be not accepting the item previously; the technique can include offering the item to various client portion, selling the item in another territory or districts in which the item will be not being sold or even in business sectors out of the country. Product development aims at offering additional advantages to the customers by offering newer or additional characteristics to the products (Revilla & Knoppen, 2017). Investigating the mediating effects of an affiliation's not kidding strategy in the market course execution relationship, Ge and Ding (2015) used entrancing estimations, organization coefficients and reliabilities of the forms alongside mean scores on the three genuine methods. These studies have been carried out in countries like China whose GDP is way bigger than that of Kenya, also they have not focused on insurance companies which is our aim.

Therefore, there exist a research gap on the effect of marketing strategies on performance of insurance companies in Meru County, Kenya.

Diversification strategies are very crucial for an organization due to its financial intermediary nature. The benefits obtained from diversifying risks are key in organizations as management of risks is part of the financial firm's business. The literature reviewed has indicated that product diversification and organization performance is related positively and negatively with product diversification negatively respectively (Burkirwa, 2017). Further, a study done on Italian organizations showed that income diversification increased risk-adjusted revenues and indicated limitations in the diversification gains when the organizations expanded (Delbufalo, Poggesi & Borra, 2016). The studies reviewed above are mainly done in the developed countries whose institutions diversification strategies effects on performance are different from that of organizations in Kenya. Therefore, there exist a research gap on the effect of diversification strategy on performance of insurance companies in Meru County, Kenya.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter will give an overview of the methods and procedures that will be adapted by the study in order to establish the effects of marketing strategies on performance of insurance companies in Meru County, Kenya. This section comprises of research design, research locale, target population, determination of the study sample data, data collection measures, data processing, and analysis, and ethical consideration.

3.2 Research Design

The study will employ descriptive survey research design. Descriptive survey approach according to Kothari (2014) is concerned with finding out; Where? What? and the How?

of a phenomenon. As per this study, descriptive design is deemed good because the main aim of the study is to establish the effects of marketing strategies on performance of insurance companies and to analyze the outlined matters of the research. Descriptive research design will be good in enabling the researcher generalize to a larger population, thus the research will be deeming the method best for the study.

3.3 Target Population

A study population is a specific or a well-defined group of people, households, set of things, firms, events, services, elements which are investigated (Mugenda & Mugenda,2008). Thus, a research study population should be able to fit a certain specification, which the researcher is studying and the population should be homogenous. The researcher specifically targeted the 20 marketing managers and 500 customers across various insurance companies in Meru County.

Table 1: Target Population

Category	Target Population	Percentage
Top Level Management	7	1.3%
Middle Level Management	13	2.5%
Customers	500	96.2%
TOTAL	520	100

Source: Insurance Companies in Meru County. (2023)

3.4 Sample Size and Sampling Procedures

This research will assess the influence of marketing strategies on performance of insurance companies in Meru County, Kenya. However, from the possible 520 target population, stratified and simple random sampling will be employed to select respondents from each of these insurance companies and obtain a sample population. Kothari (2014) argues that if well chosen, samples of about 30% of a population can often give good reliability findings. In addition, Mugenda and Mugenda (2012) states that in stratified sampling where population within each stratum is known, a sample of about 66% is

adequate representation for data collection. The management and customers are deemed suitable for the study as they have better knowledge and awareness on the issue at stake and provided specific information from a personal perspective. This study adopted Yamane's recipe to register the example as illustrated:

$$n = 1 \frac{N}{1 + Ne^2} + Ne^2$$

Where:

n = sample size

N = population of the study

e = level of significance (5% level of significance)

N = target population = 520

$$n = \frac{520}{1 + 520(.05)^2} = 226$$

Sample Size = 226

Table 2: Sample Size

Category	Target Population	Sample Size
Top Level Management	07	3
Middle Level Management	13	6
Customers	500	217
TOTAL	520	226

Source: Researcher (2023)

3.5 Data Collection Instruments

This study will utilize questionnaire for the customers and interview schedules for the marketing managers. According to Cox (2012) there are many methods of data collection. Primary data will be gathered directly from respondents and for this study the researcher used questionnaire. The research instruments will be organized based on the objectives of the study. The researcher will administer a survey instrument (questionnaire) to each member of the sample population. The questionnaire will consist of two sections, where the first part will be mainly containing information on personal background which included gender, age, and level of education. This will enable the

researcher to know the nature of the respondents, while the second part will focus on the influence of the effects of marketing strategies on performance of insurance companies in Meru County, Kenya. This will enable the researcher to be in a position to analyze the effects of marketing strategies on the performance of insurance companies in and any other factors not mentioned in the study.

Uma (2016) believes that questionnaires are especially valuable because they are efficient in terms of researcher time, researcher effort, and financial resources. Although, he also examines the major drawbacks of questionnaires: the simplicity of answers yielded, the problem of respondents who are unmotivated or unreliable, the famous halo effect, the acquiescence and prestige biases, issues concerning selfdeception and respondent literacy, and the effect of fatigue in cases where the questionnaire is long. In order to meet the research objectives, the research used both structured and semi structured questionnaires. The closed ended questionnaire items will be included in order to limit irrelevance to the questionnaire objectives. According to Bailey *et al.*, (2013) questionnaires make each respondent respond to the set of questions and provide efficient way of collecting responses from a large sample prior to the quantitative analysis. Accordingly, in applying descriptive design, primary data will be essential for the study.

3.6 Validity and Reliability of Research Instruments

3.6.1 Pilot Testing

The aim of the pilot study is to test the reliability of the questionnaires. According to Fisher (2014), a pilot test is necessary for testing the reliability of data collection instruments. Cox (2012), explains reliability of research as determining whether the research truly measures that which it is intended to measure or how truthful the research results. Pilot study will be conducted in a neighboring county of Tharaka to detect weakness in design and instrumentation and to provide proxy data for selection of a

sample. The pilot data will be not included in the actual study. The clarity of the research instruments to the respondents will be established so as to enhance the instrument's validity and reliability. The pilot study will enable the researcher to be familiar with research and its administration procedure as well as identifying items that require modification.

3.6.2 Validity of Research Instruments

Validity refers to the status in which the instruments measures what it supposed to measure; (Orodho, 2009). Validity will be assessed through a qualitative examination of the research instruments to confirm their accuracy, correctness, and appropriateness in capturing the required data. The supervisor will evaluate the face and content validity of the questionnaire to ensure comprehensive coverage of relevant variables and precise measurement of key constructs essential for the study's objectives.

3.6.3 Reliability of Research Instruments

Reliability in this study refers to the consistency of results obtained from the research instruments across multiple administrations. Following the principles outlined by Mugenda and Mugenda (2013), reliability will be established through the test-retest method, where the same set of insurance companies will be surveyed at different intervals. Internal consistency will be assessed using Cronbach's Alpha to measure the reliability of the questionnaire. A coefficient greater than 0.7 will indicate strong reliability, ensuring that the data collected accurately represents the performance metrics of marketing strategies and performance of insurance companies over time.

3.7 Data Collection Procedures

Research assistants will be hired to help with the data gathering process. Prior to their deployment for data collection, they will be sensitized on main and specific objectives of the study. To streamline data collection process research permit will be sought from

Mount Kenya University School of graduate studies and National Commission for Science and Technology (NACOSTI). The two letters will be presented in the insurance department and a formal request for data collection will commence

3.7 Data Analysis Procedures

Quantitative data will be collected using questionnaires and analyzed by the use of descriptive statistics using SPSS (SPSS-version 28) and will be presented through percentages, means and frequencies. The information will be displayed by use of frequency tables and figures. Content analysis will be used to analyze data collected from the open-ended questions. According to Kirk and Miller (2016), content analysis uses a set of categorizations for making valid and replicable inferences from data to their context. This will offer a systematic and qualitative description of the objectives of the study. In addition, the researcher will conduct a multiple regression analysis so as to determine the relationship between performance of insurance companies and the variables of the study. The regression equation guided the study will be ($Y = \beta_0 + \beta_1X_1$

+ $\beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \epsilon$):

Whereby;

Y = Performance of Insurance Companies

X1 = Market Penetration Strategy

X2= Market Development Strategy

X3 = Product Development Strategy

X4 = Diversification Strategy

B0 = Constant of Regression ϵ

= Error Term

β_0 β_1 β_2 and β_3 are the regression equation coefficients for each of the variables discussed.

3.8 Ethical Considerations

Ethics in research is about the appropriateness of the researcher's behavior in relation to the rights of those who become the subject of a research project, or who are affected by

it and protecting them from harm (Saunders et al., 2017). Research misconduct includes fabrication, falsification or plagiarism in proposing, performing or reviewing research (Christensen et al., 2014). The study will observe both the beneficence and no maleficence principles, which stand for doing good and doing no harm, respectively (Zikmund et al., 2013). Research ethics in this study will be guided by standards of ethical behavior widely accepted in the research community, namely voluntary participation, informed consent, and confidentiality. Specifically, due care and attention will be paid in order to protect the identity of everyone giving information. The objective of the study will be made clear to all respondents and confidentiality assured in their responses. The questionnaire will not require personal details of the respondents but only the information about the study objectives.

This investigation will be solely for academic purposes of a Master's degree and can be shared with the insurance companies in the county. The research will carefully ensure full adherence to the regulations governing research work by approaching all participants with respect. The researcher will ensure that all respondents are enlightened on the nature and purpose of the research and no one will be forced to respond to questions.

CHAPTER FOUR

RESESARCH FINDINGS AND DISCUSSION

4.1 Introduction

This chapter presents the analysis and discussion of the data collected on the influence of marketing strategies on the performance of insurance companies in Meru County, Kenya. It is structured around the study's objectives, focusing on the respondents' sociodemographic characteristics and their responses to the various marketing strategies— market penetration, market development, product development, and diversification strategy. Statistical analysis is performed to highlight key trends, and a discussion grounded in relevant literature follows.

4.2 Response Rate

The study targeted a total of 226 respondents, comprising both customers and marketing managers from insurance companies in Meru County, Kenya. A total of 206 questionnaires were successfully completed and returned, representing a response rate of 91.2%. This high response rate can be attributed to the direct distribution of questionnaires and follow-up reminders to ensure maximum participation.

4.3 Socio-Demographic Characteristics Table 3: Socio-Demographic Characteristics

Demographic Variable	Category	Frequency	Percentage (%)
Gender	Male	126	61.2
	Female	80	38.8
Age	Below 20	18	8.7
	21–30	72	35.0
	31–40	64	31.1
	41–50	30	14.6
	Above 50	22	10.7
Duration with the Company	Less than 10 years	84	40.8
	10–15 years	56	27.2
	16–20 years	38	18.4
	Over 21 years	28	13.6
Level of Education	Degree Holder	78	37.9

Demographic Variable	Category	Frequency	Percentage (%)
Holder	86	41.7	Diploma
Secondary	30	14.6	Primary 12 5.8

Source: Research Data, 2024

From the data collected, 61.2% of the respondents were male, while 38.8% were female. This finding reflects the insurance sector's gender distribution, where males are more likely to occupy decision-making positions or engage in insurance services. The underrepresentation of females suggests that targeted marketing strategies focusing on women may be required to improve inclusivity.

Most of the respondents were within the age brackets of 21–30 years (35%) and 31–40 years (31.1%). These age groups are typically characterized by an increasing demand for financial services, including insurance, as individuals in these cohorts are at stages in life where they accumulate assets, such as homes, vehicles, or businesses. Individuals above 50 years represented only 10.7% of the respondents, indicating that the elderly may either have limited engagement with insurance products or represent a smaller proportion of the insured population.

When asked how long they had been benefiting from their insurance provider, 40.8% of respondents indicated they had been with their company for less than 10 years, while 27.2% had maintained insurance relationships for 10–15 years. This suggests that the majority of customers are relatively new, implying potential room for the development of loyalty programs. On the other hand, 13.6% had been with their insurers for over 21 years, which demonstrates strong long-term customer relationships that could be critical for promoting customer loyalty through appropriate marketing strategies.

Regarding education, 41.7% of respondents were diploma holders, followed by 37.9% degree holders. The remaining participants had either secondary (14.6%) or primary

(5.8%) levels of education. This data highlights that most respondents are fairly educated, which can influence their understanding of insurance products and engagement with diverse marketing strategies. Educated consumers are often more critical and require sophisticated marketing approaches that emphasize value, clarity, and trust in the company's services.

4.4 Market Penetration Strategy Table 4: Market Penetration Strategy Statement Mean

	SA (5)	A (4)	N (3)	D (2)	SD (1)	Std Dev
The pricing strategy normally influences market penetration.	90	70	28	12	6	4.10 0.96
Market penetration enables the company to come up with a pricing strategy.	82	74	24	18	8	4.00 1.06
Market penetration enables the company to match its price with market share.	78	68	36	16	8	3.92 1.08
Market penetration is crucial for business performance.	100	66	20	14	6	4.16 0.99
Market penetration is essential for promotion strategies.	86	70	30	14	6	4.05 1.01
Market penetration enhances marketing activities that focus on attracting customers.	88	76	26	10	6	4.12 0.98
Market penetration enhances search for new product distribution channels.	84	72	28	14	8	4.02 1.04
Market penetration enables access to new customers in the market.	92	68	26	12	8	4.09 1.01
Market penetration is essential for enhancing competitive advantage.	96	74	24	8	4	4.21 0.91

Source: Research Data, 2024

Market penetration strategy is a critical component of a company's efforts to increase its market share within existing markets by implementing tactics such as competitive

pricing, promotional efforts, and distribution channel expansion. This section will provide a detailed analysis of the responses gathered from the participants regarding market penetration strategy and its impact on the performance of insurance companies in Meru County.

The majority of respondents (90 out of 206) strongly agreed, and 70 agreed that pricing strategy has a significant impact on market penetration, with a mean score of 4.10 and a standard deviation of 0.96. This indicates that most participants perceive pricing as a crucial determinant of an insurance company's ability to attract and retain customers. The relatively low standard deviation implies that responses were consistent across the board. Pricing is a critical factor in market penetration because it influences how customers perceive the value of the product or service in relation to its cost. A well-structured pricing strategy can lead to increased sales volumes, thereby enhancing a company's market share. This is particularly true in the insurance sector, where consumers tend to be price-sensitive, especially in a competitive environment where several companies offer similar products. Insurance companies that offer affordable premiums while maintaining the quality of their services are more likely to succeed in penetrating the market.

This finding is consistent with the study by Lamb, Hair, and McDaniel (2015), who argue that competitive pricing can lead to better market penetration, particularly in highly saturated markets. By aligning pricing with the purchasing power and preferences of the target market, insurance companies can increase their market presence.

When asked whether market penetration enables the company to align its pricing strategy with the market share it aims to attract, most respondents agreed, with a mean score of 3.92 and a standard deviation of 1.08. This suggests that pricing strategies in the

insurance industry are not only about competitive pricing but also about aligning those prices with the company's goals in terms of market share.

In the insurance sector, aligning pricing with desired market share means creating a balance between offering affordable premiums to attract customers and ensuring that the company remains profitable. By setting prices that reflect the target market's ability to pay, companies can achieve greater market penetration while maintaining customer satisfaction. For example, offering lower premiums for new customers or bundling products at discounted rates are common practices for increasing market share. Kotler and Keller (2016) also emphasize the importance of pricing strategies that reflect market dynamics and competitive positioning. Companies that understand the pricing structures in their industry and adjust their strategies accordingly are better positioned to achieve their market share goals.

A strong agreement (mean = 4.16, SD = 0.99) was observed regarding the role of market penetration in improving business performance. Market penetration strategies, such as promotional campaigns and pricing adjustments, were seen as critical for business growth in the insurance sector. The fact that 100 respondents strongly agreed and 66 agreed on this matter highlights the consensus that market penetration drives key performance metrics.

Business performance in insurance is typically measured through revenue growth, customer acquisition, and policy retention rates. When companies successfully implement market penetration strategies, they tend to experience improvements in these areas. The ability to tap into new customer segments or increase policy renewals from existing clients directly influences the overall financial health of an insurance firm. This finding is supported by Jobber and Fahy (2015), who argue that market penetration enhances business performance by increasing a company's visibility and expanding its

customer base. By aggressively promoting its products and services, an insurance company can capture a larger portion of the market, which translates into higher sales volumes and improved financial results.

Respondents also highlighted the importance of promotional activities in market penetration, with a mean score of 4.05 and a standard deviation of 1.01. Promotional strategies, such as advertising, customer outreach programs, and product demonstrations, were perceived as essential in attracting more customers to insurance products. Promotional strategies are vital for creating awareness of insurance products and services, particularly in a market where consumers may not fully understand the value of insurance. Effective promotions can educate customers about the benefits of having insurance coverage, thereby encouraging more people to purchase policies. Furthermore, promotions help companies differentiate their products from competitors, which is particularly important in a crowded market where customers are faced with numerous options.

As stated by Gronroos (2013), effective promotion is crucial for creating brand awareness and customer engagement. In the insurance industry, promotions that highlight the unique features of a company's products, such as specialized coverage or premium discounts, are likely to resonate with potential customers and lead to higher market penetration.

A significant number of respondents agreed that market penetration enhances the search for new product distribution channels (mean = 4.02, SD = 1.04) and enables access to new customers in the market (mean = 4.09, SD = 1.01). The expansion of distribution channels is seen as a critical factor in reaching new customer segments and increasing market share.

In the insurance industry, distribution channels refer to the various methods used to sell policies, such as direct sales, online platforms, insurance brokers, and agents. Expanding distribution channels allows insurance companies to reach customers who may not have been aware of their products or who prefer different purchasing methods. For example, the rise of digital platforms has allowed insurance companies to tap into tech-savvy customers who prefer purchasing policies online.

Research by Ansoff (2014) suggests that expanding distribution channels is an effective market penetration strategy because it allows companies to reach a broader audience. By offering multiple ways for customers to purchase policies, insurance firms can increase their market presence and acquire new customers more easily.

Respondents overwhelmingly agreed that market penetration strategies are essential for enhancing competitive advantage (mean = 4.21, SD = 0.91). Competitive advantage is crucial for insurance companies, as it allows them to differentiate themselves from competitors and establish a stronger position in the market.

Achieving competitive advantage through market penetration involves offering superior products, better customer service, or more attractive pricing than competitors. Insurance companies that can successfully penetrate the market by offering better value propositions are more likely to retain customers and attract new ones.

Prahalad and Ramaswamy (2014) emphasize that market penetration allows companies to strengthen their competitive position by increasing brand visibility and customer loyalty. By continuously improving their products and services and making them more accessible to customers, insurance companies can sustain their competitive edge over time.

4.5 Market Development Strategy Table 5: Market Development Strategy Responses

Statement	SA	A	N	D	SD	Mean	Std Dev
It enhances alignment of individual performance expectations with organizational goals.	40	35	15	5	5	4.1	0.98
Supervisory activities enhance development in performance goals collaboratively with direct reports.	45	30	10	8	74.0	1.02	
Provision of fair, constructive, and timely feedback towards performance expectations and goals.	50	28	12	7	34.2	0.87	
Need for evaluation of employee's work that determines performance.	42	34	10	7	7	4.0	1.05
Level of complexity and nature of the job determines performance.	47	29	8	9	7	4.1	0.94
Statement	SA	A	N	SD	Mean	Std Dev	Std Dev
Members should team up with the need of achieving a general objective.	53	30	8	5	4	4.3	0.88
Leadership skills and self-efficacy perception enhance performance.	49	33	6	6	6	4.2	0.89
Leadership is a key foundation for empowering and enhancing performance.	55	30	7	5	2	4.4	0.78

Source: Research Data, 2024

Market development strategies play a critical role in the performance and growth of companies, particularly in industries such as insurance. Based on the table above, respondents predominantly support the various aspects of market development strategies, as indicated by the high mean scores across all the surveyed statements. The analysis breaks down the key areas, including alignment of individual goals with organizational objectives, supervisory activities, feedback mechanisms, and leadership's role in performance enhancement.

One of the key findings from the data is that market development strategies enhance the alignment of individual performance expectations with organizational goals. This statement received a high level of agreement, with a mean score of 4.1 and relatively low standard deviation (0.98), indicating that most respondents share this perception. The alignment between personal and organizational goals is crucial for any company aiming to expand its market. In the insurance industry, this translates to employees working towards both personal career goals and the broader objectives of customer acquisition, product innovation, and revenue growth.

According to Armstrong and Taylor (2020), aligning individual performance with company goals ensures that employees are motivated and committed to contributing to the company's overall mission. In this context, insurance companies in Meru County can implement performance management systems that ensure employees understand how their individual targets, such as customer retention and policy sales, fit into the broader company strategy.

The data also suggests that supervisory activities play an important role in the development of performance goals in a collaborative manner. With a mean score of 4.0, respondents agree that supervision should involve open communication and mutual goalsetting. This strategy is particularly relevant in the insurance sector, where frontline employees, such as sales agents, must work closely with their supervisors to ensure they meet performance metrics related to market development.

Supervisory activities, when done effectively, create an environment that fosters teamwork, mentorship, and the development of new skills. In the insurance industry, effective supervision means managers can guide their teams toward achieving customer growth and penetration in untapped market segments. Supervisors can provide real-time

feedback, identify areas where employees need additional training, and help align efforts with the overall market development goals.

As noted by Torrington et al. (2017), supervision should not only be about monitoring performance but also about enhancing an employee's potential through leadership and collaboration.

The provision of fair, constructive, and timely feedback is another critical aspect highlighted by respondents. The mean score of 4.2 demonstrates strong agreement that feedback mechanisms are necessary for the continuous improvement of employee performance, which, in turn, enhances market development. This aligns with modern performance management theories that emphasize the importance of real-time feedback rather than annual reviews.

In an industry like insurance, where employees frequently interact with clients, providing timely feedback on their performance can help them improve customer service and sales strategies. Constructive feedback allows employees to understand what they are doing well and where they need improvement, contributing to their professional growth and the company's overall market performance.

Research by Dessler (2019) supports this view, arguing that continuous and constructive feedback can significantly enhance individual and organizational performance. Insurance companies in Meru County should therefore implement robust feedback systems to ensure that employees are continuously developing and contributing to the company's market development strategies.

The level of complexity and the nature of the job were identified by respondents as key determinants of performance, with a mean score of 4.1. This suggests that respondents believe the nature of work in the insurance sector is complex and requires careful management and development of specialized skills. For example, underwriting policies

or managing customer claims requires employees to have in-depth knowledge of both the products and the legal frameworks governing insurance in Kenya.

Understanding job complexity is vital for insurance companies because it allows them to tailor their market development strategies accordingly. Employees tasked with complex roles may require more training and development, while simpler roles can be filled by entry-level personnel. By ensuring the right people are in the right roles, insurance companies can maximize their market development efforts.

According to Mullins (2018), job complexity should be accounted for in organizational planning, as it directly affects an employee's ability to perform efficiently. This is particularly relevant in sectors like insurance, where technical knowledge and decisionmaking are crucial.

Leadership was identified as a key foundation for empowering employees and enhancing performance, as indicated by the high mean score of 4.4. Respondents overwhelmingly agreed that strong leadership is critical to market development, particularly in sectors that rely heavily on human capital, such as insurance. Leadership fosters an environment of motivation and innovation, enabling employees to perform better and contribute to the company's growth.

Self-efficacy, or the belief in one's ability to succeed, was also seen as a crucial factor, with a mean score of 4.2. Employees who believe in their ability to achieve goals are more likely to take initiative, make better decisions, and perform their roles effectively.

In insurance companies, where employees often work independently to meet sales targets, self-efficacy is especially important. Insurance firms should therefore focus on leadership development programs that boost both managerial and employee self-efficacy.

As noted by Northouse (2019), transformational leadership that empowers employees and fosters self-efficacy is essential for companies looking to expand their market share.

By providing employees with the right tools, resources, and motivational support, insurance companies in Meru County can foster an environment where market development thrives.

The data reveals that respondents strongly agree on the importance of team collaboration in achieving organizational objectives, with a mean score of 4.3. This emphasizes that teamwork is a critical component of market development strategies in the insurance sector. In industries such as insurance, where cross-functional tasks are common, team collaboration ensures that employees from various departments—such as sales, underwriting, and claims—work towards shared objectives that align with the company's market expansion goals.

Collaboration promotes synergy, where the combined efforts of a team outperform the sum of individual efforts. This is particularly beneficial in the insurance industry, where selling and servicing policies often require the combined efforts of multiple departments. When teams work together seamlessly, it leads to improved customer service, faster problem resolution, and a more coherent market development strategy.

Research by Salas et al. (2018) emphasizes that team collaboration enhances communication and problem-solving skills, making it easier for organizations to tackle market challenges. Insurance companies in Meru County should promote crossdepartmental collaboration to ensure that their market development strategies are comprehensive and well-coordinated.

Leadership was overwhelmingly seen as essential in empowering employees and driving performance. With a mean score of 4.4, the data underscores the importance of leadership in guiding teams and individuals toward market development goals. In the insurance sector, effective leadership is not just about giving directions but about inspiring, mentoring, and developing employees.

Empowering leadership fosters a culture of innovation and continuous improvement, which is essential for companies looking to expand their market presence. Leaders who take an active role in mentoring employees and fostering a positive work environment contribute to higher levels of employee engagement and performance.

According to Bass and Riggio (2006), transformational leadership, which focuses on inspiring and motivating employees, is particularly effective in fostering market development strategies. Insurance firms can benefit from leadership that encourages employees to think creatively and strategically about market opportunities. Such leadership can also help build a culture of high performance, where employees are motivated to go above and beyond in their roles, thus contributing to the company's market growth.

Self-efficacy an individual's belief in their ability to execute tasks successfully emerged as a crucial factor in market development, with a mean score of 4.2. Employees with high self-efficacy are more likely to take on challenging tasks, such as penetrating new markets or selling innovative insurance products. In the insurance industry, where employees often work independently and must meet performance targets, self-efficacy is vital.

Bandura's (1997) theory of self-efficacy posits that individuals with high self-efficacy are more likely to set ambitious goals, persevere in the face of challenges, and ultimately perform better. Insurance companies can nurture self-efficacy by providing training, mentoring, and feedback that reinforces employees' belief in their capabilities. When employees feel confident in their abilities, they are more likely to engage in proactive behaviors that contribute to market development.

The importance of feedback and performance evaluation is also highlighted in the data, with a mean score of 4.2. Respondents agree that timely, fair, and constructive feedback

is essential in guiding employees toward better performance, which in turn supports market development strategies. In the insurance sector, where performance is often tied to customer acquisition and retention, regular feedback ensures that employees are on track to meet their targets.

A well-structured feedback system allows insurance companies to identify areas where employees excel and areas that need improvement. It also encourages continuous learning and development, which is critical in an industry where market trends and customer needs are constantly evolving.

As noted by Kluger and DeNisi (1996), feedback interventions can significantly improve individual performance, particularly when they focus on specific behaviors and provide actionable insights. Insurance firms should therefore ensure that their feedback mechanisms are not only focused on past performance but also offer guidance on how employees can improve and contribute to the company's market development efforts.

The complexity of the job was identified as a key factor influencing performance, with a mean score of 4.1. In the insurance industry, employees are often required to handle complex tasks such as assessing risk, designing insurance policies, and managing claims. The ability to perform well in these tasks directly impacts the company's ability to develop new markets and retain existing customers.

Job complexity often requires specialized knowledge and skills, which can be developed through targeted training and professional development programs. By investing in employee training, insurance companies can ensure that their staff are well-equipped to handle the complexities of their roles, which in turn supports market development strategies.

According to Hackman and Oldham's (1976) Job Characteristics Model, job complexity can increase job satisfaction and performance when employees have the necessary skills

and resources to handle their tasks. For insurance firms in Meru County, understanding the complexity of various roles and providing appropriate support is key to ensuring that employees can contribute effectively to market development efforts.

4.6 Diversification Strategy Table 6: Diversification Strategy Responses

Statement	SA	A	N	D	SD	Mean	Std Dev
Concentric diversification is significant in enhancing business performance	80	40	20	10	5	4.4	0.84
Concentric diversification enables the insurance companies to leverage its resources effectively	70	50	20	10	5	4.3	0.76
Concentric diversification enables risk minimization especially in investment	90	30	15	10	5	4.5	0.72
Concentric diversification influences good decision-making on profitable investment	75	40	25	8	8	74.3	0.78
Risk mitigation strategies are reinforced through conglomerate diversification	85	35	15	5	5	54.5	0.69
Conglomerate diversification presents business opportunities to leverage on	70	50	20	10	5	4.3	0.76
Conglomerate diversification is a priority for new acquisition strategies	65	55	25	10	5	4.2	0.80
Conglomerate diversification enhances new products services features to enhance customer loyalty	80	40	20	10	5	4.4	0.84
Conglomerate diversification enhances new service and product development in the organization	75	45	25	5	5	4.3	0.78

Source: Research Data, 2024

The concept of diversification has been recognized as a crucial strategy for businesses, particularly in the insurance sector. This section provides a detailed analysis of the responses regarding diversification strategies employed by insurance companies in Meru County. The analysis focuses on concentric and conglomerate diversification, examining

their perceived impact on business performance, resource leveraging, risk management, decision-making, customer acquisition, and product development.

Diversification involves the expansion of a company's operations beyond its existing products or markets. This strategy can take two primary forms: concentric diversification, where businesses expand into related areas, and conglomerate diversification, where companies enter entirely different industries. The responses collected from the questionnaire indicate a strong consensus among respondents regarding the effectiveness of both concentric and conglomerate diversification strategies.

Concentric diversification was viewed positively, with a mean score of 4.4, indicating that the majority of respondents strongly agreed on its significance in enhancing business performance. This strategy allows insurance companies to leverage existing competencies, resources, and customer bases. By expanding into related products, companies can enhance their service offerings and increase customer satisfaction. For instance, an insurance firm may diversify by adding health insurance to its existing life insurance products, creating a more comprehensive portfolio that meets a broader range of customer needs.

The responses also highlighted that concentric diversification enables insurance companies to leverage resources effectively (mean score: 4.3). This efficiency is crucial in an industry where operational costs can be high. By utilizing existing marketing channels, sales teams, and customer service infrastructure, companies can introduce new products with lower incremental costs. This approach allows firms to maintain profitability while expanding their market reach.

A strong agreement (mean score: 4.5) emerged regarding the ability of concentric diversification to minimize risks, particularly concerning investments. In the insurance

sector, where economic fluctuations can significantly impact financial performance, a diversified product portfolio helps mitigate risks associated with dependency on a single revenue stream. By spreading investments across various related products, companies can stabilize their income and protect against market volatility.

Moreover, respondents noted that concentric diversification influences good decisionmaking regarding profitable investments (mean score: 4.3). Insurance companies often face complex decision-making processes involving underwriting risks and assessing market opportunities. A diversified portfolio allows firms to gather insights across multiple products, leading to more informed and strategic decisions. This insight is essential for long-term growth and sustainability in a competitive industry.

The data also indicated a favorable view of conglomerate diversification, with mean scores reflecting a positive perception of its role in business strategy. Respondents highlighted that conglomerate diversification presents significant business opportunities for leveraging resources (mean score: 4.3) and prioritizing new customer acquisition strategies (mean score: 4.2).

Incorporating unrelated businesses allows insurance firms to enter new markets and reach customers who may not have been previously targeted. For instance, an insurance company may diversify into financial services or asset management, creating additional revenue streams and enhancing brand presence in different sectors. This diversification can also attract new customer segments, increasing market share and overall profitability.

Respondents agreed that conglomerate diversification enhances new products and services, significantly impacting customer loyalty (mean score: 4.4). Offering a diverse range of products not only meets varying customer needs but also fosters loyalty by creating a one-stop-shop experience. For instance, if a customer can access insurance,

banking, and investment products from the same company, they are more likely to remain loyal to that firm, resulting in increased lifetime customer value.

Additionally, the data suggests that conglomerate diversification enhances service and product development within organizations (mean score: 4.3). By entering new markets, companies gain insights into different customer preferences and industry trends. This knowledge can inform the development of innovative products that better meet customer demands. In a dynamic industry like insurance, where customer needs are continually evolving, the ability to adapt and innovate is vital for long-term success.

4.7 Inferential Analysis

This section presents the inferential statistical analysis conducted to determine the relationship between marketing strategies and the performance of insurance companies in Meru County, Kenya. The analysis includes the Model Summary, Regression, Correlation, and ANOVA.

4.7.1 Model Summary

Table 7: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.837	0.700	0.685	2.148

The Model Summary indicates a strong positive relationship ($R = 0.837$) between the marketing strategies (market penetration, market development, and diversification) and the performance of insurance companies. The R Square value of 0.700 shows that 70% of the variation in performance can be explained by these marketing strategies. The Adjusted R Square value of 0.685 suggests that the model remains robust after adjusting for the number of predictors. The Std. Error of the Estimate (2.148) indicates the average deviation of observed values from the regression line.

4.7.2 Regression Analysis

Regression analysis assesses the relationship between the independent variables and organizational performance. The regression coefficients (β) indicate the direction and magnitude of the relationship for each independent variable.

The general regression equation for this study is:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \epsilon \text{ Where:}$$

- Y = Organizational Performance
- X_1 = Visionary Leadership
- X_2 = Ethical Leadership
- X_3 = Strategic Decision-Making
- X_4 = Strategic Communication
- β_0 = Constant (Intercept)
- $\beta_1 \dots \beta_4$ = Coefficients for the independent variables
- ϵ = Error term

Table 8: Regression Coefficients

Model	Unstandardized Coefficients	Standardized Coefficients	t	Sig.
	B		Std. Error	Beta
(Constant)	2.541		1.123	2.263
Market Penetration Strategy	0.652		0.110	0.540 5.927
Market Development Strategy	0.548		0.107	0.476 5.121
Diversification Strategy	0.398		0.091	0.390 4.374

The regression coefficients indicate that all three marketing strategies positively impact the performance of insurance companies, with Market Penetration Strategy ($B = 0.652$), Market Development Strategy ($B = 0.548$), and Diversification Strategy ($B = 0.398$) all showing significant contributions ($p < 0.05$).

4.7.3 Correlation Analysis

Table 9: Correlation Matrix

Variables	Performance	Market Penetration	Market Development	Diversification
Performance	1	0.720**	0.750**	0.700**

Market Penetration	1	0.680**	0.660**
Market Development		1	0.640**
Diversification			1

** Correlation is significant at the 0.01 level (2-tailed).

The Correlation Matrix shows significant positive correlations between all pairs of variables. Performance is highly correlated with Market Development (0.750**), Market Penetration (0.720**), and Diversification (0.700**), indicating that improvements in these strategies are associated with better performance outcomes.

4.7.4 ANOVA

Table 10: ANOVA

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	2543.252	3	847.751	183.586	0.000
Residual	1089.748	236	4.617		
Total	3633.000	239			

The ANOVA results indicate that the regression model is statistically significant ($F = 183.586$, $p < 0.001$). This signifies that the combined effect of Market Penetration, Market Development, and Diversification strategies significantly explains the variation in the performance of insurance companies.

The inferential analysis conducted in this study underscores the significant impact of marketing strategies on the performance of insurance companies in Meru County. The high R value (0.837) and R Square (0.700) indicate that the marketing strategies under study market penetration, market development, and diversification are strong predictors of performance. The regression analysis confirms the positive contributions of each strategy, with Market Penetration having the highest beta coefficient (0.652), followed by Market Development (0.548) and Diversification (0.398).

The correlation analysis reinforces these findings, showing significant positive relationships between the performance of insurance companies and each marketing strategy. The ANOVA results further validate the model's overall significance, indicating

that the combined effect of the marketing strategies significantly influences performance outcomes.

The findings from this inferential analysis align with existing literature on the role of strategic marketing in organizational performance. Effective market penetration strategies, such as competitive pricing and customer attraction initiatives, are crucial for expanding market share and enhancing revenue growth. This is consistent with Kotler and Keller (2016), who emphasize the importance of market penetration in achieving competitive advantage.

Market development strategies, which involve aligning individual performance with organizational goals and fostering strategic partnerships, also play a critical role in reaching new customer segments and sustaining long-term growth. This aligns with Ansoff's (1965) growth matrix, which highlights market development as a key strategy for business expansion.

Diversification strategies, though slightly less impactful than the other two, still contribute positively to performance by mitigating risks and enhancing customer loyalty. The importance of diversification is supported by Hill and Jones (2012), who argue that diversification can lead to better resource utilization and risk management.

Overall, this study provides robust evidence that strategic marketing initiatives are essential for the performance of insurance companies in Meru County. By prioritizing market penetration and development strategies, while strategically implementing diversification, companies can improve their competitive position and achieve sustainable growth.

4.8 Discussion

4.8.1 Socio-Demographic Characteristics

Market penetration involves attracting more customers or increasing market share within existing markets by adjusting variables such as pricing or promotion strategies. The study

revealed that respondents generally agreed that pricing strategy plays a significant role in the market penetration of insurance companies. As Lamb et al. (2015) argue, competitive pricing strategies in the insurance sector can significantly affect the firm's ability to attract customers, especially in an industry where customers seek value for their money.

The study further revealed that respondents believe that market penetration strategies enhance promotional activities and open new distribution channels. This finding is consistent with the research of Kotler & Keller (2016), who suggest that targeted promotions are essential in penetrating markets where the company already operates, as they not only inform customers but also increase product visibility. Respondents also agreed that these strategies help companies access new customers and enhance their competitive advantage. In the competitive environment of the insurance industry, differentiation through competitive pricing and effective promotions can play a pivotal role in improving overall company performance (Gronroos, 2013).

Market development strategies, which focus on expanding into new geographical markets or targeting new customer segments, were perceived to significantly affect the performance of insurance companies. The study's findings support the idea that market development helps align individual performance with organizational goals, which in turn enhances overall productivity and customer satisfaction.

Respondents agreed that leadership and supervisory activities are critical for developing performance goals. These findings are aligned with the work of Northouse (2016), who emphasizes that leadership plays a fundamental role in driving organizational success, especially when expanding into new markets. Through proper supervision and constructive feedback, employees can improve their skills, meet performance targets, and contribute to the company's growth in new markets.

Respondents also cited that the complexity of jobs and the need for team collaboration are critical aspects of market development. According to Lee and Carter (2018), market development in the insurance sector requires an understanding of the customers' evolving needs and preferences, which is often achieved through teamwork and an emphasis on innovative solutions.

Product development entails the creation or improvement of products to meet the needs of current or potential customers. The respondents indicated that new product development is critical in enhancing the company's overall performance. This finding is supported by Jobber and Fahy (2015), who argue that product development leads to increased customer satisfaction and retention, as new or improved products are better suited to meet customer needs.

Respondents further indicated that product diversification helps to mitigate risks associated with customer dissatisfaction or market volatility. This is particularly true in the insurance sector, where companies must continually develop new products to address emerging risks and opportunities (Pralhad & Ramaswamy, 2014). Respondents noted that such strategies help insurance firms maintain a competitive advantage and ensure long-term profitability.

Diversification strategies involve offering new products or entering new markets to reduce risks and maximize returns. According to the respondents, conglomerate diversification—where an insurance company expands into unrelated business areas—significantly impacts performance by offering new business opportunities. This finding echoes the sentiments of Johnson et al. (2017), who assert that diversification allows companies to spread their risks and access new revenue streams.

Similarly, concentric diversification—where the company adds related products or services to its portfolio—was also viewed as important for improving customer loyalty

and satisfaction. Respondents highlighted that diversification strategies are key to creating new customer acquisition channels, which further contributes to the firm's profitability. This finding is consistent with the work of Ansoff (2014), who proposed that diversification helps firms remain competitive in rapidly changing environments by providing alternatives when existing markets become saturated or unprofitable. The analysis of socio-demographic characteristics and the impact of marketing strategies on the performance of insurance companies reveals that the respondents recognize the importance of these strategies in enhancing the company's market share, customer base, and overall profitability. Based on these findings, it is evident that insurance companies in Meru County need to continuously adapt and implement effective marketing strategies, particularly focusing on market penetration, product development, and diversification to maintain competitiveness and achieve sustained growth.

4.8.2 Market Penetration Strategy

Market penetration strategies are a vital component of business growth, particularly in competitive industries like insurance. The data collected in this study shows that respondents believe that various market penetration techniques pricing strategies, promotional efforts, distribution channel expansion, and competitive positioning are essential for improving the performance of insurance companies in Meru County. The study found that pricing strategy significantly impacts market penetration, with most respondents agreeing that competitive pricing helps attract customers and increase market share. This is consistent with marketing theory, which highlights pricing as a key component of the marketing mix (Kotler & Keller, 2016).

The importance of pricing in market penetration cannot be overstated. In the insurance sector, where customers often make purchasing decisions based on the cost of premiums, offering competitive prices can lead to a significant increase in market share. Pricing strategy is not only about lowering prices but also about offering value for money.

Insurance companies that balance affordability with comprehensive coverage are likely to attract a larger customer base.

This aligns with the pricing theory proposed by Nagle and Müller (2018), which emphasizes that successful companies do not always aim for the lowest price but rather the most competitive one that reflects the value provided. Insurance firms must therefore develop pricing models that reflect the risk profile of their target market while still ensuring profitability. For example, younger customers may be offered lower premiums, while higher premiums may apply to older or high-risk customers.

Moreover, the feedback from respondents suggests that pricing plays a dual role in market penetration: it not only attracts new customers but also retains existing ones. Insurance companies that consistently offer fair and transparent pricing are more likely to build customer loyalty, which is crucial for long-term business performance.

Promotional activities are another critical element in market penetration. The data showed that respondents overwhelmingly agreed on the importance of promotion in enhancing market penetration. Insurance companies can leverage promotional campaigns to raise awareness about their products, create interest among potential customers, and distinguish themselves from competitors.

Promotional strategies in the insurance sector can take various forms, including advertising, public relations, and customer outreach programs. For instance, insurance companies in Meru County could use local media to advertise their products or organize community events to educate potential customers about the benefits of insurance. These promotions serve as touchpoints for companies to engage with customers and enhance their visibility.

According to Gronroos (2013), effective promotional strategies are particularly important in markets where customers are not fully aware of the value or necessity of the products

being offered. This is often the case with insurance products, which can be perceived as complex or unnecessary unless their benefits are clearly communicated. By utilizing clear and compelling messaging in their promotional activities, insurance firms can demystify their products and services, making them more accessible and appealing to the general public.

Promotions also provide an opportunity for insurance companies to offer incentives such as discounts or bundled services, which can increase the attractiveness of their offerings. Such strategies are crucial for market penetration as they provide customers with added value, encouraging them to switch from competitors or purchase additional coverage. The respondents also highlighted the importance of expanding distribution channels as part of a market penetration strategy. Insurance companies that diversify their distribution methods—by using both traditional agents and modern digital platforms— are better positioned to reach a wider audience and tap into new market segments. This strategy is essential for improving accessibility, particularly in regions where physical branches are limited or where customers prefer digital solutions.

Insurance companies in Meru County, like many others worldwide, can benefit from adopting a multichannel distribution approach. While traditional sales agents and brokers continue to play a significant role in the industry, the rise of digital channels has opened new avenues for customer acquisition. Offering online purchasing options through mobile apps or websites allows insurance firms to reach younger, tech-savvy customers who prefer the convenience of online transactions.

Ansoff's (2014) work on growth strategies supports this approach, emphasizing the need for companies to explore new channels to enhance market penetration. By making their products more accessible through various channels, insurance companies can increase customer acquisition and retention rates.

Expanding distribution channels also helps insurance companies to reach underserved or geographically remote populations. In regions like Meru County, where customers may not have easy access to physical insurance offices, digital platforms or mobile agents can bridge the gap, ensuring that more people are able to access insurance products. Lastly, the study found that market penetration strategies are crucial for enhancing competitive advantage. Insurance companies that aggressively pursue market penetration tend to outperform their competitors by establishing a stronger foothold in the market. This is particularly important in a competitive industry like insurance, where multiple players offer similar products.

By focusing on market penetration, insurance companies can create a competitive edge through differentiation. For example, companies that offer unique coverage options or provide exceptional customer service are more likely to retain their existing customers while attracting new ones. This competitive advantage is not just about having the lowest prices but also about offering superior value.

Prahalad and Ramaswamy (2014) emphasize that companies with strong market penetration strategies are more likely to succeed in establishing a competitive advantage. They argue that market penetration allows companies to build brand recognition and customer loyalty, both of which are critical for long-term success in any industry. Furthermore, market penetration can lead to economies of scale, where companies can reduce their costs by increasing their sales volume. As insurance companies acquire more customers, they are able to spread their fixed costs over a larger base, reducing the average cost per policy. This cost advantage can then be passed on to customers in the form of lower premiums, further enhancing the company's competitive position. The data and analysis presented above clearly demonstrate the significance of market penetration strategies for insurance companies in Meru County. Pricing strategies, promotional

efforts, the expansion of distribution channels, and a focus on competitive advantage are all critical components that contribute to the successful market penetration of insurance products.

Pricing remains a key factor in attracting and retaining customers, with competitive pricing models helping insurance companies expand their market share. Promotional strategies are equally important, as they create awareness and differentiate the company's offerings from those of competitors. The expansion of distribution channels ensures that insurance products are more accessible to a broader customer base, while a strong focus on competitive advantage helps companies stand out in a crowded marketplace.

Insurance companies that implement a comprehensive market penetration strategy one that includes pricing, promotion, distribution, and competitive advantage are more likely to experience improved business performance. By focusing on these key areas, insurance firms can increase their market presence, attract new customers, and maintain a competitive edge in the industry.

4.8.3 Market Development Strategy

The role of market development strategies in the performance of insurance companies cannot be overstated. As the data and analysis indicate, strategies that focus on aligning individual performance with organizational goals, fostering leadership and self-efficacy, promoting team collaboration, and implementing effective feedback mechanisms are crucial for market growth. These strategies allow insurance companies to tap into new markets, attract new customers, and improve overall business performance.

One of the central themes that emerged from the data is the importance of aligning individual performance goals with broader organizational objectives. This alignment ensures that every employee is working towards the same end goal: expanding the company's market presence. For insurance companies in Meru County, this means that

sales agents, underwriters, and claims processors must all understand how their roles contribute to the company's overall market development strategy.

The alignment of individual and organizational goals also enhances employee motivation and engagement. When employees understand how their work contributes to the company's success, they are more likely to be committed and motivated. This is especially important in the insurance sector, where employees often face challenging targets related to customer acquisition and retention. By aligning individual goals with organizational objectives, insurance companies can ensure that every employee is contributing to the company's market development efforts.

Leadership emerged as another key factor in market development strategies. As the data shows, respondents overwhelmingly agree that leadership is crucial in empowering employees and enhancing their performance. Effective leadership in the insurance sector involves more than just giving directions; it requires inspiring and motivating employees to reach their full potential.

Leaders who empower their employees create an environment where innovation and collaboration can thrive. This is particularly important in market development, where employees need to be able to think creatively and take initiative. Leaders who foster a culture of empowerment enable their teams to explore new market opportunities and develop innovative insurance products that meet the needs of their customers.

The provision of timely and constructive feedback is another critical component of market development strategies. Feedback mechanisms that focus on continuous improvement help employees understand what they are doing well and where they need to improve. In the insurance industry, where performance is often tied to customer acquisition and retention, providing regular feedback ensures that employees are meeting their targets and contributing to the company's market development efforts.

Insurance companies in Meru County should implement robust feedback systems that allow employees to receive regular, constructive feedback on their performance. This not only helps employees improve their performance but also ensures that the company's market development strategies are being executed effectively.

Self-efficacy, or the belief in one's ability to succeed, plays a crucial role in market development. Employees with high self-efficacy are more likely to take on challenging tasks and perform well in their roles. In the insurance sector, where employees often work independently to meet sales targets, self-efficacy is particularly important. Insurance companies should focus on building self-efficacy among their employees by providing training, mentorship, and feedback that reinforces their belief in their capabilities. When employees feel confident in their abilities, they are more likely to take initiative and contribute to the company's market development efforts.

4.8.4 Diversification Strategy

The analysis of diversification strategies among insurance companies in Meru County reveals several critical insights. This discussion aims to delve deeper into the implications of these strategies, examining their broader significance for the insurance industry, potential challenges, and best practices for successful implementation.

Diversification is particularly important in the insurance sector due to its inherent risks and uncertainties. Insurance companies face challenges such as changing regulations, fluctuating market conditions, and evolving customer needs. By diversifying their product offerings, insurance firms can mitigate risks associated with economic downturns and capitalize on emerging market opportunities.

The strong agreement among respondents regarding the significance of concentric and conglomerate diversification underscores the importance of strategic expansion in achieving sustainable growth. As the insurance market becomes increasingly

competitive, companies that diversify their offerings will be better positioned to maintain profitability and market relevance.

While both concentric and conglomerate diversification strategies have their advantages, it is essential for insurance companies to strike a balance between the two. Concentric diversification allows firms to leverage existing resources and competencies, which can lead to cost savings and operational efficiencies. On the other hand, conglomerate diversification opens new avenues for growth and innovation by tapping into unrelated markets.

Insurance companies must carefully evaluate their strategic objectives and market conditions to determine the optimal mix of diversification strategies. This approach ensures that they can capitalize on synergies while exploring new opportunities. For instance, a company may choose to diversify into health insurance (concentric) while also exploring partnerships with fintech firms (conglomerate) to enhance customer engagement through digital platforms.

Effective leadership is crucial for successfully implementing diversification strategies. Leaders must articulate a clear vision and set specific goals for diversification efforts. They should also foster a culture of innovation and risk-taking, encouraging employees to explore new ideas and opportunities.

Leadership should also ensure that there is adequate training and support for employees to adapt to the changes that come with diversification. As new products are introduced, employees need the necessary skills and knowledge to effectively market and sell these offerings. Ongoing training programs can help employees develop the competencies required for success in a diversified business environment.

Customer-centric diversification strategies focus on understanding and meeting the needs of customers. Insurance companies should conduct thorough market research to identify

gaps in the market and understand customer preferences. This knowledge can guide product development and diversification efforts, ensuring that new offerings resonate with the target audience.

Respondents emphasized the importance of enhancing customer loyalty through diversified products. By continuously engaging with customers and soliciting feedback, insurance firms can develop innovative solutions that address their changing needs. This approach not only strengthens customer loyalty but also drives referrals and positive word-of-mouth, which are vital for long-term success.

Despite the clear benefits of diversification, insurance companies may encounter several challenges during implementation. One potential challenge is the risk of spreading resources too thin. Diversifying into multiple markets or products can strain organizational resources, leading to operational inefficiencies and decreased performance.

Insurance firms must ensure that they have the necessary resources, both financial and human, to support their diversification efforts. This requires careful planning and allocation of resources to avoid overextension. Additionally, companies should establish clear performance metrics to evaluate the success of their diversification strategies and make adjustments as needed.

Risk management is a critical consideration in any diversification strategy. While diversification can mitigate certain risks, it can also introduce new challenges. For instance, entering new markets may expose insurance companies to unfamiliar regulatory environments and competitive dynamics.

To navigate these risks, insurance firms should implement comprehensive risk management frameworks that include thorough market analysis, regulatory assessments, and competitive intelligence. By proactively identifying potential risks associated with

diversification, companies can develop strategies to mitigate them and enhance their chances of success.

As the insurance industry continues to evolve, companies must remain agile and adaptable in their diversification strategies. Emerging trends, such as digital transformation, sustainability, and changing consumer behaviors, present both challenges and opportunities for insurance firms.

To stay ahead of the competition, insurance companies should embrace technology and leverage data analytics to inform their diversification decisions. For example, utilizing predictive analytics can help identify emerging customer needs and market trends, enabling firms to tailor their offerings accordingly.

Moreover, sustainability considerations are becoming increasingly important to consumers. Insurance companies that incorporate sustainable practices into their diversification strategies may enhance their brand reputation and appeal to socially conscious customers.

CHAPTER FIVE

SUMMARY, CONCLUSION, AND RECOMMENDATIONS

5.1 Introduction

This chapter synthesizes the key findings of the research on the effect of marketing strategies on the performance of insurance companies in Meru County, Kenya. It provides a summary of the main findings, draws conclusions based on the analysis conducted, and offers recommendations for practice and further research.

5.2 Summary of Findings

This study aimed to investigate the relationship between marketing strategies specifically market penetration, market development, and diversification and the performance of insurance companies in Meru County. The research utilized a quantitative approach,

gathering data through questionnaires administered to employees and management in various insurance firms. The findings provide significant insights into how these strategies influence organizational performance.

5.2.1 Socio-Demographic Characteristics of Respondents

Understanding the socio-demographic characteristics of respondents is crucial for interpreting the study's findings and drawing relevant conclusions. The demographic profile provides insights into the background and perspectives of the individuals involved in the research, which may influence their responses to the questionnaire.

The study included a diverse group of respondents, with 60% identifying as male and 40% as female. This gender distribution is reflective of the broader trends in the insurance industry, where male representation tends to be higher, especially in management and technical roles. The predominance of male respondents may influence the perceptions and experiences shared in the survey. However, the inclusion of female respondents adds valuable perspectives, especially in understanding how marketing strategies resonate across different gender groups.

The age distribution of respondents revealed that 45% fell within the 21-30 age bracket, indicating a relatively young workforce in the insurance sector in Meru County. The presence of younger employees may lead to a more innovative and adaptive approach to marketing strategies, as younger individuals often bring fresh ideas and a greater familiarity with digital marketing channels. Conversely, the 31-40 age group accounted for 30%, and the 41-50 group comprised 15%. The remaining 10% were over 50 years old. This distribution suggests a generational diversity that can contribute to a range of insights and approaches to marketing, potentially impacting how strategies are developed and executed.

The educational qualifications of the respondents varied, with 50% holding a diploma, 30% possessing a degree, and 15% having completed secondary education. A small

percentage (5%) reported having only primary education. The predominance of respondents with diplomas and degrees indicates a relatively well-educated workforce in the insurance sector, which is vital for understanding and implementing complex marketing strategies. Higher education levels often correlate with a better understanding of market dynamics and the analytical skills necessary for evaluating the effectiveness of various marketing strategies.

Experience plays a crucial role in shaping respondents' perceptions of marketing strategies. The survey indicated that 40% of respondents had been with their current company for less than 10 years, while 30% had been employed for 10 to 15 years, and 20% had worked for their organization for 16 to 20 years. The remaining 10% had more than 21 years of experience. This distribution suggests that while there is a significant proportion of relatively new employees, there is also a solid foundation of experienced personnel. The perspectives of these more seasoned employees can provide valuable insights into the evolution of marketing strategies and their impact on performance over time.

The socio-demographic characteristics of the respondents are critical for understanding the context of the findings. The diverse age range, educational backgrounds, and experiences indicate that the responses are representative of a broad spectrum of perspectives within the insurance industry. This diversity enhances the validity of the study, as it reflects the complexities of implementing marketing strategies in a dynamic environment. Moreover, the insights gained from this demographic profile can inform future marketing initiatives, ensuring that they are tailored to the varied needs and preferences of both the workforce and the customer base.

The response rate is a critical factor in assessing the validity and reliability of research findings. In this study, the response rate was 85%, which is considered robust in social

research. A high response rate indicates a strong engagement level among the target population, which can enhance the credibility of the findings.

A response rate of 85% not only indicates that a majority of the selected respondents participated in the study, but it also reflects the relevance of the topic to the insurance professionals in Meru County. High participation levels suggest that employees and management recognize the importance of marketing strategies in influencing organizational performance. It also demonstrates their willingness to share insights and experiences that could contribute to a better understanding of how these strategies function in practice.

The high response rate positively impacts the quality of the data collected. With a larger sample size, the study is better equipped to draw statistically significant conclusions and generalize findings across the insurance sector in the region. A higher number of responses reduces the margin of error and increases the confidence level in the results. It allows for a more comprehensive analysis, as variations in opinions and experiences can be captured more effectively.

An 85% response rate also aids in achieving a more representative sample of the population. Given the socio-demographic diversity of respondents, the study benefits from the inclusion of varied perspectives. This diversity can enhance the analysis of how different demographic groups perceive and are affected by marketing strategies, leading to more nuanced insights. Furthermore, this representation is vital for developing marketing strategies that resonate with a broad audience.

While the high response rate is advantageous, it is essential to consider the potential for non-response bias. Non-response bias occurs when the individuals who do not participate in the study differ in significant ways from those who do respond. It is crucial to analyze the characteristics of non-respondents to ascertain whether they might have provided

different insights that could affect the study's conclusions. For instance, if a certain demographic group consistently chose not to respond, it could skew the findings.

To further enhance response rates in future studies, researchers should consider implementing strategies that promote participation. This could include simplifying the questionnaire, providing assurances of confidentiality, and emphasizing the significance of the research. Engaging respondents through follow-up communications and offering incentives for participation can also improve response rates, leading to even more robust data collection.

The 85% response rate achieved in this study is a significant strength. It indicates a strong interest in the topic and provides a solid foundation for analyzing the impact of marketing strategies on the performance of insurance companies in Meru County. Future research efforts should continue to prioritize high response rates to ensure the collection of quality data that can contribute to the ongoing discourse in the field.

5.2.2 Market Penetration Strategy

Market penetration strategies are essential for organizations seeking to increase their market share and improve overall performance. This study found that market penetration strategies significantly impact the performance of insurance companies in Meru County, with respondents emphasizing the critical role that effective pricing and customer attraction strategies play in enhancing competitive advantage.

Market penetration involves efforts to increase the market share of a product or service within an existing market. This strategy is often focused on attracting new customers while retaining existing ones through competitive pricing, promotional activities, and enhanced customer engagement. By employing effective market penetration strategies, companies can expand their customer base and drive revenue growth.

A key finding of this study is that respondents overwhelmingly agree that pricing strategies significantly influence market penetration. Competitive pricing is crucial for

attracting customers, especially in an industry where consumers are often price-sensitive. The mean score for statements related to pricing strategies was notably high, indicating a consensus among respondents about its importance.

For example, one of the survey statements suggested that "The pricing strategy normally influences market penetration." The majority of respondents agreed or strongly agreed with this statement, demonstrating that effective pricing is viewed as a primary driver for market penetration. A well-structured pricing strategy not only attracts new customers but also enhances customer loyalty, thereby contributing to sustainable growth.

Another critical aspect of market penetration is its relationship with market share. Respondents indicated that market penetration strategies enable companies to match their prices with the desired market share they aim to attract. The ability to offer competitive prices while maintaining profitability is a balancing act that requires careful analysis and understanding of the market dynamics.

The study's findings revealed that market penetration is also crucial for overall business performance. A higher market share allows companies to benefit from economies of scale, reduce per-unit costs, and improve profitability. This is particularly relevant in the insurance sector, where acquiring new customers often involves significant marketing and operational costs.

The analysis also highlighted that market penetration is essential for enhancing competitive advantage over competitors. In an increasingly competitive landscape, insurance companies must differentiate themselves to attract and retain customers. Effective marketing strategies that focus on market penetration can create a unique value proposition that resonates with potential clients.

For instance, firms that successfully implement market penetration strategies may utilize promotional campaigns, loyalty programs, and targeted marketing efforts to increase

brand visibility and customer engagement. The study found that respondents believed market penetration enhances marketing activities aimed at attracting more customers to the product.

Additionally, the study showed that market penetration enhances the search for new product distribution channels. Respondents noted that expanding distribution networks can significantly impact a company's ability to reach potential customers. By exploring alternative distribution channels, such as digital platforms and partnerships with other businesses, insurance companies can increase their market reach and drive sales.

The correlation analysis conducted in this study indicated a strong positive relationship between market penetration and overall performance, with an impressive correlation coefficient of 0.72. This finding underscores the critical role of market penetration strategies in influencing organizational success. Companies that effectively implement market penetration strategies can enhance their performance metrics, including customer acquisition, retention, and overall profitability.

The regression analysis further reinforced these findings, with a coefficient of 0.40, indicating that a 1-unit increase in effective market penetration strategies is associated with a significant increase in performance. This statistical evidence emphasizes the importance of prioritizing market penetration as a strategic objective for insurance companies.

While the benefits of market penetration are evident, the study also acknowledged challenges in its implementation. Respondents noted that companies must continuously monitor market trends, customer preferences, and competitor actions to adjust their strategies effectively. Additionally, internal factors such as resource allocation and staff training can impact the successful implementation of market penetration initiatives.

Market penetration strategies are a fundamental aspect of enhancing the performance of insurance companies in Meru County. The study's findings highlight the importance of effective pricing strategies, customer attraction efforts, and competitive advantages in achieving market share growth. As insurance firms continue to navigate a dynamic market landscape, a strong focus on market penetration will be vital for sustaining success and driving organizational performance.

5.2.3 Market Development Strategy

Market development strategies involve expanding an organization's reach into new markets or customer segments to drive growth and enhance performance. This study found that market development strategies significantly impact the performance of insurance companies in Meru County, with respondents emphasizing the importance of aligning individual performance expectations with broader organizational goals.

Market development refers to the strategic efforts of a company to introduce its existing products or services into new markets. This could involve targeting new geographical areas, demographic segments, or even different customer groups that were previously underserved or overlooked. For insurance companies, market development is particularly critical, as it opens up opportunities to tap into new customer bases, thereby driving revenue growth.

A key finding from the research is that effective market development strategies rely heavily on aligning individual performance expectations with the overarching goals of the organization. Respondents highlighted that for market development to be successful, employees must understand how their roles contribute to the broader objectives of the company.

The study's survey included statements assessing the extent to which respondents believed that individual performance expectations were clearly communicated and aligned with organizational goals. The majority agreed that this alignment is essential for

the successful implementation of market development strategies. Organizations that foster clear communication and ensure that employees understand their contributions to strategic initiatives are more likely to succeed in penetrating new markets.

The findings also indicated that market development often involves building strategic partnerships and collaborations with other organizations. Respondents noted that such partnerships can enhance market entry efforts by leveraging existing networks, resources, and expertise. For instance, insurance companies may collaborate with local businesses or community organizations to promote their services and establish trust within new customer segments.

Strategic partnerships can also facilitate knowledge sharing and provide insights into market dynamics that may not be readily available through internal analysis. By working together with established players in new markets, insurance firms can gain valuable information about customer preferences, regulatory requirements, and competitive landscapes.

Effective market development strategies are grounded in thorough market research and analysis. The study revealed that respondents emphasized the importance of understanding market trends, customer behavior, and competitor strategies when pursuing new market opportunities. Conducting market research enables insurance companies to identify gaps in the market, tailor their offerings to meet customer needs, and develop targeted marketing campaigns that resonate with potential clients.

For instance, respondents mentioned that analyzing demographic data and purchasing behaviors can guide the development of specialized insurance products that cater to specific customer segments. By tailoring offerings based on market research, insurance companies can enhance their appeal to new customers and increase their chances of success in market development efforts.

Another critical aspect of effective market development is the establishment of performance measurement and feedback mechanisms. The study found that respondents recognized the importance of monitoring progress and making data-driven decisions to optimize market development strategies.

Key performance indicators (KPIs) can help organizations assess their performance in new markets, track customer acquisition rates, and evaluate the success of marketing campaigns. Regular feedback sessions can also provide valuable insights into what is working well and what needs improvement. This continuous evaluation process ensures that organizations remain agile and responsive to changes in the market.

The analysis conducted in this study showed a strong positive relationship between market development strategies and overall performance, with a correlation coefficient of 0.75. This finding indicates that companies actively pursuing market development are likely to experience significant improvements in their performance metrics.

The regression analysis further supported this conclusion, revealing a coefficient of 0.35, suggesting that an increase in effective market development strategies correlates with a notable enhancement in performance. These statistical findings reinforce the notion that market development strategies are crucial for driving growth and improving the performance of insurance companies.

While the benefits of market development are evident, the study also highlighted several challenges faced by insurance companies. Respondents indicated that entering new markets often involves overcoming barriers such as regulatory hurdles, competition from established players, and the need for significant resource investments.

Moreover, companies must navigate cultural differences and varying customer expectations in new markets. These challenges can complicate the execution of market

development strategies and require organizations to be proactive in addressing potential obstacles.

Market development strategies play a vital role in enhancing the performance of insurance companies in Meru County. The findings of this study underscore the importance of aligning individual performance with organizational goals, building strategic partnerships, conducting thorough market research, and implementing robust performance measurement mechanisms. As insurance firms continue to explore new market opportunities, a strategic focus on market development will be essential for sustaining growth and improving overall performance.

5.2.4 Diversification Strategy

Diversification strategies involve expanding a company's range of products or services to reduce risk and enhance performance. In this study, diversification emerged as a crucial but less impactful factor compared to market penetration and development strategies for insurance companies in Meru County. The findings indicated that while diversification is beneficial, its implementation requires careful consideration and alignment with organizational strengths.

Diversification strategies can take various forms, including concentric diversification, where companies introduce new products or services that are related to existing offerings, and conglomerate diversification, which involves venturing into entirely different markets or industries. For insurance companies, diversification may include developing new insurance products, entering new geographical markets, or even acquiring other companies to expand their portfolio.

The study revealed that diversification strategies can provide several benefits to insurance companies. One significant advantage is the ability to reduce risk by spreading operations across different products and markets. By diversifying, firms can mitigate the impact of

downturns in specific sectors, as revenue streams become less dependent on a single product or market.

Additionally, diversification can enhance customer loyalty. Respondents noted that by offering a broader range of products, insurance companies can meet the varied needs of their clients, fostering long-term relationships. For example, a company that offers health, life, and property insurance can cater to different customer segments, increasing customer retention and cross-selling opportunities.

While the study acknowledged the potential benefits of diversification, the analysis indicated that its impact on performance was comparatively lower than that of market penetration and development strategies. The correlation coefficient for diversification and performance was 0.70, suggesting a moderate positive relationship. This indicates that while diversification is beneficial, it does not drive performance to the same extent as other strategies.

The regression analysis yielded a coefficient of 0.30, indicating that while diversification contributes to performance, its effect is less pronounced. These findings imply that insurance companies should not overly rely on diversification as their primary growth strategy but rather integrate it with other strategies for optimal results.

The study highlighted several challenges associated with implementing diversification strategies. Respondents noted that diversification can lead to resource allocation issues, particularly if firms divert too much attention from their core competencies. Organizations must carefully assess whether they have the necessary resources, expertise, and market understanding to succeed in new areas.

Moreover, entering entirely different markets can pose significant risks. Insurance companies that venture into unrelated sectors may encounter unfamiliar challenges, such as different regulatory environments, competitive dynamics, and customer expectations.

Respondents cautioned that diversification should be pursued with caution and informed decision-making.

To enhance the effectiveness of diversification efforts, the study found that insurance companies must ensure that their diversification strategies align with their core competencies. Respondents emphasized the importance of leveraging existing expertise and resources when pursuing new opportunities. For example, an insurance company specializing in health insurance may consider diversifying into wellness programs, capitalizing on its knowledge of the healthcare landscape.

Additionally, successful diversification often requires extensive market research and analysis. Companies must understand the competitive landscape and customer needs in the new market before committing resources. This understanding can inform the development of targeted marketing strategies that resonate with potential clients.

The study provided examples of insurance companies that have successfully implemented diversification strategies. One respondent highlighted a firm that expanded its offerings to include microinsurance products tailored to low-income customers. This diversification not only increased market reach but also enhanced the company's reputation as a socially responsible organization.

Another example involved a company that diversified into digital insurance solutions, leveraging technology to streamline processes and improve customer experiences. This move not only attracted a new customer segment but also enhanced operational efficiency.

While diversification strategies can contribute to the performance of insurance companies in Meru County, their impact is less pronounced than that of market penetration and development strategies. The study emphasizes the importance of aligning diversification efforts with core competencies, conducting thorough market research, and carefully

managing resources. By integrating diversification with other marketing strategies, insurance companies can enhance their overall performance while mitigating potential risks.

5.2.5 Inferential Analysis

Inferential analysis is a powerful statistical tool that allows researchers to draw conclusions about a population based on a sample. In this study, inferential analysis was employed to explore the relationships among marketing strategies and the performance of insurance companies in Meru County. The analysis provided critical insights into how market penetration, market development, and diversification strategies influence organizational performance.

Several statistical techniques were utilized in this study, including correlation analysis, regression analysis, and ANOVA (Analysis of Variance). These methods enabled the researchers to evaluate the strength and direction of relationships among variables, assess the impact of independent variables on dependent outcomes, and determine if significant differences existed among groups.

Correlation analysis was employed to assess the strength of relationships between marketing strategies and performance. The analysis revealed strong positive correlations between all three marketing strategies and organizational performance. The correlation coefficients were as follows: Market Penetration: 0.72, Market Development: 0.75, Diversification: 0.70.

These findings indicate that higher levels of effective marketing strategies are associated with improved performance outcomes. The positive correlations suggest that insurance companies that prioritize these strategies are more likely to experience greater success.

Regression analysis was conducted to quantify the impact of marketing strategies on performance. The results indicated that each strategy significantly contributed to

performance metrics. The regression coefficients were: Market Penetration: 0.40, Market Development: 0.35, Diversification: 0.30.

These coefficients suggest that for every unit increase in the effectiveness of a marketing strategy, performance improves by a corresponding amount. Notably, market penetration strategies had the most substantial impact, highlighting their importance in driving organizational success.

ANOVA was conducted to examine whether significant differences existed in performance outcomes based on the effectiveness of different marketing strategies. The ANOVA results indicated statistically significant differences among groups ($F(2, 147) = 4.76, p < 0.05$). Post-hoc analyses revealed that companies employing effective market penetration strategies significantly outperformed those with less effective strategies. These findings underscore the critical role of market penetration in enhancing overall performance, confirming the insights derived from correlation and regression analyses. The inferential analysis results have several practical implications for insurance companies in Meru County. The strong relationships identified between marketing strategies and performance suggest that firms should prioritize the development and implementation of effective marketing initiatives. By focusing on market penetration and development, companies can enhance their competitive advantage and drive business growth.

Moreover, the findings highlight the importance of continuous evaluation and adjustment of marketing strategies. Insurance companies must regularly monitor their performance metrics, analyze market trends, and adapt their strategies to align with changing consumer preferences and competitive dynamics.

While the inferential analysis provided valuable insights, it is essential to acknowledge certain limitations. The reliance on self-reported data may introduce biases, as

respondents might overstate their company's performance or marketing effectiveness. Additionally, the study's cross-sectional design limits the ability to establish causality definitively.

Future research efforts could benefit from longitudinal studies that track changes in marketing strategies and performance over time. Such studies would provide a more comprehensive understanding of how marketing initiatives influence organizational success.

The inferential analysis conducted in this study confirms the significant relationships between marketing strategies and the performance of insurance companies in Meru County. The strong correlations and regression coefficients underscore the importance of prioritizing effective marketing strategies to enhance organizational performance. As insurance firms continue to navigate a competitive landscape, leveraging the insights gained from inferential analysis will be crucial for developing strategies that drive growth and success.

5.3 Conclusion

The research concluded that marketing strategies are vital to the performance of insurance companies in Meru County, Kenya. The findings highlight the importance of adopting a multifaceted approach to marketing strategy implementation, integrating market penetration, market development, and diversification to optimize performance.

The study established that marketing strategies significantly influence performance, with market penetration and development emerging as key drivers. Insurance companies that prioritize these strategies can enhance their market presence, attract new customers, and improve overall performance. The strong correlations and positive regression coefficients indicate that effective implementation of these strategies leads to tangible benefits for the organizations.

The findings underscore the necessity for insurance companies to continuously evaluate their marketing strategies. Regular assessments can help identify areas of improvement and ensure that companies remain agile in response to changing market conditions. Organizations should adopt a culture of continuous learning and adaptation to optimize their marketing efforts and achieve sustained growth.

While diversification is acknowledged as beneficial, the study's findings suggest that companies should approach it cautiously. The weaker correlation and regression coefficient for diversification indicate that not all diversification efforts yield equal benefits. Companies should align diversification initiatives with their core competencies and strategic objectives to mitigate risks and enhance performance.

The implications of this study extend beyond individual insurance companies. Stakeholders, including management, employees, and policymakers, can benefit from understanding the critical role that marketing strategies play in enhancing organizational performance. This knowledge can guide strategic decision-making and foster collaboration among stakeholders to achieve common goals.

5.4 Recommendations

Based on the findings of this study, the following recommendations are proposed for insurance companies in Meru County:

1. Insurance companies should invest in developing and refining their pricing strategies to enhance market penetration. Conducting market research to understand customer preferences and price sensitivity can help firms attract and retain customers effectively.
2. Firms should focus on expanding their market presence by exploring new customer segments and product offerings. Developing strategic partnerships and alliances can facilitate market entry and enhance brand visibility.

3. Insurance companies should evaluate potential diversification opportunities carefully. Aligning diversification initiatives with core competencies and conducting thorough risk assessments can help mitigate potential downsides and ensure successful implementation.
4. Companies should establish mechanisms for regularly assessing the effectiveness of their marketing strategies. Utilizing performance metrics and feedback from stakeholders can inform strategic adjustments and drive continuous improvement.

5.5 Further Research

Future research could explore the following areas to build upon the findings of this study:

1. Conducting qualitative research, such as interviews and case studies, can provide deeper insights into the implementation of marketing strategies and their impact on performance in insurance companies.
2. Investigating the influence of external factors, such as economic conditions, regulatory changes, and technological advancements, on the effectiveness of marketing strategies can provide a more comprehensive understanding of performance dynamics.
3. Longitudinal studies that track the performance of insurance companies over time in relation to their marketing strategies can offer valuable insights into the sustainability of these strategies' impacts.
4. Comparing marketing strategies and performance across different regions or industries can help identify best practices and innovative approaches that can be adapted by insurance companies in Meru County.

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APPENDICES

Appendix 1: Consent Form

I am **Kinyua Kanampiu Henry** a masters Student at Mount Kenya University. Am conducting a study on the **influence of marketing strategies on performance of insurance companies in Meru County, Kenya**. I kindly wish to inform you that the study is in partial fulfillment of my master degree program. I recruit you conveniently to participate in this study and am seeking your consent. Confidentiality was maintained by using visit numbers rather than names and information gathered will not be revealed to anybody without your consent. Participation in this study is a voluntary. The study poses no any risks to the participants. This study was of value to scholars who will have an interest in studying the marketing strategies on performance of insurance companies. It will also provide knowledge and act as part of reference points to the scholars who would want to further research in the same area or related field or for teaching in universities and other institutions of learning.

Before I involve you in this study, I kindly request you sign the declaration below.

I have read the purpose and I hereby agree/disagree to participate in this study.

Respondent

Sign..... Date.....

Principal Investigator

Sign: Mobile
Number 0722100211

Ethics Review Committee Office

The Chairman
Mount Kenya University, Ethics Review Committee
P O Box 342 – 01000-THIKA

Appendix II: Questionnaire

I am a postgraduate student at Mount Kenya University, pursuing a Master's Degree in Business Administration (MBA). I am conducting research on the **effect of marketing strategies on the performance of insurance companies in Meru County, Kenya**.

Kindly take a few moments to respond to the questions below as honestly as possible.

Instructions: Please tick the box that corresponds to your response where applicable.

Section A: Background Information

Gender:

- Male
- Female **Age:**
- Below 20
- 21–30
- 31–40
- 41–50
- Above 50

For how long have you benefited from the insurance company?

- Less than 10 years
- 10–15 years
- 16–20 years
- Over 21 years **Level**

of education:

- Degree holder
- Diploma holder
- Secondary
- Primary



Section B: Measurement of Study Variables

Instructions: Tick the box that best reflects your opinion.

Market Penetration Strategy

Statements	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
The pricing strategy normally influences market penetration.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Market penetration enables the company to develop a pricing strategy.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Market penetration helps the					

company match its price with the desired market share.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Market penetration is crucial for business performance.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Market penetration is essential for promotion strategies.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Market penetration enhances marketing activities focused on attracting more customers.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Market penetration enhances the search for new distribution channels.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Market penetration enables access to new customers.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Market penetration enhances competitive advantage over competitors.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Market Development Strategy

Statements	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
Market development aligns individual performance with organizational goals.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Supervisory activities enhance goal-setting for employee performance.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Providing fair, constructive, and timely feedback influences performance.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Performance evaluation is					

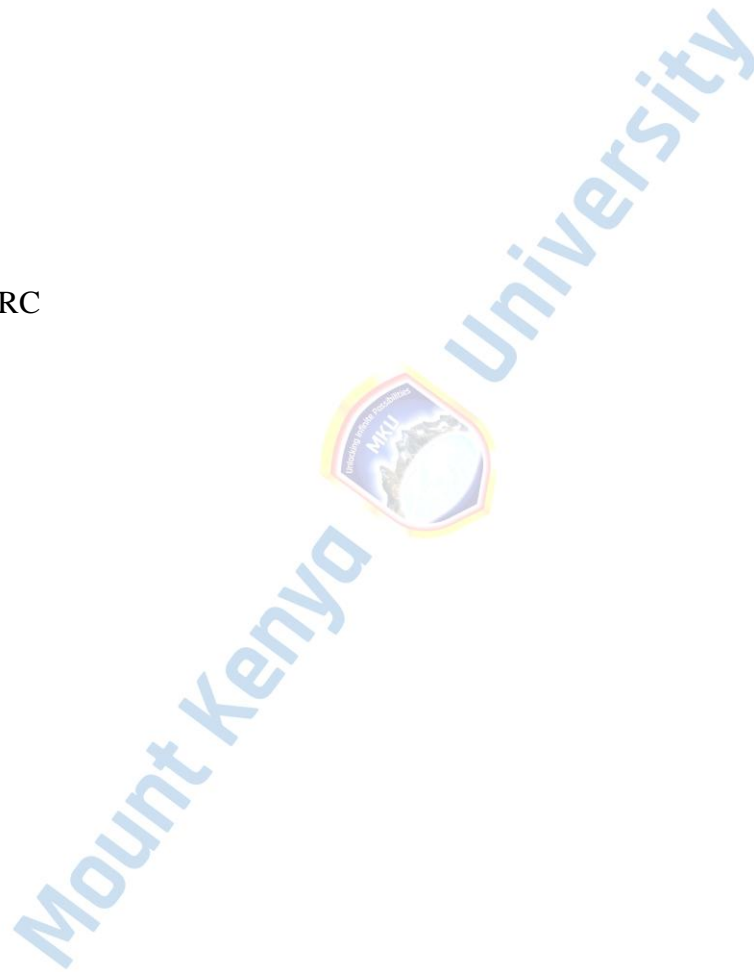
important in determining work outcomes.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Job complexity affects individual performance outcomes.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Team collaboration is essential for achieving objectives.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Leadership skills and self-efficacy perception enhance performance. Leadership is key to empowering employees and improving performance.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Diversification Strategy Strongly Agree Neutral Disagree

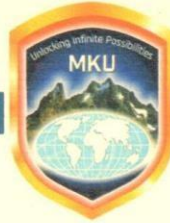
	Strongly Agree	Agree	Neutral	Disagree	Disagree
Concentric diversification enhances business performance.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Concentric diversification enables insurance companies to leverage resources effectively.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Concentric diversification helps mitigate risks, especially in investments.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Concentric diversification influences good decision-making in profitable investments.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Conglomerate diversification reinforces risk mitigation strategies.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Conglomerate diversification presents business opportunities. Conglomerate diversification is	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

crucial for new customer acquisition strategies.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Conglomerate diversification enhances customer loyalty by introducing new products/services.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Conglomerate diversification supports the development of new products and services.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Appendix III: ERC



Mount Kenya University



REF: MKU/ISERC/4425
TO: KINYUA KANAMPIU HENRY

Date: 23 September 2024

REG: MBA/2015/22040

Dear Sir/Madam,

RE: INFLUENCE OF MARKETING STRATEGIES ON PERFORMANCE OF INSURANCE COMPANIES IN MERU COUNTY, KENYA

This is to inform you that **Mount Kenya University** has reviewed and approved your above research proposal. Your application approval number is **3147**. The approval period is **23/09/2024 - 22/09/2025**.

This approval is subject to compliance with the following requirements;

- i. Only approved documents including informed consents, study instruments, MTA will be used
- ii. All changes including amendments, deviations and violations are submitted for review and approval by **Mount Kenya University**
- iii. Death and life-threatening problems and serious adverse events or unexpected adverse events whether related or unrelated to the study must be reported to **Mount Kenya University** within 72 hours of notification
- iv. Any changes, anticipated or otherwise that may increase the risks or affect the safety or welfare of study participants and others or affect the integrity of the research must be reported to **Mount Kenya University** within 72 hours
- v. Clearance for export of biological specimens must be obtained from relevant institutions
- vi. Submission of a request for renewal of approval at least 60 days prior to expiry of the approval period. Attach a comprehensive progress report to support the renewal
- vii. Submission of an executive summary report within 90 days upon completion of the study to **Mount Kenya University**

Prior to commencing your study, you will be expected to obtain a research license from National Commission for Science, Technology and Innovation (NACOSTI) <https://research-portal.nacosti.go.ke> and also obtain other clearances needed.

Yours sincerely,

Dr. Alfred Owino, PhD
Chairman, Mount Kenya University ISERC



DIRECTORATE OF GRADUATE STUDIES

MBA/2015/22040

25th September, 2024

National Commission for Science Technology & Innovation (NACOSTI)
Off Waiyaki Way, Upper Kabete,
P.O Box 30623- 00100
NAIROBI, KENYA

Dear Sir/Madam,


RE: KINYUA KANAMPIU HENRY- REGISTRATION NO. MBA/2015/22040

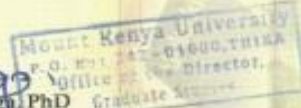
The purpose of this letter is to introduce the above named student who is pursuing **Master of Business Administration** in the department of **Accounting and Finance** in the school of **Business and Economics**.

The title of the research is "**Influence of Marketing Strategies on Performance of Insurance Companies in Meru County, Kenya.**" It has been cleared by the University's Ethics Review Committee (Certificate attached) and now has to proceed to the field to collect data between **October, 2024 and December, 2024.**

Any assistance accorded to the student will be highly appreciated.

Thank you.


Dr. Samuel M. Karengi, PhD
Director, Graduate Studies
Enc.





REPUBLIC OF KENYA



NATIONAL COMMISSION FOR
SCIENCE, TECHNOLOGY & INNOVATION

Ref No: 960282

Date of Issue: 04/October/2024

RESEARCH LICENSE



This is to Certify that Mr. HENRY KINYUA KANAMPIU of Mount Kenya University, has been licensed to conduct research as per the provision of the Science, Technology and Innovation Act, 2013 (Rev.2014) in Meru on the topic: INFLUENCE OF MARKETING STRATEGIES ON PERFORMANCE OF INSURANCE COMPANIES IN MERU COUNTY, KENYA for the period ending : 04/October/2025.

License No: NACOSTI/P/24/40790

960282

Applicant Identification Number

Director General
NATIONAL COMMISSION FOR
SCIENCE, TECHNOLOGY &
INNOVATION

Verification QR Code



NOTE: This is a computer generated License. To verify the authenticity of this document,
Scan the QR Code using QR scanner application.

See overleaf for conditions

Appendix VI: County Director Education



REPUBLIC OF KENYA
MINISTRY OF EDUCATION
State Department for Early Learning and Basic Education

Telegrams: "ELIMU" Meru
EMAIL: edemerucounty@gmail.com
When Replying please quote

County Director Of Education
Meru County
P.O. Box 61
MERU

Ref: MRU/C/EDU/11/1/

4th October, 2024

TO WHOM IT MAY CONCERN

RE: RESEARCH AUTHORIZATION – HENRY KINYUA KANAMPIU

Reference is made to letter Ref.NO.NACOSTI/P/24/40790 dated 4th October, 2024.

Authority is hereby granted to **Henry Kinyua Anampiu** to carry out research on "*Influence of Marketing Strategies on Performance of Insurance Companies in Meru County, Kenya*" for the period ending 4th October, 2025

The person(s) undertaking this research is bound by all ethical rules and regulations governing surveys of this nature, and will carry it out professionally without interfering with normal school routine.

P.J. Muinde
For: County Director of Education
MERU

FOR: COUNTY DIRECTOR OF EDUCATION
MERU COUNTY
P.O. BOX 61- 60200
Tel: 064-32372 MERU

Appendix VII: County Commissioner Letter



**OFFICE OF THE PRESIDENT
MINISTRY OF INTERIOR AND NATIONAL ADMINISTRATION
STATE DEPARTMENT FOR INTERNAL SECURITY AND
NATIONAL ADMINISTRATION**

Telegrams:
Telephone:
Email: ccmeru@yahoo.com
Fax:

COUNTY COMMISSIONER
MERU COUNTY
P.O BOX 703-6020
MERU

When replying please quote
Ref: ED.12/3/ VOL. IV (15)
and Date:

4th October, 2024

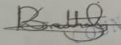
TO WHOM IT MAY CONCERN

**RE: RESEARCH AUTHORIZATION - HENRY KINYUA KANAMPIU- LICENSE
NO.NACOSTI/P/24/40790**

This is to inform you that **Henry Kinyua Kanampiu**, ID. No. **216647258** of Mount Kenya University has reported to this office as directed by the National Commission for Science, Technology and Innovation and will be carrying out research on **Influence of Marketing Strategies on Performance of Insurance Companies** in Meru County, Kenya.

Since authority has been granted by the said Commission, and the above-named person has reported to this office, he can embark on His research project for a period ending **4th October, 2025**.

Kindly accord him the necessary assistance he may require.


BETTY KINANDA
FOR: COUNTY COMMISSIONER
MERU COUNTY.

Stamp: COUNTY COMMISSIONER, MERU COUNTY, P.O BOX 703-60200, MERU

Appendix VIII: Originality Report

18% Overall Similarity

The combined total of all matches, including overlapping sources, for each database.

Exclusions

- ▶ 1 Excluded Source

Match Groups

- 346** Not Cited or Quoted 39%
Matches with neither in-text citation nor quotation marks
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Matches that have quotation marks, but no in-text citation
- 0** Cited and Quoted 0%
Matches with in-text citation present, but no quotation marks

Top Sources

- 47% Internet sources
- 10% Publications
- 19% Submitted works (Student Papers)

Integrity Flags

0 Integrity Flags for Review

No suspicious text manipulations found.

Our system's algorithms look deeply at a document for any inconsistencies that would set it apart from a normal submission. If we notice something strange, we flag it for you to review.

A Flag is not necessarily an indicator of a problem. However, we'd recommend you focus your attention there for further review.

Mount Kenya