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CUSTOMIZED PRODUCT STRATEGY AND ORGANIZATIONAL PERFORMANCE OF EQUITY BANK IN KENYA

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ABSTRACT

The study objective was to evaluate the effect of focus on customized product strategy on Equity Bank's organizational performance. Structural contingency theory and cognitive dissonance theory guided the study. Systematic sampling was utilized in selection of Equity bank customers and convenience sampling was utilized in selection of Equity bank managers. The study sample size was 389 participants. The study employed semi-structured questionnaires and interview schedules to collect primary data that was compared to secondary data. Questionnaires were administered to Equity bank customers and interviews to bank employees. The study findings established that Equity Bank adopted grand strategy such as Digitalization, Loan and Cash deposit, Good Book Records, and Customer Satisfaction to improve organizational performance. The adopted strategies focused more on organizational performance than other doctrines like customer satisfaction. The study findings revealed a strong positive correlation between customized product strategy and organizational performance at Equity Bank, as indicated by (r=.718^a). Thus, a strong association exists between the customized product strategy, and organizational performance was statistically significant at F statistics (3,296), =104.942, P-Value=.000, because $P<0.05$. The study concluded the adopted customized product strategy effectively enhanced the organizational Performance of Equity Bank. The study concluded as customized product strategy positive coefficients increase, there tends to be an increase in the organizational Performance of Equity Bank in Kenya. The study recommended that the adoption of customized product strategy is aligned toward organizational performance. Recommended that the customized product strategy's pilot study should be conducted internally and externally to blend their insights to innovate a product/service tailored to all Equity Bank stakeholders' perceptions. Further, the study suggested that there is a need to conduct similar research to investigate other strategies excluded in this study, such as leadership styles and social and economic aspects that may influence the organizational performance of the Equity

Key words: *Customized Product Strategy, Grand Strategy, Performance*

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INTRODUCTION

Every company aims to grow its business and increase sales and profits, or improve performance. Organizational performance is the lifeblood of any business, and every business has the matter of achieving efficient and effective outcomes (Rylkova, 2015). Nonetheless, it is tough to categorize performance because it is such a broad and vague concept (Juliana, & Maria, 2016). To maximize their chances of success, companies are under increasing pressure to use unconventional and new techniques to accomplish their goal. The banking industry recognizes that for the success of the business strategy must be adopted for its growth. A strategy is defined as the position taken by a firm over time with its intentions to reach there successfully considering the values and expectations of its stakeholders. The term strategy refers to a plan, policy, or grand design that is used in maneuvers, moves, roles, or stratagems to outsmart competition while also meeting stakeholders' expectations within the boundaries of the business. Work done by Johnson, Scholes, and Wittington (2009) revealed that a strategy is the position and settings adopted by a firm over time to gain advantages in a dynamic situation in aiming to fulfill the expectations of stakeholders. An organization must fit in good workable strategies so as to succeed in a diversified business environment. A grand strategy lays out a long-term goal for the country as well as a detailed plan for accomplishing that goal (Sibii, 2017). Achieving the objectives of a grand strategy necessitates more than the effective conduct of a war or the development of a country's economy. Strategic objectives are the corporation’s life-term goals: strategies the company will take on to achieve its goals. Grand strategy is a way of thinking about how to expand a company goals. Conditions in the business environment, such as recessions or rival actions, can determine the choice of grand strategy.

Value co-creation necessitates a move to a customer-centric paradigm in which consumers may express their preferences and products/services can be modified in real-time appropriately. A company that offers highly innovative services to its customers is most likely to outpace its peers with regard to profitability, share value, and sales development. Companies might charge higher fees in order to increase revenues by providing superior service delivery and service customization. Furthermore, prior research has demonstrated that firms employ appropriate technology to adjust their services in order to fulfill expanding consumer demand for a range of service options and to construct tailored services (Pine, 1993).

Firms use new technology and innovation for new service operations to be launched, increase the efficiency together with effectiveness of processes of delivery, and generate positive invention results and performance. As a result, service innovations, according to Chuang et al (2015), have an influence on business performance. Firms that use new innovations and technology-based e-service innovations beat their competitors in terms of customizing customer demands and exceeding customer anticipations, demonstrating that e-service technologies are a significant internal motivator of value co-creation delivers. According to a recent study, businesses may gain a competitive edge and improve their performance by giving more value to consumers and meeting their needs. Sanchez, Vijande, and Gutierrez, (2010). The focus on customized products is one of what brings organizational performance. The focus on the customized products strategy resulted in the production of the products that are preferred by the customers. The preference to fit products to the customers resulted in organizational performance. Customized product strategy increased the participation of both employees and customers. The feeling of the employees being fully involved made them deliver maximally to the customers leading to their satisfaction, (Safizadeh, *et al*, 2008).

Focusing on customized products enhanced proper communication between the organization and its customers. This enhanced strong connection with the customers on an individual basis which gave birth to the satisfaction of the customer since their needs were well catered, (Pine, *et al*, 1993). Focusing on the customized products brought the benefit of making an effective and efficient decision on the customer needs which led to their satisfaction. Customers featuring in the products they want plays a great role in fitting to their preferences, this results in a bigger value to the customer and it positively influences customers thus it increases organizational performance.

The Central Bank of Kenya (2013) report indicated that recruiting new banking customers is costlier when compared to retaining the existing customers in Kenya. Commercial banks, on average, lose up to twenty percent of their customers in a year but retaining 5% of the existing customers can lead to an increase and doubles in profits. In Kenya, commercial banks spend a huge market budget allocation on recruiting customers. On average, winning a bank customer is more expensive compared to winning a non-banking customer and customer defection is likewise. Therefore, the banking industry in Kenya is more difficult in terms of customer acquisition, customer retention and customer defection rates are very high thus banks are only left with one option of allocating significant budget to customers, (CBK, 2013).Recent studies indicate that Kenya is the leading banking market in the region with several of her commercial banks such as Equity banks, Absa, Kenya Commercial Bank (KCB) and NCBA banks having dominated in East and Central African countries in banking operations. Moreover, banks that are fully developed and well established with an external blueprint have the ability to use their profits to offset their revenue-generating challenges mainly caused by current regulatory moves in Kenya.

In 1984, Equity bank started operating as Equity Building Society (EBS). It later operated as a microfinance institution and then into a commercial bank. It was established to meet the needs of the majority of the Kenyan population by providing them with financial services. Initially, the focus was to provide mortgage services, later Equity Building Society (EBS) transformed into offering microfinance services in the mid-1990s, (Equity Bank, 2007) on 31 December 2004 it became a fully-fledged commercial bank. Since that time Equity bank has rapidly grown and expanded its size business. August 2006, Equity bank was listed by the Equity Bank limited on the Nairobi Stock Exchange (NSE) with its head offices in Nairobi as a financial service provider. The Equity Bank Kenya is a sub-diary of Equity Group Limited. Equity bank targets customers in all segments and offers services in credit, deposits, funds transfers, insurance services, trade finance, custodial services, investment banking, treasury, and foreign exchange.

Statement of the Problem

Equity Bank Kenya is a leading bank with a customer base of over 17 million, however it faces several statistical problems that impact its performance. These include challenges are related to digital transformation, such as technical issues, customer retention, and competition from other banks offering the same services and products like Equity bank, Kenya. Despite investing heavily in digital banking, Equity Bank is still struggling to roll out customized products and services, making it crucial to address these challenges successfully to maintain its position as a leading bank in Kenya.

Further, there is increased competition from other financial service providers, the bank has a challenge in maintaining satisfactory services to its current customer base and even growing it more through acquiring more customers. There is a tremendous rise of many banks and microfinance as well as mobile banking applications that offer financial support to many customers which poses as a threat to Equity bank Kenya. It has been very challenging to maintain a customer base or even grow the market share. Additionally, Equity banks have experienced this shake-up and uncertainty due to high competition and the availability of many financial options for customers. This has caused a lot of crises in the bank trying to strike a balance between maintaining profits, maintaining staff, and increasing the customer base and organizational performance. Moreover, this has forced the bank to cut down on manpower in order to maintain profits.

Muiruri (2015) and Gworo (2012) findings on impact of strategic partnerships on the performance of Equity Bank in Kenya, identified the bank's challenges as staff resistance, political and cultural, lack of proper coordination, competition, sabotage, limited resources, and technological challenges. Corporate strategy's impact on performance is perceived differently by stakeholders, with both positive and negative linkages. Equity Bank's success is attributed to strategic plans, innovation, and governance. However, a knowledge gap exists on the perceived influence of strategy on performance at Equity Bank, (Muganda, 2018). Therefore, organizations must repackage their products and services while also being innovative and open to new strategies. Despite all indications that strategies have a significant effect on organizational performance and for a firm to remain relevant in a midst competitive environment.

However, the current studies (Kiragu, et al, 2020; Gabow & Kinyua,2018; Abonda;2017; Kepha,2013; Wambugu, 2012; Oyeila, 2011; Muiruri, 2015, Akinyi & Gworo, 2012; and Muganda,2018) have failed to address the influence of customized product strategy on organizational performance in particularly Equity bank in Kenya. Indeed, it is arguable that Customized Product Strategy may enhance organizational performance as indicated by previous studies on specific firms.

Nevertheless, no research has been done to fill this knowledge gap on the influence of customized product strategy on banks performance in Kenya. Thus, Equity Bank may have difficulties in organizational performance due to lack of facts and insufficient statistical evidence. It is against this backdrop, that research was conducted to investigate the influence of customized product strategy on organizational performance at Equity Bank Kenya.

Study Objective

The study evaluated the influence of customized product strategy on organizational performance of Equity Bank, Kenya. The research question was;

- How does customized product strategy influence organizational performance of Equity bank in Kenya?

LITERATURE REVIEW

Theoretical Literature Review

Structural Contingency Theory

In 2015, Lex Donaldson proposed structural contingency theory for the first time. According to the theory, how effectively an organization's structure matches factors such as uncertainty, strategy, and size determines its impact on performance. According to the theory, great performance occurs when the structure matches the contingencies, while poor performance occurs when the structure mismatches the contingencies; the key contingency components are size, task ambiguity, and diversification. The degrees of these contingency elements, as well as the structural variables linked with them, differ per organization. The suitable structure becomes increasingly bureaucratic as the organization expands in size. The fitting structure gets less organized and decentralized as task uncertainty increases, incorporating organizations that coordinate between functional departments such as project teams. The division of the fitting structure increases as the degree of bureaucratic organization increases. Specialized and centralized hierarchical structures benefit organizations with low uncertainty, but companies with high uncertainty benefit from lower specialization and decentralization. A functional structure is a suitable strategy that is not diversified, whereas a multidivisional structure is suitable for a strategy that is diversified. A larger-scale requires a more specialized and dispersed organization. There are several changes in focus across time, such as from differentiation to interdependence. The theory plays a role by ensuring the study achieves its purpose in relation to its research objectives and questions.

Cognitive Dissonance Theory

Cognitive theory was made known by Festinger in (1957) and hastily Consumer behavior research embraced it. Cognitive dissonance is the state of being uncomfortable produced by two simultaneous ideas held by an individual. Cognitive theory holds the view that people are driven by a motivational drive that minimizes dissonance through a change of ideas, perceptions, attitudes, behaviors, beliefs, and feelings or by rationalizing or justifying them. If this holds any truth, then the firms/companies have nothing but to try and substantially increase expectations above their performance of the product so as to receive the maximum product assessment. (Festinger, 1957). Nevertheless, the legality of this assumption is questionable for failing to meet these expectations despite raising expectations substantially above the product performance. For example, customers tend to largely recognize a small discrepancy (negative production evaluation) and at the same time fail to recognize a positive product evaluation.Critics of this theory are that; applications of cognitive dissonance are relatively limited in present marketing research projects despite the fact that it is a well-established construct in consumer behavior research for the following reasons: Firstly, the dissonance is frequently simply a transitory phenomenon. Secondly, difficulties in administering data collection and problems with measurements regularly empirical methods are used to address cognitive dissonance. Festinger (1957) asserts that cognitive dissonance is highly recommended to explain the level of uneasiness buyers undergo after purchasing a product or a service.

Conceptual Framework

Customized Product Strategy
- Customized products
- New product launch
- Customer-based product
- Product innovation

→

Organizational Performance
- Quality of service
- Effectiveness
- Customer satisfaction
- Growth and expansion
- Product customization

Independent Variable **Dependent Variable**

Figure 1: Conceptual Framework

METHODOLOGY

Research Design: The researcher was guided by a descriptive design to answer what, when, which, who, and how the nature of questions was a set for the study phenomena (Cooper and Schindler, 2011). The choice for the descriptive technique was required due to the type of data to be gathered which is quantitative and qualitative data for this proposed study.

Target Population: Bank of Equity Internal management had three branches to be investigated have an approximate number of 15,182 customers and 15 senior managers in the three branches. Therefore, the target population was all staff and customers who operated an account at Equity Bank in Kenya. This target population is familiar with the effects of grand strategy on the organizational performance of Equity banks in Kenya and hence provided reliable and valid information to enrich this proposed study.

Sample Frame: It is described as the population, proportions, and sample size from which the sample is selected that participated in the study (Cooper & Schindler, 2011). The population of the study comprised all the 15,182 customers and 15 staff at Tom Mboya, Community, and Gikomba branches. The study sample size was calculated by using the Tara Yamane formula of 1967 as presented below with a margin error of 5%

confidence interval of 95% and a confidence level P value=0.05

n= N / (1 + N (e) 2

Where;

n is the sample size

N is the target population

E is the margin error =5%

The study sample size

$$n = \frac{15182}{1+15182(0.05)2} = \mathbf{389}$$

The sample size was distributed per branch category as follows;

Tom Mboya **n=** $\frac{7334}{15182}$ of 389 **=188**

Community **n=** $\frac{4956}{15182}$ of 389 **=127**

Gikomba **n=** $\frac{2892}{15182}$ of 389 **=74**

The sample size of the study was as presented in Table 1.

Table 1: Sampling Matrix of the Study

Units	Target Population	Sample Size
Tom Mboya	7,334	188
Community	4,956	127
Gikomba	2,892	74
Grand total	15,182	389

Sampling Design and Techniques: The sample size comprised 389 respondents who operate Equity bank accounts. A decision to come up with the stated size is due to time constraints since a bank is a busy workplace. Therefore, obtaining a respondent to participate in a study is very hard as well as financial constraints that hinder the researcher in exploration of a wider sample.

Research Instrument: Research instrument is described as the tool that a researcher adopts for data collection in line with research objectives. The study used both questionnaires and an interview guide with an aim of collecting quantifiable and qualitative data for the study.

Pilot Test: A pre-testing study was done with ten (10) customers from other Equity banks branches that was not part of the actual study in order for the researcher to test instruments' reliability and validity. Instrument validity is the gradation that measures how truly results are valid while instrument reliability measures the consistency of the outcomes after recurrent trials (Mugenda & Mugenda, 2003).

Data Analysis: The collected data is processed and analysed using statistical package for social sciences (SPSS). The findings of the study were presented using charts and tables. Descriptive statistics was used to summarize data to enable meaningful interpretation and description. Descriptive statistical analysis limits generalization to the particular group of individuals observed. The descriptive analysis was used in this study are: percentages, frequency, means, overall mean and standard deviation.

In addition, inferential analyses including Pearson correlation and multiple linear regression analysis were used. Inferential statistics was used in the study to enable the researcher to reach conclusions about the relationship between the variables. Drawing conclusions about populations based on observations of samples is the purpose of inferential analysis. The results from inferential statistics were used to test null hypotheses at significance level of 0.05(95.0% confidence level) with aid of SPSS version 25. This study employed regression analysis to examine concurrent influence of Customized Product Strategy on Performance as follow:

$Y = \beta_0 + \beta_1 X_1 + \varepsilon$

Where:-

Y = Performance

β0= Constant

B_1 = Regression Coefficients of Customized product strategy influencing organizational Performance

X_1= Customized product strategy

ε =Error Term

FINDINGS AND DISCUSSION

Response Rate

The return rate is the percentage of respondents that duly returned instruments for the study out of the total number of participants (Mugenda & Mugenda, 2003). The study instruments were administered to 389 participants; Equity Bank customers and bank employees. The duly filled questionnaires were 315, which marked a return rate of 81%. Mugenda and Mugenda (2003) recommended that a return rate of 50% is adequate, 60% is good, and above 70% is considered significantly acceptable for any social research. According to Edward et al. (2002), if the return rate is at least 80%, it is excellent; if it is between 60% and 70%, it is adequate; and if it is less than 60%, it is not good. In this case, a return rate of 81% was accepted in this study.

Descriptive Statistics of the Variable in the Study;

Customized Product Strategy

The study sought to understand from Equity Bank customers the influence of customized product strategy on organizational performance. The study asked the customers to rank the following statements on the effect of customized product strategy. The obtained information is presented in Table 2.

Table 2: ***Customers' Responses on Customized Product Strategy***

Statement	SD	D	N	A	SA	M
Equity bank launches new products regularly	-	29 (9.7%)	51 (17%)	178 (59.3%)	42 (14%)	3.7
New products make banking interactive and serve better	-	-	35 (11.7%)	82 (27.3)	183 (61%)	4.4
Interviewed when a new product is developed	23 (7.7%)	25 (8.3%)	115 (51.7%)	17 (5.7%)	80 (26.7%)	3.3
Involved in pilot testing a new product	26 (8.7%)	33 (11%)	76 (25.3%)	47 (15.7%)	118 (39.3%)	3.6

Scale Mean	Description
1.00 to 1.79	Strongly Disagree
1.80 to 2.59	Disagree
2.60 to 3.39	Moderate
3.40 to 4.19	Agree
4.20 to 5.00	Strongly Agree

The Likert scale is a way to measure people's thoughts and feelings (Sack, 2021).

From the table 2. it was shown that the majority of customers 59.3% agreed that Equity Bank launches new products regularly and some customers, 14%, strongly agreed with the statement. Further, the findings showed that most customers, 61%, strongly agreed that new products make banking interactive and serve better, also, customers agreed 27% with the statement.

In addition, the majority of customers, 52%, remained neutral on Equity Bank customers are interviewed when a new product is developed. However, some customers at 26.7% strongly agreed that they were interviewed when a new product was developed. The study revealed that of customers, 39.3% strongly agreed that customers are involved in pilot testing a new product. Whilst some customers remained neutral at 25.3% regarding the same statement. These findings are in agreement that businesses may gain a competitive edge and improve their performance by giving more value to consumers and meeting their needs (Sanchez, Vijande, & Gutierrez, 2010). The focus on customized products is one of what brings organizational performance. The focus on the customized products strategy resulted in the production of the products that are preferred by the customers. Further, the mean scale above 3.0 supported the descriptive statistics for each statement under customized product strategy on organizational performance. Therefore, there is descriptive evidence that customized product strategy positively influenced the organizational Performance of Equity Bank. The findings agree with Chuang et al. (2015) that organizations that use new technology and innovation for new product/service operations to be launched increase the efficiency and effectiveness of delivery processes and generate positive invention results and performance. As a result, product/service customization influences business performance by giving more value to consumers and meeting their needs.

The study sought to understand Equity Bank customers' level of satisfaction with Equity Bank's customized product strategy on organizational performance. The obtained information from customers was computed, and the findings are depicted in Figure 2.

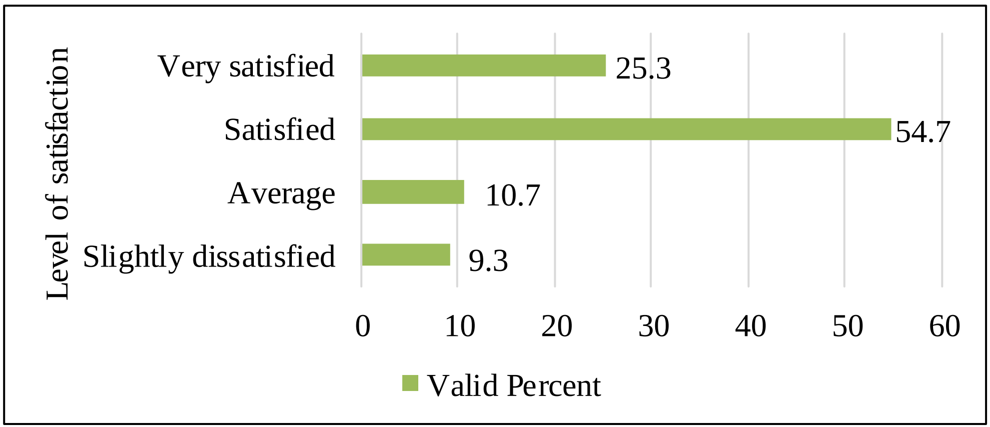

Figure 2: ***Customers' Satisfaction with Customized Product Strategy***

The findings in Figure 2 revealed that most Equity Bank customers, at 54.7%, were satisfied with customized product strategy for organizational performance. Further, some customers indicated at 25.3% were very satisfied with the customized product strategy.

The results implied that the customized product strategy greatly influenced the performance of the Equity bank. The findings reflected a study by Pine (1993) that firms employ appropriate technology to adjust their services to fulfil expanding consumer demand for a range of service options and to construct tailored services. Additionally, Safizadeh, et al, (2008) revealed that customized product strategy increased the participation of both employees and customers. The feeling of the employees being fully involved made them deliver maximally to the customers leading to their satisfaction. Therefore, the findings found that the focus on customized products brings the organizational Performance of Equity Bank in Kenya.

The study analysed linear regression to establish the relationship between the customized product strategy and Equity bank performance. The obtained findings are illustrated in the regression model summary in Table 3.

Table 3: ***Model Summary***

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.718[a]	.515	.510	.59949

a. Predictors: (Constant), Customized Product Strategy
b. Dependent Variable: Organizational Performance

A model summary described the independent variable (Customized Product Strategy) and dependent variable (organizational performance), as illustrated by the results in Table 3. The R-Squared result at 52% perfectly measured the goodness of fit of a regression model. Thus, customized product strategy was a perfect predictor for the organizational Performance of Equity Bank.

Further, there is clear evidence that the linear regression model found a strong positive correlation between customized product strategy and organizational Performance at Equity Bank, as indicated by (r=.718[a]). Further, the findings signaled that customized product strategy explained the organizational Performance of Equity Bank as denoted by adjusted R-Squared result at 51%. Therefore, the findings implied that customized product strategy was the perfect predictor for organizational Performance at Equity Bank.

Further, ANOVA analysis was computed, and the results are illustrated in Table 4.

Table 4: ANOVA[a] Statistics of Customized Product Strategy

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	113.143	3	37.714	104.942	.000[b]
	Residual	106.377	296	.359		
	Total	219.520	299			

a. Dependent Variable: Organizational Performance
b. Predictors: (Constant), Customized Product Strategy

Results in Table 4, The ANOVA test indicated that the model summary was sufficiently predictive of the dependent variable (organizational performance). The findings showed that the association between the two variables was statistically significant at F statistics (3,296), =104.942, P-Value=.000, because P<0.05. The results are attributed to the fact that Equity Bank launches new products regularly, customers are interviewed when a new product is developed, and new products make banking interactive and better positively influence the organizational Performance of Equity Bank.

Further, it was found that the preference to fit products to the customers' needs resulted in the organizational Performance of Equity Bank. The findings are supported by Sanchez, Vijande, and Gutierrez (2010) that focusing on customized products brings organizational performance. Additionally, focusing on customized products enhanced proper communication between the organization and its customers. It was found a strong connection with the customers on an individual basis which gave birth to the satisfaction of the customer since their needs were well catered (Pine, et al, 1993).

Further, regression coefficients results were illustrated in Table 5.

Table 5: Regression Results of Customized Product Strategy

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.782	.271		2.890	.004
	$X_{1=}$ Customized Product Strategy	0.283	0.046	0.294	6.406	.000

a. Dependent Variable: Organizational Performance.

From table 5, there is evidence that all the coefficients are less than 0.05. It was found that customized product strategy(X_1), statistically significant, predicted organizational performance as denoted by P-Value=.004, P<0.05.

Results in Table 5, Regression positive coefficients results showed that customized product strategy, as denoted, β =.782, P-Value=0.004, because P<0.05. The findings implied that as customized product strategy positive coefficients increase, there is an increase in the organizational Performance of Equity Bank. The linear regression was as below;

$Y = 0.782+.283X_1$

The findings are supported by Sanchez, Vijande, and Gutierrez (2010) that the focus on customized products brings organizational performance.

The focus on the customized products strategy resulted in the production of the products/services preferred by the customers. Further, it was observed that the preference to fit products to the customers resulted in the organizational performance of Equity Bank. Customized product strategy increased the participation of both employees and customers. The employees' feeling fully involved made them deliver maximally to the customers, leading to their satisfaction (Safizadeh et al., 2008).

CONCLUSIONS AND RECOMMENDATIONS

This was the study's second objective; the study revealed that Equity Bank customers are aware of customized products; loan accounts at 36.5%, Credit/Debit cards at 28.5%, mobile accounts at 26.8%, Share accounts at 7.7%, Forex account at 05%. The results implied that Equity bank products/services are available to customers and are pretty utilized.

The study established that of most customers, 59.3% agreed that Equity Bank launches new products regularly, and some customers, 14%, strongly agreed. Further, customers at 61% strongly agreed that new products make banking interactive and serve better, and customers agreed at 27% with the statement. The majority of customers, 52%, remained neutral on Equity Bank customers are interviewed when a new product is developed. However, some customers at 26.7% strongly agreed that they were interviewed when a new product was developed. Further, of customers at 39.3% strongly agreed that customers are involved in pilot testing a new product. Some customers remained neutral at 25.3% on the same statement.

The findings agree with Chuang et al. (2015) that organizations that use new technology and innovation for new product/service operations launched to increase the efficiency and effectiveness of delivery processes and generate positive invention results and performance. As a result, product/service customization influences organizational performance by giving more value to consumers and meeting their needs.

The study revealed that most Equity Bank customers, 54.7%, were satisfied with customized product strategies for organizational performance. Further, some customers indicated at 25.3% were very satisfied with the customized product strategy.

Inferential statistics established that customized product strategy was a perfect predictor for the organizational Performance of Equity Bank. Further, there is clear evidence that the linear regression model found a strong positive correlation between customized product strategy and organizational Performance at Equity Bank, as indicated by (r=.718a). The ANOVA test indicated that the model summary sufficiently predicted the dependent variable (organizational performance). The findings showed that the association between the two variables was statistically significant at F statistics (3,296), =104.942, P-Value=.000, because P<0.05.

Further, Regression positive coefficients results showed that customized product strategy, as denoted by β =.782, P-Value=0.004, because P<0.05. The findings implied that as customized product strategy positive coefficients increase, there tends to be an increase in the organizational Performance of Equity Bank. The results are attributed to the fact that Equity Bank launches new products regularly, customers are interviewed when a new product is developed, and new products make banking interactive and better positively influence the organizational Performance of Equity Bank. Further, it was found that the preference to fit products to the customers' needs resulted in the organizational Performance of Equity Bank. The findings are supported by Sanchez, Vijande, and Gutierrez (2010) that focusing on customized products brings organizational performance.

The study concluded that as customized product strategy positive coefficients increase, there tends to be an increase in the organizational Performance of Equity Bank in Kenya.

The customized product strategy's pilot study should be conducted internally and externally to blend their insights to innovate a product/service tailored to all Equity Bank stakeholders' perceptions.

Areas for further studies

- There is a need to conduct similar research to investigate other factors excluded in this study, such as leadership styles and social and economic factors that may influence the organizational performance of the Equity bank.
- There is a need to carry out similar research to investigate the influence of customized product strategy on organizational performance in other commercial banks.

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