



**INNOVATION STRATEGIES ON SERVICE DELIVERY IN SAFARICOM PUBLIC LIMITED COMPANY**

**Tania Wambui Kimuhu & Dr. Joyce Gakobo, PhD**

## INNOVATION STRATEGIES ON SERVICE DELIVERY IN SAFARICOM PUBLIC LIMITED COMPANY

<sup>1</sup> Tania Wambui Kimuhu & <sup>2</sup> Dr. Joyce Gakobo, PhD

<sup>1</sup> Masters Candidate, School of Business, Economics and Tourism, Kenyatta University, Kenya

<sup>2</sup> Lecturer, School of Business, Economics and Tourism, Kenyatta University, Kenya

Accepted: March 5, 2025

DOI: <http://dx.doi.org/10.61426/sjbcm.v12i1.3185>

### ABSTRACT

*It is essential for businesses to implement innovation strategies if they want to keep their competitive edge, adjust to changing market circumstances, and propel their development. In order to come up with creative methods of fulfilling the changing consumer demands and, as a consequence, improved service delivery, Safaricom Public Limited Company (PLC) Kenya has implemented innovations in a variety of different ways, which has resulted in research and development. The objective of the study was to establish innovation strategies on service delivery of Safaricom Limited. A descriptive research design was used for the aim of this study. There were 214 managers who deal directly with Safaricom PLC on various departments, and the unit of observation was Safaricom PLC. The 214 managers served as the unit of observation, while Safaricom PLC served as the unit of analysis. These supervisors belong to one of three cadre of management: upper, medium, and bottom. The sample size was 139 respondents. It was found out that a strong and positive correlations were discovered between various aspects of Safaricom PLC's service delivery and innovation. These included product innovation, process innovation, market innovation, technological innovation, and service delivery overall. Positive and statistically significant relationships were observed for all of these variables. Findings indicate that innovative initiatives significantly improve Safaricom PLC's service performance. As long as Safaricom continues to prioritize product innovation and invest in it, the company is expected to continue on its current growth trajectory and reaffirm its commitment to delivering exceptional service. Research shows that process innovation has helped Safaricom succeed by increasing service quality, operational efficiency, and the firm's commitment to providing exceptional value to customers. Market innovation has proven to be a vital component of Safaricom's strategy, enhancing service delivery and reinforcing its commitment to providing value to customers across Kenya. The study recommends that Safaricom should develop more targeted marketing campaigns that cater to specific demographics and customer segments, ensuring that product offerings resonate with diverse customer needs.*

**Key Words:** Innovation Strategies, Service Delivery, Safaricom Public Limited Company

**CITATION:** Kimuhu, T. W., & Gakobo, J. (2025). Innovation strategies on service delivery in Safaricom Public Limited Company. *The Strategic Journal of Business & Change Management*, 12 (1), 261 – 275. <http://dx.doi.org/10.61426/sjbcm.v12i1.3185>

## INTRODUCTION

The provision of services is regarded as a critical component of a business's success and operational performance, given the competitive character of the modern global economy (Christensen & Zheng, 2023). On the other hand, a company's service delivery is the result of its achievements or investments over a certain period. The provision of services is related to innovation, where having a competitive advantage significantly increases the likelihood of strong performance within the industry. The industry it operates in. However, effective personnel management is a critical component of any given business's service delivery efficiency.

In industrialized nations such as China, the USA, the UK, Canada, Korea, and Malaysia, multiple studies have shown that service delivery is well-maintained (Economic Survey of Korea, 2019). This is the case from a global-level viewpoint. By applying innovative techniques, which have, in turn, improved service delivery inside their companies, over sixty percent of businesses have achieved success, which is comparable to the majority of industrialized nations. According to Robinson (2007), companies that are serious about improving their service delivery must create innovative approaches to address the challenges associated with change implementation.

This is the case from a global-level viewpoint. By applying innovative techniques, which have, in turn, improved service delivery inside their companies, over sixty percent of businesses have achieved success, which is comparable to the majority of industrialized nations. According to Robinson (2007), companies that are serious about improving their service delivery must create innovative approaches to address the challenges associated with change implementation. Kwan and Donhee (2018) established a strong connection between how service delivery is considered to be quality and the level of satisfaction it brings to the customer. This recommendation aligns with Oanda's (2015)

suggestion that DT SACCOs should segment their customers for the purpose of targeted marketing in order to increase customer satisfaction. The explanation from the stated researcher shows that service quality from deposit taking SACCOs is what will enable them to deliver as expected and a satisfied client will always deem to continue seeking similar service (Kimaru, 2019).

### Statement of the Problem

Efficiency in service delivery is defined as the experience that organisations have when the proper people, procedures, and technology are used in a way that produces favourable results and is beneficial to the company, thus lowering operating costs (Raspa, Moultrie, Toth, & Haque, 2021). Globalisation, deregulation, and competition have forced institutions to provide services around the clock in today's commercial world, yet there are still major disadvantages in terms of annoyance and security concerns. In telecommunication firms, service delivery is a critical aspect of operations that encompasses providing reliable, efficient and customer-centric services. Effective service delivery in telecommunications firms involves a combination of robust infrastructure, efficient processes, advanced technologies and a strong focus on customer support and satisfaction (Kungu & Ngui, 2021).

A study by Rosli and Sidek (2013) investigated how innovation strategies impact service delivery among SMEs in Malaysia. According to the findings of the research, both product innovation and process innovation have a major influence on the performance of a company. However, the impact of process innovation was found to be less evident in comparison to the impact of product innovation throughout the study. A contextual gap, this study fills a knowledge gap by looking at commercial banks instead of SMEs. Samad and Aziz (2019) looked at how small and medium-sized food processing companies in Malaysia get a competitive edge via innovation. But competitive advantage, not

organizational performance, was the investigation focus. The prior investigation's context was Malaysia's SMEs that manufacture food, in contrast to the current research that will center on commercial banks in Nairobi County, Kenya.

In Nairobi, using Telkom Kenya Limited, Luvisi and Murigi (2019) conducted research to determine how the innovation strategy impacts the company's overall performance. Telkom Kenya Limited's performance was determined to be impacted by innovation strategy, according to the findings of the research. Nevertheless, given that it was a case study, it is possible that the results may not have a general applicability. Through the utilization of a descriptive survey research strategy, the present investigation endeavors to be able to fill this methodological void.

Karlsson and Tavassoli (2015) found a favorable correlation between performance, innovativeness indicators, strategic innovation cost management, and continuous quality improvement. The research was conducted inside the Ugandan banking sector, which does not provide any background information. Luvisi and Murigi (2019) examined how Telkom Kenya Limited's innovation approach impacted the company's performance in Nairobi City County. Research showed that innovation strategy significantly affects company performance. As a case study, however, the conclusions may not be relevant to a wider range of situations. The present investigation makes use of a descriptive survey research methodology in an effort to fill up this methodological void it has identified.

Kyongo (2017) discovered that African Industrial Financial Institution's performance was significantly improved by strategic innovation, which had a favorable influence despite its considerable impact. In spite of this, the study resulted in the creation of a new knowledge gap since it did not conduct any research on the overall performance, which was the subject of the study that was intended to investigate

and fill the gap. Maina conducted research in 2016 to determine how innovation management techniques affected the output of insurance firms and businesses in Kenya. The study will use regression analysis to try to figure out why innovative strategies have a beneficial effect on coverage providers' bottom lines in Kenya. The study, however, opted to ignore telecommunication in Kenya in favor of other settings. Therefore, this research will fill these gaps by examining how innovation strategies influence service delivery of Safaricom limited. The gap in this area included conceptualization, theory, context, and methodology.

### **Research Objectives**

The general objective of this study was to determine the effect of innovation strategies on service delivery In Safaricom Public Limited Company. Specifically, the study's goals included:

- To establish the effect of product innovation on service delivery of Safaricom Limited
- To ascertain the impact of process innovation on service delivery of Safaricom Limited
- To assess influence of market innovation on service delivery of Safaricom Limited
- To determine the importance of technological innovation on service delivery of Safaricom Limited.

### **LITERATURE REVIEW**

#### **Diffusion of Innovation Theory**

New ideas and technology circulate across a community or social system at a certain pace, according to this notion that Everett Rogers pioneered in 1962. Rogers contends that the method by which an invention is conveyed over the course of time among the individuals who make up a social system is what he refers to as diffusion (Rogers, 1962). The progressive spread of an innovation across the population of a civilization is what Rogers considered to be the definition of diffusion (Scott, 2008). According to Rogers (1983), the theory lays a

significant amount of stress on the fact that the term "diffusion" refers to the process of dispersion (also known as "diffusion"). The availability of human capital is absolutely crucial for the commercial success of every new idea that is introduced into the market. There are four primary elements that have contributed to this development, and they are as follows: the invention itself, the means of transmission, the passage of time, and the organization of society.

According to Robinson (2009), the diffusion of innovations is criticized for the fact that it requires a significantly different perspective in comparison to other theories of change. It reframes change as essentially about enhancing products and services to fulfill the wants and desires of individuals, rather than focusing on convincing people to change. This is in contrast to the traditional approach, which concentrates on convincing people to change. In this concept, it is proposed that people do not change over the course of time, but rather that innovations should be adapted to satisfy the needs of the populations who are already in existence. The results of Sevcik (2004) show that implementing a new idea is not a fast process, but rather one that takes persistence and patience. The major goal of the study was to examine what makes Safaricom's product innovation strategies work, and this idea was a key component in that investigation.

### **Theory of Disruptive Innovation**

The phrase "disruptive innovation," was coined by entrepreneur Clayton Christensen in the middle of the 1990s, describes how new market entrants can challenge and overturn established businesses (Sevcik, 2004). A strong approach of thinking about growth that is driven by innovation is the notion of disruptive innovation, which has shown to be in use. New technology or business concepts that aim for niche or low-end customers yet wind-up upending established sectors are known as disruptive innovations. Disruptive innovations initially perform

worse in terms of mainstream performance metrics but offer benefits in other aspects like cost or convenience.

Despite the theory's widespread use, many people still fail to grasp its essential ideas and put them into practice correctly (Gefen, Karahanna & Straub, 2013). Consequently, the idea is sometimes questioned for problems that have already been solved. Technical and market innovation are the primary variables that this theory primarily backs up in this research (Sevcik, 2004). Disruptive innovations initially underperform compared to established offerings but eventually improve and meet or exceed the needs of mainstream customers. Organizations may put themselves in a better position to expand, adapt to changing markets, and stay ahead of the competition by implementing innovative strategies and services based on the Theory of Disruptive innovative. Establish separate units or teams to explore and develop disruptive innovations. These units can operate with different resource allocations, processes, and performance metrics compared to the core business. Technical innovation is the primary variable that this hypothesis primarily bolsters in this investigation.

### **Service Quality Theory**

The notion of service quality was established by Gronorooos (1982) and then popularized by Parasuraman et al. (1985). From the standpoints of both the supplier and the consumer, Service Quality Theory is mainly concerned with measuring and bettering service quality. Various models and ideas that aid in understanding and improving service quality are included in the theory. The SERVQUAL model, foundational to the literature's comprehension of service quality, states that the distinguishing feature between anticipated and actual service is what establishes the service's quality. The idea has its detractors who point out that the technical component is very subjective, making it impossible to judge quality objectively. Customers'



perceptions of a service's quality are heavily impacted by its functional quality, which in turn affects their overall evaluation (Chen & Ting, 2002). The idea behind service quality theory is that the gap between them is a solid measure of how excellent a service is. Employees' expertise, politeness, and capacity to establish trust and confidence in clients are what constitute assurance, according to Smith (2007). Service delivery, the dependent variable, was supported by this hypothesis.

### **Empirical Literature Review**

#### **Process Innovation Strategy and Service Delivery**

Furthermore, research was conducted in Nairobi County, Kenya, by Kiilu and Peter (2020). While both sets of data were consistent, the research did take market innovation into account as a potential factor in boosting performance and entrepreneurship. Data was gathered from 10,000 SMEs in Nairobi, Kenya, using a descriptive research approach. A poor research strategy, descriptive research focuses only on explaining the investigated variables' behaviors or features. Nonetheless, an explanatory research strategy was used in this study, with a greater emphasis on establishing causal links among the study variables. According to research by Regneala (2015) on the topic of Romanian banking system innovation reform, entrepreneurial spirit, technological prowess, and financial resources are the three most important factors in creating a workable innovation risk management strategy. According to the report, if banks want to stay competitive, their business models must include a culture of organized innovation if they want to succeed. Organizational processes may be better prepared to take advantage of value-adding occurrences that might happen in a typical company setting over a particular period of time with the help of capacity planning and management. The banking industry in this foreign nation was the subject of this investigation. Instead than looking at competitive advantage, the research looked at how resources,

technology, and entrepreneurship impacted creative risk management.

#### **Product Innovation and Service Delivery**

Ida DAttoma and Silva Pacei (2016) investigated product innovation on service delivery among manufacturing firms in Europe. Product innovations can lead to improved functionality, usability, and features, directly enhancing the customer experience. This can result in more efficient and satisfactory service delivery. Product innovation can enable the development of new services or service models. Innovations in product design or technology can streamline service processes, reducing the time and resources required to deliver services. This can lead to faster response times and more efficient operations. However, the conceptual gap, Europe was the site of the investigation. Purba and Panday (2015) sought to examine in the Nigerian telecommunications sector, service delivery strategies have significantly contributed to improved performance among firms. The study adopted descriptive design. Implementing strategies focused on customer service, such as improved call centers, better complaint management systems, and personalized customer support, has led to higher customer satisfaction and retention rates. Investments in expanding network infrastructure and upgrading technology have improved service reliability and coverage. By focusing on these service delivery strategies, telecommunications firms in Nigeria have enhanced their performance, improved customer satisfaction, and acquired a distinct advantage in the market. This study measured the impacts innovation in the context of service delivery.

#### **Market Innovation and Service Delivery**

In the state of Guanajuato in Mexico, Georgina Valdez-Bocanegra et al. (2020) argued the internal processes, structures, and resources that support innovation within an organization, particularly in SMEs. The study found out that systems and practices for generating new ideas, including brainstorming

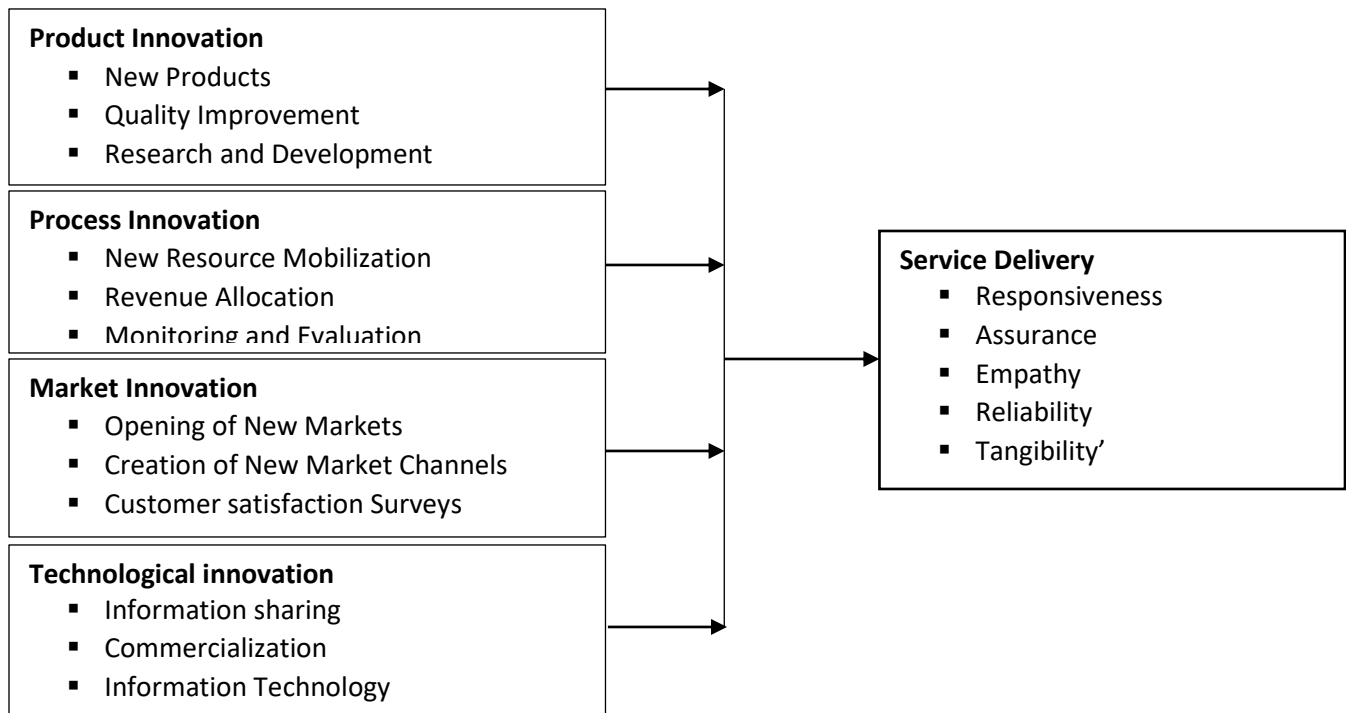
sessions, innovation workshops, and suggestion platforms. Procedures for researching and developing new products or services, including prototyping, testing, and iteration. The study focused on manufacturing companies. Government laws were also not included as a moderating variable, despite their importance in this research. Therefore, there was a contextual and conceptual gap. Based on his research on microfinance institutions in Nairobi, Kenya, Muithya (2021) concluded that a focus on market innovation is essential for efficient operation. This research presents a conceptual gap as it employed product innovation, financial innovation, and market innovation as sub-constructs of strategic innovation, but it did not use entrepreneurial innovation. The research will reveal a vacuum in the context. The requirement of innovation for the performance of SMEs was highlighted in a research conducted in Dubai by Al-Ansari et al. (2013). However, the researchers utilized a structured survey research model presenting a methodological gap. The study focused on market innovation and overlooked process and organizational innovation, thus presenting a conceptual gap. Therefore, this study focused in a different environment from the one in Dubai which presented a contextual gap.

#### **Technology Innovation Strategy and Service Delivery**

Kubbr (2007) points out that Japanese banks have been using innovation to their advantage more and more recently. Many banks now provide convenient online and mobile banking services that allow customers to see their accounts, make transfers, and

finish transactions whenever and wherever they choose. This convenience improves customer satisfaction and attracts tech-savvy clients (Khalil, 2012). According to Yasuharu (2010), financial institutions may improve their customers' experiences by using data analytics and AI to provide individualized financial advice, tailored product suggestions, and customized customer support. The impact of intellectual capital on the performance of Chinese life insurance businesses was investigated by Lu, Wang, and Kweh (2014). In order to gauge how well businesses are doing, the study used a dynamic slack-based measure (DSBM). The study's findings showed that new technologies, such as chatbots and virtual assistants, improve customer service by quickly resolving typical issues. In contrast to the present research, which focuses on service delivery, this only employed efficiency metrics. In specifically, Agboola (2012) looked at the kind and level of adoption of new technologies as they pertained to the Nigerian banking sector and how they were affected by ICT. The Nigerian banking industry has undergone significant transformation with the adoption of ICT, transitioning from traditional banking methods to more advanced digital solutions. This shift has been driven by the need for increased efficiency, customer demand for convenience, and competitive pressures. Banks in Nigeria are now leveraging a range of ICT solutions to enhance their operations, improve service delivery, and expand their reach. This investigation was centered on telecommunications companies, in contrast to the last one which examined Nigerian banks.

### Conceptual Framework



### Independent Variables

### Dependent Variables

**Figure 1: Conceptual Framework**

Source: (Author, 2024)

### METHODOLOGY

#### Research design

This research made use of a descriptive survey approach. Descriptive research seeks to describe characteristics of people or groups, as pointed out by Kothari (2004). This design minimises bias in data collection and analysis while enabling a comprehensive description and analysis of events (Creswell, 2011).

#### Target Population

There were 214 managers who deal directly with Safaricom PLC on various departments, and the unit of observation was Safaricom PLC. The unit of analysis was Safaricom PLC, and the unit of observation was the 214 managers. These supervisors belong to one of three cadre of management: upper, medium, and bottom. These were the layers that were covered by the inquiry. Table 1 displays the distribution of the target population.

**Table1: Distribution of the Target Population**

Category	Target Population
Senior Level Management	29
Middle Level Management	83
Lower Level Employees	102
Total	214

Source: Safaricom limited Human resource records, (2024)



**Sample Size and Sampling Procedure**

The sample was selected to correctly reflect the complete group, and it is representative of a subset of the population. Based on the formula proposed by Slovene (1978), the appropriate sample size for this project was determined. By utilizing this method for the calculation, a fixed sample size of 139 people could be determined. The Slovene’s formula was enumerated below;

N = Population

e = Acceptable margin of error

n = Sample

$$n = \frac{N}{1 + N(e)^2}$$

The research project will use a 95% confidence interval with a 5% margin of error. Through the use of Slovene's formula, the calculated fixed (total) sample size was found to be:

$$n = \frac{214}{1 + 214(0.05)^2}$$

$$n = \frac{214}{1 + 214(0.0025)}$$

$$n = 139$$

The calculated findings was used to divide the sample size proportionately across the various groups, Table 2 presents the breakdown.

**Table 1: Sample Size**

Category	Number of population per category	Proportionate (x/214*139)	sample size
Senior Level Management	29	19	
Middle Level Management	83	54	
Bottom Level Employees	102	66	
<b>Total</b>	<b>214</b>	<b>139</b>	

This research used a stratified random sampling approach to guarantee that all project managers and team leaders have an equal opportunity to be chosen for it. For the sake of equity, the research also used simple random sampling to distribute the field data collection tasks among all participants.

**Data Analysis and Presentation**

The study employed both descriptive and inferential statistics. The descriptive statistics package included distribution tables with frequencies and percentages, as well as measures of central tendency like the mean and measures of dispersion like the standard deviation. The application of inferential statistics, namely regression analysis, allowed the researcher to determine the relationship between the variables that were under the study. The order of the equation is given below:

$$Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \epsilon$$

Where: Y is the dependent variable (Service Delivery),

X<sub>1</sub> = Product Innovation strategy

X<sub>2</sub> = Process Innovation Strategy

X<sub>3</sub> = Alliance Market Innovation Strategy

X<sub>4</sub> = Technological Innovation Strategy

ε is the error term

**FINDINGS AND DISCUSSIONS**

A total of 98 out of 139 respondents were able to finish and return the questionnaires, making the response rate 70.51%. The outcomes of the research might be drawn with this level of participation.

**Inferential Analysis**

**Correlation Results**

Correlation analysis was used to look at the relationship between the independent and

dependent variables in the study (Omondi & Hood, 2017). The correlation analysis values are shown in Table 3

**Table 3: Correlation Analysis**

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

		<b>Product Innovation Total</b>	<b>Process Innovation Total</b>	<b>Market Innovation Total</b>	<b>Technological Innovation Total</b>	<b>Service Delivery Total</b>
<b>Product Innovation Total</b>	Pearson Correlation	1	.474**	.521**	.369*	.763**
	n					
	Sig. (2-tailed)		.004	.001	.029	.000
	N	98	98	98	98	98
<b>Process Innovation Total</b>	Pearson Correlation	.474**	1	.703**	.648**	.764**
	n					
	Sig. (2-tailed)	.004		.000	.000	.000
	N	98	98	98	98	98
<b>Market Innovation Total</b>	Pearson Correlation	.521**	.703**	1	.658**	.805**
	n					
	Sig. (2-tailed)	.001	.000		.000	.000
	N	98	98	98	98	98
<b>Technological Innovation Total</b>	Pearson Correlation	.369*	.648**	.658**	1	.750**
	n					
	Sig. (2-tailed)	.029	.000	.000		.000
	N	98	98	98	98	98
<b>Service Delivery Total</b>	Pearson Correlation	.763**	.764**	.805**	.750**	1
	n					
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	98	98	98	98	98

Product innovation and service delivery have a positive link and are statistically significant, according to the correlation analysis's findings ( $r = 0.763$ ,  $p < 0.01$ ). This is due to the fact that when Safaricom launches new goods, service delivery improves (Deya & Laban, 2019). Additionally, the launch of new goods fosters competitive advantage and long-term, sustainable growth (Varris & Littumen, 2010). The

statistical significance and positive correlation between process innovation and service delivery are demonstrated by (process innovation and service delivery:  $r = 0.764$ ,  $p < 0.01$ ). This is due to the fact that process innovation boosts market share and profitability (Kang, Na, & Jeong, 2019).

The results show a favourable association between market innovation and service delivery, which is

statistically significant ( $r = 0.805$ ,  $p < 0.01$ ). Market innovation leads to the provision of services by the company (Dahiyat et al., 2017). (Technology innovation and service delivery:  $r = 0.750$ ,  $p < 0.01$ ) shows that the two are positively and statistically correlated. Customer happiness, which is frequently used as a gauge of the success of service delivery, is

also impacted by technological innovation (Ahmad et al., 2019).

#### Regression analysis Results

The model explained how changes in the independent variables affected the dependent variable, as indicated in Table 4.

**Table 4: Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.950 <sup>a</sup>	.902	.889	1.16898

As stated in Table 4 above, innovation in products, processes, markets, and technologies was responsible for 90.2% of the changes in service delivery, while other variables that were not part of the research accounted for 9.8%. A coefficient of correlation of

0.950 indicates a strong positive link between the independent and dependent variables.

Analysis of variance is used to evaluate the study's model's significance. The results are displayed in Table 5 below.

**Table 5: Analysis of Variance**

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	376.890	4	94.222	68.950	.000 <sup>b</sup>
	Residual	40.996	93	1.367		
	Total	417.886	97			

a. Dependent Variable: Service Delivery

b. Predictors: (Constant), product innovation, process innovation, market innovation and technological innovation.

Regression coefficients are used to show the relationship between the different variables in the study. Table 6 displays the regression coefficients,

which indicate the degree and direction of the impact of changes in the independent variables on the dependent variables.

**Table 6: Regression Coefficients**

Model		Unstandardized Coefficients		Standardized Coefficients		Sig.
		B	Std. Error	Beta	t	
1	(Constant)	2.824	.966		2.922	.007
	Product Innovation	.396	.062	.433	6.362	.000
	Process Innovation	.156	.073	.186	2.136	.041
	Market Innovation	.179	.066	.246	2.716	.011
	Technological Innovation	.293	.077	.308	3.807	.001

a. Dependent Variable: Service Delivery

Regression equation derived from Table 6 findings was:

$$Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \epsilon$$

$$Y = 2.824 + 0.396 X_1 + 0.156 X_2 + 0.179 X_3 + 0.293 X_4$$

Where:

$\beta_1$ ,  $\beta_2$ ,  $\beta_3$  and  $\beta_4$  represent the coefficient of the predictor variables

X1 is product innovation

X2 is process innovation

X3 is market innovation

X4 is technological innovation.

$\epsilon$  is the error term

Table 6 shows that if product, process, market, and technology innovation don't change, service delivery will go up 2.824 units. Beta=0.433, t=6.362, p<0.05 indicates a strong and positive relationship between service delivery and product innovation. Thus, with everything else being equal, service delivery increases by 0.396 units for every unit increase in product innovation. According to research on communication companies' strategic innovation and service delivery, this is in line with what Deya and Laban (2019) found. A highly positive correlation between service delivery and product relationships was found in the study.

A strong positive correlation (Beta=0.186, t=2.136, p<0.05) was found between process innovation and service delivery. As a result, assuming all other factors remain constant, service delivery increases by 0.156 units for every one unit increase in process innovation. The effects of process and product improvements on the service offerings of manufacturing organizations were also examined by Dahiyat, Abdallah, and Al-Sa'di (2017). The study came to the conclusion that improving service delivery requires process innovation.

Service delivery and market innovation were shown to be significantly and favourably correlated (Beta=0.246, t=2.716, p<0.05). This demonstrates that, all else being equal, service delivery improves by 0.179 units for every unit rise in market innovation.

This is consistent with a study on marketing innovation and company competitiveness conducted by Dedkova, Ungerman, and Gurinova (2018). The study found that marketing innovation significantly improves the firm's service delivery.

## CONCLUSION AND RECOMMENDATIONS

The study concluded that product innovation has empowered customers, promoted financial inclusion and facilitated better access to essential services. As Safaricom continues to invest in and prioritize product innovation, it is likely to sustain its growth trajectory and reinforce its commitment to delivering exceptional service, ultimately contributing to the broader socio-economic development in Kenya. Service delivery is greatly affected by process innovation as it ensures process efficiency, which in turn improves service delivery by minimizing waste. According to the research, process innovation has been a key factor in Safaricom's success, helping the firm offer better services, become more efficient, and stay true to its promise of giving consumers outstanding value.

Market innovations may allow the company to improve its services if it can expand its market share. Safaricom is still innovative, can adapt to new challenges, and can maintain its competitive edge in the telecom business, according to the report. Market innovation has been a driving force behind Safaricom's strategy, enhancing service delivery and solidifying the company's commitment to providing value to consumers across Kenya. Lastly, the study Safaricom keeps funding technical advancement, it is poised to maintain its leadership position in the telecommunications sector and address the evolving demands of its customer base. The use of data-driven insights has allowed Safaricom to tailor its offerings to meet the specific needs of its customers, resulting in higher satisfaction and loyalty. Technological innovation has been a key driver of improved service

delivery at Safaricom, positioning the company for sustained growth and success in a competitive market.

The study recommends that the Safaricom firm implement robust feedback systems to gather customer insights on existing products and potential innovations, enabling data-driven decision-making for product development. Safaricom should consider adopting agile methodologies to enhance flexibility and responsiveness in its service delivery processes, allowing for quicker adaptation to market changes.

Safaricom should develop more targeted marketing campaigns that cater to specific demographics and customer segments, ensuring that product offerings resonate with diverse customer needs. It should continue to explore opportunities for market penetration in underserved regions, enhancing accessibility and service delivery through localized marketing strategies and community engagement. Safaricom should keep utilising cutting-edge technology like artificial intelligence and machine learning. As technological innovation increases, Safaricom should prioritize cybersecurity investments

to protect customer data and maintain trust in its digital services.

The study was restricted to a few chosen innovation methods, such as technological, market, process, and product innovation—practices that have an impact on service delivery at Safaricom PLC. Different researchers should look into different innovation tactics that could impact service delivery, according to this study. Research in various areas that deal with direct customer service is necessary for drawing comparisons and generalizing results about the effect of new approaches on service delivery at Safaricom PLC.

As can be deduced from the results of the current study, future researchers are also urged to investigate additional significant aspects of service delivery that were outside the purview of the current investigation. Future studies could explore whether the results would alter if they conceptualised the independent variable (innovation strategies) in different ways. Future researchers may also conceptualize service delivery in a different way and establish whether there will be a variation of study findings.

## REFERENCES

- Agboola, A. A. (2012). Information and communication technology (ICT) in banking operations in Nigeria: An evaluation of recent experiences. *Journal of Banking and Finance*, 26(3), 347-365.
- Ahmad, S., Abu Bakar, A. R., & Ahmad, N. (2019). *The impact of technological innovation on customer satisfaction in service industries*. *Journal of Innovation Management*, 7(1), 45-60.
- Al-Ansari, Y., et al. (2013). Innovation and business performance of SMEs: The case of Dubai. *Education, Business and Society: Contemporary Middle Eastern Issues*, 6(3/4), 162-180.
- Chen, S., & Ting, Y. (2002). *Service quality and customer satisfaction: A study on the SERVQUAL model*. *Journal of Consumer Research*, 19(3), 221-239.
- Christensen, J., & Zheng, X. (2023). *Service delivery and operational performance in the global economy*. Oxford University Press.
- Creswell, J. W. (2011). *Research design: Qualitative, quantitative, and mixed methods approaches* (3rd ed.). SAGE Publications.



- Dahiyat, S. E., Al-Zu'bi, Z. M., & Alrawashdeh, H. A. (2017). *Market innovation and service delivery: A study on competitive advantage in telecommunication firms*. *Journal of Business Research*, 76, 45-57.
- D'Attoma, I., & Pacei, S. (2016). Product innovation and service delivery in European manufacturing firms. *European Journal of Innovation Management*, 19(1), 150-167.
- Dedkova, J., Ungerman, O., & Gurinova, P. (2018). *The role of marketing innovation in enhancing company competitiveness and service delivery*. *Journal of Marketing and Strategic Management*, 15(3), 67-84.
- Deya, J., & Laban, P. (2019). *The role of product innovation in enhancing service delivery: A case of Safaricom PLC*. *African Journal of Business and Economics*, 4(2), 88-103.
- Economic Survey of Korea. (2019). *Annual economic performance and service sector analysis in Korea*. Ministry of Economy and Finance, Republic of Korea.
- Gefen, D., Karahanna, E., & Straub, D. W. (2013). *Trust and TAM in online shopping: An integrated model*. *MIS Quarterly*, 27(1), 51-90.
- Gronroos, C. (1982). *Strategic management and marketing in the service sector*. Swedish School of Economics and Business Administration.
- Kang, J., Na, Y. K., & Jeong, H. (2019). *Process innovation and its effect on profitability and market share in service firms*. *International Journal of Business Innovation*, 11(3), 75-92.
- Karlsson, C., & Tavassoli, S. (2015). *Innovation and firm performance: The impact of innovativeness indicators and strategic cost management*. *Journal of Business Research*, 68(4), 947-954.
- Khalil, S. (2012). The impact of technology on customer satisfaction in banking: A case study of Pakistani banks. *Journal of Business and Management*, 3(4), 34-40.
- Kiilu, J. M., & Kithae, P. P. (2020). Entrepreneurial innovation processes and firm performance in Kenya: A case of SMEs in Nairobi County. *International Journal of Management and Leadership Studies*, 2(1), 48-58.
- Kimaru, J. (2019). *Service quality and customer retention in deposit-taking SACCOs in Kenya*. Nairobi University Press.
- Kothari, C. R. (2004). *Research methodology: Methods and techniques* (2nd ed.). New Age International Publishers.
- Kubbr, P. (2007). Innovation strategies in Japanese banks. *Journal of Banking and Finance*, 31(5), 1599-1615.
- Kungu, J., & Ngui, T. (2021). *Service delivery strategies in telecommunication firms: Enhancing efficiency and customer satisfaction*. *International Journal of Business and Management*, 16(4), 112-128.
- Kwan, H., & Donhee, L. (2018). *Service quality and customer satisfaction: A global perspective*. Springer.
- Kyongo, J. (2017). *Strategic innovation and financial performance in African industrial financial institutions*. *African Journal of Business and Economics*, 9(2), 112-130.
- Lu, W.-M., Wang, W.-K., & Kweh, Q. L. (2014). Intellectual capital and performance in the Chinese life insurance industry. *Omega*, 42(1), 65-74.

- Luvisi, P., & Murigi, E. (2019). *Innovation strategy and organizational performance: A case study of Telkom Kenya Limited*. *International Journal of Business and Management*, 14(3), 67-82.
- Maina, D. (2016). *The impact of innovation management techniques on the performance of insurance firms in Kenya*. *Journal of Innovation and Business Strategy*, 11(1), 45-63.
- Muithya, J. M. (2021). Market innovation and operational efficiency in microfinance institutions in Nairobi, Kenya. *Journal of Finance and Accounting*, 9(4), 123-130.
- Oanda, M. (2015). *Customer segmentation strategies for deposit-taking SACCOs*. *Journal of Financial Services*, 12(3), 45-61.
- Omondi, P., & Hood, J. (2017). *Statistical methods for correlation analysis in business research*. *Journal of Business Analytics*, 5(2), 112-130.
- Parasuraman, A., Zeithaml, V. A., & Berry, L. L. (1985). *A conceptual model of service quality and its implications for future research*. *Journal of Marketing*, 49(4), 41-50.
- Purba, B., & Panday, S. (2015). Service delivery strategies and performance in the Nigerian telecommunications sector. *Journal of Business and Management*, 17(3), 45-53.
- Raspa, M., Moultrie, J., Toth, A., & Haque, F. (2021). *Efficiency in service delivery: The role of personnel, processes, and technology in business operations*. *Journal of Business Strategy*, 34(2), 78-94.
- Regneala, H. (2015). Reshaping innovation in the Romanian banking system. *International Journal of Economic Practices and Theories*, 5(3), 166-174.
- Robinson, L. (2009). *A summary of diffusion of innovations*. Enabling Change.
- Robinson, P. (2007). *Innovation and change management in service delivery*. McGraw Hill.
- Robinson, S. (2007). *Service delivery and innovation: Strategies for business success*. Business Press.
- Rogers, E. M. (1962). *Diffusion of innovations*. Free Press.
- Rogers, E. M. (1983). *Diffusion of innovations* (3rd ed.). Free Press.
- Rosli, M. M., & Sidek, S. (2013). *The impact of innovation on the performance of small and medium-sized enterprises (SMEs): Evidence from Malaysia*. *Journal of Innovation Management in Small Businesses*, 5(2), 45-60.
- Safaricom Limited Human Resource Records. (2022). *Internal company records on workforce distribution*. Safaricom PLC.
- Samad, S., & Aziz, N. N. A. (2019). *Innovation and competitive advantage in small and medium-sized food processing companies in Malaysia*. *Asian Journal of Business and Innovation*, 7(1), 23-38.
- Scott, J. (2008). *Social theory: Central issues in sociology*. SAGE Publications.
- Sevcik, P. (2004). *Innovation adoption: The case of Safaricom's product strategy*. TechParadigm Research.
- Slovene, E. (1978). *Sampling techniques in statistical research*. McGraw-Hill.
- Smith, A. (2007). *Service quality in customer service: A strategic approach*. Business & Economics Press.

- Valdez-Bocanegra, G., et al. (2020). Internal processes and innovation in SMEs: Evidence from manufacturing companies in Guanajuato, Mexico. *Journal of Small Business Strategy*, 30(2), 45-58.
- Varris, T., & Littunen, J. (2010). *Competitive advantage through product innovation and sustainable growth strategies*. *European Journal of Innovation Management*, 13(4), 423-438.
- Yasuharu, U. (2010). The effects of information system investment in banking industry. *Journal of Accounting and Economics*, 30(2), 105-126.