FACTORS INFLUENCING THE CHOICE OF MARKETING STRATEGIES OF COMMERCIAL BANKS IN KENYA

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ABSTRACT
Marketing strategy determines the choice of target market segments, positioning, marketing mix and allocation of resources. It is most effective when it is an integral component of overall firm strategy, defining how the organization will successfully engage customers, prospects, and competitors in the market arena. As the customer constitutes the source of a company's revenue, marketing strategy is closely linked with sales. A key component of marketing strategy is often to keep marketing in line with a company's overarching mission statement. The study sought to identify the strategies adopted by commercial banks in Kenya and to determine the factors influencing their choice of marketing strategy. The study reviewed innovation, technology, service quality and employee competence as the key independent variables. Descriptive research design was employed and targeted one manager at each of the three levels of management from the 43 commercial banks in Kenya. Proportionate representative stratified sample of all categories of the population of interest in the survey was used. Questionnaires were issued to the respondents as a key instrument for primary data collection. Data was presented using tables, pie charts and figures appropriately. SPSS was used to analyze the data by carrying out factor analysis and multiple regression to obtain an equation which describes the dependent variable in terms of the independent variables based on the regression model. Content analysis was used to analyze the qualitative data. The findings showed that the choice of marketing strategy is influenced most by innovation since their P-value of 0.00 indicated the highest significance than innovation, technology and the employees' competence which had 0.01, 0.02 and 0.04 respectively. The researcher recommends that Banks should invest in new technology, innovation and employees competence in order to implement the right marketing strategies that are relevant in the modern world. This study is significance to all the existing firms in the banking industry in Kenya.

Keywords: *Competitive advantage, Strategic planning, Business performance, Product development strategy, Competition.*

INTRODUCTION

The banking industry has been characterized by increasing competition since the early 1980s (Blankson, 2007). This has been the result of a number of interrelated factors such as competition and deregulation that have revolutionized the distribution of many financial services. An increased competition resulting from a decade of deregulation of the financial services industry has meant that banks find themselves faced with the task of differentiating their organizations and their offerings as a means of attracting customers (Blankson *et al*., 2007). Marketing strategy is a process that allows an organization to concentrate its limited resources on the greatest opportunities to increase sales and achieve a sustainable competitive advantage (Baker, 2008). A marketing strategy should be centered on the key concept that customer satisfaction is the main goal. Marketing strategy is a method of focusing an organization's energies and resources on a course of action which can lead to increased sales and dominance of a targeted market niche. A marketing strategy combines product development, promotion, distribution, pricing and relationship management; identifies the firm's marketing goals, and explains how they will be achieved, ideally within a stated timeframe.

Marketing strategy determines the choice of target market segments, positioning, marketing mix, and allocation of resources. It is most effective when it is an integral component of overall firm strategy, defining how the organization will successfully engage customers, prospects, and competitors in the market arena. As the customer constitutes the source of a company's revenue, marketing strategy is closely linked with sales. A key component of marketing strategy is often to keep marketing in line with a company's overarching mission statement (Baker, 2008). Anticipating competitors' actions and reactions to ones moves may be the key determinant of success for any marketing strategy. There are various actions that can be taken including a competitor cutting prices or undermining pricing strategy; another may decide to offer new products and services, possibly over the Internet that has the potential to completely undermine your existing strategy (Miles, 2003). Competitive Marketing Strategy teaches one on how to anticipate the competitors' moves during the planning stage, so that one is not caught off guard. The organization should learn how to analyze their strengths and weaknesses. Discover a number of tools and concepts to manage their competition (Miles, 2003).

In the formulation of an effective marketing strategy, there are several internal forces and external forces incorporated. The use of the technologies such as Internet and the World Wide Web can be considered as another innovative action on marketing. The use of the e-marketing strategy delivers a significant in the performance of the firm. An approach of the organization regarding the performance varies depending on their target market and/or nature of business. If the focus of the organization is the effectiveness of the web or e-marketing, then the people can evaluate the sale volume, profitability, and market share that it created. Through that measurement, the business can either create another marketing strategy or be satisfied in the effects of the modernization (Lages, and Rita, 2004). Significantly, the organizations run to the idea of marketing to avoid the effects of the recessions which has also became their act to survive in the intense competition in the market.

The Government of Kenya economic survey (2000) showed that implementation of structural adjustment programme and subsequent market liberalization opened the Kenyan market, leaving businesses at the mercy of market forces. As a result, businesses faced increased competition and registered low profits and even losses. This could probably be attributed to lack of strategic marketing practices (Abdalla, 2001). Firms that value the importance of marketing in their system became proactive and began to pull the strategic plans. Through the usual marketing segmentation, positioning and branding, and marketing communications, the strategy became favorable and helpful in generating the customer loyalty. The breakthrough actions of the organization will result not only in a superior market performance, but also in giving superior value to their consumers (Srinivasan and Lilien, 2005).

Choice of Marketing Strategies

The situational factors influencing the choice of market expansion strategy can be divided into company, product, market and marketing factors. Decision making concerning which strategy to opt for is affected by company factors such as; objectives, management risk consciousness, market knowledge and internal barriers. For instance, if a firm is concerned about its export sales growth a diversification strategy is more likely to be chosen (Lee and Yang, 2001). Product factors like the level of standardization possible, the nature of the product and the stage in the product life cycle influences the choice of market expansion strategy. For instance, the mature stage in the product life cycle is characterized by high sales volumes and growth in the market. A company facing this situation can therefore be profitable in operating in only a few countries. Consequently, a concentration strategy might be chosen. Moreover, market related factors determine how attractive a market is. Factors such as; the size of the markets, the similarity among markets, growth rate and customer loyalty influences what market expansion strategy is the most suitable. (Sousa 2004) for instance, if the growth rate in the organization's current markets is low a diversified strategy would help the company to reach its desired growth rate more quickly, but in many different markets (Mas-Ruiz, et al 2002).

Marketing related factors such as; the level of standardization in communication and spillover effects among markets are likely to influence what strategy a firm chooses. Sousa (2004) if standardization is possible a company is likely to gain economies of scale in communication, which in turn will reduce the costs of operating in many countries. This might influence a company to choose a market diversification strategy. (Mas-Ruiz et al, 2002).

Marketing Strategies

Marketing strategy is the method that a company uses to create brand awareness and persuade consumers of the need to purchase their products or services. It is most effective when it is an integral component of corporate strategy, defining how the organization will successfully engage customers, prospects, and competitors in the market arena, corporate strategies, and goals (Sim, 2001). The effects of the marketing according to the Sung-Joon and Sung-Ho (2005) studies can be reflected on the firm's performance. The appropriate marketing strategy relevantly creates impact in making process towards the competence and develops a relationship in the organizational culture. The benefits of the marketing activities in the business reflect in the strength of the industry to eliminate or at least minimize the effects of various challenges. The influence of marketing activities as part of the culture of the organization can be basis for the actions that the leaders will create in the future (Krohmer, Homburg, and Workman, 2002).

Despite the enhanced human resources management and market positioning strategies adopted by the company in responding to external environment, the banking industry demands for continuous development and implementation of innovation strategies. This is the rationale that motivates commercial banks in its pursuit to conquer the market amid the ever changing environment (Mittra, 2001).

Commercial Banks in Kenya

Commercial banks can be described as a type of financial intermediary. The term commercial bank is used to differentiate these banks from investment banks, which are primarily engaged in the financial markets. Commercial banks are also differentiated from retail banks that cater to individual clients only. Commercial banks play a number of roles in the financial stability and cash flow of a countries private sector. They process payments through a variety of means including telegraphic transfer, internet banking and electronic funds transfers. Commercial banks issue bank checks and drafts (CBK, 2013). Commercial banks also act as moneylenders, by way of installment loans and overdrafts. Loan options include secured loans, unsecured loans, car loans and mortgage loans. A secured loan is one where the borrower provides a certain property or asset as collateral against the loan. The main condition of these loans is that if the loan remains unpaid, the bank has the right to use the property in any way they like to realize the outstanding amount. Unsecured loans have no collateral and therefore command higher interest rates. There are a variety of unsecured loans available today and these include credit cards, credit facilities such as lines of credit, corporate bonds, and bank overdrafts (CBK, 2011).

The financial sector in Kenya has experienced intensive innovation that has seen the increase in the level of financial deepening from 20% to about 39% and the banking sector has been very instrumental for these gains in the last decade, exhibiting tremendous growth in volume and complexity (Ngugi, 2000). The banking industry is financially viable, profitable and competitive enough to increase access to financial services (Omino, 2005). This is a clear indication of an expanding banking sector and for this to happen there must be good and outstanding marketing strategies which has seen them grow to this level.

STATEMENT OF THE PROBLEM

The banking industry in Kenya is characterized by price competition, customer sophistication, and perceived product quality. Changing market growth rates and shifting market shares are key determinants of the competitive environment in Kenya. Banks have a daunting task of making sure that they receive a large number of customers who will also use word of mouth to market them to other customers. This industry has continued to face challenges associated with the turbulent environment in which they operate (Mittra, 2001). Data available from KNBS reveals that Kenya banking industry has been earmarked as a key pillar to the achievement of Vision 2030 (ROK, 2013). In line with the country's long-term development plans as outlined in the Government's Vision 2030, the KBA member banks agreed to support efforts towards making Kenya's banking industry more globally competitive. With economic, social and political pillars, Vision 2030 reflects some of the main challenges that Kenya currently faces (Vision, 2030).

For the quarter ended March 31st, 2013, the Kenyan banking sector comprised 43 commercial banks, 1 mortgage finance company, 8 deposit taking microfinance institutions, 7 representative offices of foreign banks, 108 foreign exchange bureaus and 2 credit reference bureaus. The sector has shown consistency in terms of profitability since 2010 to date. The pre-tax profit for the sector increased by 20.5 percent from Ksh. 74.3 billion in December 2010 to Ksh. 89.5 billion in December 2011 while the same increased in 2012 by 20.6 percent from Ksh. 89.5 billion in December 2011 to Ksh. 107.9 billion in December 2012 (CBK, 2012).

Banks plays an important role in promoting economic development of a country and this important sector call for research to be undertaken. The literature available so far, indicates that there has since been no study aimed at addressing marketing strategies in the banking industry in Kenya hence the knowledge gap. This study seeks to fill the gap by investigating the factors influencing the choice of marketing strategies in commercial banks in Kenya. It is against this backdrop that this study aimed to explore the factors influencing the choice of marketing strategies in commercial banks in Kenya as guided by the following specific objectives:

- Determine the influence of innovation on the choice of marketing strategies in Commercial Banks in Kenya.
- Assess the influence of technology on the choice of marketing strategies in Commercial Banks in Kenya.

- Establish the influence of service quality on the choice of marketing strategies in Commercial Banks in Kenya.
- Find out the influence of employee competence on the choice of marketing strategies in Commercial Banks in Kenya.

LITERATURE REVIEW

Theoretical Review

A theory is a set of interrelated construct (concepts), definitions and propositions that presents a systematic view of phenomenon by specifying relations among variables with the purpose of explaining, predicting and controlling the phenomena. A variable is something that can be changed, such as a characteristic or value. Variables are generally used in psychology experiments to determine if changes to one thing result to changes in another (Kothari, 2004). A theoretical framework refers to how the researcher or writer of the report not only questions, but ponders and develops thoughts or theories on what the possible answers could be, then these thoughts and theories are grouped together into themes that frame the subject Neuman (2000). It is the process of identifying a core set of connectors within a topic and showing how they fit together. This study will be guided by a number of theories as discussed subsequently.

Rogers Innovation Diffusion Theory

Rogers' Diffusion of Innovation Theory tries to explain how adoption to new ideas is made as well as innovations by suggesting in the theory, five innovation attributes through which adoption is effected, which are: "observability, compatibility, trial ability, relative advantage and complexity" (Rogers, 1995). An attribute is said to have a relative advantage when the new innovations is seen to be better than the previous idea that it is replacing. Rogers' theory emphasizes that it is easier to implement innovations that show an improved advantage over that which was there before, making it easier to adopt. Greenhalgh (2004) adds that users would not adopt innovations that they did not see any relative advantage in. The ability of an innovation to be easily adopted is that it has to be compatible with a previous idea, meet their experience in the past and fulfill existing values, meaning that there is a higher chance for an innovation to be adopted if it is more compatible. An innovation that is seen to be difficult to use as well as to understand is said to be complex. New innovations are categorized from the simple to complex ones which define the relevance users find in them, where the ones seen as simple to operate are easily adopted (Greenhalgh et al, 2004). The ability to experiment with an innovation in least time is called trial ability, and if the user is able to test the item before full implementation saves them resources, energy and precious time, it is easily adopted. The visibility of the innovation's results as seen by adopters is called observability, where the innovation becomes more adoptable if the outcomes are positive. This theory is relevant in explaining customer's decision to join a bank and to stay with the bank. Joining a bank is a result of visibility of innovation and eventually realizing positive outcomes of adopting the innovation. The findings confirmed this allegation by pointing out that innovation was the most significant factor influencing choice of marketing in the Commercial banks.

Contingency Theory

This research will be based on the contingency theory whose proponents are Kast and Rosenzweig (1985) to the study of commercial banks strategic plans to curb competition. The theory is based upon the organismic analogy, views organizations as consisting of a series of interdependent subsystems, each of which has a function to perform within the context of the organization as a whole. This can be related to technology, quality customer service, employees motivation and marketing strategy that can be used to as a strategic response to competition by commercial banks. The human subsystem embraces the people in the organization, their leadership, and their motivation. Contingency theory assumes that each of the subsystems is open to a range of variation. Each should be designed so that it is congruent with the others and corresponds to the environment with which it is faced (Mentzer, 2001). The technology used in the organization will also have an important effect upon the subsystems and the organizational structure. Contingency theory additionally rests upon the open systems view that regards the organization as dependent upon the wider environment. The marketing strategy performance decides whether the organization survives or not, and is determined by the way the organization manages its relationship with the environment. The theory suggests that a leaner organizational structure and reduced red tape increase flexibility and facilitate the fit between intra-organizational processes and the environment. Economically, a key reason for downsizing is to reduce costs as organizations seek to maximize efficiency, Zhang (2000). Several strategies seem pertinent, notably a cost leadership strategy which enables the organization to increase return on sales, or to increase market share through aggressive costing. Following staff downsizing the company can mute the leaner cost structure into competitive advantage (Mentzer, 2001) by increasing profitability or lowering prices, which will be expressed in increased market share.

Service Delivery Model

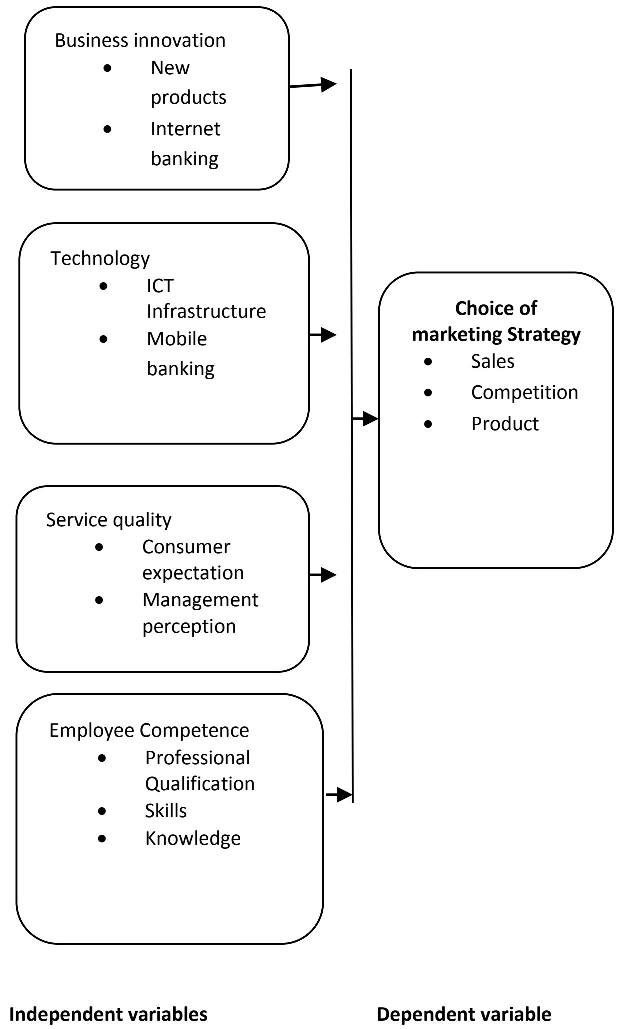
Parasuraman (1988) developed the SERVQUAL model. SERVQUAL was originally measured on 10 aspects of service delivery: reliability, responsiveness, competence, access, courtesy, communication, credibility, security, understanding the customer and tangibles. It measures the gap between customer expectations and experience. By the early nineties the authors had refined the model to the useful acronym RATER: Reliability, Assurance, Tangibles, Empathy, and Responsiveness. SERVQUAL model has its detractors and is considered overly complex, subjective and statistically unreliable. The simplified RATER model however is a simple and useful model for qualitatively exploring and assessing customers' service experiences and has been used widely by service delivery organizations. It is an efficient model in helping an organization shape up their efforts in bridging the gap between perceived and expected service. Parasuraman *et al*.'s (1988) defines five gaps or discrepancies which may impinge on service quality also known as SERVQUAL model. The five gaps that organizations should measure, manage and minimize: Gap 1 is the distance between what customers expect and what managers think they expect - Clearly survey research is a key way to narrow this gap. Gap 2 is between management perception and the actual specification of the customer experience - Managers need to make sure the organization is defining the level of service they believe is needed. Gap 3 is from the experience specification to the delivery of the experience. Managers need to audit the customer experience that their organization currently delivers in order to make sure it lives up to the specification. Gap 4 is the gap between the delivery of the customer experience and what is communicated to customers. All too often organizations exaggerate what will be provided to customers, or discuss the best case rather than the likely case, raising customer expectations and harming customer perceptions. Finally, Gap 5 is the gap between a customer's perception of the experience and the customer's expectation of the service. Customers' expectations have been shaped by word of mouth, their personal needs and their own past experiences. Routine transactional surveys after delivering the customer experience are important for an organization to measure customer perceptions of service (Parasuraman *et al*. 1988).

Social Exchange Theory

Social exchange theory is a social psychological and sociological perspective that explains social change and stability as a process of negotiated exchanges between parties. Social exchange theory posits that all human relationships are formed by the use of a subjective cost-benefit analysis and the comparison of alternatives. The theory has roots in economics, psychology and sociology (Miller, 2005).Social exchange theory is tied to rational choice theory and on the other hand to structuralism, and features many of their main assumptions. American sociologist George Caspar Homans is usually credited with the consolidation of the foundations of Social Exchange Theory. Homans's article entitled "Social Behavior as Exchange" (Knapp, 1978) is viewed as the seminal work on this theory. John Thibaut and Harold Kelley are two social psychologists who further developed the theory of social exchange. They proposed (Thibaut & Kelley 1959) the following reasons that make people to engage in a social exchange: anticipated reciprocity; expected gain in reputation and influence on others; altruism and perception of efficacy and direct reward. Another important work is Mark Knapp's Social Intercourse: From Greeting to Goodbye. In addition, Gerald Miller and Mark Steinberg's book, Between People, added to the theory by noting the differences in the types of information we have about one another: cultural, sociological and psychological (Miller, 2005).

CONCEPTUAL FRAMEWORK

A conceptual framework acts like maps that give coherence to empirical inquiry. It is a "conceptual model of how one theorizes or makes logical sense of the relationships among the several factors that have been identified as the problem" (Sekran, 2003). The basic framework of this study is built around the conceptual model below.



EMPIRICAL REVIEW

Business Innovation

Jacoda (2006) defines Innovation as generation of new ideas and its implementation into a new product, process or service leading to the dynamic growth of the national economy and the increase of employment as well as to creation of pure profit for the innovative business enterprise. William (2006) asserts that turnaround may involve stream lining processes investing in core processes, outsourcing non-core processes, acquiring key competencies via acquisition and selling or liquidating assets. Marginal operations that do not improve

Organizations may still be divested and additional people who do not produce may still be cut. Jason (2010) asserts that building emotional bond with customers is the function of brand marketing as company is building sense of purpose for its brand, customer experience and company as a whole by engaging social problems. The CEO therefore has to decide what market share is acceptable and aggressively pursue it. Michael (2011) said that it's a time for a sick company calling for a strong emphasis on cost and asset reduction to reduce the condition responsible for a financial downturn. A turnaround situation requires a strong, centralized leadership structure rather than democratic process of decision making until the organization is on an upward course. James (2011) attributes that strong management requires at least a short term focus on centralization which eases as the organization changes course but leaders must boost morale in the process. In a successful turnaround managers actively look for ways to obtain clear performance improvement, establish goals in a yearly planning system, achieve these objectives and reward the people involved with recognition, promotion or money, James (2011). Organization needs to change its structure for it's a powerful way of rapidly changing the operation of the ailing business.

John (2010) asserts that commitment of goals isn't unique among successful managers; in fact it's the standard practice. It's one thing setting specific goals and make them part of the plan and quite another to make sure that those goals and plans are well integrated across the many people, work units and level of the organization as a whole. James (2011) further asserts that Vision plays a key role in producing useful change by helping to direct, align and inspire actions on the parts of large number of people. Without a proper vision any turnaround effort can easily dissolve in to a list of confusing, incompatible and time consuming project that go in the wrong direction or nowhere at all. A firm needs to cover knowingly its desire and where they are, while visioning, strategy and planning processes push a firm forward history ardors it. Azhar (2008) argues that corporate restructuring deals with a business portfolio change that organizations undertake in order to deal with problems being faced by them or to create a more profitable enterprise. Selling of the whole strategic business unit, lock, stock and barrel might immediately stop the cash drain from loss making unit which will help improve the remaining company cash positions. This selling of assets is only a means to noble end that creates enough breathing space for the management to save the company and be able to fully attend to and reinforce its future core business. Azhar (2008) further emphasizes that divestment may be done because by selling off a part of the business the company may be in a position to service. In order to stop the bleeding and protects the organization vital core value especially in finance an emergency plan is developed. During operation level, unproductive operations are dropped and productive operations are strengthened.

Wong and Aspinwall (2004) while studying the process innovations of small firms in the USA, observed that economic incentives, internal resources, and technical and organizational competencies that a firm has developed or accumulated over time and a firm's linkage to external sources of expertise for learning about new technological development were the major forces that influenced these firms in adopting a process innovation. Danneels & Kleinschmidt (2001) in the context of new product development argued that it consists of bringing together two main components: markets and technology. According to them, product innovation requires the firm to have competences relating to technology (enabling the firm to make the product) and relating to customers (enabling the firm to serve certain customers). It largely reflects the organization's willingness to break away from the tried-and true and venture into unknown (Wiklund, 2003). Thus in organizational risk taking behavior, the management will take risk with regard to investment decisions and strategic actions in uncertainty conditions.

Subramaniam & Youndt (2005) innovations are improving the success and performance of the companies. Furthermore, it has been suggested that innovation is essential in order to generate long term stability, growth of shareholder returns, and sustainable performance and remain at the leading edge of the organizations' industry, Cottam & Band (2001). Innovation is referred to different kinds of "newness" regarding products, production methods and technologies, markets and organizational configurations. Innovation is a new way of doing things that is commercialized, the newness being either technological or market related (Narvekar & Jain, 2006).

Technology

The significance of having an evidently defined innovation strategy directing the innovation process was recognized by Cooper (2003). According to Tushman and Nadler (2006) strategic management in the banking sector demand that the institutions should have effective systems in place to offset unpredictable events that can maintain their operations and reduce the risks implicated through innovations. Davila, Epstein and Shelton (2006) innovation is a necessary ingredient for sustained success and is an integral part of the banking business.For many banking firms in Kenya, information and communication technology is viewed as potentially capable of helping achieve innovative strategy. The high rate at which organizations are buying mobile phones, computer hardware and software as well as using the Internet for information and communication is evidence of the increasing awareness of information and communication technology in the Kenyan market. The business benefits of using information and communication technology include efficiency and attainment of increased returns. The vast opportunities brought by the internet to the banking industry have attracted much attention from researchers whose efforts apparently group on certain areas of interest.

With the use of information technology (IT), the banks can use the cross-selling strategies to sell new banking innovations to their existing customer base. It can be seen that bank's adoption of technology changes from improving efficiency of back office banking functions towards improving the service quality in servicing the customers. Such changing strategy demonstrates the situation where banks compete to own the potential customers. The adoption of short messages services banking both from clients will, if effectively implemented, lead to substantial cost savings users with respect to telephone calls and personnel time. Product innovation provides the most obvious means for generating revenues (Central Bank of Kenya, 2007). Process innovation, on the other hand, provides the means for safeguarding and improving quality and also for saving costs. Improved and radically changed products are regarded as particularly important for long-term business growth. Product innovations enable the banks to increase their brands or products in the market hence create competitive advantage for the organizations; market innovation enables the banks create new markets hence increasing the competitive advantage; process innovation enables the running of the banks' operations thus increasing effectiveness and efficiency while technology innovation will encourage ease of flow of information and fast delivery to the intended persons.

Service Quality

Organizations around the world are realizing the significance of customer-centered philosophies in their day to day operation (Luk and Layton, 2002). To this end, they are turning to quality management approaches to help managing their businesses. Several conceptual models have been developed by different researchers for measuring service quality. Gulati and Garimo (2000) argues that in the early years new firms depended largely on a single client. Several studies show that after four years a substantial percentage of turnover (about 40 per cent) is often achieved in other markets, on the other hand, Gabor (2000) makes an observation that the intense competition and increasingly sophisticated customers are making organizations rush to get close to their customers to become "market driven." Shaughnessy (2000) wrote that in the most general terms; past history suggests which competitors are the product innovators. Those with a record of technological breakthrough can often be the most worrying since others in the competition become technologically obsolescent. Developing an appropriate marketing strategy that would be effective in a competitive and changing environment is quite a challenging task. Success in developing a marketing program for any type of product requires the ability to understand both management and customer perspective. A question that entrepreneurs need to answer is "What specific combination of product features, delivery system, pricing and information dissemination will lead to a specific customer or group of customers to purchase a specific product from us rather than from a competitor or not at all?" (Gabor, 2000).

Based on the discovery of those gaps in expectations vis-a-vis service delivery, Parasuraman *et al* (1988) organized the dimensions in the form of a 22-item instrument, SERVQUAL that measures both the expectations and customer perception of the quality encounter. This service scale serves as a suitable generic measure of service quality, transcending specific functions, companies and industries. Service quality ratings are obtained from the scale when customers compare their service expectations with actual service performance on distinct service dimensions. Not all organizations measuring Service Quality may follow the model postulated by Parasuraman el al, to measure service quality hence it is not a world-wide measurement but guides organizations (Jain & Gupta, 2004). Frost and Kumar (2000) developed an internal service quality model which is used by some organization.

Employee's Competence

Managerial deficiencies have been noted to be one of the reasons for business failures (Burnes, 2000). It would be of a bigger challenge for enterprises operating in today's competitive market. It would be essential to find out whether there exists an association between management abilities and his/her business performance. Bowersok and Bixby (2003) explain that marketing orientation helps to describe an organizational culture where beating the competition through the creation of superior customer value is the paramount objective throughout the business. Davies (2000) outlined the aim of providing superior customer value dominates all thinking about what its business, which markets to serve with which produce or services. Kreitner (2000) further state that a critical part of most marketing plans is using special skills or "distinctive competence" that will make the firm particularly effective in its chosen product. Market relatives to its competition give changes in the market environment of auto-industry in USA. USA auto companies had new lines of smaller cars and stood a better chance of weathering the storm. Yet the changes created major challenges for all firms in the industry. The survival of Chryster Corporation hung by a thread (Peterson, 2008).Another study showed that populations of organizations compete within their pieces such as industrial type and those most equipped with useful innovations are more likely to survive both competition for scarce resources and changing environmental conditions Kreitner (2000). Some of the changing environmental conditions that have contributed to market instability are the change in consumer behaviour, mainly.

Mariana (2003) indicated that corporate image is the mental impression or perceived image of an organization based on knowledge and experience. According to Allen (2002) a good image is not a byproduct of financial success, but also a prerequisite for success. A good image is therefore both an instrumental means and an end in itself. In addition, he discusses why, due to today's competitive labour, capital, product, and service markets, “an organization must be like a sort of multiple janus, with one face turned inwards towards its employees and other faces turned outwards toward its shareholders, suppliers and customers.” Pearce and Robinson (2003) in their book ‘Competitive Strategy’ state that strategy formulation enhances an organization’s ability to prevent problems because formulation involves all the staff. A group based strategy decision is drawn from all the staff. Employee involvement in the strategic formulation makes them understand the productivity-reward relationship. The authors further state that the different roles of the employees are clarified to reduce the gaps and overlap activities. Their involvement minimizes their resistance to change.

Porter (2004) assert that other factors could be creditors changing their lending policies, trade unions imposing new conditions on matters affecting employees, consumer protection organizations insisting on specific quality standards hence the need to be quality sensitive. Consumers could also insist on quality and efficient services other than low prices or fees charged. The socio-cultural factors include values and attitudes of the society, life styles of the population mix, composition of the work force, work ethics, demographic characteristics, the population, religious orientation, society’s attitude towards an industry and the status symbol. Technological factors include scientific discoveries, technological developments in substitute industries, innovation potential and technological development in the country. Waweru (2006) adds that internal forces within an organization are the ones which need to be monitored in order to create a competitive advantage for an organization. Existing procedures can become irrelevant or too rigid. After a major organizational growth, an organization should respond by decentralizing its decision-making authority. Workers would need to be trained in order to have a more positive attitude to policies and procedures. Obsolete technology should also be discarded. Corporate goals provide strategic performance targets that the entire organization must reach to pursue its vision. Several different types of goals have been identified that business firms can pursue. Each has some strengths and limitations determined by: - profit, sales revenue, market shares, unit sales, quality, and employee welfare (Beri, 2000).

Comprehensive financial performance measurement requires that management appropriately define proper segment for investigation. Cost, revenue and investment must be analyzed and charged to the appropriate segment. A format for analyzing must be developed. In performance measurement, the problem faced by management is somewhat different. It is necessary to determine the performance of existing market segments so to identify appropriate (Burnes, 2000).

Grand strategies, which are often called master or business strategies, are intended to provide basic directions for strategic actions. Thus they are seen as the basis for the strategic actions and sustained efforts directed towards achieving long- term business objectives. The grand Strategies are:- concentration, market development, product development, innovation, horizontal integration, vertical integration, joint venture, concentric diversification, conglomerate diversification, retrenchment/ turnaround, divestiture and also liquidation (Porter, 2004). Every company wants to be productivity oriented. They want to increase the input- output relationships. If productivity of systems, design, production, operations etc. were good the profitability would be higher. The productivity can also be increased by reducing the cost of scrap generated, increased speed of operations and so on. A company may set objective for improving productivity by reducing wastage and cost, system simplification, empowering people, training personnel in multi-skills, opening avenues for workmen to implement suggestions in their own operations etcetera and by increasing functional worth of its products and services. It has been the effort of the managers to improve labour productivity by introducing various systems of measuring labour productivity and paying compensation accordingly (Lomash, Mishra, 2003).

An acceptable level of profitability is a must for any organization through which it generates surplus for its continuity of operations. Companies that are strategically managed usually, have profitability as one of their objectives as it is through profits alone that they can survive. Higher profits also mean efficient and effective working of an organization. Companies, which cannot make desired profits find it almost impossible to survive. Due to fierce competition the profit margins have shrunk as customers have become more aware of returns on investments hence companies will have to gear themselves for efficient management of their resources to generate profits (Lomash, Mishra, 2003). Management theorists have attempted to identify key factors that are essential to a firm's success as customer relationships, innovation, quality, and efficiency to lower costs and hence the price paid by customers. Thus it is a continuing challenge for an organization to strike the right balance among the four "building blocks" that is a foundation of an organization's success (Jacoda and Villepin, 2006). There occur co-operative conflicts. Co-operative conflict is a constructive conflict. It is based on the win-win negotiating attitude. It is a tool of avoiding groupthink. It involves trust and reliance and discussion. Win-win conflict is a good idea and is one of the keys to a better world. Competitive conflict is characterized by a destructive cycle of opposing goals, mistrust, disbelief, and avoidance, and a win-lose attitude (Kreitner, 2000).

Kotler (2003) explained strategic group very clearly. A strategic group is a group of firms in an industry following the same or similar strategy in a given target market. They can produce a narrow line of high-quality products, offer a high level of service, and charge a premium price. When a company enters a strategic group, the members of that group become its key competitors. Although competition is most intense within a strategic group, there is also rivalry among groups. Some of the strategic groups may appeal to overlapping customer segments. Also the customers may not see much difference in the offers of different groups. The company needs to look at all the dimensions that identify strategic groups with the industry. It needs to know each competitor's product quality, customer services, pricing policy, distribution coverage, advertising and sales promotion programs.

Given the impact of procurement activities on the operation and effectiveness of organization, it is essential that these activities be performed by qualified staff with high professional and ethical standards and using sound procedures anchored in appropriate policies and regulations. Experience has shown that an effective procurement process is one in which efforts are made at all times to have a transparent and corruption-free process and use good procurement practices. Efforts must be made to contain costs through regular review of procurement models and approaches, monitor prices and keep records of sourcing, and use a variety of information to make informed decisions. Attention must be paid to safety, the quality of products, the monitoring of external and internal environments, and the use of appropriate technology and available tools (Ombaka, 2009).

Choice of Marketing Strategy

Understanding customers' banks selection criteria has been argued to be helpful to banks in identifying the appropriate marketing strategies needed to attract new customers and retain existing ones. Indeed, the growing competitiveness in the banking industry, and similarity of services offered by banks Omar (2007) has made it increasingly important that banks identify the factors that determine the basis upon which customers choose between providers of financial services. Consequently, the issue of "how customers select banks" has been given considerable attention by researchers (Rao, 2010). However, a review of literature also indicates that studies related to bank selection criteria have been mainly conducted in the USA and some European countries. While, such studies have contributed substantially to the literature on bank selection, their findings may not be applicable to other countries, due to differences in cultural, economic and legal environments. A set of determinant factors that have a significant role in bank selection in one nation may prove to be insignificant in another (Rao, 2010). Earlier, Omar (2007) had conducted gender-based study on the retail bank choice decisions in Nigeria. The focus of this study was to explore gender differences in retail bank patronage by considering the consumption of retail bank services among male and female customers. The study therefore analyzed retail bank service usage and the factors that affect the choice of retail banks by men and women bank customers. The bank service usage investigated covered savings account, current account, fixed deposits, remittance, personal loan, overdraft, foreign exchange, business loan, housing loan, traveller's cheques, safe deposit boxes, and what was called other facilities (but not indicated). For the choice of bank, the influences of a set of thirteen factors were explored. The factors include safety of funds, efficient service, speed of transaction, friendly staff, overdraft privileges, bank recommended, bank reputation, credit availability, low service charge, range of services, convenient location, bank size, bank ownership.

RESEARCH METHODOLOGY

Research Design

A research design denotes the methodology that the study is to take in order to accomplish its intended objectives (Mugenda and Mugenda, 2001). The research problem was best studied by the use of a descriptive design. A descriptive research portrays an accurate profile of persons, events, or situations. This approach allows for the collection of large amount of data from a sizable population in a highly economical way (Mugenda and Mugenda, 2003). It allows the researcher to collect quantitative data, which will be analyzed quantitatively using descriptive and inferential statistics (Kothari, 2004). The study targeted top level managers, middle level management and low level management managers in the headquarters of the 43 commercial banks. The study population comprised of three managers from the levels of management; top, middle and low level management. According to the human resource departments of the commercial banks, there are 353 employees in marketing department with the three different management levels as at 2014.

Table 1: Target Population

Category	pulation	Percentage
Top level management	97	27%
ddle level management	102	29%
Low level management	154	44%
Total	**353**	**100%**

Source: HRD Commercial Banks (2014)

Sample and Sampling Techniques

A stratified random sampling was used where population was divided into three relevant strata (Kothari, 2004). A random sample was drawn from each of the strata. Stratification sampling was used so as to involve all the three strata. Respondents were stratified according to the levels of employment because this ensured inclusion in the sample which would otherwise be omitted by other methods. The top, middle and low level management are all involved in the choice of marketing strategies in commercial banks either by formulating them of implementing them. Therefore proportionate representative stratified sample of all categories of the population of interest in the survey was used. The study therefore sampled purposively 43 top level managers, 43 middle level managers and 43 low level management staff from the 43 commercial banks. This sum to 129 respondents from the 43 commercial banks.

Table 2: Sample Population

ıtegory		ɘquency	mple	mple Size
Top management	level	97	0.44	43
Middle management	level	102	0.42	43
Low management	level	154	0.28	43
Total		**353**	**0.36**	**129**

The study employed a questionnaire with both structured and semi-structured questions in relation to the study objectives as a key instrument for primary data collection. Walliman (2001) notes that use of questionnaire ensures that confidentiality is upheld, saves on time and is very easy to administer.

Data was analyzed using Statistical Package for Social Science (SPSS). Quantitative analysis was analyzed through calculating the frequencies and percentages were appropriate statistical tools as they showed the distribution against each of the Qualitative data was collected from the open-ended responses from the respondents and thereafter it was analyzed using content analysis. Confirmatory factor analysis was conducted to analyse interrelationships among a large number of variables and to explain these variables in terms of their common underlying factors. This assisted to determine the number of common factors influencing the choice of marketing strategies. Confirmatory factor analysis was used with an aim of describing variability among observed, correlated variables in terms of a potentially lower number of unobserved variables. Multiple regression was used to obtain an equation which describes the dependent variable in terms of the independent variables based on the regression model, regression is used to determine the type of relationship (Patton, 2002). This assisted in determining the level of influence the independent variables have on the dependent variable.

Correlation analysis was conducted to establish relationship between; the sub variable (indicators) of each of the four determinants of the choice of marketing strategy, as well the relationship with the four determinants. ANOVA was used to test whether the overall model was significant.

RESULTS

Correlation Analysis

This was conducted to establish relationship between; the sub variable (indicators) of each of the four determinants of the choice of marketing strategy, as well the relationship with the four determinants. The coefficient of correlation (r), determine the degree (strength) of relationship and its value is between -1 and 1. A value 0 implied no relationship, 1 implied a perfect positive relationship, -1 means a negative relationship. An absolute value of r between 0.5 and less than 1 implied a strong relationship between the variables. If the value r is greater than 0.3 and less than 0.5 then the relationship is moderate. The relationship is weak if the value of r is less than 0.3.

Table 3: Correlations

	ınovation	ɘchnology	ice quality	ıloyee ɛence	ce of ing strategy
Innovation	1				
Technology	.364*	1			
Service quality	.399*	.441*	1		
Employee competence	.373*	.412*	.323*	11	
Choice of marketing strategy	.418*	.190*	.137*	.363*	1

ɔrrelation is significant at the 0.05 level (1-tailed).

The correlation matrix indicates that choice of marketing strategy is positively correlated with innovation at 5 percent significance level (.418). Service quality requirements is positively correlated to innovation and technology at 5 percent significance level (.399) and (.441) respectively. The table also indicates that there is a positive correlation between technology and innovation at (.364). There is also a positive correlation between choice of marketing strategy and employee competence at (.363). Correlation was done to confirm the findings from the descriptive statistics. These findings indicate that choice of marketing is positively correlated to innovation, technology, service quality, employee competence and employee competence.

Regression Analysis

Regression was used to obtain an equation which describes the dependent variable in terms of the independent variable based on the regression model. Regression Analysis of innovation, technology, service quality and employee competence against choice of marketing strategy index

Table 4: Regression analysis

Model	ıstandardized ɔefficients		ndardized fficients		
	B	ɟ. Error	Beta	T	Sig.
(Constant)	512	.160		3.2	.022
Innovation	237	.541	.52	.286	0.00
Technology	593	.368	.40	.335	0.02
Service quality	281	.471	.411	.720	0.01
Employee competence	271	.457	.123	.781	0.04

Dependent variable: Choice of marketing strategy
Hence the resultant regression model is:

CMS=0.512 + 1.237IN + 0.8593TE + 1.281SQ + 1.271EC + e

Table 4 shows the summary of the regression analysis that seeks to establish the relationship between choice of marketing strategy, innovation, technology, service quality requirements and employee competence. Innovation was found to be the most significant factor influencing the choice of marketing with a p-value of 0.00. With an adjusted R -squared of 0.76 percent, it means that innovation, technology, service quality and employee competence explain 76 percent of the variations in choice of marketing strategy. The Durbin Watson of 2.09 showed absence of serial correlation.

Regression was used to obtain an equation which describes the dependent variable in terms of the independent variable based on the regression model. The regression was calculated using the basic regression model

Table 5: Anova

Model	Sum of square	df	Mean Square	F	Sig
Regression	58.366	23	14.5915	34.974	0.00b
Residual	37.548	83	0.4172		
tal	95.9346	106			

The F critical at 5% significance level was 2.472. Since F calculated is greater that F critical this shows that the overall model was significant.

Table 6: Regression Model Summary

R	ɟuare	djjusted R ɟuare	:d. Error of Estimate	Change Statistics			rbin-ɔn
				F Change	df1	ɟf2	
0.78	6084	.76	.64593	34.974	23	83	ı90

The regression had a correlation coefficient (R^2) of about 0.6084 and an adjusted R^2 of 0.76. This means that innovation, technology, service quality and employee competence explain 76 percent of the variations in choice of marketing strategy. F test is used to test the significance of R^2, which is the same as testing the significance of the model as a whole with a probability of 0.00 at 5% significance level indicated that the joint contribution of the independent variables was significant in predicting the dependent variable.

Service quality is positively related to choice of marketing strategy and has the most statistically significant coefficient as indicated by a P value of 0.01 which is statistically significant at 5%. This means that service quality as a factor of outsourcing affects choice of marketing strategy. There is a positive relationship between choice of marketing strategy and the time saving. Technology also has a statistically significant coefficient as indicated by a P value of 0.02 which is statistically significant at 5%. Technology is therefore contributing towards choice of marketing strategy.

The innovation is positively related to the choice of marketing strategy. This is shown by the positive sign of the coefficient. The coefficient of innovation is also statistically significant as indicated by a P value of 0.01 which is statistically significant at 5%. On the innovation, the study found out that the innovation is important in choice of marketing strategy. The employee competence is positively related to the choice of marketing strategy. This is shown by the positive sign of the coefficient. The coefficient is statistically significant as indicated by a P value of 0.04 which is statistically significant at 5%. This means that employee competence as a factor of outsourcing affects choice of marketing strategy.

Factor Analysis

A factor analysis was conducted to reduce the factors influencing choice of marketing into a meaningful number. The results of the factor analysis using principal component analysis as an extraction method led to seven components extraction. Table 8 presents the Varimax rotated factor matrix. As shown there are seven factors and the variables uniquely load very highly onto only one factor. The indicators/ variables that loaded very highly on factor one appears to all relate to choice of marketing strategy cross-functionality. Factor analysis has thus found that cross-functionality of the innovation, technology, service quality and employee's competence influences the marketing strategy, the cost, product features and services company capital base, customer base and commitment and risks are the success factors for choice of marketing strategy. The following brief discussion presents the rationale for these seven factors being critical to the choice of marketing strategy.

Table 7: Component Matrix Loadings on the Factors influencing choice of marketing

	Component						
	1	2	3	4	5	6	7
Business innovation	**0.858**	-0.146	0.16	-0.003	0.037	-0.226	0.047
chnology adopted	**0.68**	-0.423	0.447	0.023	0.253	-0.045	-0.168
rvice quality	**0.673**	-0.562	0.258	0.138	0.065	-0.056	-0.254
ıployee's competence	**0.63**	0.444	0.14	-0.103	0.102	-0.227	0.345
sts	**0.51**	0.411	-0.6	-0.102	0.326	0.036	0.239
Product features and services	**0.459**	-0.404	-0.451	0.273	0.461	-0.308	0.183
Company's capital base	**0.332**	-0.354	-0.002	0.005	0.424	0.654	0.321
Customer base	0.242	**0.269**	-0.729	0.076	-0.242	-0.31	-0.033
Commitment and risks	0.19	**0.79**	**0.209**	0.403	-0.086	0.202	**0.077**
Extraction Method: **Principal Component Analysis.** 7 components cted.							

From the results in Table 8 of the factor analysis using principal component analysis as an extraction method of the above (7) components/factors can be explained as follows:

Component /Factor one: This can be explained by the nature and extent of business innovation. Business innovation supports implementation of a given choice of marketing strategy.

Component /Factor two: This can be explained by the technology adopted in the marketing strategy chosen. A good marketing strategy is influence by the technology used in management, monitoring and evaluation of the implementation process of the marketing strategy.

Component /Factor three: It's explained by the service quality. The choice of a given marketing strategy depends on its ability to offer better service delivery to the banks customers.

Component /Factor four: This is explained by the need for employee's competence. A given marketing strategy might call for training on a given technology and therefore the employees' competence will be called into play. It might force the bank to enroll the employees for a course touching on the marketing strategy.

Component /Factor five: This is explained by the costs of a given marketing strategy. This is a factor that is considered by various commercial banks in determination of a given marketing strategy to adopt.

Component /Factor six: This is explained by product features and services of a given marketing strategy. This will show if a given marketing strategy is applicable to the banks product or not.

Component /Factor seven: This is explained by company's capital base. This is the ability of the bank to finance the marketing strategy. If the bank's capital base is not well of, the implementation of a given marketing strategy might be hampered.

Table 8: Total Variance Explained on the Factors influencing choice of marketing

Component	Initial Eigen-values			traction Sums of Squared ings		
	Total	of nce	umulative %	Total	% of ariance	umulative %
	5.614	22.454	22.454	5.614	22.454	22.454
	4.471	17.885	40.34	4.471	17.885	40.34
	3.721	14.884	55.224	3.721	14.884	55.224
	2.639	10.558	65.782	2.639	10.558	65.782
	2.044	8.175	73.957	2.044	8.175	73.957
	1.669	6.674	80.631	1.669	6.674	80.631
	1.559	6.236	86.867	1.559	6.236	86.867
	0.895	3.581	90.447			
	0.767	3.066	93.514			
	0.691	2.765	96.278			
	0.501	2.005	98.284			
	0.429	1.716	100			
	.577E-16	3.431E-15	100			
	.385E-16	2.554E-15	100			
	3.44E-16	1.376E-15	100			
	.788E-16	1.115E-15	100			
	-8.63E-16	-3.452E-15	100			

The list of the eigenvalues associated with each linear component (factor before extraction, after extraction and after rotation). Before extraction of the 17 linear components within the data set, there should be as many eigenvectors as there are variables and so there will be as many factors as variables. The eigenvalues associated with each factor represent the variance explained by that particular linear component expressed in terms of the percentage of variance. Therefore factor 1 explains 22.454% of total variance. The first few factors explain relatively large amount of variance whereas subsequent factors explain only small amounts of variance.

Factors with eigenvalues greater than 1 was then extracted leaving seven factors. The eigenvalues of these factors are displayed and the percentage of the variance labeled. This means that factor 1 account for more variance than the other six factors since it has a higher percentage of 22.454 compared to 17.885%, 14.884%, 10.558%, 8.175%, 6.674% and 6.236%.

DISCUSSION OF THE FINDING

Effect of Innovation on the Choice of Marketing Strategies

Majority 53 (50%) of the respondents indicated that innovation affect choice of market to a little extent, a significant number 31 (29%) of the respondents indicated that innovation affect choice of market to a large extent and 22 (21%) of the respondents indicated that innovation affect choice of market to a moderate extent. Majority 69 (65%) of the respondents indicated that the product strategy pursued by their banks involves divesting and sale to other firm. Majority 72 (68%) indicated that new product development at the bank involves a greater degree of innovational challenge with an ultimate aim of increasing customer base. Majority 52 (50%) of the respondents indicated that their banks have product line branding while 49 (46%) indicated that they rarely or never have entry barriers to competitors and substitutes. Regarding the effect of innovation on the choice of marketing strategies at the banks, majority 80 (75%) of the respondents indicated that consumers seek different product benefits in various localities, a significant number 104 (98%) of the respondents indicated that product innovation provides the most obvious means for generating customer base for the bank and 93 (88%) of the respondents indicated that improved and radically changed products are regarded as particularly important for long-term business growth. Majority 106 (100%) of the respondents indicated that products at the bank have to be updated and completely renewed for retaining strong market presence while 82 (77%) indicated that new product development at the bank involves a greater degree of innovational challenge with an ultimate aim of increasing customer base. Majority 103 (97%) indicated that product portfolio decisions are the manifestation of the bank's innovation and marketing strategies while 106 (100%) indicated that choosing the product portfolio determines the bank's strategy for the medium term future and is senior management responsibility.

Effect of Technology on the Choice of Marketing Strategies

Majority of the respondents 71 (67%) indicated that technology affects the choice of marketing to a great extent while a few 33 (31%) indicated to a low extent. Majority of the respondents 62 (58%) indicated that relative advantage of technology influences the choice of marketing to a great extent while a few 4 (4%) indicated to moderate extent. The findings indicates majority 73 (69%) of the respondents indicated that characteristics of technology influences marketing strategy to a low extent while 8 (8%) indicated it affects to a moderate extent. The findings indicates that majority 83 (79%) of the respondents agreed that user satisfaction with self-service technology is dependent on technology readiness to a great extent while 5 (5%) indicated to a very low extent. It can be concluded that the user satisfaction with self-service technology is dependent on technology readiness.

Effect of Service Quality on the Choice of Marketing Strategies

Majority 62 (59%) of the respondents indicated that service quality influence choice of marketing strategy to a large extent, a significant number 18 (17%) of the respondents indicated that service quality influence choice of marketing strategy to a moderate extent and 13 (12%) of the respondents indicated that service quality influence choice of marketing strategy to little extent. The findings shows majority 64 (60%) of respondents agreed that service quality is achieved through design and proper usage conditions to a high extent while 3 (3%) indicated to a very low extent. Majority 73 (69%) of the respondnets indicated that service quality is affected by suppliers and partners in the life cycle to a high extent while 28 (26%) indicated to a low extent. According to the findings, majority 76 (72%) of the respondents indicated that service quality provides expertise and coordinates customer interface to a high extent while 25 (23%) indicated to a low extent, this implied that service quality provides expertise and coordinates customer interface.

Effect of Employee Competence on the Choice of Marketing Strategies

According to the findings majority 51 (48%) of the respondents indicated that the number of staff members who have attained professional marketing qualification ranges from 11 to 20 while 35 (33%) indicated to be ranging from 21 to 30. Majority 53 (50%) of respondents indicated that their staff rarely attend workshops, seminars or short courses to improve their knowledge while 24 (23%) indicated they frequently attend; a few 29 (27%) do not attend at all. A majority 78 (74%) of respondents agreed that employee competence influences the choice of marketing while a few 23 (22%) disagreed.

CONCLUSION

Effect of Innovation on the Choice of Marketing Strategies

It can be conclude that innovation affect choice of market. The product strategy pursued by their banks involves divesting and sale to other firm. The new product development at the bank involves a greater degree of innovational challenge with an ultimate aim of increasing customer base. The banks have product line branding while others rarely or never have entry barriers to competitors and substitutes. Regarding the effect of innovation on the choice of marketing strategies at the banks. Consumers seek different product benefits in various localities. Products at the bank have to be updated and completely renewed for retaining strong market presence. Product portfolio decisions are the manifestation of the bank's innovation and marketing strategies while some respondents indicated that choosing the product portfolio determines the bank's strategy for the medium term future and is senior management responsibility.

Effect of Technology on the Choice of Marketing Strategies

Technology affects the choice of marketing to a great extent . Relative advantage of technology influences the choice of marketing. Characteristics of technology influences marketing strategy to a low extent. It was found that user satisfaction with self-service technology is dependent on technology readiness to a great extent. It can be concluded that the user satisfaction with self-service technology is dependent on technology readiness.

Effect of Service Quality on the Choice of Marketing Strategies

It can be concluded that service quality influence choice of marketing strategy to a large extent. Service quality is achieved through design and proper usage conditions to a high extent. Sservice quality is affected by suppliers and partners in the life cycle to a high extent. According to the findings service quality provides expertise and coordinates customer interface. This implies that service quality provides expertise and coordinates customer interface.

Effect of Employee Competence on the Choice of Marketing Strategies

The study found that majority of staff members who had attained professional marketing qualification ranges from 11 to 20 others had ranges from 21 to 30. The staffs rarely attend workshops, seminars or short courses to improve their knowledge. Employees competence was found to influence the choice of marketing.

RECOMMENDATIONS

Banks should invest in new technology in order to implement the right marketing strategies that are relevant in the modern world.

The commercial banks should consider improving their employees competence since they are the ones who are going to implement the choice of marketing strategy.

Service delivery should be put into perspective when choosing the marketing strategy to use in a given bank. This is the factor that will attract more customers or repel the ones already there.

SUGGESTION FOR FURTHER STUDY

This study could be further developed by including more variables for the regression models and increasing the sample size. The results of which should be compared with those of this study so as to establish the factors considered by different banks in the choice of marketing strategy.

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