

**MASTERCARD SERVICE STRATEGIES AND COMPETITIVE
ADVANTAGE AMONG SELECTED BANKS IN NAKURU COUNTY,
KENYA**

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DECLARATION

This project is my original work and has not been presented for a degree in any other University.

Signature

Date

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I confirm that the work in this project was done by the candidate under my supervision.

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DEDICATION

This work is dedicated to my family who has been very supportive during my studies.

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I wish to acknowledge my lecturers at Kenyatta University for impacting knowledge to me in diverse topics. I also wish to acknowledge my supervisor, Dr. Abel Anyieni, for guiding me through this research project.

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OPERATIONAL DEFINITION OF TERMS

Banking Industry:	The financial industry consisting of individual commercial banks and the industry regulator
Competitive Advantage:	The upper hand gained over players in the same industry by offering consumers greater value either through lowering prices or by providing more benefits and attributes that justify higher prices.
Marketing:	A social and managerial process of delivery of customer satisfaction at a profit with a goal of attracting new customers and keeping current customers
Marketing Strategies:	The plans that are formulated to undertake a social and managerial process of delivery of customer satisfaction at a profit with a goal of attracting new customers and keeping current customers
MasterCard:	An American multinational financial services corporation whose principal business is to process Banking between the banks of merchants and the card issuing banks or credit unions of the purchasers who use the "MasterCard" brand debit and credit cards to make purchases.
Strategy:	Plans or a group of activities conceptualized to overcome a given challenge successfully
Banking Infrastructure:	The infrastructure used for the Banking services between diverse parties to facilitate exchange of money with goods or services
Banking Industry:	The Banking card industry consists of all the organizations which store, process and transmit cardholder data, most notably for debit cards and credit cards
Promotion:	The deliberate act of making people aware of a given service or good.
Pricing:	The designated amount of money that must be paid for an exchange with a good or service.

ABBREVIATIONS AND ACRONYMS

ATMs	Automated Teller Machines
CBK	Central Bank of Kenya
CBA	Commercial Bank of Africa
DTB	Diamond Trust Bank
EMV	Euro, MasterCard and Visa
KCB	Kenya Commercial Bank
POS	Point of Sales
USA	United States of America

ABSTRACT

The MasterCard as a card banking option faces unique challenges in the Banking industry that creates the need for effective marketing strategies to gain competitive advantage. The study therefore purposed to assess marketing strategies adopted in creating competitive advantage in the Banking industry; a case of MasterCard. The study sought to establish the role of master card Product Characteristics as a marketing strategy in gaining competitive advantage in the Banking industry; examine the impact of the master card Banking infrastructure distribution as a marketing strategy in gaining competitive advantage in the Banking industry; examine the effect of the promotion of master card services as a marketing strategy in gaining competitive advantage in the Banking industry and establish the effect of the pricing of the master card Services as a marketing strategy in gaining competitive advantage in the Banking industry. The researcher adopted a descriptive research design. The study target market was 80 customers issuing master card services. Data was collected by use of questionnaires containing structured questions. The researcher sought the guidance of university supervisors in ensuring content validity of the research instruments. A pilot test was conducted in one other area with similar characteristics to the study sample. The Cronbach Alpha reliability test was performed on the piloted instruments to determine their Alpha strengths. A value of 0.891 which was greater than the threshold of 0.7 was achieved. The study collected quantitative data. Responses in the Likert scale were assigned numerical values to make quantitative analysis possible. The responses formed the themes for analysis in line with the study variables and objectives. SPSS (Statistic Package for Social Sciences) computer software version 22 was used for data entry and analysis. The results of the data analysed was presented in form of tables. The study found that there was a significant statistical effect of banking infrastructure distribution on competitive advantage of MasterCard services. The study also found that there was a significant statistical effect of promotion of MasterCard Services on competitive advantage of MasterCard services. Finally, the study found that there was a significant statistical effect of pricing of MasterCard Services on competitive advantage of MasterCard services. Based on the findings, the study recommends that: MasterCard services should initiate marketing services as it influences the competitive advantage of MasterCard services, more promotional activities be carried out to sensitive customers on the availability and advantages of using MasterCard there by increasing the competitive advantage, and the pricing of MasterCard Services should be adjusted to encourage more customers to use and thus gain a competitive advantage through low cost

CHAPTER ONE

INTRODUCTION

1.0 Introduction

This chapter contains the background information related to the study as a build up to the statement of the problem. It also contains the objectives and significance of the study.

1.1 Background of the Study

The uses of the plastic money via debit or credit cards have become a significant component of Banking system in the Kenyan context (Karanja, 2010). The use of the plastic money has distinctive advantages including convenience to the card users and the additional income to the commercial banks through fees and interests (Kihara, 2010). Some form of plastic money such as credit cards offer customers convenience, safety, higher purchasing power and a host of fringe benefits as most cards come with a number of privileges (Evans & Schmalensee, 2009).

There are several forms of the plastic money including but not limited to debit and credit cards (Nyamongo, 2011). The debit cards serve as a platform to access the money in one's transactional account that they have deposited with the bank. On the other hand, a credit card has been defined as a plastic card issued by a commercial bank or any other institution that allows the holder to purchase goods and services on credit up to an agreed limit set at specific place where these cards are accepted (Mburu, 2014). A credit card is a financial instrument that allows the cardholder to obtain funds at interest from a financial institution at his/her own discretion, up to some limit (Evans & Schmalensee, 2009).

The interoperability plays a central role in the card environment and refers to the ability of bank customers to use infrastructure provided by other financial institutions (Mbagi, 2012). In the context of the cards either debit or credit cards, the interoperable network allows the customers of one bank use another bank's Automated Teller Machines (ATMs) and Point of Sales (POS) terminals (Kihara, 2010). The transactions acquired by another bank are called off-us transactions, highlighting that the transaction has been acquired off, or outside, the issuing bank's infrastructure (Nyamongo, 2011). The interoperability is facilitated through a range of card association network such as Visa, MasterCard, Kentswitch and pesa point amongst other associations.

1.2.3 MasterCard Service Strategy

MasterCard is a global company that provides the interoperability services between different banks infrastructures and with a presence in 210 countries. Kenya occupies an integral and critical position in the financial industry in East Africa as such is critical for MasterCard as an entry point to the region. In this context, MasterCard opened its regional headquarters in Nairobi to complement the offices operational in Cairo, Casablanca, Lagos, and Johannesburg in Africa (Mburu, 2014). The MasterCard partnered with Equity bank in 2013 to roll out five million MasterCard branded cards prepaid and debit cards in Kenyan market with chip technology. The MasterCard also partnered with KCB for similar services. Other banks that have partnered with MasterCard include Chase bank, I&M bank, CFC Stanbic, Diamond Trust Bank and Jamii Bora (Kimasar 2014).

1.1.2 Competitive advantage

The term competitive advantage is the upper hand gained over players in the same industry by offering consumers greater value either through lowering prices or by providing more benefits and attributes that justify higher prices. The study of such advantage has attracted profound research interest due to contemporary issues regarding superior performance levels of firms in the present competitive market conditions. A firm is said to have a competitive advantage when it is implementing a value creating strategy not simultaneously being implemented by any current or potential player (Gathirua, 2013).

The key to winning customers is to understand their needs and buying processes better than competition do and to deliver more value. Competitive advantage occurs when an organization acquires or develops an attribute or combination of attributes that allows it to outperform its competitors. These attributes can include access to natural resources, inexpensive power, or access to highly trained and skilled personnel human resources (Jeruto, 2011). New technologies such as robotics and information technology can provide competitive advantage, whether as a part of the product itself, as an advantage to the making of the product, or as a competitive aid in the business process (Kithaka, 2014).

To obtain competitive advantage, companies are required as soon as possible to adapt to the competitor's environment with fast answers, improving and/ or reforming processes and implementing strategies appropriately (Kimani, 2014). Additionally, companies are required to develop their learning capacities since superior knowledge is what achieves competitive advantage and organizational competence creation (Gichuru, 2010). Competencies development is an essential element for

organizational effectiveness in which organization members' knowledge plays a direct and central role in acquisition and organizational competence development (Matiru, 2014). Companies that correctly leverage knowledge to extend competencies tend to increase efficiencies in operations and process innovation, while also improving service to clients to satisfy demands that arise in the market such that the extended organizational competences depends on management capability and implementation of business strategies. Competence creation depends more and more on processes (business strategies) development at operational level. In the business environment, organizations seek to maximize returns by creating competitive advantage in identifying, providing, communicating and delivering value to customers (Nkirote, 2014).

When a firm sustains profits that exceed the average for its industry, the firm is said to possess a competitive advantage over its rivals. The goal of many business strategies is to achieve a sustainable competitive advantage. Porter identified two basic types of competitive advantage: cost advantage, differentiation advantage. Competitive advantage exists when the firm can deliver the same benefits as competitors but at a lower cost (cost advantage), or deliver benefits that exceed those of competing products (differentiation advantage). To the extent that a company can position itself as providing superior value to selected target market it gains competitive advantage. Thus, competitive advantage enables the firm to create superior value for its customers and superior profits for itself (Anderson, 2006).

1.1.3 Commercial Banks in Nakuru

Ever since the liberalization of the financial sector in Kenya in the late 1980 and 1990s, there has been remarked change amongst commercial banks. The growth in the

number of commercial banks in Kenya has been considerable. The number has increased from less than 20 to a current count of 41 (CBK, 2005). The objective of the liberalization process was to encourage greater financial efficiency. Policy reforms included removing interest rate controls, removing requirements on banks to lend to specific sectors, privatizing state-owned banks, and allowing easier entry by private sector banks and non-bank financial institutions, including foreign banks. At the same time, to promote sounder banking and help protect bank deposits, reforms were introduced to strengthen the prudential regulation.

The reforms also included supervision of banks by improving banking laws and expanding supervisory capacities (Porter, 1996). Financial liberalization changed the nature of the risks facing the commercial banking system in Kenya. Reforms reduced the risk of bank distress caused by governments directing banks to lend to unviable and uncreditworthy borrowers. New sources of risk have however emerged: greater competition is squeezing the profits of weaker banks; the entry of new banks that lack the expertise to manage risks in liberalized markets; greater opportunities for fraud and abuse of depositors' funds; and risks arising from foreign exchange denominated transactions. Kenya has suffered from the failure of privately owned commercial banks – often due to fraud and abuse by management. These bank failures have proved costly for taxpayers, who have often had to fund the reimbursement of deposits.

The banking industry in Kenya comprises of 49 financial institutions with 43 commercial banks, one operating non-bank financial institution and another in the process of self –liquidation, two mortgage finance companies and two building societies (CBK, 2005). The competition for survival and growth within the industry is

extremely intense- this poses a major challenge owing to the poor performance of the economy in the recent past, decline in the inflow of investments and shrinkage of profits (Gumato, 2003)

1.2 Statement of the Problem

Competitive advantage is an important goal for any organization. This climate is only likely to intensify in the foreseeable future. When a firm sustains profits that exceed the average for its industry, the firm is said to possess a competitive advantage over its rivals. The goal of much of business strategy is to achieve a sustainable competitive advantage. A competitive advantage exists when the firm can deliver the same benefits as competitors but at a lower cost (cost advantage), or deliver benefits that exceed those of competing products (differentiation advantage). Thus, a competitive advantage enables the firm to create superior value for its customers and superior profits for itself (Porter, 1996).

The upsurge of banks in the recent years in the Kenyan banking sector, which may be attributed to the fast pace of economic development and favourable government policies that allowed liberalisation of the market system, has resulted in the banking industry being very competitive. The intense competition attracts new entrants into the market; increased innovations among players in this sector and the adoption of strategies by the players that enable them to compete favourably, giving them a competitive advantage. The harsh reality is banks provide similar services or offerings and to ensure banks survival within the industry, they need to adopt a strategy that will give it a competitive advantage over the rivals (Maxine, 2012). Amongst the strategies adopted by commercial banks include the MasterCard Banking.

The MasterCard Banking options however face diverse challenges within the banking industry leading to a need to embrace effective marketing strategies to increase its adoption and usage amongst clients (Imaana, E. (2011). Amongst the challenges includes the adoption of the Visa International branded cards leading to a situation where the bank customers are more knowledgeable on the Visa branded cards as opposed to MasterCard branded cards. The early adoption of Visa branded cards led to a situation where most service providers such as supermarkets, hotels and other service providers accept the Visa Branded option. Other than its main competitor that is Visa branded cards, the MasterCard services also face additional competition from mobile money platforms such as Lipa Na Mpesa services from Safaricom. These services operate in the same market as MasterCard services and thus offer competition as they fulfill the same need. This study therefore was intended to examine the marketing strategies that the commercial banks should adopt to gain an advantage in the market.

1.3 Research Objectives

The research objectives will be divided into the general and specific research objectives

1.3.1 General Objective

The general objective of the study will be the determining of the marketing strategies adopted in creating competitive advantage in the Banking industry with special reference to MasterCard.

1.3.2 Specific Objectives

The study will be guided by the following research objectives

- i) To determine the effect of the MasterCard Banking infrastructure distribution in gaining competitive advantage among selected commercial banks in Nakuru county
- ii) To evaluate the effect of the promotion of MasterCard services in gaining competitive advantage among selected commercial banks in Nakuru county
- iii) To establish the effect of the pricing of the MasterCard Services in gaining competitive advantage among selected commercial banks in Nakuru county

1.4 Research Questions

The study will seek to address the following research questions;

- i) MasterCard Banking infrastructure distribution has no significant effect on gaining of competitive advantage among selected commercial banks in Nakuru county
- ii) Promotion of MasterCard has no significant effect on gaining of competitive advantage among selected commercial banks in Nakuru county
- iii) MasterCard Services has no significant effect on gaining of competitive advantage among selected commercial banks in Nakuru county

1.5 Significance of the Study

The government is the custodian of all its citizens regardless whether it can address their plight. Information gathered through this study will help the government to formulate policies beneficial and the best practices in application of competitive advantage in the Banking industry in Kenya. The study provides a platform for further research in competitive advantage in the Banking industry. The findings of the study may be of use to trainers in sales and marketing in that it may assist them in knowing the areas which should be given concentration when training managers on competitive advantage and related topics in their organizations. The study may also help

researchers to gain problem solving skills as well as the skills of academic report writing. In addition, the study may assist the researcher acquire the necessary experience and the best practices in application of competitive advantage in Banking companies. Researchers may also use findings for further research as a secondary source of information.

1.6 Scope of the Study

The study will be limited to MasterCard service strategies influence on competitive advantage among selected commercial banks in Nakuru County. The geographical scope of the study will be the MasterCard users drawn from cards issued by KCB, Equity, CFC Stanbic, and Diamond Trust Bank (DTB) in Nakuru town due to budgetary limitations. The geographical area of the study will be Nakuru Central Business District. Nakuru Central District consists of the administrative and commercial capitals of Nakuru County and for former rift valley province. The Nakuru Central Business District has been designated as having the fastest business growth due to a huge Small and Medium Enterprises sector leading to an influx of commercial banks in the town. There are over 25 commercial banks located within Nakuru CBD. The budgetary scope of the study will be Kshs. 55,000 since the study is self-funded. The time scope of the study is three months since the study is being done for academic purposes and as such must conform to the academic calendar.

1.7 Limitation of the Study

Aspects touching on the financial matters are often sensitive and private in nature and potential respondents of the study may be reluctant to give responses. The researcher will mitigate such concerns through administering of the consent statement that assures the respondents of the anonymity and confidentiality of their responses.

1.8 Organization of the Study

This study is structured as follows: the foregoing chapter one provides the research background, research objectives, significance of the study, scope and the limitations encountered during the study. Chapter two presents the literature review on the strategies and competitive advantage adopted by MasterCard, theoretical review and conceptual framework. Chapter three contains the methodology employed in the study. The study findings and their interpretation are presented in chapter four. Chapter five presents the conclusion and recommendations of the study

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter contains the theoretical review, theoretical framework, empirical review, and conceptual framework, summary of literature and research gaps.

2.2 Theoretical Review

The theoretical framework will be based on the Porter's theory of competitive advantage, the resource based view and Dynamic Capabilities Theory and Schumpeterian theory

2.2.1 Porter's Theory of Competitive Advantage

Porter's model of competitive advantage of 1980 identifies five competitive forces namely: Potential entrants, Buyers, Substitutes, Suppliers and Industry competitors that define the rules of competition in an industry (Porter 1980) notes that, the goal of competitive strategy for a business unit in an industry is to find a position in the industry where the company can best defend itself against these competitive forces or can influence them in its favor (Gathirua, 2013).

Therefore, the essence of formulating competitive strategy is to relate a company to its environment. Knowledge of these underlying sources of competition pressure highlights the critical strengths and weaknesses of the company, animates its positioning in its industry, clarifies the areas where strategic changes yield the greatest payoff and highlights the areas where industry trends promise to hold the greatest significance as either opportunities or threats (Yongtao, 2009) . Porter argues that superior performance can be achieved in a competitive industry through the pursuit of a generic strategy, which he defines as the development of an

overall cost leadership, differentiation, or focus approach to industry competition (Mnjala, 2014). If a firm does not pursue one of these strategy types, it will be stuck-in-the-middle and will experience lower performance when compared to firms that pursue a generic strategy. Porter outlines three approaches to competitive strategy: Low cost leadership strategy where the firm strives to be the overall low cost producer; Differentiation strategy where the firm seeks to differentiate its product offering from that of its rivals; and, Focus strategy where the firm focuses on a narrow portion of the market (Muchiri, Okello, & Wagoki, 2016).

An organization may also choose a combination strategy by mixing of the generic strategies. For example, a firm may choose to have a focused differentiation strategy. This means the organization has a unique product offered to a targeted market segment (Petzer & Steyn, 2014). An organization may also choose to have a focused cost-leadership strategy. In this instance, an organization would use a cost leadership strategy targeted to a specific market segment. Abdi (2014) points out that the strategy is about selecting the set of activities in which an organization will excel to create a sustainable difference in the market place and purports companies must be competitive to become an industry leader, to be successful both nationally and abroad, and these strategies for gaining competitive advantage apply to all industries in most nations.

Competitive advantage rests on the notion that cheap labor is ubiquitous and natural resources are not necessary for a good economy (Imaana, 2011). The other theory, comparative advantage, can lead countries to specialize in exporting primary goods and raw materials that trap countries in low-wage economies due to terms of trade (Muasa, 2014). Competitive advantage attempts to correct this issue by

stressing maximizing economies of scale in goods and services that garner premium prices. According to the resource-based view, in order to develop a competitive advantage the firm must have resources and capabilities that are superior to those of its competitors (Machiuka, 2010). Without this superiority, the competitors simply could replicate what the firm was doing and any advantage would quickly disappear. Resources are the firm-specific assets useful for creating a cost or differentiation advantage and that few competitors can acquire easily (Ganale, 2012).

2.2.2 Schumpeterian Theory

In Schumpeterian theory, the companies seize competitive advantage to create or adopt innovations that make the competitors' position obsolete, which is called creative destruction. This type of competition is considered much more effective and beneficial than price competition or creating monopoly power (Kathuni & Mugenda, 2012). However, investing in radical innovations is inherently risky and requires larger companies to invest and develop revolutionary innovations through competitive advantage.

2.2.3 Resource Based View

The Resource Based View (RBV) was introduced by Edith Penrose in 1959 and further enhanced by Birger Wernerfelt in 1984 in his article *A Resource Based View of the Firm* (Ndanu, 2014).. The Resource Based View (RBV) argues that competitive advantage in a firm is achieved through the delivery of superior value to customers (Ndungu, 2013). The delivery of superior value to customers is dependent on the firm's prudent utilization of its resources (Ndanu, 2014). The RBV divided the resources available for a firm's utilization into physical capital, human capital and organizational capital (Kilonzo, 2012). The creation of competitive advantage is

therefore driven by the utilization of a firm's unique resources and capabilities(Mwanzia, 2012). A capability in this context has been defined as the capacity for a set of resources to perform a stretch task of an activity(Havarungsi, 2006).

There are several characteristics that the resources should have in order for them to create competitive advantage(Kilonzo, 2012). The resources and capabilities of competence should be scarce, difficult to imitate, sustainable (without cheaper substitutes), durable (slow to depreciate in value), and appropriate(Mwanzia, 2012). Other characteristics include non-tradable, non-substitutable, as well as firm-specific. The firm resources can be categorized as tangible or intangible(Havarungsi, 2006). The tangible resources refer to the physical assets that an organization possesses while the intangible resources refer to the intellectual/technological resources, reputation, firm's knowledge, branding and practices(Makhulo, 2014). The RBV is applicable to this study in the context that the Banking infrastructure distribution is a critical resource that offers the MasterCard a critical competitive advantage.

2.2.4 Dynamic Capabilities Theory

The dynamic capabilities theory was introduced in 1989 by Gary Hamel in a multinational strategy research that led to the development of the core competencies of a corporation (Mwanzia, 2012). The dynamics capability theory is based on the firm's ability to use the dynamic capabilities in order to create competitive advantages in their firms(Kilonzo, 2012). The dynamic capabilities are defined as the firm's strategy to constantly integrate, reconfigure, renew, and recreate internal and external resources in response to dynamic and rapidly shifting market environments in order to attain and sustain competitive advantage(Mwanzia, 2012). The dynamic capabilities

explain on how the businesses create, define, discover, and exploit entrepreneurial opportunities in complex and volatile external environments in search for a strategic matching of resources and market(Havarungsi, 2006). The dynamic capabilities are applicable to the study as it demonstrates on the ways in the MasterCard can utilize diverse capabilities such as promotion to market itself.

2.3 Empirical Review

The empirical review is based on the research objectives.

2.3.1 Influence of Infrastructure Distribution as a Marketing Strategy

A distribution channel can be defined as the activities and processes required to move a product from the producer to the consumer. Also included in the channel are the intermediaries that are involved in this movement in any capacity. These intermediaries are third party companies that act as wholesalers, transporters, retailers and provide warehouse facilities (Ogoye, 2013). Ogoye (2013) had undertaken a study on the Influence of Quality Management Systems Implementation on Organizational Performance: (Case Study of South Nyanza Sugar Company Limited Migori County, Kenya). The infrastructure distribution as a marketing strategy examines the method that will be used to get the product or service through various distribution channels to the ultimate purchaser or end-user that is how and where the consumer buys the product or service. The location of the business or services may be determined by factors such as convenience of the customers to access the services, the level of exposure of the business, the occupancy cost, location of competitors, and location of target market.

There are different types of distribution channels including direct channel, indirect channel, dual distribution, and reverse distribution. The direct distribution involves the service provider directly providing the product to the consumer in which case the

business may own all elements of its distribution channels or sell through a specific retail location (Nkitore, 2013). Nkirote (2014) had undertaken a study on the Marketing Strategies Adopted to Gain a Competitive Advantage by Supermarkets in Kakamega Town, Kenya. The indirect distribution involves the use of an intermediary to sell the services of an organization while the dual distribution involves both the direct and indirect methods of distribution.

2.3.2 Effect of the Promotion Services as a Marketing Strategy

Ogoye (2013) in a study on influence of Quality Management Systems Implementation on Organizational Performance: (Case Study of South Nyanza Sugar Company Limited Migori County, Kenya) found effect of promotion in retail business. He found out that the use of promotions in retailing has increased rapidly in recent times, yet more often than not promotions are being implemented with an inadequate understanding of which mechanisms are most effective, for which products and for which shoppers segments. He reports that the use of promotions in the Kenya has increased significantly over the past decade, particularly in retailing where competition between retailers has intensified. This has resulted in both Kenyan supermarkets and branded suppliers becoming increasingly dependent on promotional activity to drive sales growth. Hence, price promotions often resulting to large sales effects for a promoted item, but this influence does not necessarily mean that the sales increase is truly beneficial for retailers.

In the study Marketing Strategies by Nkirote (2014) Adopted to Gain a Competitive Advantage by Supermarkets in Kakamega Town, Kenya argued that although the choice of entry modes is important, it is not a guarantee for success. Post entry strategies or growth strategies are according to of similar or even greater importance.

He points out that growth strategy indicated that companies can grow the business via existing and/or new products, in existing and/or new markets. Market penetration strategy means that companies are selling more of their existing products in existing markets (Nyamai, 2014). This can be achieved by taking a share from the competitors or by attracting non users. The company can also develop new products for the existing markets (product development) or enter new markets (segments) with present products (market development) (Ochieng, 2014). The latter does not necessarily have to be done through internationalization. Finally, diversification means to enter new markets (segments) with new products (Kinyua, 2014).

2.3.3 Effect of the Pricing Services as a Marketing Strategy

The price or cost leadership strategy is an integrated set of action taken to produce goods or services with features that are acceptable to customers at the lowest cost, relative to that of competitors (Wamalwa, 2014). Wamalwa (2014) had undertaken a study on the Influence of Marketing Strategies on Attraction of International Customers in the Hotel Industry in Nairobi, Kenya. The price leadership strategy represents attempts by firms to generate competitive advantage by achieving the lowest price in the industry. The focus of firms implementing price leadership strategies on stringent cost control and efficiency in all areas of operation (Mokeira, 2013). Mokeira (2013) had undertaken a study on the Strategies Adopted by Small and Medium Enterprises in Kenya to Cope with Foreign Market Challenges. A company that decides to follow a price leadership strategy has the objective of being able to skillful its offer at lowest possible cost. The competitive advantage of cost leadership is achieved by performing important value chain activities at lower cost than competitors (Muthama, 2013). Price-leadership strategy strives to supply a standard, no-frills, high-volume product at the most competitive price to customers

(Ndwiga, 2012). Ndwiga (2012) had undertaken a study on Foreign Market Entry Strategies Used by British Multinational Corporations in Kenya. Price leadership strategies are preferred in developing countries such as Indonesia, Malaysia, India and China where they have lower labour cost, and hence, a lower production cost (Cherop, 2011). A differentiation strategy is to create value to customers by providing superior quality, innovative products, brand image, and good services. This will differentiate the product which means the product will be more competitive than others (Obatu, 2012). Price Leadership tends to be more competitors oriented rather than customer oriented (Kavata, 2013).

Price leadership requires a strong focus on the supply side as opposed to the demand side of the market, as this requires a high level of competitor orientation (Kariuki, 2007). Therefore, firms pursuing a price leadership strategy must continuously benchmark themselves against other competing firms in order to assess their relative cost (and therefore profitability) position in market place (Mwazumbo, 2010). A firm that pursues price leadership strategy achieves a low-cost position by emphasizing on aggressive construction of efficient-scale facilities, vigorous pursuit of cost reductions from experience, tight cost and overhead control, avoidance of marginal customer accounts, and cost minimization in areas like research and development (R&D), services, sales force, advertising (Mokeira, 2013).

A combination competitive strategy involving high level of emphasis on both cost-leadership and differentiation strategies simultaneously should be distinguished from “stuck-in-the-middle” strategy where a firm fails to successfully pursue both cost-leadership and differentiation strategies (Kioko, 2013). Since cost-based and differentiation-based advantages are difficult to sustain, firms that pursue a

combination strategy may achieve higher performance than those firms that pursue a singular strategy. Pursuit of a differentiation strategy for low-cost firms will help skillful their vulnerability due to reliance on cost-based advantages only (Mutio, 2013).

The cost advantage of manufacturing enables the company systematic efforts to increase efficiency in its operations and results in the production cost per unit, lower cost of goods sold and selling price to end-user in the export (Kavata, 2013). The companies with cost advantage create more value for their customers by offering their products and services at a lower price, mainly due to the economies or diseconomies of scale for each activity, learning that improves knowledge and processes independently of scale, the patterns of capacity utilization, and the linkages that are present when the way one activity is performed affects another activity (Mumelo, 2012).

In the firm's behaviour oriented by price leadership, competitive advantage is pursued through economies of scale, exploitation of the experience curve and rigorous control of overhead costs (Ambetsa, 2009). Differentiation policies rest upon the entrepreneur's ability to stand out against its direct competitors not only at the price factor, but also as regards the upgrading of products, the technical assistance given to customers and the selection of efficient distribution channels, that is the non-price factors of competition (Mbindyo, 2013). Cost advantages are known as positional advantages since they describe the firm's position in the industry as a leader in cost. A resource-based view emphasizes that a firm utilizes its resources and capabilities to create a competitive advantage that ultimately results in superior value creation (Ssebugwawo, 2010).

Lower price advantage to a section of market segments with basic services offered to higher priced market leaders is also a strategy acceptable in the corporate world. It results to similar products to much higher priced products that can also be acceptable to sufficient customers in the market (Obatu, 2012). It concentrates on a narrow segment and within that segment it attempts to achieve cost advantage. The premise is that the need of the group can be better serviced by focusing entirely on it; hence enjoy high degree of customer loyalty, which discourages other firms from competing directly. Cost leadership is achieved not only by rational management of the production function, but also by skillful maneuvering of all the inter functional relationships within the enterprise system in order to reduce coordination costs and enables the firm to use the price weapon with some discretion (Mutambah, 2012).

2.4 Summary of Reviewed Literature

The infrastructure aspects play a critical role in the marketing aspects due to various dynamics involved. For example, the location strategy consists of strategic decisions that are impacted by manufacturing location and facilities or support functions for each company area, handling of materials, information systems, the acquisitions and the series of logistic activities. It has a connection backward to suppliers or forward to customers for contributing to improved performance of the supply chain, being basic to developing core competencies.

The use of promotion services as marketing strategy is often used in the context of intense competition and as a marketing penetration strategy. The market penetration strategy means that companies are selling more of their existing products in existing markets which is achieved by taking a share from the competitors or by attracting non-users. The company can also develop new products for the existing markets

(product development) or enter new markets (segments) with present products (market development).

The pricing of services as a marketing strategy is a critical one. Cost leadership requires a strong focus on the supply side as opposed to the demand side of the market, as this requires an elevated level of competitor orientation. Therefore, firms pursuing a cost leadership strategy must continuously benchmark themselves against other competing firms to assess their relative cost (and therefore profitability) position in market place. A firm that pursues cost leadership strategy achieves a low-cost position by emphasizing on aggressive construction of efficient-scale facilities, vigorous pursuit of cost reductions from experience, tight cost and overhead control, avoidance of marginal customer accounts, and cost minimization in areas like research and development (R&D), services, sales force, advertising. Findings and research gaps by different authors are summarized in the table 2.1.

Table 2.1 Summary of Literature Review

Author	Focus of the Study	Findings	Research Gap	Focus of Current Study
Ogoye (2013)	Influence of Quality Management Systems Implementation on Organizational Performance	He found out that the infrastructure distribution as a marketing strategy examines the method that will be used to get the product or service through various distribution channels to the ultimate purchaser or end-user that is how and where the consumer buys the product or service. The location of the business or services	Further study should be carried out to establish what other factors can reduce costs of production and enhance and improve organizational performance other than quality management systems	Influence of Infrastructure Distribution as a Marketing Strategy adopted by MasterCard

		may be determined by factors such as convenience of the customers to access the services, the level of exposure of the business, the occupancy cost, location of competitors, and location of target market		
Nkirote (2014)	Marketing Strategies Adopted to Gain a Competitive Advantage by Supermarkets in Kakamega Town, Kenya	She argued that although the choice of entry modes is important, it is not a guarantee for success. Post entry strategies or growth strategies are according to of similar or even greater importance	Further research should be carried out to determine the other factors that can increase competitive advantage of supermarkets other than entry and growth strategies. Research can also be carried on other industries other than the Supermarket Industry.	Effects of the Promotion Services as a Marketing Strategy adopted by MasterCard
Wamalwa (2014)	Influence of Marketing Strategies on Attraction of International Customers in the Hotel Industry in Nairobi, Kenya	He found out that the price leadership strategy represents attempts by firms to generate competitive advantage by achieving the lowest price in the industry. The focus of firms implementing price leadership strategies	Future research should also explore more on challenges faced by hotels in drawing the marketing strategies to be used.	Effect of the Pricing Services as a Marketing Strategy adopted by MasterCard

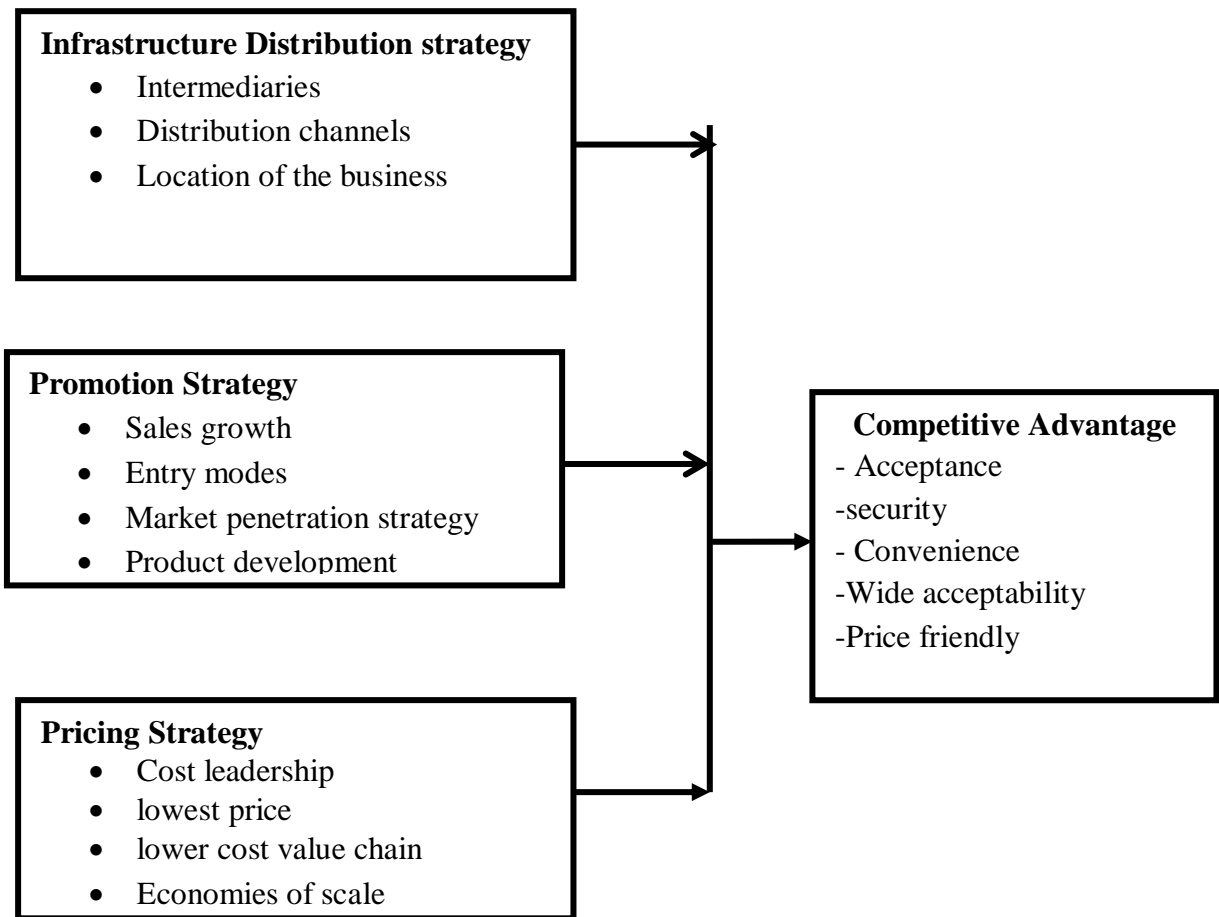
		on stringent cost control and efficiency in all areas of operation		
Ndwiga (2012)	study on Foreign Market Entry Strategies Used by British Multinational Corporations in Kenya	Price-leadership strategy strives to supply a standard, no-frills, high-volume product at the most competitive price to customers	The researcher recommends that a similar study should be embarked on different international companies in Kenya dealing with other commodities to verify the study results	Effect of the Pricing Services as a Marketing Strategy adopted by MasterCard

2.5 Conceptual Framework

The conceptual framework presents the interrelationships between the variables. The independent variables are composed of Banking infrastructure distribution, promotion services, and the pricing of the MasterCard services. On the other card, the competitiveness of the MasterCard services makes the dependent variable while customer adoption of card Banking's makes the intervening variable.

Independent Variable

Dependent Variable



Source: (author, 2016)

Figure 2.1: Conceptual Framework

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter presents the research design, geographical area where the study was carried out, population and target population, sample size and sampling techniques, instruments, data collection procedure and data processing and analysing.

3.2 Research Design

The descriptive research technique will be used for the study. The descriptive studies in general describe the state of the affairs as they are without manipulating any variables (Mugenda & Mugenda, 1999). Gall, Gall, & Borg (2008) further noted that descriptive study attempts to describe or define a subject, often by creating a profile of a group of problems, people, or events, through the collection of data. The survey descriptive research design will be used. According to Kothari (2004), the survey descriptive research involves posing a series of questions to willing participants, summarizing their responses with percentages, frequency counts, and other statistical indexes and then drawing inferences about a particular population from the responses of the sample. According to Mugenda & Mugenda (1999) the descriptive survey method is a method that produces graphs and pie charts according to the responses received

3.3 Target Population

There are over 25 commercial banks located in Nakuru CBD. The target population will be the commercial banks issuing the MasterCard service that is Equity bank, KCB, DTB and CFC Stanbic banks. The population will be drawn from the enquiries clerks, customer service staff, sales staff, and operations staff. The target population amounts to 300 clerks, customer service staff, sales staff, and operations staff.

3.4 Sampling Procedures and Sample Size

The study will utilize a sample size of 100 respondents. Kothari (2004) argues that the sample size should be at least 30 members to enable the undertaking of the inferential statistics with valid inferences. Kothari (2004) argues in the absence of the finite number of the population, the sample size may be picked on the basis of convenience but should be greater than 30 members. Convenience sampling will thus be used in this study.

Table 3.0.1 Target population

Bank	No. of respondents
Equity	25
DTB	25
CFC Stanbic	25
KCB	25
TOTAL	100

3.5 Data Collection Instruments

Data will be collected by use of questionnaires containing both structured and unstructured questions. The Likert type of questions will be used in the study. The questionnaires are preferred for their suitability and easy administration. Muchai (2012) argued that the advantages of using questionnaires are that information can be collected from a large sample; confidentiality is upheld, saves on time and has no opportunity for interview bias. It is suitable for data collection because it allows the researcher to reach a large sample within limited time. Confidentiality of information provided may allay the possibility of such information being used against them for selfish or bad reasons.

3.5.1 Validity of Data Collection Instrument

Data collection tools (questionnaires) were checked by the university supervisors to ensure validity prior to data collection exercise. Validity determines whether the

research tool truly measures that which it is intended to measure or how truthful the research results are. Validity is the degree to which results obtained from the analysis of the data represents the phenomenon under study. Kothari (2004) pointed out that validity measures the accuracy of the instruments in obtaining the anticipated data which can meet the objectives of the study. The researcher therefore sought the guidance of university supervisors in ensuring content validity of the research instruments. According to Gall et al., (2008), content validity of an instrument is improved through expert judgment.

3.5.2 Reliability of Data Collection Instrument

According to Mugenda & Mugenda (2003), reliability is a measure of the degree to which a research instrument yields consistent results or data after repeated trials. After establishing the validity, the researcher tested the reliability of the instrument. A pre-test was conducted in Gilgil Sub County one other area with similar characteristics to the study sample. Care was taken to ensure that the tested subjects do not form part of the study sample so as not to compromise the quality of responses. To improve the reliability of the instrument, the researcher, with the help of the research supervisors, critically assessed the consistency of the responses on the pilot questionnaire to make judgment on their reliability. The results obtained from the pilot study assisted the researcher in revising the questionnaire to make sure that it covered the objectives of the study (Ogero, 2014). The Cronbach Alpha reliability test was performed on the piloted instruments to determine their Alpha strengths. Kathuri and Pals (2003) recommends a Cronbach Alpha test score of 0.7. Cronbach Alpha appropriateness is because of its ability to handle multiple responses of the items. The Cronbach alpha coefficient obtained was 0.891.

3.6 Data Collection Procedures

The Researcher got an introductory letter from University. During the time of administering the instrument, the researcher explained to the respondents the purpose of the study. The researcher also explained the complex items as requested by the respondents. Further an appropriate date for collecting the completed questionnaire was arrived at.

3.7 Data Analysis and Presentation

The data processing was done through the editing, coding, classification and tabulation. The data was entered and analyzed using SPSS version 21 statistical software for both descriptive and inferential statistics. The descriptive statistics composed of frequency distributions, means and the standard deviations. The inferential statistics were examined using linear correlation and multiple linear regressions. The multiple linear regression was used to establish the relationship between the cumulative effects of various independent variables on the dependent variable. The multiple regression models separate each individual variable from the rest allowing each to have its own coefficient describing its relationship to the dependent variable.

$$Y = \beta_0 + \beta_1 x_1 + \beta_2 x_2 + \beta_3 x_3$$

Where y= Competitive Advantage

X_1 = Banking Infrastructure Distribution

X_2 = Promotion of MasterCard Services

X_3 = Pricing of MasterCard Services

β_0 = intercept

$\beta_1 - \beta_3$ = coefficients of the variables

3.9 Ethical Consideration

The ethical considerations are often concerned with voluntary participation, anonymity and confidentiality, identification of purpose and sponsor, and analyzing and reporting. To eliminate any ethical concerns, the respondents were presented with a consent statement that detailed i) purpose of the study ii) anonymity and confidentiality of the responses iii) voluntary participation and right to withdraw at any stage, and iv) lack of any financial compensation for participation in the study or any financial penalties for withdrawal from the study.

CHAPTER FOUR

DATA ANALYSIS INTERPRETATION AND DISCUSSION

4.1 Introduction

The research findings and data analysis of the study were presented in this chapter. The research objectives of the study included the examination of the effects of MasterCard Banking infrastructure, promotion of MasterCard services, and pricing of the MasterCard Services in gaining competitive advantage in the Banking industry. The descriptive statistics were used in examination of the research findings. In this context, the frequency distributions, means and standard deviations were used. The results were presented in tables. The inferential statistics were used for the purposes of making inferences (conclusions) on the relationship between variables. In this context, the multiple linear regression and Analysis of Variance (ANOVA) were used to make inferences on relationship between diverse independent variables and dependent variable.

4.2 Response Rate

Table 4.0.1; Response Rate

Sample Size	Returned Questionnaires	Rejected Questionnaires	Analyzed Questionnaires	Response Rate
80	75	5	70	87.5%

Source: Field Data (2016)

The target population constituted commercial banks issuing the MasterCard service that is Equity bank, KCB, DTB and CFC Stanbic banks. The population was drawn from the enquiries clerks, customer service staff, sales staff, and operations staff. The target population of the study is 80 respondents. Therefore, 80 questionnaires were distributed to the potential respondents. Among the distributed questionnaires, 5 questionnaires were not returned making the returned questionnaire to total 75 questionnaires which constituted 93.75% return rate. However, five questionnaires out

of the 75 returned questionnaires were not analyzed as they were incompletely filled as well as presence of identifiers. Therefore, 70 questionnaires out of the 100 questionnaires that were distributed were analyzed making a response rate of 87.5%. The high response rate was attributed to numerous reminders to the respondents.

4.3 Respondent’s Characteristics

The respondent’s characteristics were examined using the gender distribution, and period the bank has been using MasterCard Services.

4.3.1 Gender Distribution

Table 4.0.2; Gender Distribution

Gender	Frequency	Percentage
Male	40	57.1%
Female	30	42.9%
Total	70	100%

Source: Field Data (2016)

The gender distribution was examined using Table 4.2 below. In this context, 57.1% of the respondents were male while 42.9% of the respondents were female. The high number of male respondents in management position in commercial banks in Kenya is in tandem with the general trends in workplaces in Kenya. This is linked to lower opportunities for women due to lower education standards as well as limitation in career growth for the women due to family upbringing duties.

4.3.2 Length Worked Using MasterCard

Table 4.0.3; Length Worked Using MasterCard

	Frequency	Percentage
Less than 1 year	25	35.7
1-2 Years	22	31.4
2-3 Years	15	21.4
Over 3years	8	11.5
Total	70	100%

The period the banks have worked using MasterCard services had 35.7%, 31.4%, 21.4%, and 11.5% of the respondents indicating that they had worked for less than 1 year, 1-2 years, 2-3 years, and over 3 years respectively.

4.4 Effect of MasterCard Banking Infrastructure Distribution

The first objective of the study was to examine the effect of MasterCard Banking infrastructure distribution. This was examined using five metrics that is MasterCard services are easily acceptable across different merchants in the country such as supermarkets; MasterCard services and cards are easy to acquire from commercial banks; MasterCard services are widely acceptable across different online retailers as a means of banking; MasterCard cards are easy to use across different bank ATMs and MasterCard are easy and flexible to use. A Likert scale of Strongly Disagree (SD), Disagree (D), Uncertain (U), Agree (A) and Strongly Disagree (SA) was used.

4.4.2 Means and Standard Deviations of Banking Infrastructure Distribution

Table 4.0.4; Means and Distribution of Banking Infrastructure Distribution

	N	Mean	Std. Dev.
The MasterCard services are easily acceptable across different merchants in the country such as supermarkets	70	4.0143	.9245
The MasterCard services and cards are easy to acquire from commercial banks	70	3.7571	.9990
The MasterCard services are widely acceptable across different online retailers as a means of Banking	70	3.9714	.7980
The MasterCard cards are easy to use across different bank ATMs	70	3.8429	.9575
The MasterCard are easy and flexible to use	70	3.5857	.9853
Valid N (list wise)	70		

Source: Field Data (2016)

The means and standard deviations of the Banking Infrastructure Distribution were examined through use of the descriptors Strongly Disagree (SD), Disagree (D), Uncertain (U), Agree (A) and Strongly Agree (SA) represented as 1,2,3,4 and 5 respectively in the SPSS input spread sheet. The interpretation of the scores $1 < \mu < 1.5$, $1.5 < \mu < 2.5$, $2.5 < \mu < 3.5$, $3.5 < \mu < 4.5$, and $4.5 < \mu \leq 5$ where μ represents the mean were that the respondents on average tended to strongly disagree, disagree, be uncertain, agree and strongly agree respectively in relations to the given metric. The standard deviation on the other hand measure how much on average the scores in a distribution deviate from the mean score with a low standard deviation implying that most observations clustered around the mean. In this context, the standard deviation interpretation with the scores $0 < \sigma_x < 0.5$, $0.5 < \sigma_x < 1$, and $\sigma_x \geq 1$ implied that the responses were concentrated around the mean (high consensus), responses were moderately distributed, and there was no consensus on the given metric respectively.

As illustrated through table 4.5, the respondents on average tended to agree with the Banking Infrastructure Distribution level metrics due to means between 3.5 and 4.5. On the other hand, in the context of the standard deviations the responses were moderately distributed due to standard deviations of between 0.5 and 1 as illustrated through table 4.5.

4.4.3 Linear Regression Analysis for Banking Infrastructure Distribution

Table 4.0.5; Model Summary for Banking Infrastructure Distribution s

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.928 ^a	.862	.860	.22753	2.438

a. Predictors: (Constant), Banking Infrastructure Distribution

b. Dependent Variable: Competitive Advantage

Source: Field Data (2016)

The Banking Infrastructure Distribution metrics were examined in detail through the multiple linear regressions with a view of determining on whether individual metrics of Banking Infrastructure Distribution were significant predictors of competitive advantage of MasterCard. There was a positive and strong correlation between Banking infrastructure distribution and competitive advantage of MasterCard Services as indicated by a multiple linear correlation of 0.928. The variance of the competitive advantage of the MasterCard that was explained by banking infrastructure distribution was 86.2% as indicated by the coefficient of determination of 0.862. Therefore, a variance of 13.8% of the competitive advantage of MasterCard was explained other metrics not in this model. The results agree with a study carried out by Nkirete (2014) on the Marketing Strategies Adopted to Gain a Competitive Advantage by Supermarkets in Kakamega Town, Kenya and Ogoye's (2013) study on the Influence

of Quality Management Systems Implementation on Organizational Performance:
(Case Study of South Nyanza Sugar Company Limited Migori County, Kenya).

Table 4.0.6;ANOVA for Banking Infrastructure Distribution s

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	21.943	1	21.943	423.866	.000 ^b
	Residual	3.520	68	.052		
	Total	25.463	69			

a. Dependent Variable: Competitive Advantage

b. Predictors: (Constant), Banking Infrastructure Distribution

Source: Field Data (2016)

With a view of understanding on whether the linear regression model was a good fit for data, the ANOVA statistics for Banking Infrastructure Distribution were examined. Since $F(1, 68) = 423.866$, $p = 0.000 < 0.05$ implied that there was 0.000% likelihood of the model giving wrong predictions.

Table 4.7; Coefficients for Banking Infrastructure Distributions

	Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.350	.178		1.972	.053
	Banking Infrastructure Distribution	.942	.046	.928	20.588	.000

a. Dependent Variable: Competitive Advantage

Source: Field Data (2016)

The multiple linear regression coefficients for the regression model were illustrated in Table 4.7. In this context, the regression model is as below;

$$Y = 0.350 + 0.942x$$

Where y = Competitive Advantage

x = Banking Infrastructure Distribution

The coefficient of determination of 0.350 indicates that even without banking infrastructure distribution, the competitive advantage would stand at 0.350. However, examining the p value of the constant in table 4.8 below indicates that $p=0.053 > 0.05$ implying that such competitive advantage wouldn't be significant. The beta coefficient of 0.942 indicates that a unit increase in banking infrastructure distribution would lead to a 0.942 increase in Competitive Advantage of MasterCard services. On examining the p value of Banking Infrastructure Distribution in table 4.8 indicates that the p value is 0.000 which is less than 0.05 critical significance level. This leads to the conclusion that banking infrastructure distribution had significant impact on the competitive advantage of MasterCard services.

4.5 Promotion of MasterCard Services

4.5.2 Means and Standard Deviations of Promotion of MasterCard Services

Table 4.0.7; Means and Standard Deviation of Promotion of MasterCard Services

	N	Mean	Std. Dev.
The MasterCard has promoted itself as a secure service provider	70	4.0857	.9889
MasterCard has promoted itself as a tool of convenience for its users	70	3.4714	.9738
MasterCard has promoted itself as price friendly among its users	70	4.4429	.7349
MasterCard has promoted itself as widely acceptable among different service providers	70	3.7429	1.0026
MasterCard has promoted itself as the most flexible services provider	70	4.2429	.9078
Valid N (list wise)	70		

Source: Field Data (2016)

The means and standard deviations of the Promotion of MasterCard Services were examined through use of the descriptors Strongly Disagree (SD), Disagree (D), Uncertain (U), Agree (A) and Strongly Agree (SA) represented as 1,2,3,4 and 5

respectively in the SPSS input spread sheet. The interpretation of the scores $1 < \mu < 1.5$, $1.5 < \mu < 2.5$, $2.5 < \mu < 3.5$, $3.5 < \mu < 4.5$, and $4.5 < \mu \leq 5$ where μ represents the mean were that the respondents on average tended to strongly disagree, disagree, be uncertain, agree and strongly agree respectively in relations to the given metric. The standard deviation on the other hand measure how much on average the scores in a distribution deviate from the mean score with a low standard deviation implying that most observations clustered around the mean. In this context, the standard deviation interpretation with the scores $0 < \sigma_x < 0.5$, $0.5 < \sigma_x < 1$, and $\sigma_x \geq 1$ implied that the responses were concentrated around the mean (high consensus), responses were moderately distributed, and there was no consensus on the given metric respectively.

As illustrated through table 4.7, the respondents on average tended to agree in relations to all the metrics of Promotion of MasterCard Services except in relations to MasterCard has promoted itself as a tool of convenience for its users. This is due to the fact these metrics had means that lay between 3.5 and 4.5 leading to a conclusion that on average the respondents tended to agree with the given metrics. On the other hand, MasterCard promoting itself as a tool of convenience for its users had a mean of 3.4714 leading to a conclusion that the respondents on average tended to be uncertain. On the other hand, in the context of the standard deviations the responses for all the promotion of MasterCard services metrics except MasterCard promoting itself as widely acceptable among different service providers were moderately distributed due to standard deviations of between 0.5 and 1 as illustrated through table 4.10. On the other hand, in relations to MasterCard has promoted itself as widely acceptable among different service providers available for the commercial banks the responses were widely (lack of consensus) around the mean due to a standard deviation of above 0.1. The results agree with the findings of Nyamai, (2014) who found out that

found out that the use of promotions in retailing has increased rapidly in recent times, yet more often than not promotions are being implemented with an inadequate understanding of which mechanisms are most effective.

4.5.3 Linear Regression Analysis for Promotion of MasterCard Services

Table 4.0.8; Model Summary for Promotion of MasterCard Services

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.890 ^a	.793	.790	.27846	2.385

a. Predictors: (Constant), Promotion of MasterCard Services

b. Dependent Variable: Competitive Advantage

Source: Field Data (2016)

The promotion of MasterCard services metrics was examined in detail through the multiple linear regressions with a view of determining on whether individual metrics of Promotion of MasterCard Services were significant predictors of Competitive Advantage of MasterCard. There was a positive and strong correlation between Promotion of MasterCard Services and Competitive Advantage of MasterCard services as indicated by a multiple linear correlation of 0.890. The variance of the competitive advantage of the MasterCard services that was explained by promotion of MasterCard Services was 79.3% as indicated by the coefficient of determination of 0.793. Therefore, a variance of 20.7% of the competitive advantage of MasterCard services was explained by other metrics not in this model.

Table 4.0.9; ANOVA for Promotion of MasterCard Services

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	20.191	1	20.191	260.400	.000 ^b
	Residual	5.273	68	.078		
	Total	25.463	69			

a. Dependent Variable: Competitive Advantage

b. Predictors: (Constant), Promotion of MasterCard Services

Source: Field Data (2016)

With a view of understanding on whether the linear regression model was a good fit for data, the ANOVA statistics for Promotion of MasterCard Services were examined. Since $F(1, 68) = 260.400$, $p = 0.000 < 0.05$ implied that there was 0.000% likelihood of the model giving wrong predictions.

Table 4.0.10; Coefficients for Promotion of MasterCard Services

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.809	.198		4.083	.000
	Promotion of MasterCard Services	.789	.049	.890	16.137	.000

a. Dependent Variable: Competitive Advantage

Source: Field Data (2016)

The multiple linear regression coefficients for the regression model were illustrated in Table 4.12. In this context, the regression model is as below;

$$Y = 0.809 + 0.789x$$

Where $y =$ Competitive Advantage

$x =$ Promotion of MasterCard Services

The coefficient of determination of 0.809 indicates that even without Promotion of MasterCard Services, the Competitive Advantage would stand at 0.809. On the examination of p value of the constant in table 4.12 below indicates that $p = 0.000 <$

0.05 implying that such competitive advantage would be significant. The beta coefficient of 0.789 indicates that a unit increase in promotion of MasterCard Services would lead to a 0.789 increase in Competitive Advantage of MasterCard. On examining the p value of banking infrastructure distribution in table 4.12 indicates that the p value is 0.000 which is less than 0.05 critical significance level. This leads to the conclusion that promotion of MasterCard Services had significant impact on the Competitive Advantage of MasterCard.

4.6 Pricing of MasterCard Services

4.7 Means and Standard Deviations of Pricing of MasterCard Services Levels

Table 4.0.11; Means and Standard Deviations of Pricing of MasterCard Services Levels

	N	Mean	Std. Dev.
The MasterCard card is cheap to acquire from commercial banks	70	3.9714	.9626
The MasterCard services across different bank's ATMs are price friendly	70	4.0000	.9479
The MasterCard services across the different geographical locations are cheap in relations	70	3.8857	1.0431
The MasterCard services are price friendly for usage across the POS terminals	70	3.4286	1.0154
The MasterCard services are cheap upon online usage	70	4.1857	.8391
Valid N (list wise)	70		

Source: Field Data (2016)

The means and standard deviations of the Pricing of MasterCard Services levels were examined through use of the descriptors Strongly Disagree (SD), Disagree (D), Uncertain (U), Agree (A) and Strongly Agree (SA) represented as 1,2,3,4 and 5 respectively in the SPSS input spread sheet. As illustrated through table 4.15, the respondents on average tended to agree in relations to all the metrics of Pricing of

MasterCard Services levels except in relations to MasterCard services are price friendly for usage across the POS terminals. This is due to the fact these metrics had means that lay between 3.5 and 4.5 leading to a conclusion that on average the respondents tended to agree with the given metrics. On the other hand, MasterCard services being price friendly for usage across the POS terminals had a mean of 3.4286 implying that on average the respondents tended to be uncertain. On the other hand, in the context of the standard deviations, the responses were widely (lack of consensus) around the mean in relations to MasterCard services across the different geographical locations are cheap in relations and MasterCard services are price friendly for usage across the POS terminals. This was due to a standard deviation of above 1.0. On the other hand, the responses were moderately distributed around the mean in relation to MasterCard card is cheap to acquire from commercial banks, MasterCard services across different bank's ATMs are price friendly, and MasterCard services are cheap upon online usage due to standard deviation of between 0.5 and 1.0. The results agree with the findings of a study by Wamalwa (2014) who had undertaken a study on the Influence of Marketing Strategies on Attraction of International Customers in the Hotel Industry in Nairobi, Kenya. He found out that firms pursuing a price leadership strategy must continuously benchmark themselves against other competing firms in order to assess their relative cost (and therefore profitability) position in market place. The Pricing of MasterCard Services metrics were examined in detail through the multiple linear regressions with a view of determining on whether individual metrics of Pricing of MasterCard Services were significant predictors of Competitive Advantage of MasterCard services. There was a positive and weak correlation between Pricing of MasterCard Services and Competitive Advantage of MasterCard services as indicated by a multiple linear correlation of 0.345. The variance of the

Competitive Advantage of the MasterCard services that was explained by Pricing of MasterCard Services levels was 11.9% as indicated by the coefficient of determination of 0.119. Therefore, a variance of 88.1% of the Competitive Advantage of MasterCard services was explained other metrics not in this model.

4.7.1 Linear Regression Analysis for Pricing of MasterCard Services Levels

Table 4.0.12; ANOVA for Pricing of MasterCard Services

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	3.023	1	3.023	9.159	.003 ^b
	Residual	22.441	68	.330		
	Total	25.463	69			

a. Dependent Variable: Competitive Advantage

b. Predictors: (Constant), Pricing of MasterCard Services

Source: Field Data (2016)

With a view of understanding on whether the linear regression model was a good fit for data, the ANOVA statistics for Pricing of MasterCard Services levels were examined. Since $F(1, 68) = 9.159$, $p = 0.000 < 0.05$ implied that there was 0.000% likelihood of the model giving wrong predictions.

Table 4.0.13; Coefficients for Pricing of MasterCard Services

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.521	.481		5.239	.000
	Pricing of MasterCard Services	.370	.122	.345	3.026	.003

a. Dependent Variable: Competitive Advantage

Source: Field Data (2016)

The multiple linear regression coefficients for the regression model were illustrated in Table 4.18. In this context, the regression model is as below;

$$Y = 2.521 + 0.370x$$

Where y= Competitive Advantage

x= Pricing of MasterCard Services

The coefficient of determination of 2.521 indicates that even without Pricing of MasterCard Services, the Competitive Advantage of MasterCard services would stand at 2.521. On the examination of p value of the constant in table 4.18 below indicates that $p=0.000 < 0.05$ implying that such Competitive Advantage would be significant. The beta coefficient of 0.370 indicates that a unit increase in Pricing of MasterCard Services would lead to a 0.370 increase in Competitive Advantage of MasterCard services. On examining the p value of Pricing of MasterCard Services in table 4.18 indicates that the p value is 0.000 which is less than 0.05 critical significance level. This leads to the conclusion that Pricing of MasterCard Services had significant impact on the Competitive Advantage of MasterCard services.

4.8 Competitive Advantage

4.8.2 Means and Standard Deviations of Competitive Advantage

Table 4.0.14; Means and Standard Deviations of Competitive Advantage

	N	Mean	Std. Dev.
MasterCard services are flexible for online usage such as Banking of services over internet	70	3.7571	.9990
MasterCard services have an edge in the context of security services	70	4.2857	.8536
MasterCard services are flexible for usage of the cards over point of sales (POS) terminals	70	3.8429	.9575
MasterCard services are widely acceptable for usage in diverse service providers such as shops, hotels etc.	70	3.5857	.9853
MasterCard services are innovative in their services provision across diverse banks	70	4.3429	.7592
Valid N (list wise)	70		

Source: Field Data (2016)

The means and standard deviations of the Pricing of MasterCard Services levels were examined through use of the descriptors Strongly Disagree (SD), Disagree (D), Uncertain (U), Agree (A) and Strongly Agree (SA) represented as 1,2,3,4 and 5 respectively in the SPSS input spread sheet. As illustrated through table 4.20, the respondents on average tended to agree in relations to all the metrics of Competitive Advantage due to means between 3.5 and 4.5. On the other hand, the responses were moderately distributed around the mean in relation to all the metrics of Competitive Advantage due to standard deviations between 0.5 and 1.0. the findings supplement Mbindyo 2013 findings that competitive advantage is pursued through economies of scale, exploitation of the experience curve and rigorous control of overhead costs and differentiation policies rest upon the entrepreneur's ability to stand out against its

direct competitors not only at the price factor, but also as regards the upgrading of products, the technical assistance given to customers and the selection of efficient distribution channels, that is the non-price factors of competition

4.8.2 Linear Regression

Table 4.0.15; Model Summary for Independent Variables

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.946 ^a	.895	.890	.20144	2.357

a. Predictors: (Constant), Pricing of MasterCard Services, Banking Infrastructure

Distribution, Promotion of MasterCard Services

b. Dependent Variable: Competitive Advantage

Source: Field Data (2016)

The independent variables (Pricing of MasterCard Services, Banking Infrastructure Distribution, and Promotion of MasterCard Services) effect on Competitive Advantage of MasterCard services was examined through the multiple linear regressions. There was a positive and strong correlation between the three independent variables and Competitive Advantage of MasterCard services as indicated by a multiple linear correlation of 0.946. The variance of the Competitive Advantage of MasterCard services was explained by three independent variables cumulatively were 89.5% as indicated by the coefficient of determination of 0.895. Therefore, a variance of 10.5% of the Competitive Advantage of MasterCard services was explained other metrics not in this model.

Table 4.0.16; ANOVA for Independent Variables

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	22.785	3	7.595	187.176	.000 ^b
	Residual	2.678	66	.041		
	Total	25.463	69			

a. Dependent Variable: Competitive Advantage

b. Predictors: (Constant), Pricing of MasterCard Services, Banking Infrastructure Distribution, Promotion of MasterCard Services

Source: Field Data (2016)

With a view of understanding on whether the linear regression model was a good fit for data, the ANOVA statistics for the independent variables levels were examined. Since $F(3, 66) = 187.176$, $p = 0.000 < 0.05$ implied that there was 0.000% likelihood

Table 4.0.17; Coefficients for Independent Variables

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	.360	.197		1.832	.071
	Banking Infrastructure Distribution	.637	.080	.627	7.993	.000
	Promotion of MasterCard Services	.321	.070	.362	4.555	.000
	Pricing of MasterCard Services	-.031	.047	-.029	-.667	.507

a. Dependent Variable: Competitive Advantage

Source: Field Data (2016)

The multiple linear regression coefficients for the regression model were illustrated in Table 4.23. In this context, the regression model is as below;

$$Y = 0.360 + 0.637x_1 + 0.321x_2 - 0.031x_3$$

Where y = Competitive Advantage

X_1 = Banking Infrastructure Distribution

X_2 = Promotion of MasterCard Services

X_3 = Pricing of MasterCard Services

The coefficient of determination of 0.360 indicates that even without Banking Infrastructure Distribution, Promotion of MasterCard Services and Pricing of MasterCard Services, the Competitive Advantage would stand at 0.360. On the examination of p value of the constant in table 4.23 below indicates that $p=0.071 > 0.05$ implying that such Competitive Advantage would not be significant. The beta coefficient of 0.637 for Banking Infrastructure Distribution indicates that a unit increase in Banking Infrastructure Distribution with the other metrics kept constant would lead to a 0.637 increase in Competitive Advantage of MasterCard services. On examining the p value of Banking Infrastructure Distribution in table 4.23 indicates that the p value is 0.000 which is less than 0.05 critical significance level. This leads to the conclusion that banking infrastructure distribution had significant impact on the Competitive Advantage of MasterCard services.

The beta coefficient of 0.321 for promotion of MasterCard services indicates that a unit increase in promotion of MasterCard Services with the other metrics kept constant would lead to a 0.321 increase in Competitive Advantage of MasterCard services. On examining the p value of Banking Infrastructure Distribution in table 4.23 indicates that the p value is 0.000 which is less than 0.05 critical significance level. This leads to the conclusion that Promotion of MasterCard Services had significant impact on the Competitive Advantage of MasterCard services.

The beta coefficient of -0.031 for Pricing of MasterCard Services levels indicates that a unit increase in Pricing of MasterCard Services levels with the other metrics kept constant would lead to a 0.031 decrease in Competitive Advantage of MasterCard services. On examining the p value of banking infrastructure distribution in table 4.23 indicates that the p value is 0.507 which is more than 0.05 critical significance level. This leads to the conclusion that Promotion of MasterCard Services had significant impact on the Competitive Advantage of MasterCard services.

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter provides a summary of the study findings, conclusion and recommendations of the study were examined in this chapter. It captures the main findings in relation to objectives and variables.

5.2 Summary of Findings

This study sought to examine Marketing Strategies and Competitive Advantage in the Banking Industry with a special reference to MasterCard in Nakuru County, Kenya. This general objective was supported by three objectives that is examination of MasterCard Banking infrastructure distribution, promotion of MasterCard services and pricing of the MasterCard Services in gaining competitive advantage in the Banking industry. To address the objectives, 80 questionnaires were distributed to the respondents in which only 75 questionnaires returned (93.75%) and after rejecting some for diverse issues than 70 questionnaires (87.5%) of the questionnaires were analyzed.

5.2.1 Banking Infrastructure Distribution

In the context of MasterCard services being easily acceptable across different merchants in the country such as supermarkets. The means and standard deviations of the Banking Infrastructure Distribution were examined through use of the descriptors Strongly Disagree (SD), Disagree (D), Uncertain (U), Agree (A) and Strongly Agree (SA) represented as 1,2,3,4 and 5 respectively in the SPSS input spread sheet. The interpretation of the scores $1 < \mu < 1.5$, $1.5 < \mu < 2.5$, $2.5 < \mu < 3.5$, $3.5 < \mu < 4.5$, and $4.5 < \mu \leq 5$ where μ represents the mean were that the respondents on average tended to strongly disagree, disagree, be uncertain, agree and strongly agree respectively in relations to

the given metric. The standard deviation on the other hand measure how much on average the scores in a distribution deviate from the mean score with a low standard deviation implying that most observations clustered around the mean. In this context, the standard deviation interpretation with the scores $0 < \sigma_x < 0.5$, $0.5 < \sigma_x < 1$, and $\sigma_x \geq 1$ implied that the responses were concentrated around the mean (high consensus), responses were moderately distributed, and there was no consensus on the given metric respectively. As illustrated through table 4.5, the respondents on average tended to agree with the Banking Infrastructure Distribution level metrics due to means between 3.5 and 4.5. On the other hand, in the context of the standard deviations the responses were moderately distributed due to standard deviations of between 0.5 and 1.

The Banking Infrastructure Distribution metrics were examined in detail through the multiple linear regressions with a view of determining on whether individual metrics of Banking Infrastructure Distribution were significant predictors of competitive advantage of MasterCard. There was a positive and strong correlation between Banking infrastructure distribution and competitive advantage of MasterCard Services as indicated by a multiple linear correlation of 0.928. The variance of the competitive advantage of the MasterCard that was explained by banking infrastructure distribution was 86.2% as indicated by the coefficient of determination of 0.862. Therefore, a variance of 13.8% of the competitive advantage of MasterCard was explained other metrics not in this mode.

5.2.2 Promotion of MasterCard Services

the respondents on average tended to agree in relations to all the metrics of Promotion of MasterCard Services except in relations to MasterCard has promoted itself as a tool of convenience for its users. This is due to the fact these metrics had means that lay

between 3.5 and 4.5 leading to a conclusion that on average the respondents tended to agree with the given metrics. On the other hand, MasterCard promoting itself as a tool of convenience for its users had a mean of 3.4714 leading to a conclusion that the respondents on average tended to be uncertain. On the other hand, in the context of the standard deviations the responses for all the promotion of MasterCard services metrics except MasterCard promoting itself as widely acceptable among different service providers were moderately distributed due to standard deviations of between 0.5 and 1 as illustrated through table 4.10. On the other hand, in relations to MasterCard has promoted itself as widely acceptable among different service providers available for the commercial banks the responses were widely (lack of consensus) around the mean due to a standard deviation of above 0.1.

5.3.3 Pricing of MasterCard Services

The respondents on average tended to agree in relations to all the metrics of Pricing of MasterCard Services levels except in relations to MasterCard services are price friendly for usage across the POS terminals. This is due to the fact these metrics had means that lay between 3.5 and 4.5 leading to a conclusion that on average the respondents tended to agree with the given metrics. On the other hand, MasterCard services being price friendly for usage across the POS terminals had a mean of 3.4286 implying that on average the respondents tended to be uncertain. On the other hand, in the context of the standard deviations, the responses were widely (lack of consensus) around the mean in relations to MasterCard services across the different geographical locations are cheap in relations and MasterCard services are price friendly for usage across the POS terminals. This was due to a standard deviation of above 1.0. On the other hand, the responses were moderately distributed around the mean in relation to

MasterCard card is cheap to acquire from commercial banks, MasterCard services across different bank's ATMs are price friendly, and MasterCard services are cheap upon online usage due to standard deviation of between 0.5 and 1.0.

5.4 Conclusion

The study found that there was a significant statistical effect of banking infrastructure distribution on competitive advantage of MasterCard services. The study found that there was a significant statistical effect of promotion of MasterCard Services on competitive advantage of MasterCard services. The study found that there was a significant statistical effect of pricing of MasterCard Services on competitive advantage of MasterCard services.

5.5 Recommendations

From the findings, the study recommends that MasterCard services should initiate marketing services as it influences the competitive advantage of MasterCard services. The study recommends that more promotional activities be carried out to sensitive customers on the availability and advantages of using MasterCard there by increasing the competitive advantage

Based on the findings that there was a significant statistical effect of pricing of MasterCard Services on competitive advantage of MasterCard services the study recommends that pricing of MasterCard Services should be adjusted to encourage more customers to use and thus gain a competitive advantage through low cost.

5.6 Suggestions for Further Studies

The study recommends research on other ways in which marketing matrix can impact on the competitive advantage of MasterCard services.

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APPENDICES

Appendix A: Consent Statement

Dear Participant,

My name is Judith Otieno, a Master's of Business Administration (MBA) student at Kenyatta University, Nakuru Town Campus. You have been selected as part of the study entitled "**Marketing Strategies and Competitive Advantage in The Banking Industry; A Case of MasterCard**". I am inviting you to participate in the research by completing the attached questionnaire.

The questionnaire will not take more than 20 minutes. The information that you will share with me will not be discussed or accessed by any other person apart from the researcher and the people directly involved in the project. Your participation is voluntary and you can withdraw at any time without penalty. Your answers will be kept confidential. There will be no financial compensation for participating in this study. The outcome of this research may be used for academic and general purposes such as research reports, conference papers, or books. By completing the questionnaire, you indicate that you voluntarily participate in this research.

In case of any questions, concerns or clarifications that you would like addressed, please contact me, Judith Otieno on cell phone number 0725913803

If you agree to participate in this study, please sign below

Name (Optional)..... Signature.....Date.....

Appendix B: Research Authorization



KENYATTA UNIVERSITY GRADUATE SCHOOL

E-mail: dean-graduate@ku.ac.ke

P.O. Box 43844, 00100
NAIROBI, KENYA
Tel. 8710901 Ext. 57530

Website: www.ku.ac.ke

Our Ref: D53/NKU/PT/27247/13

DATE: 7th NOVEMBER, 2016

Director General,
National Commission for Science, Technology
and Innovation
P.O. Box 30623-00100
NAIROBI

Dear Sir/Madam,

RE: RESEARCH AUTHORIZATION FOR JUDITH OTIENO - REG. NO.
D53/NKU/PT/27247/2013

I write to introduce Ms. Judith Otieno who is a Postgraduate Student of this University. She is registered for MBA degree programme in the Department of Business Administration.

Ms. Otieno intends to conduct research for a MBA Project Proposal entitled, "Marketing Strategies and Competitive Advantage in the Banking Industry: A Case of Master card in Nakuru County, Kenya".

Any assistance given will be highly appreciated.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Lucy N. MBAABU'.

MRS. LUCY N. MBAABU
FOR: DEAN, GRADUATE SCHOOL

HL/nn

Appendix C: Approval of Research Project Proposal



KENYATTA UNIVERSITY
GRADUATE SCHOOL

E-mail: dean-graduate@ku.ac.ke

P.O. Box 43844, 00100
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Internal Memo

FROM: Dean, Graduate School

DATE: 7th November, 2016

TO: Judith Otieno
C/o Business Administration Dept.

REF: D53/NKU/PT/27247/2013

SUBJECT: APPROVAL OF RESEARCH PROJECT PROPOSAL

We acknowledge receipt of your revised Project Proposal as per our recommendations raised by the Graduate School Board at its meeting of 07th October, 2016, Entitled, "Marketing Strategies and Competitive Advantage in the Banking Industry: A Case Master card in Nakuru County, Kenya".

You may now proceed with your Data Collection, Subject to Clearance with Director General, National Commission for Science, Technology and Innovation.

As you embark on your data collection, please note that you will be required to submit to Graduate School completed Supervision Tracking Forms per semester. The form has been developed to replace the Progress Report Forms. The Supervision Tracking Forms are available at the University's Website under Graduate School webpage downloads.

Thank you.

A handwritten signature in black ink, appearing to read 'Harriet Isaboke'.

HARRIET ISABOKE
FOR: DEAN, GRADUATE SCHOOL

C.c. Chairman, Department of Management Science

Supervisors:

1. Dr. Abel Anyieni
C/o Department of Business Administration
Kenyatta University

HI/nn

PART C: EFFECT OF MASTERCARD BANKING INFRASTRUCTURE DISTRIBUTION

The following are items in relation to the impact of the effect of MasterCard Banking infrastructure distribution. In a scale of 1-5; where 5= Strongly Agree (SA); 4=Agree (A); 3= Uncertain; 2=Disagree (D) and 1=Strongly disagree (SD), please tick (√) where appropriate, the level that best explains your situation.

	STATEMENT	SA	A	U	D	SD
8)	The MasterCard services are easily acceptable across different merchants in the country such as supermarkets					
9)	The MasterCard services and cards are easy to acquire from commercial banks					
10)	The MasterCard services are widely acceptable across different online retailers as a means of Banking					
11)	The MasterCard cards are easy to use across different bank ATMs					
12)	The MasterCard are easy and flexible to use					

PART D: PROMOTION OF MASTERCARD SERVICES

The following are items in relation to the role of the promotion of MasterCard services. In a scale of 1-5; where 5= Strongly Agree (SA); 4=Agree (A); 3= Uncertain; 2=Disagree (D) and 1=Strongly disagree (SD), please tick (√) where appropriate, the level that best explains your situation.

	STATEMENT	SA	A	U	D	SD
13)	The MasterCard has promoted itself as a secure service provider					
14)	MasterCard has promoted itself as a tool of convenience for its users					
15)	MasterCard has promoted itself as price friendly among its users					
16)	MasterCard has promoted itself as widely acceptable among different service providers					
17)	MasterCard has promoted itself as the most flexible					

	services provider					
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PART E: PRICING OF MASTERCARD SERVICES

The following are items in relation to the pricing of MasterCard services at your institution. In a scale of 1-5; where 5= Strongly Agree (SA); 4=Agree (A); 3= Uncertain; 2=Disagree (D) and 1=Strongly disagree (SD), please tick (√) where appropriate, the level that best explains your situation.

	STATEMENT	SA	A	U	D	SD
18)	The MasterCard card is cheap to acquire from commercial banks					
19)	The MasterCard services across different bank's ATMs are price friendly					
20)	The MasterCard services across the different geographical locations are cheap in relations to international usage					
21)	The MasterCard services are price friendly for usage across the POS terminals					
22)	The MasterCard services are cheap upon online usage					