

**PERSONAL SELLING STRATEGIES AND CUSTOMER LOYALTY AMONG
INSURANCE COMPANIES IN MALINDI TOWN, KILIFI COUNTY, KENYA**

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DECLARATION

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

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DEDICATION

I dedicate this work to my mother Peris Ayiecha, my father Francis Arori, my wife and my children.

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I acknowledge the Almighty God for His mercies and blessing and for the gift of life that He gave me. I wish to express my sincere appreciation to my supervisor Mr. James Rugami for his tireless support, positive criticism and general guidance and encouragement throughout the research period. Your contribution brought me this far. I also acknowledge my family for being understanding and for encouraging me as I undertook this research, my friends for their support and various contributions that made this work to be what it is.

God bless you all.

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ABBREVIATION AND ACRONYMS

AIDAS	Attention Setting, Interest Creating, Desire Stimulating, Action Stimulating,
CSR	Corporate Social Responsibility
ICM	Integrated Communication Mix
MDP	Management Decision Problem
MRP	Management Research Problem
NACOSTI	National Commission for Science, Technology and Innovation
SPSS	Statistical Packages for Social Sciences

OPERATIONAL DEFINITION OF TERMS

Canned personal selling strategy

Is a memorized sales talk covering the main points while a formulated approach identifies the buyer's needs and buying style and then uses an appropriate approach to sell the product or services. It includes, providing incentives to customers, clear description of products and tracking the customers.

Consultative personal selling strategy

Is a technique that centers around building connections, making an environment of trust and selling how clients need to purchase, not how you like to sell. It comprises of building a relationship, identifying solutions and active listening

Customer loyalty

Loyalty is fabricating and keeping up a confided in association with customers, which results in the clients' rehashed acquisition of items or administrations over a given period. The customer loyalty is demonstrated through repeat purchase, customer retention and attracting new customers

Features personal selling strategy

Is where selling is done through item exhibitions and introductions which will show the advantages that the items offers subsequently entice the possibilities to purchase. It includes relating the features to consumer benefit, presentation of contents of goods and adopting consumer needs

Personal selling

Is described as a face-to-face sale of the products in which the representative of each institution engages the customer directly.

Personal selling strategies

Are the techniques adopted by a salesperson to persuade a client to purchase their products and to establish a strong relationship for future benefits.

System personal selling strategy

Is the way toward selling interrelated commodities or services altogether as opposed to selling them independently. It comprises of persistent communication, selling products as a package and interlocking goods and integrated services

ABSTRACT

The customer retention among the insurance companies in Malindi town has been declining Khasaya. Compared with other financial institutions in the area, the attraction of the new customers has been inadequate within the insurance companies. Most customers open accounts with insurance companies in Malindi Town but make minimal transactions with those insurance companies such as insurance cover among others. Thus formed the basis of the current study that the influence of personal selling strategies and customer loyalty among insurance companies in Malindi town, Kilifi County, Kenya. The study adopted a descriptive research design. The targeted population was 967 employees working among the four insurance companies in Malindi. The unit of analysis was Gateway insurance company limited, Marangi insurance agency, Blue shield Company Limited and Tausi Insurance Agency. The unit of observation was sales managers, salespersons and customers. The sample size was 283. SPSS was used to organize code and generate a quantitative report. The data were analyzed using descriptive and inferential statistics. The study found that canned selling strategy, systems selling strategy, features selling strategy and consultative personal selling strategy were positively related to performance. The study concluded that canned selling strategy, systems selling strategy, features selling strategy and consultative personal selling strategy was positively and significantly associated with customer loyalty. Moreover, the study concluded that selling strategy, systems selling strategies, features selling strategy and consultative personal selling strategy were positively and significantly related to customer loyalty. The study recommended that the insurance agencies in Malindi can utilize the canned selling technique, system selling methodology, features selling system and individual consultative strategy to build the devotion of the clients since they have a personalized experience. Moreover, the research suggests that based on the level of completion in the market, the management in all insurance companies in Kenya to carry out various personal selling strategies to enable the companies to grow and diversify their portfolio to minimize losses and cut down the cost thus enhancing their competitiveness. Moreover, the study recommended systems selling strategies should be put in place to improve operational efficiency and improve the decision-making process to increase their performance. The study also suggested insurance to be more involved in advocating selling their products by clearly establishing the features of a product before making the presentation and to be revealing all the components of any product without hiding any information.

CHAPTER ONE

INTRODUCTION

1.1 Background to the study

Customer loyalty happens when a customer chooses to transact with a certain firm or procures a specific service constantly (Carter, 2014). Customer loyalty occurs when a customer holds an emotional connection with an insurer's services and is willing to uphold a relationship with them in the long run. Customers extract value in terms of quality services and satisfaction while companies get their value from loyal customers who are good for their bottom line of profitability and market growth. A customer's probability of repurchasing from the same insurer in future and the probability of procuring the same services at different price points is referred to as customer loyalty (Angelova & Zekiri, 2011). A research done by Harvard Business Review shows those loyal customers are usually much more profitable than new customers. Running a successful business necessitates loyal and repeat customers.

Loyal customers do not usually check your prices and compare them to the competition as diligently as other customers because they trust your services (Airas, 2015). Customer loyalty is a heartfelt desire to re-purchase a chosen service constantly in future without situational stimuli and advertising efforts having the possibility to induce switching behavior (Oliver, 1997). Loyalty is truly achieved when a customer is able to not only be a repeat buyer but also a champion of your product or service to his or her family and friends. Nevertheless, the customer loyalty within the insurance companies in Malindi town has been unsatisfactory. According to, most of the insurance companies in Malindi have been losing an average of 7 customers every month. This is an indication that most of the insurance companies are not putting mechanism to retain their customers. According to, the customer loyalty is highly influenced by the personal selling strategies

Personal selling strategies could be defined as the strategies that are applied by the salesperson in the companies to convince the customers to purchase their products. According to Waithaka (2014), personal selling strategies entail developing the relationship between the customers, discovering and communicating the necessities of the customers and coordinating the suitable items with these requirements. Mbugua (2014) showed that personal selling strategies comprise of canned particular selling strategy, system personal selling strategies features personal selling strategy and consultative personal selling strategy.

The canned personal selling strategies can be achieved when the employees in a company are involved in providing motivation to the customers until an accord is landed at, give the subtleties that address the issues of the customers and encourages the seller to follow the inclination of the customers (Cheserem, 2016). Likewise, Ondieki et al. (2014) revealed that the system individual selling strategy is a typical technique utilized by any association, particularly the financial institutions in which the firms market their products through selling the products as a package instead of selling them separately which enables to sell in large quantities. According to Auka, Bosire and Matern (2015), companies use personal selling strategy and the salespersons' associates to persuade the buyers to consume a particular product and therefore, the features of the products must be in a position to meet the needs of the prospective buyers Oketch (2014). Moreover, Tapera and Gororo (2016) showed that in consultative personal selling strategy, salesperson associates with customers and understand the problem that the customer is trying to solve. Therefore, the salesperson tries to help solve that problem.

Globally, Banerjee (2014) reported that personal selling upgrades product advancement and it is the most useful advertising specialized mechanism that ought to be grasped by Indian home insurance firms to expand customers. Further, according to Moghareh Abed and Haghghi (2016) customer-oriented selling, versatile selling and traditional technique add to the making of intense and a long-lasting emphatic bond with customers in the insurance organizations in the United Kingdom. Besides, Ocon and Alvarez (2014) contended that that personal selling encourages the innovative deal and improves the picture of the organization well to the customers and still turns out to be most applicable and an essential achievement factor in the present showcasing exercises regardless of the coming of advanced promoting in the Philippines.

Regionally, Carelse (2017) revealed that personal selling is positively related to the customer loyalty to the insurance companies in South Africa, notably, life insurance companies. Furthermore, Mamo (2015) established that proper selling techniques are positively and significantly related to the performance of NIB insurance company in Ethiopia. Moreover, Tapera and Gororo (2016) stated that a personal selling strategy is highly used by the insurance companies Zimbabwe and it has enabled them to have a higher competitive advantage as well as the customer retention.

In Kenya, Cheserem (2016) reviewed the importance of marketing mix strategies on client commitment to fast food organizations in Nairobi and found the personal selling, item

marketing, value ambitions and location were entirely connected with customer loyalty. Besides, Oketch (2014) analyzed the difficulties of customer retention by the Madison insurance organization in Kenya and found that inadequate customer retention is highly influenced by strategies that is been used by other companies offering similar products and services. Furthermore, Akinyi (2011) investigated the impacts of particular trading on sales and discovered that personal selling affected sales. Likewise, Mbugua (2014) investigated the effect of personal selling strategies and performance of pharmaceutical firms in Nairobi and discovered that the organizations were utilizing their selling procedures to advance and market their products which improved the performance significantly.

1.1.1 Customer Loyalty

Customer loyalty can be defined as the customer's level of devotion and commitment to purchase different products from a specific seller (Mamo, 2015). Customer loyalty is all about driving perceived value, whether that is rational (functional, quality, cost, etc.), emotional (trust, service, communication, information, and brand equity), or a combination of these two dimensions (Adesoga, 2016). Loyalty programs are a good way to encourage and reward repeat business. Special discounts can also be significant, especially when they are tailored to those customers whose behaviors indicate signs of possible defection (Auka, Bosire & Matern, 2015). Customer loyalty is experienced when there is high customer retention, repeat purchases, and new customers (Banerjee, 2014; Lee, Song, Lee & Petrick, 2018).

Moreover, according to Carelse (2017), customer loyalty is the customers' ability to make a repeat purchase and further referring their colleagues to the services and products. The customers' commitment to a particular business unit increases the sales and the total revenue in general (Tapera & Gororo 2016). Similarly, according to Olumoko, Dansu and Abass (2014), customer loyalty is seen when there is high customer retention and the existing customers are willing to continue with the purchase and consumption of the products.

Moreover, Oketch (2014) showed that the organization should retain existing customers instead of looking for new ones. According to Mbugua (2014), the advantage of putting a mechanism to maintain the current is that the company is guaranteed the market and also those customers will refer their friends, relatives and family members to your company. Mbugua (2014) detailed that those coordinating assets towards improving customer loyalty are probably the best venture business can make to accomplish its long term objectives and

be in a position to compete with the competitors by reducing in expenses such as advertising and therefore concentrate on customer loyalty brings about higher benefits and by and massive organization achievement. Attracting the new customers indicates that your business is visible to the outsiders and they like the products or services you offer.

1.1.2 Personal selling strategies

Personal selling strategies are those strategies that the organization uses people to sell out the products after meeting with the potential customers face to face (Nguyen, Nguyen & Phan, 2018). According to Olumoko, Dansu and Abass (2014), personal selling is a face-to-face selling technique by which a salesperson uses their interpersonal skills to persuade a customer to buy a particular product. The salesperson tries to highlight the product's various features to convince the customer that it will only add value (Ondieki et al., 2014). The personal selling strategies entails canned particular selling strategy, system personal selling strategies features personal selling strategy and consultative personal selling strategy (Banerje 2014; Tapera & Gororo, 2016; Mbugua, 2014)

The canned personal selling strategy is a memorized sales talk covering the main points while a formulated approach identifies the buyer's needs and buying style and then uses an appropriate approach (Cheserem, 2016). Salespeople memorize and deliver sales pitches verbatim when they utilize a script based selling strategy. This selling strategy works well when the needs of customers do not vary much. The salesperson will ask the customer a few questions to uncover his or her need, and then provides the details that meet it as spelled out in the script (Moghareh Abed & Haghghi, 2016). This approach is used by many telemarketers trying to sell an inexpensive product and untrained people are used for this type of selling. The salesperson virtually does all the talking and have no interest in understanding (or satisfying) your needs (Carelse, 2017).

The system selling strategy is selling interrelated goods or services together as a package rather than selling them separately or independently (Tapera & Gororo, 2016). The goods that are clubbed together are mostly complementary. This increases the sales volume of the products and it helps the customers to save their time as well; hence it creates a win-win situation for both. Further, customers are increasingly looking for a solution rather than buying an individual product (Banerje, 2014). The system's selling strategy entails persistent communication with the customers, selling the products as a package and further interlocking goods and integrated services (Adesoga, 2016; Waithaka, 2014).

The features personal selling strategy is a personal selling strategy used by the organization. It involves the presentation of goods' contents and trying to adopt the needs of the consumer (Moghareh Abed & Haghghi, 2016). According to Auka, Bosire and Matern (2015), companies use feature personal selling strategy to persuade the buyers to consume a particular product and therefore, the features of the products must be in a position to meet the needs of the prospective buyers Oketch (, 2014). Most prospects must be shown reasons for buying a particular product or service, given the fact that they are complementary and supplementary products and services in the market.

In the consultative personal selling strategy, the salesperson associates with customers and understands the customer's problem (Tapera & Gororo, 2016). According to Mbugua (2014), a good consultative personal selling strategy should include building a relationship, identifying solutions and enhancing active listening. Consultative selling is considered a preferable sales technique, particularly when interacting with prospective commercial accounts (Oketch, 2014). Consultative personal selling strategy requires sales professionals to focus on identifying and satisfying the needs and wants of their customers. This technique focuses on building relationships, creating an atmosphere of trust and selling the way customers want to buy, not the way you like to sell.

1.1.3 Insurance Companies in Malindi Town

There are four insurance companies in Malindi: Gateway insurance company limited, Marangi insurance agency, Blue shield Company Limited and Tausi Insurance Agency. These four insurance companies are the main source of insurance covers in the region. The four insurance companies are facing stiff competition from established commercial banks such as KCB, equity and cooperative bank (Mbugua, 2014; Njoroge, 2019). Further, despite many uncertainties in life, only a few Kenyans within Malindi Town have taken initiatives to get insured. This means that the collapse of many of the small businesses and the increase of the poverty levels may have been attributed to the ignorance of most people to get insured against any of the unforeseen risks (Waithaka, 2014).

Some of the insurance companies in Malindi Town have employed a direct selling strategy to increase their sales volumes (customer acquisition) and increase profits in the short-term (Auka, Bosire & Matern, 2015). These institutions have strived to have a superior customer acquisition strategy while paying little attention to customer retention. Insurance institutions in Malindi have failed to adjust their selling strategies to address issues about ensuring

superior customer retention. The insurance institutions have failed to reach out to the new breed of customers who demand high levels of customer service. This creates a perception among customers that such insurance institutions are not in line with the changing expectations and behaviors (Cheserem, 2016). Failure to acknowledge that simultaneous focus is expected on both customer acquisition and customer retention has led to insurance companies losing customer loyalty (Adesoga, 2016). Sales skills and behaviors meant to retain customers are often neglected. It is because of these reasons that this research was carried out to assess the influence of personal selling strategies on customer loyalty among insurance companies in Malindi Town.

1.2 Statement to the problem

The customer retention among the insurance companies in Malindi town has been declining Khasaya (2018). Compared with other financial institutions in the area, the attraction of the new customers has been inadequate within the insurance companies. Most customers open accounts with insurance companies but make minimal transactions with those insurance companies such as insurance cover among others (Linge & Sikalieh, 2019). The four insurance companies based in Malindi Town are facing stiff competition from established commercial banks such as KCB, equity and cooperative bank (Mbugua, 2014; Njoroge, 2019). Further, despite many uncertainties in life, only a few Kenyans within Malindi Town have taken the initiative to get insured with the insurance companies. This implies that customer loyalty to the insurance companies has been low compared with other companies offering similar services and products such as banks. Therefore, this formed the basis of conducting the current study to establish whether personal selling strategies have an influence on customer loyalty among insurance companies in Malindi Town.

However, the information on the reviewed empirical literature was scanty. For instance, Nguyen, Nguyen and Phan (2018) examined the determinants of customer satisfaction and loyalty in Vietnamese life-insurance setting thus presented a contextual gap because it was conducted in Vietnam, Also, Olumoko, Dansu and Abass (2014) examined the role of personal selling in enhancing client satisfaction in the Nigerian insurance market thus presented a contextual gap because it was conducted in Nigeria. Moreover, Auka, Bosire and Matern (2015) investigated the perceived service quality and customer loyalty in retail banking in Kenya hence presented a contextual gap because it mainly focused on banks.

On the other hand, Mbugua (2014) examined the personal selling strategies and performance of pharmaceutical firms in Nairobi and adopted an explanatory research design, thus

presented a methodological gap since the current study used descriptive research design. Also, Waithaka (2014) examined the influence of customer retention strategies on the performance of insurance companies in Nairobi and used census while the current study used sampling, thus a methodological gap exists. Therefore, studies have presented a knowledge gap and thus, the current research will bridge these gaps and attempt to answer the question; does a personal selling strategy have an influence on customer loyalty among insurance companies in Malindi town, Kilifi County, Kenya.

1.3 Objective of the Study

1.3.1 General Objective

The general objective of the study was to establish the influence of personal selling strategies on customer loyalty among insurance companies in Malindi Town.

1.3.2 Specific objectives

- i. To determine the effect of canned personal selling strategy on customer loyalty among insurance Companies in Malindi Town.
- ii. To explore the effects of system personal selling strategy on customer loyalty among insurance Companies in Malindi Town.
- iii. To examine the effects of features personal selling strategy on customer loyalty among insurance Companies in Malindi Town.
- iv. To establish the effect of consultative personal selling strategy on customer loyalty among insurance Companies in Malindi Town.

1.4. Research Hypotheses

- i. There is no effect of canned strategy on customer loyalty among insurance Companies in Malindi Town.
- ii. There is no effect of system strategy on customer loyalty among the insurance Companies in Malindi Town.
- iii. There is no effect of features strategy on customer loyalty among insurance Companies in Malindi Town.
- iv. There is no effect of consultative strategy on customer loyalty among insurance Companies in Malindi Town.

1.5 Significance of the study

The study findings are expected to be beneficial to the management of insurance companies in Malindi Town to establish the best personal selling strategies that will increase the customer. Notably, based on the research findings found, the management are able to make

effective decision on the best personal selling strategies between canned personal selling strategy, system personal selling strategy, features personal selling strategy and consultative personal selling strategy.

Similarly, the government and policymakers may also be significant beneficiaries of this research's results as it will help them develop policies and guidelines that will improve the performance of the insurance companies in Malindi Town, thus gaining a competitive advantage.

Besides, the government gets an overview of strategies it can use to protect the insurance companies to continue performing well and create job opportunities for society.

Consequently, other researchers benefit from the study finding through citations as it give recommendations for further similar studies. Future researchers understand the influence of personal selling strategies on customer loyalty. The study also has significance to the literature as it adds to the available knowledge on the influence of personal selling strategies on customer loyalty.

1.6 Scope of the study

The study examined the effect of personal selling strategies and customer loyalty among insurance companies in Malindi town, Kilifi County. The targeted population was 967 and the sample size was 283. The unit of observation was the sales manager, salespersons and the customers and the study only involved four insurance companies in Malindi, namely, Gateway insurance company limited, Marangi insurance agency, Blue shield Company Limited and Tausi Insurance Agency. The study was conducted between July and September 2019.

1.7 Limitation of the study

Some respondents were not cooperating and were unwilling to respond to the questionnaire and others just gave the false information to impress the researcher. The researcher guaranteed the respondents that the information given will only be used for the study and not shared with any unauthorized person or institution. Moreover, the researcher adhered to the rules, ethics and code of conduct guiding the organization. A letter from Kenyatta University and NACOSTI was issued to the respondents for them to know am authorized to conduct the study. Besides, the researcher explained to the respondent's the importance of the participating in the research not only for the company by for the entire nation in policy formulation

1.8 Organization of the study

This study was organized into five main chapters. Chapter one comprised of the background of the study, statement of the problem, objectives of the study, research objectives, research hypotheses, significance, the scope of the study and limitations of the study. Chapter two takes through the introduction, theoretical review and the empirical review on the personal selling strategies and customer loyalty, summary of the literature and gaps and conceptual framework. Chapter three consisted of an introduction, research design, target population, Sampling Design and Sample Size, data collection instruments, the pilot study, data collection procedures, data processing and analysis and finally the ethical considerations. Chapter four covered demographics and descriptive analysis, which was then followed by correlation analysis and regression analysis of the model, and finally, a discussion and interpretation of the research findings. Finally, chapter five addressed the summary of the results, the conclusions and the recommendations. This was done according to the objectives of the study

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

The chapter started by looking at the theoretical framework that was relevant to the study. Moreover, an empirical review was done in which was done per the variable and out of which the knowledge gaps were derived. Further, the summary of the literature review was analyzed and the research gaps. Finally, the conceptual framework was discussed.

2.2 Theoretical review

2.2.1 Relationship marketing theory

The theory was proposed in 1996 by Buttle. According to Buttle (1996), organizations should be more focused on the client faithfulness and the long haul commitment with the client rather than just the short term goals such as the customer purchase and the sales to be made per the person. According to Möller, Halinen (2000), relationship marketing theory is fundamental to business organizations as it is all about creating an interactive relationship with the existing customers and potential customers that result into long term relationship and increase in profitability in the future. Moreover, Buttle (1996) showed that good relationship in the marketing process is when having a relationship with other stakeholders such as suppliers and shareholders that forms part of the organization. Also, the theory contends that the expense of holding an old client is far lower than the cost of building up another client. Additionally, Jackson (1985) clarified that the pith of relationship advertising is to draw in, build up and keep up an intimate association with big business clients.

Nevertheless, relationship marketing theory was criticized by scholars. It was established that it could be complicated to effectively measure the impact of offers by individual promoting or client support activities (Gummerus, Koskull & Kowalkowski, 2017). Also, the theory is very much difficult to implement in the organization as it requires an immediate shift in the mindset of the companies who are familiar with the traditional marketing strategy. Another criticism for the most part for littler organizations are the time, cash, and skill required to appropriately set up all the social correspondence channels and advertising endeavors (Cacciolatti & Lee, 2016).

The theory was relevant to the study and the content of the argument was helpful. The theory showed relationship marketing involved interaction marketing, database marketing and network marketing. Database marketing is the use of information technology to use the

available technology in the business to help increase the loyalty of the customers and ensure the satisfaction of the customers. The theory was applicable and it informed the variable canned selling strategies. Maintaining a good relationship with the customers changes their perception towards other organization producing the same products and service and in return, they purchase more of the products that they trust most despite the circumstance

2.2.2 AIDA theory

The AIDA theory was developed by the American businessman, Elmo Lewis in the year 1898 (Javan, Khanlari Motamedi & Mokhtari, 2018). According to Lewis, advertising is very critical to maximizing the revenue of the company, particularly the interaction between the seller and the buyers concerning the product (Lee, Song, Lee & Petrick, 2018). Besides, Lewis built up that the item should draw in the consideration of the clients and the enthusiasm for the items from the consumers should be aroused. Additionally, when the benefits in the products have been initiated, it becomes the seller's task to persuade the customer that they want to own this product and this must be transferred into action, that is, the purchase (Hawaldar, 2018).

However, AIDA theory was criticized by scholars. For instance, Wijaya (2015) established that the approach does not take into consideration the level of satisfaction and dissatisfaction of the consumers as a result of the advertising. Additionally, another significant deficiency of the theory is the nonattendance of post-buy impacts of utilization, rehash support conduct and other post-buy social goals, for example, referrals or taking part in the readiness of online item audits. Also, Rehman, Nawaz, Khan and Hyder (2014) found the theory was only involved with how to improve the methods of customer attraction but did not elaborate on the adverse effects associated with the surplus purchase of the products.

The adoption of the theory by firms promotes tremendous growth of the companies in terms of client base and revenue (Prathapan, Sajin & Zakkariya, 2018.) AIDA model establish that a positive and significant relationship with increasing the level of customer attraction and satisfaction through product promotion. Companies that have used the model as a promotional strategy have improved in the performance level and the growth and sustainability increased over time (Cramphorn, 2006). Therefore, the theory was relevant to the current study and informed the dependent variable, customer loyalty.

2.2.3 Commitment Trust Theory

The commitment trust theory was put forward by Morgan and Hunt in 1994. The theory depicts a relationship to be successful and reliable, there should exist a strong commitment

and trust from both parties involved in any form of transaction. The theory clearly articulates that words companies should develop commitment and trust towards their customers to build a strong relationship with them to enhance the performance. Moreover, as per Friman, Gärling, Millett, Mattsson and Johnston (2002) trust is very crucial and it is all about confidence from both parties who are in the relationship and ensuring they deliver their promises at the stipulated time. Further, the theory reveals that commitment is a long term relationship that is built by both parties to ensure they maintain the value of the partnership. MacMillan, Money and Downing (2005) argued that commitment trust theory is very applicable to the businesses units as it outlines the significance to continue to invest in the relationship with their customers through a series of building-related activities and also being committed to them.

However, according to Zinkhan (2002), the theory failed to examine the costs that are incurred in retaining the customer in the organization. The theory was unable to calculate the time that it takes to cultivate the relationship with the customer properly; it can be very much time-consuming in both execution and culmination. Furthermore, according to Sun and Zhang (2006), the theory failed to examine the influence of the attitude, norms and culture of the customers in the process of maintaining the relationship in which the management decides the marketing strategy without considering the belief, culture and the norms towards the products.

The theory was relevant to the current study as it established that the primary purpose why companies advocated for the relationship with the customers. The approach had shown that creating a good relationship with customers was to encourage cooperation from both parties, discourage firms from coming up with short term alternative clients instead of long term clients and lastly allows the company to take the risk knowing that they have committed customers who trust the company. Relationship marketing is all about forming a bond with customers by ensuring the firm meets the needs of the customers. Also, the theory showed that most of the companies would better invest in the long term bond with the customers rather than the short term bond. Therefore, when customers trust the services and goods of the company, they become loyal to that company; hence, a mutual benefit is developed among the parties. The theory was much applicable to the study because it was able to explain the relationship between personal selling strategies and customer loyalty. Notably, it supported the variable of features personal selling strategies.

2.2.4 Social Exchange Theory

The theory was developed by Blau who concentrated on personal circumstance in human social connections (Coyle & Diehl, 2018). The theory states that the market exchanges happen efficiently and more successfully when both customer and company expect to gain value by participating in the transaction. The theory mostly emphasized on how participation in an activity will give a benefit to everyone participating in an individual event without one benefiting at the expense of another one (Ghafari, Yakhchi, Beheshti & Orgun, 2018).

Moreover, the theory faced criticism. One of the setbacks of the social exchange theory is that it neglects the contexts of the culture in society (Cropanzano, Anthony, Daniels & Hall, 2017). The approach is based on the rewarding systems only but not all the cultures in the nation are the same and some communities will not be impressed by any rewarding initiative in the society. Also, the theory is not in a position to illustrates clearly unselfishness and the actions of human beings, it assumes the perceptions of an individual of what is considered as the reward and what might be viewed as the punishment and thus, Cropanzano and Mitchell (2005) revealed that the theory lacks sufficient and reliable theoretical precision, and thus has limited utility (Chernyak & Rabenu, 2018).

Despite criticism of the theory by scholars, it establishes an economical approach to relationships that can help to get to the bottom line of the matter very quickly (Yan, Wang, Chen & Zhang, 2016). In case the costs are surpassing the favorable circumstances or if a comparable choice is open, by then it's an incredible chance to end. Social exchange theory is very crucial and companies can invest in these relationships to improve their image and establish a favorable market exchange and finally gain value. The Social exchange theory was very relevant to the current study and was used to illustrate the role of consultative and system selling strategies on customer loyalty.

2.3 Empirical Literature Review

2.3.1 Canned Personal Selling Strategy and Customer Loyalty

Nguyen, Nguyen and Phan (2018) examined the determinants of customer satisfaction and loyalty in Vietnamese life-insurance setting. The study adopted the descriptive research design and the targeted population was 1476; however, the sample size was 275. A path analysis technique was applied to test the proposed framework on the direct and indirect relationship between variables. The findings of the study suggested that a life-insurance service provider should focus on enhancing service quality and corporate image to obtain

customer satisfaction that leads to customer loyalty. The study presents a contextual gap because it was conducted in Vietnam.

Olumoko, Dansu and Abass (2014) examined the role of personal selling in enhancing client satisfaction in the Nigerian insurance market. Descriptive cross-sectional survey research was adopted. The targeted population of the study was 110 respondents selected from the insurance firms randomly. The data were analyzed using the descriptive and inferential statistical instruments, while independent T-test was used to test the hypotheses. The findings of the study reported that personal selling strategy is the most beneficial marketing communication tool that should be embraced by Nigerian firms. It may also be used to improve the image of the industry. The study presents contextual gap because it was conducted in Nigeria.

A study was done by Auka, Bosire and Matern (2015) to investigate the perceived service quality and customer loyalty in retail banking in Kenya. The study mainly analyzed the relationship between service quality dimensions and customer loyalty. The study utilized the descriptive research design and the data was collected from a sample of 384 current customers of commercial banks on the five dimensions of service delivery: tangibility, reliability, responsiveness, assurance and empathy. The results of the study indicated that all the aspects of service quality have a positive and significant influence on customer loyalty in retail banking. The study presents a conceptual gap because it focused to service quality

Ondieki, Okibo, Nyang'au, Obenge, Nyongesa and Nyamasege (2014) examined how direct selling strategies employed by commercial banks in Kisii County affect customer loyalty and its role on customer retention. The study adopted a quantitative approach with a descriptive research survey that allowed a researcher to collect primary quantitative data through structured questionnaires. The total population was 983 respondents and the sample size was 283, comprising salespeople, customers and sales managers. The data was analyzed using quantitative methods. The findings indicated that all banks in Kisii County engage in direct selling activities as a way of increasing volume sales without much regard to customer retention. The banks' engagement in direct sales paid little attention to customer loyalty. As a recommendation, the researcher proposed the establishment of a practical, direct sales approach that ensures a successful customer retention implementation program. The study presents a contextual gap because it mainly focused to banks.

2.3.2 System Personal Selling Strategy and Customer Loyalty

Banerje (2014) examined the roles of personal selling in enhancing client's satisfaction' in Indian home insurance market. The study adopted the descriptive cross-sectional survey and the targeted population was 100. A census was conducted and the data was analyzed using the content analysis. The findings of the study recognized that Personal selling has a lot of advantages that could bring about a long-term business relationship between the two parties involved in an insurance contract. The results also showed that personal selling ensures that clients get the exact quality of the service they require because, with personal selling, products and information could be modified to suit specific needs. The study recommended the volume of personal selling should be increased so that customers will get more valuable information about home insurance. The study presents a contrxtual gap since it was conducted within Indian home insurance market.

Tapera and Gororo (2016) conducted a study to examine the effectiveness of marketing strategies employed by Zimbabwean Insurance companies for creating competitive advantage. The specific objectives of the study were to explore the effect of advertising, internet marketing and personnel selling strategy on creating a competitive advantage. A cross-sectional survey methodology was used to gather data from a sample of organizations within the insurance industry and two instruments were primarily used for data gathering; the questionnaire and the depth interview guide. The findings of the study established that personal selling and advertising were mainly used as the main promotional strategies.

A study was conducted by Mbugua (2014) to examine the personal selling strategies and performance of pharmaceutical firms in Nairobi. The study used a descriptive cross-sectional survey research design. The study used primary data and was analyzed using statistical package for social sciences and presented in tables and charts. The study found out that the pharmaceutical firms were using personal selling strategy to market their products and it resulted in improved performance in terms of a more significant volume of sales, faster movement of drugs, adjusted profit margin, pharmaceutical firm education and sponsorship of events and increased financial performance. Methodological gap exists since the study used cross-sectional survey research design while the current study used descriptive research design.

Cheserem (2016) conducted a study to examine the Influence of Marketing Mix Strategies on Customer Loyalty in Fast Food Restaurants in Nairobi, Kenya. The specific objectives of the study were to investigate the influence of branding, product marketing, price considerations

and location on customer loyalty. The study used descriptive survey design. The study stratified fast-food restaurants into the three constituencies. The findings of the study showed that branding, product marketing, price considerations and location are positively associated with customer loyalty. The study ascertained that the role of the marketing channels does not only focus on the demand satisfaction by offering goods but also need to stimulate demand through information, creating proximity and promotion by customer. The study concluded that customer loyalty is one of the indicators of business performance metrics. The study presents a contextual gap since the unit of analysis was fast food restaurants.

2.3.3 Features Personal Selling Strategy on Customer Loyalty

A study was conducted by Moghareh Abed and Haghghi (2016) to examine the effect of selling strategies on sales performance in the insurance firms operating in Bingley, United Kingdom. The specific objectives that guided the study were to investigate the influence of customer-oriented selling, adaptive selling, relational strategy on sales performance. The findings of this study clearly showed that managers' perception of the adoption of strategy on the part of the selling firm is associated with the adoption of some specific classes of behaviors (i.e., customer-oriented selling, adaptive selling, relational approach) which can contribute to the creation of durable and long-lasting positive relationships with customers. The study presents a contextual gap since it was conducted in United Kingdom.

Adesoga (2016) examined the relevance of personal selling in selected Bottling Companies in Lagos State, Nigeria. The unit of analysis was the managers from different departments and the targeted population was 57 respondents. The study adopted a case study design. The study was analyzed using content analysis. The study revealed that personal selling accentuated relationship building, foster creative selling, and represented the company well to the customers. The study concluded that personal selling was still relevant and a critical success factor in today's marketing activities despite the advent of digital marketing. Managers concerned about the competitive edge in the market edge as well as the top and bottom line will find personal selling helpful. The study adopted a case study design thus presents a methodological gap.

Waithaka (2014) studied the influence of customer retention strategies on the performance of insurance companies in Nairobi, Kenya. The study was a cross-sectional descriptive survey design which used quantitative methods. The targeted population comprised of the 48 insurance companies and a census was carried out. The study showed that customer retention was positively related to the performance of the companies. Further, the study concluded that

companies should strengthen their customer bonds to increase customer retention, increase market share as well as grow their sales volumes. The study recommended that companies should improve their market intelligence to identify new trends in markets as well as competition. **The study used census while the current study employed sampling, thus presents a methodological gap.**

2.3.4 Consultative Personal Selling Strategy on Customer Loyalty

Ayimey, Awunyo-Vitor and Abdulai (2013) compared the influence of customer orientation and customer retention strategies on the performance of two life assurance companies in Ghana namely SIC Life Insurance Company Ltd and StarLife Assurance Company Ltd in Ghana. Data were collected through interviews with the policyholders and questionnaire administered to the management teams. The Statistical Package for Social Science (SPSS) and MS Excel were software used to analyze data. The findings of the study indicated differences in customer retention strategies in terms of regular communication with clients and offer of the bonuses were positively associated with customer satisfaction. Satisfaction levels were high and the two companies retained a good number of their policyholders but they differ in terms of the number of policyholders maintained annually. The findings imply deepening efforts towards regular communication with clients, building relationships with clients and ensuring policyholder satisfaction improved the performance of the companies.

The study presents a contextual gap because it was conducted in Ghana.

Mamo (2015) conducted a study to examine the effectiveness of personal selling practice on the performance of NIB Insurance SC in Ethiopia. The study adopted a descriptive research design. Moreover, the study had quantitative data from the customers and qualitative data from the managers. The quantitative data was collected by the use of the questionnaire and qualitative data from the interview guide. The findings of the study established that personal selling strategies were positively related to the performance of the NIB insurance company.

In Tanzania, Magasi (2015) investigating Customer relationship management and its influence on customer retentions in the bank found that satisfied customers will not always enter into a long-term relationship with the firm. The study, however, concluded that a long-term customer-organization relationship is crucial in creating longer-term customer retention. The study used multiple regression analysis on data collected using questionnaires. It concentrated on customers' trust, commitment, satisfaction and relationship influence customers' retention. The study, however, did not include brand value and customer relationship processes but only focused on customer royalty. CRM might only work if the

three tenets are used together and not separately. This study focused on the three principles together. The study presents a contextual gap because it was conducted in Tanzania.

Further, Oketch (2014) examined the challenges of customer retention by Madison insurance company limited in Kenya. The qualitative data was analyzed through content analysis. The study found that there are various measures put in place to retain the customers at the company, including a dedicated customer service department, streamlining claims management, renewal notices management and regular follow-ups to the clients. Moreover, the study also revealed the primary challenges of retaining the customers was the external which was brought up through competition, pricing, customer expectations, nature of customers and trust, among others.

2.4 Summary of Literature and Research Gaps

The chapter started with the introduction and then the theoretical review. Four theories were analyzed in theoretical analysis, namely AIDA theory, commitment trust theory, social exchange theory and relationship marketing theory. Later the empirical literature review was discussed per variable. The research gaps are also addressed and finally, the conceptual framework. On the empirical literature review, the researcher conducted studies based on a global perspective, regional perspective and local perspective. Reviewing studies from different contexts was essential for making comparisons and having a comprehensive understanding of the verdicts of other scholars. However, the literature reviewed cannot be used to give a broad overview of the effect of personal selling strategies on customer loyalty among insurance companies in Malindi town since the studies presented contextual, conceptual and methodological gap as presented in table 2.1

Table 2.1: Summary of Literature Review and Research Gaps

Author & context	Objective of the Study	Key Findings	Research Gaps	Addressing the Gaps
Moghareh Abed and Haghghi (2016)	Effect of selling strategies on sales performance in the insurance firms operating in Bingley, United Kingdom	customer oriented selling, adaptive selling and relational strategy contribute to the creation of long-lasting positive relationships with customers	The objectives of the study were not similar to the current study hence presenting a conceptual gap.	The specific objectives of the study were Canned personal selling strategy, system personal selling strategy, features personal selling strategy and consultative personal selling strategy on customer loyalty.
Banerje (2014)	Examine the roles of personal selling in enhancing 'client's satisfaction' in Indian home insurance	Customers get quality of the service they require because with personal selling, products and information could be modified to suit specific needs	The study adopted the case study design, thus a methodological gaps	The study used the descriptive research design and data was collected through questionnaires
Adesoga (2016)	relevance of personal selling in selected Bottling Companies in Lagos State, Nigeria.	personal selling was still relevant and a critical success factor in today's marketing activities despite the advent of digital marketing	The study adopted the case study design and data was analyzed using content analysis. Thus a methodological gap existed	The current study adopted the descriptive research design and data was analyzed using descriptive and inferential statistics

Ayimey, Awunyo-Vitor and Abdulai (2013)	compared the influence of customer orientation and customer retention strategies on the performance of two life assurance companies in Ghana namely SIC Life Insurance Company Ltd and StarLife Assurance Company Ltd in Ghana	efforts towards regular communication with clients, building relationships with clients and ensuring policyholder satisfaction improved the performance of the companies.	The study only involved two assurance companies. This presented a contextual gap	The current study was conducted in an insurance
Ondieki, Okibo, Nyang'au, Obenge, Nyongesa and Nyamasege (2014)	examined how direct selling strategies employed by commercial banks in Kisii County affect customer loyalty and its role on customer retention	banks in Kisii County engage in direct selling activities as a way of increasing volume sales without much regard to customer retention	The study was conducted in a bank. Hence, a contextual gap existed	The current study was conducted in an insurance
Auka, Bosire and Matern (2015)	investigate the perceived service quality and customer loyalty in retail banking in Kenya	dimensions of service quality have a positive and significant influence on customer loyalty in retail banking	The study was conducted in a banking sector hence presented the contextual gap	The study was conducted in an insurance company
Mbugua (2014)	Examine the personal selling strategies and	Pharmaceutical firms were using	The study was conducted in different context, hence	The study was conducted in an

	performance of pharmaceutical firms in Nairobi.	personal selling strategy to market their products and it resulted in improved performance	presented the contextual gap	insurance company
Cheserem (2016)	Influence of Marketing Mix Strategies on Customer Loyalty in Fast Food Restaurants in Nairobi	branding, product marketing, price considerations and location all form part of the customer loyalty	The study used different objectives to that of the current study and it was conducted in Restaurants. A contextual and conceptual gap existed.	The study was done in an insurance and the specific objectives of were Canned personal selling strategy, system personal selling strategy, features personal selling strategy and consultative personal selling strategy on customer loyalty. of the study were

2.5 Conceptual Framework

A conceptual framework is a diagrammatical representation that shows the relationship between dependent and independent variables. The structure encourages the researcher to see the proposed associations between the variables in the assessment. Figure 2.1 present the conceptual framework

Independent Variables

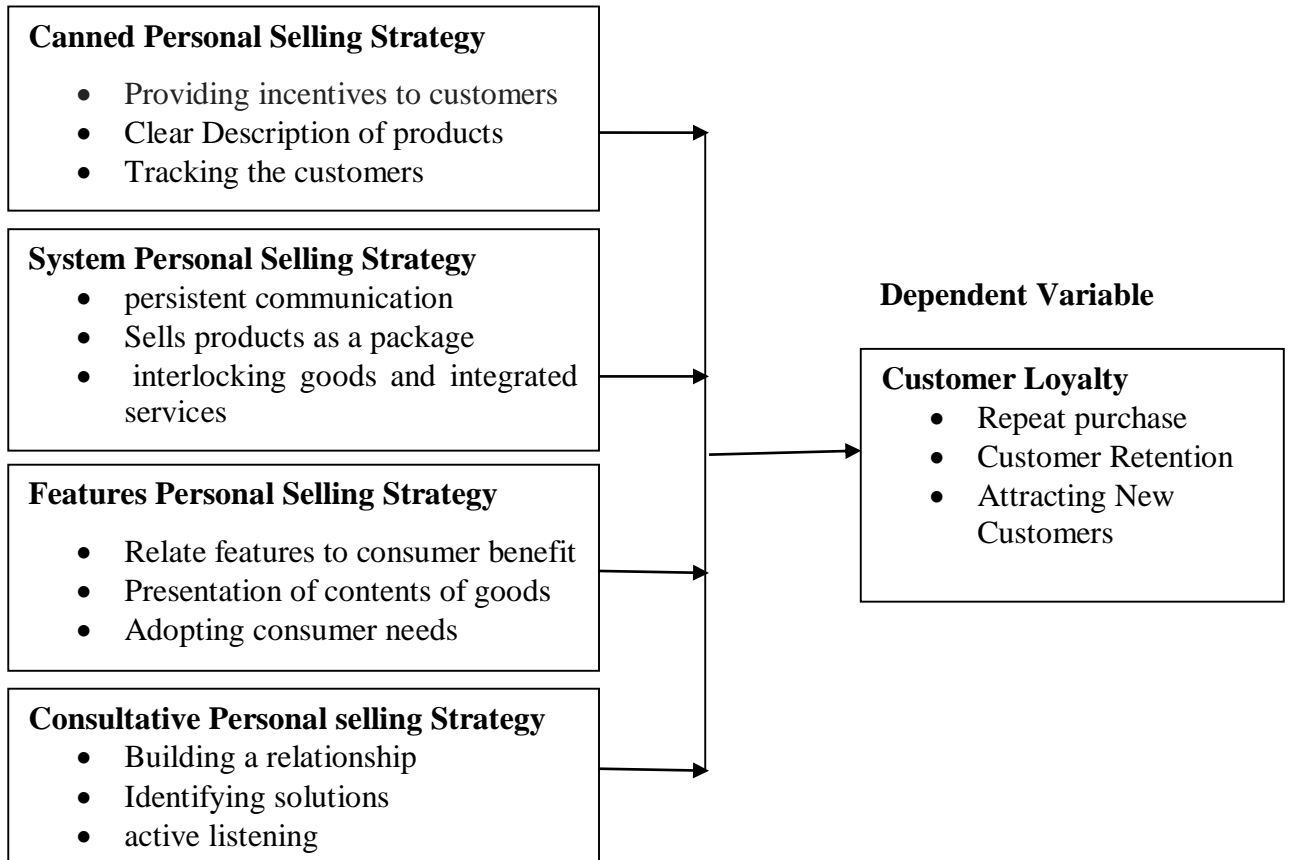


Figure 2.1: Conceptual Framework

Source: Researcher, 2019

Canned personal selling strategies achieved when the employees in a company are involved in providing motivation to the customers until an accord is landed at, give the subtleties that address the issues of the customers and encourages the seller to follow the inclination of the customers (Cheserem, 2016). The availability of Providing incentives to customers, Clear Description of products and Tracking the customers strengthens the customer loyalty (Airas, 2015; Angelova & Zekiri, 2011). Customer loyalty happens when a customer

chooses to transact with a certain firm or procures a specific service constantly (Carter, 2014).

The system selling strategy entails persistent communication, Selling products as a package and interlocking goods and integrated services (Tapera & Gororo, 2016). The goods that are clubbed together are mostly complementary. This increases the sales volume of the products and it helps the customers to save their time as well; hence it creates a win-win situation for both. Further, customers are increasingly looking for a solution rather than buying an individual product (Banerje, 2014). The system's selling strategy entails persistent communication with the customers, selling the products as a package and further interlocking goods and integrated services (Adesoga, 2016; Waithaka, 2014).

The features personal selling strategy is a personal selling strategy used by the organization. It involves the presentation of goods' contents and trying to adopt the needs of the consumer (Moghareh Abed & Haghghi, 2016). According to Auka, Bosire and Matern (2015), companies Relate features to consumer benefit, analyse the contents of goods and adopt consumer needs to persuade the buyers to consume a particular product (Oketch, 2014). Most prospects must be shown reasons for buying a particular product or service, given the fact that they are complementary and supplementary products and services in the market.

Moreover, in the consultative personal selling strategy, the salesperson associates with customers and understands the customer's problem (Tapera & Gororo, 2016). According to Mbugua (2014), a good consultative personal selling strategy should include building a relationship, identifying solutions and enhancing active listening. Consultative selling is considered a preferable sales technique, particularly when interacting with prospective commercial accounts (Oketch, 2014). Consultative personal selling strategy requires sales professionals to focus on identifying and satisfying the needs and wants of their customers. customer loyalty occurs when a customer holds an emotional connection with an insurer's services and is willing to uphold a relationship with them in the long run.

Customers extract value in terms of quality services and satisfaction while companies get their value from loyal customers who are good for their bottom line of profitability and market growth. Loyal customers do not usually check your prices and compare them to the competition as diligently as other customers because they trust your services (Airas, 2015).

Customer loyalty is a heartfelt desire to re-purchase a chosen service constantly in future without situational stimuli and advertising efforts having the possibility to induce switching behavior (Oliver, 2017). Moreover, Oketch (2014) showed that the organization should retain existing customers instead of looking for new ones. According to Mbugua (2014), the advantage of putting a mechanism to maintain the current is that the company is guaranteed the market and also those customers will refer their friends, relatives and family members to your company

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter presented the research design, target population, sample size and sampling techniques, data collection instruments, pilot study, data analysis and ethical consideration that was adhered by the researcher while collecting the data.

3.2 Research Design

Research design is the plan or structure that is used to make answers to analyst's issues (Creswell & Poth, 2017). This study adopted the descriptive research design, which depicted the attributes of a specific circumstance, occasion, or case. According to Patten and Newhart (2017), the descriptive study design is utilized when gathering data about individuals' attitudes, opinions and habits. The major purpose of descriptive research design is to describe the state of affairs as it is at the time. A descriptive research is a process of collecting data in order to answer questions concerning the current status of the subjects in the study (Cooper & Schindler, 2014). There are two types of descriptive studies that is the longitudinal which observe phenomenon over a period of time and cross sectional which observes phenomenon only once and in a particular time. The study adopted a cross sectional research approach to establish the influence of personal selling strategies on customer loyalty among insurance companies in Malindi Town.

3.3 Target Population

Population refers to the researcher's focused components to make inferences about something (Copper & Schindler, 2014). The targeted population was 967 employees working in the selected four insurance companies in Malindi; namely, Gateway insurance company limited, Marangi insurance agency, Blue shield Company Limited, Tausi Insurance Agency, thus became the unit of analysis. The unit of observation was sales managers, salespersons and customers. based on the information from the company's website, Gateway insurance company limited has 24 sales managers, 48 sales persons and 124 customers, Marangi insurance agency has 16 sales managers, 66 sales persons and 142 customers, Blue shield company limited has 37 sales managers, 97 sales persons and

179 customers and Tausi insurance agency has 19 sales managers, 83 sales persons and 132 customers. Therefore, the target population is presented in Table 3.1

Table 3.1: Targeted population

Company	Sales Managers	Sales persons	Customers	Total
Gateway insurance company limited	24	48	124	196
Marangi insurance agency	16	66	142	224
Blue shield Company Limited	37	97	179	313
Tausi Insurance Agency	19	83	132	234
Total	96	294	577	967

Source: Insurance Regulatory Authority (2019); Company's website (2020)

3.4 Sampling Design and Sample Size

Sampling is the style used by the researcher to choose a sample from the focused population (Cooper & Schindler, 2011). A sample is a choice of elements that forms the total population that will be used to make the conclusions. (Malterud, Siersma & Guassora, 2016). The researcher is not always interested in the total population but only chooses the part of the population that will manifest the rest of the population. The examination embraced. Yamane (1967) equation was used to generate the sample size

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

$$n=967/ (1+967(0.05^2))$$

$$n=283$$

Therefore, the sample size was 283

The 283 respondents were apportioned as per their total population for each insurance company (Gateway insurance company limited, Marangi insurance agency, Blue shield Company Limited and Tausi Insurance Agency). Further, a stratified random sampling technique was used in the study. Stratified sampling is applicable when the sample is not homogeneous (Mugenda & Mugenda, 2008). Since the unit of analysis (Gateway insurance

company limited, Marangi insurance agency, Blue shield Company Limited and Tausi Insurance Agency) were not homogenous, thus, stratified random sampling was appropriate. The sample size is presented in Table 3.2

Table 3.2: Sample size

Company	Sales managers	Sales persons	customers	Total
Gateway insurance company limited	7	16	38	61
Marangi insurance agency	4	19	41	64
Blue shield Company Limited	11	27	52	90
Tausi Insurance Agency	6	24	38	68
Total	28	86	169	283

Source: Researcher (2020)

3.5 Data Collection Instruments

The researcher sought to collect primary data from Gateway insurance company limited, Marangi insurance agency, Blue Shield Company limited and Tausi insurance agency. The respondents were sales managers, salespersons and customers. The data was collected using a questionnaire. The questionnaire was divided into six sections. Section A was demographic information, section B canned personal selling strategy, section C system personal selling strategy, section D features personal selling strategy, section E consultative personal selling strategy and section F customer loyalty. The data Questionnaires were preferred because it had a high response rate and only be required to be distributed to respondents to complete and thus requires less time to be administered, offers the possibility of anonymity and data collected is first hand. The study only used the closed-ended questions in the questionnaire.

3.6 Pilot Study

The explanation behind pilot testing is to develop the exactness and appropriateness of the assessment diagram and instrumentation (Saunders, Lewis & Thornhill, 2012). It refines the poll with the objective that respondents will have no issues in taking note of the response and in recording the information. Additionally, it empowers one to acquire some appraisal of the question's Validity and the reasonable dependability of the information that will be gathered (Saunders, Lewis & Thornhill, 2012).

3.6.1 Validity of the Research Instrument

Validity shows whether the questionnaires genuinely measure what it is expected to measure or how reliable are the outcomes (Golafshani, 2003). To ensure content validity, the questionnaire was subjected to a thorough examination by the supervisor in charge of the proposal development. The supervisor was likewise approached to assess the details in the survey for their significance. Moreover, as per Kimberlin and Winterstein (2008), Validity is the exactness and reality of enlistments, which rely upon the examination results. An instrument is said to be valid on the off chance that it quantifies what it supposed to quantify. Content and construct validity were obtained by the help of the supervisor who counterchecked the research instruments to ensure that the content inside was sufficient and justifiable for the study.

3.6.2 Reliability of the Instrument

Reliability is the consistency of estimation or how much an instrument evaluates a similar way each time it is used under the same condition with related subjects (Cronbach, 1951). The study used 10% of the sample size and thus, 28 respondents were used from the blue shield company limited. However, those 28 respondents were excluded when collecting the final data. To test the quality of the research instrument test-retest system was utilized. Cronbach's alpha can be composed as a component of the number of test things and the normal between connection among the elements. The examination utilized a coefficient above 0.7, which is recommended (Taber, 2018). The closer Cronbach's alpha coefficient is to 1, the higher the inner consistency (Sekaran, 2006). Table 3.3 present the reliability test results.

Table 3.3: Reliability Results

Variable	Number of items	Cronbach alpha	Comments
Canned personal selling strategy	4	0.825	Reliable
System personal selling strategy	4	0.831	Reliable
Features personal selling strategy	4	0.801	Reliable
Consultative personal selling strategy	4	0.775	Reliable
Customer Loyalty	4	0.711	Reliable

Source: Author (2019)

3.7 Data Collection Procedures

Questionnaires were administered directly to the sales managers, salespersons and customers in four selected insurance companies in Malindi. The survey questions in the questionnaire were close-ended. The researcher hired a research assistant who helped in the process of data collection. The researcher spent seven days for the data collection. The researcher targeted a response rate of above 80 percent. According to Mugenda and Mugenda (2008) and Kothari (2004), a response rate of above 50% is adequate for making inferences. Hence, a response rate of above 80 percent was reliable for making data analysis. The duly filled questionnaires were then picked after one week.

3.8 Data Processing and Analysis

SPSS was used to organize, code and generate the quantitative report for the analysis. The examination was developed using both descriptive and inferential statistics. The correlation presented the association between the variables, while the regression depicted the relationship between the variables under investigation. ANOVA examination quantified the best fit and determined if the general model was statistically significant.

Regression Model was presented as follows;

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

Where: -

Y= Customer Loyalty

X₁= Canned personal selling Strategy

X₂= Features personal selling Strategy

X₃= System personal selling Strategy

X₄= Consultative personal selling Strategy

β₀ = Regression Constant

β₁, β₂, β₃, β₄= the coefficients for the various independent variables

e = Error.

3.8 Diagnostics Tests

It is necessary to ensure non-violation of the Classical Linear Regression Model (CLRM) assumptions. This is because estimating equations when the assumptions of the classical linear regression model have been violated produces estimates that are not best linear unbiased estimator (BLUE) that is, estimates that are biased, inefficient, and inconsistent. To deal with this problem, the following tests were carried out; Multicollinearity tests, Heteroscedasticity and Normality Tests.

3.8.1 Multicollinearity

Multicollinearity refers to the presence of correlations between the predictor variables (Katrutsa & Strijov, 2017). Multicollinearity inflates the standard errors and confidence intervals leading to unstable estimates of the coefficients for individual predictors (Hong & Phillips, 2010). Multicollinearity was assessed in this study using the variance inflation factors (VIF). According to Katrutsa and Strijov (2017) VIF values in excess of 10 is an indication of the presence of Multicollinearity.

3.8.2 Heteroscedasticity

To test for heteroscedasticity, the Breusch-Pagan/Godfrey test was used. The null hypothesis of this study was that the error variance is homoscedastic. If the null hypothesis is rejected and a conclusion made that heteroscedasticity is present in the panel data, then this will be accounted for by running a FGLS model

3.8.3 Normality Tests

The normality assumption ($u_t \sim N(0, \sigma^2)$) was required in order to conduct single or joint hypothesis tests about the model parameters. Normality test was tested using skewness and Kurtosis test. The test statistic was that if the p value > 0.05 , the study conclude that the data is normal. The study tested the null hypothesis that the disturbances are not normally distributed. If the p-value was less than 0.05, the null of normality at the 5% level will be rejected.

3.9 Ethical Considerations

Ethical considerations are the principles and guidelines that should be upheld while conducting research. It entails honesty, trusts and compliance to the set laws. The

researcher applied for the research license from NACOSTI and university research recommendation letter before embarking on research.

Ethical Consideration Concerning the Researcher: The researcher abided by the ethics provided for research in Kenya. The researcher applied for a research permit and followed all the confidentiality/anonymity requirements about the disclosure of the source of information. Their researcher did not use the other work of the scholars without paraphrasing and appreciating their contributions to the scholarly World.

Ethical Considerations Concerning the Participants: The researcher first obtained the respondents' informed Consent whereby the subjects were made aware of the type of information needed from them and for what purpose. The participants were given all the facts and the truth layout about the research for them to decide whether to participate or not. The Consent was voluntary without any pressure. The respondents were likewise protected by keeping the information given secret. The researcher guaranteed no psychological harm to the members by not posing humiliating questions, expressing shock and disgust while gathering information, utilizing undermining proclamations, or convincing individuals to state something they do not have confidence in or causing nervousness. Moreover, the researcher avoided actions /statements which lowered participants' self-esteem or self-worth. Respondents' names were not disclosed.

Ethical Considerations Concerning the Research Process: Ethical considerations were upheld during the research process by having every step or stage agreed upon by the researcher and the supervisor. My supervisor confirmed that the topic could be researched. All the research findings to be disclosed on completion of research even if the outcomes will be contrary to the expectations.

CHAPTER FOUR

DATA ANALYSIS, INTERPRETATION AND DISCUSSION

4.1 Introduction

The section presented the results that were obtained by the researcher, which included the response rate, demographic statistics, descriptive analysis, correlation analysis, regression analysis and discussions of the findings.

4.2 Response Rate

The number of surveys that were rolled out to the respondents was 283 and 251 were duly filled and returned. Table 4.1 shows the response rate

Table 4.1: Response Rate

Response	Frequency	Percent
Returned	251	88.69
Unreturned	33	11.62
Total	283	100%

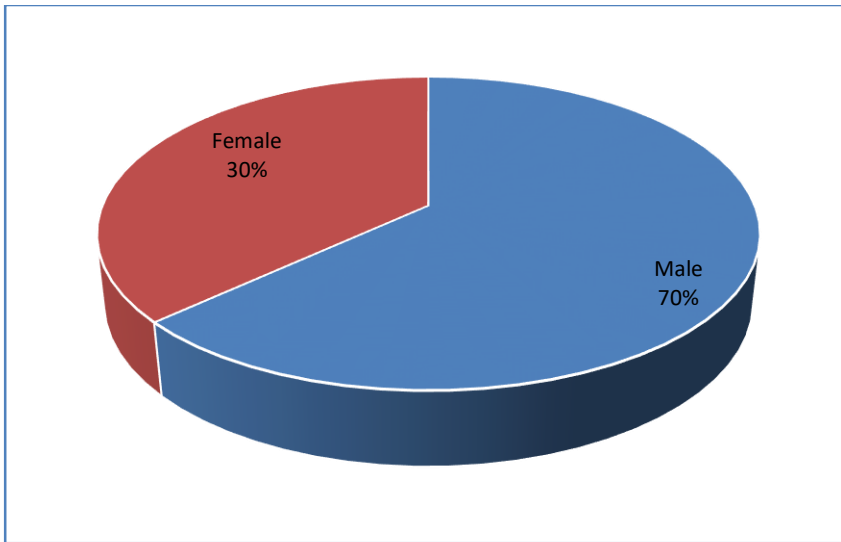
Source: Researcher (2020)

The results showed in Table 4.1 indicate that the response rate was 88.69 percent. Kothari (2004) reported that the response rate above 50 percent is sufficient for the analysis, and therefore, 88.69 percent was satisfactory for the researcher to make the analysis.

4.3 Demographic Characteristics of the respondents

4.3.1 Gender of the Respondent

Figure 4.1 shows the gender of the respondents



Source: Researcher (2020)

Figure 4.1: Gender of the Respondents

70% of the respondents were males and 30% females as shown in Table 4.1. The results implied that most of the employees and the customers of the selected insurance companies in Malindi were males. This pointed to the fact that there is gender imbalance and men are more involved in the leadership and making of the financial decisions of the family hence more association with the insurance institutions.

4.3.2 Age of the Respondents

Figure 4.2 presents the age of the respondents.

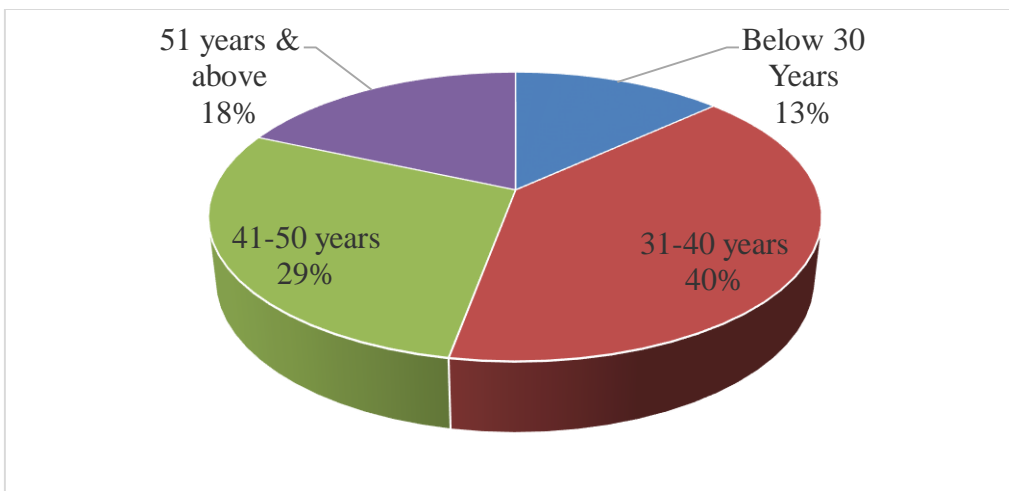


Figure 4.2: Age of the Respondents

Source: Researcher (2020)

Those aged between 31 and 40 were 40% as shown in table 4.2. Further, 29% were aged between 41-50 years. Additionally, those respondents with ages above 50 Years were 18 % and those below 30 years were 13%. The results obtained implied that most of the employees and customers of the selected insurance companies were aged between the ages of 31-40. This implied that 31-40 years were more energetic and experienced and the majority of the customers of the insurance companies were youthful with ambitions of investments.

4.3.3 Position Held in the Company

Figure 4.3 presents the position of the respondents.

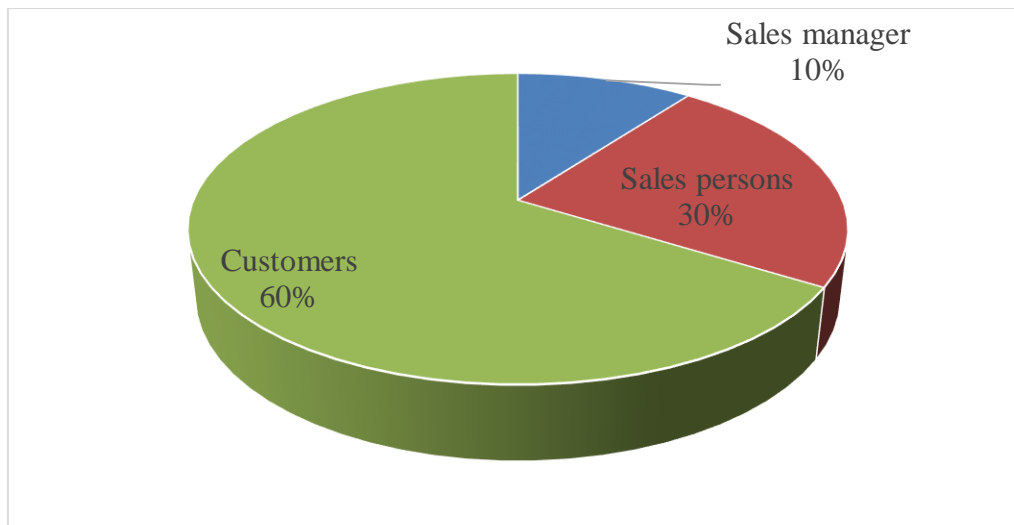


Figure 4.3: Position in the organization

Source: Researcher (2020)

60% were customers, 30% sales person and sales manager were 10 % as shown in table 4.3. This implied that most of the respondents were customers and thus the results obtained did not have much biasness.

4.3.4 Number of Years Respondents Worked With the Organization

The respondents were requested to indicate on the years that they have served in the organization. Results are presented In Figure 4.4.

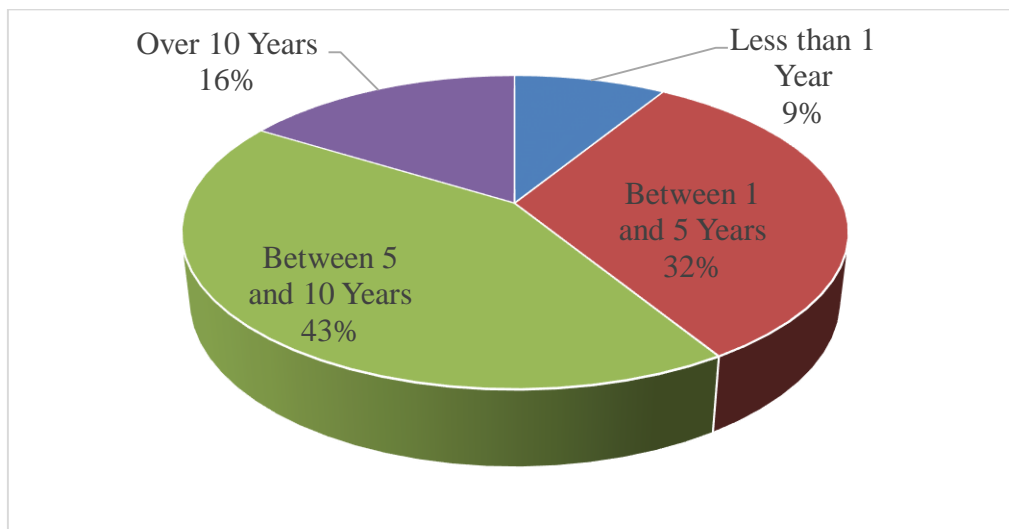


Figure 4.4: Number of years worked with the organization

Source: Researcher (2020)

The results from figure 4.4 show that majority (43%) of the respondents have both worked and been the customer of the selected insurance companies for between 5 and 10 years. Further, 32 % had been associating with the company for between 1 and 5 years, 16 % for more than 10 years and finally, those who have had experienced with the companies for less than 1 year were 9%. The results implied that majority have known the companies for between 5 years and 10 years thus understands the companies well over the past period and therefore, they give the more accurate information for analysis and interpretation.

4.4 Descriptive Analysis

4.4.1 Descriptive Analysis of Canned Personal Selling Strategy

The descriptive analysis of canned personal selling strategy is presented in Table 4.1.

Table 4.2: Descriptive analysis of Canned Personal Selling Strategy

Statement	Mean	SD
The workers give full subtleties that address customer issues explained in the content.	3.73	1.03
The workers monitor the purchaser's psychological state while posing inquiries.	3.55	1.07
The workers are always sharp in demonstrating upgrades and looked for reactions until a firm understanding is landed.	3.71	1.01
The employees outline the content of the insurance in a systematic and well planned manner.	3.84	0.85
Average	3.75	1.06

Source: Researcher (2020)

The results in table 4.2 show that workers give full subtleties that address customer issues explained in the content with a mean of 3.73 and a SD of 1.03. This suggested a greater part of the respondents concurred with the announcement; however, their reactions intensified. Also, the statement of whether workers monitor the purchaser's psychological state while posing inquiries had a mean of 3.55 and SD 1.07. The more significant part of the respondents concurred with the information that workers are always sharp in demonstrating upgrades and looked for reactions until a firm understanding with a mean of 3.71 and SD of 1.01. Also, the statement of whether workers outline the content of the insurance in an efficient and planned way had a mean of 3.84 and a SD of 1.06. The average mean of the statements was 3.75 and SD was 1.06. This inferred dominant part of the respondents concurred with the majority of the descriptions of canned personal selling strategy on customer loyalty; however, responses were spread about the mean. The results were in consistent with the findings of Banerje (2014), who found that individual selling guarantees that customers get the precise nature of the administration they require because, with personal selling, items and data could be changed to suit specific needs.

4.4.2 Descriptive analysis of system personal selling strategy

Table 4.3 depicts the descriptive analysis of system personal selling strategy.

Table 4.3: Descriptive analysis of system personal selling strategy

Statement	Mean	SD
The organization sells its items as a bundle.	3.98	1.05
The system builds the business volume of the organization.	3.84	1.32
There is relentless correspondence between the organization and clients.	3.92	1.07
Customers are more concerned with the system products other than individual products.	3.94	1.31
Average	3.92	1.19

Source: Researcher (2020)

The outcomes in Table 4.3 demonstrated the majority of the respondents concurred with the explanation that the organization sells its items as a bundle with a mean of 3.98 and SD of 1.05. The outcomes suggested that the more significant part of the respondents concurred with the announcement; nevertheless, their reactions changed. Also, a large portion of the respondents agreed with the explanation the system builds the business volume of the organization with a mean of 3.84 and a SD of 1.32. This implied a large portion of the respondents concurred with the statements and their reactions differed. Also, the allegation of whether there is a relentless correspondence between the organization and clients had a mean of 3.92 and SD of 1.07.

Moreover, the statements of whether clients are more anxious about the framework items other than singular items had a mean of 3.94 and SD of 1.31. Taking everything into account, the average mean of the statements was 3.92 and the SD was 1.19. This suggested the dominant part of the respondents concurred with the statements posted by the researcher; however, their experiences and explanations varied from one respondent to another. The results were in agreement with the findings of Moghareh Abed and Haghghi (2016) that demonstrated that directors' view of the appropriation of techniques concerning the selling firm is related with the selection of some particular classes of practices which can add to the formation of stable and long-lasting positive associations with clients.

4.4.3 Descriptive analysis of Features Personal Selling Strategy

Table 4.4. Descriptive analysis of features personal selling strategy

Table 4.4: Descriptive analysis of features personal selling strategy

Statement	Mean	SD
The agents in the organization relate the item or administration highlights to purchaser benefits.	3.93	1.03
Workers present their thoughts efficiently that prompts the purchaser's sure choice.	3.75	1.07
The business introduction in the organization is adjusted to the clients' needs	3.89	1.09
The personal selling strategy in our company is more focused on the problem solving	3.84	0.95
Average	3.85	1.04

Source: Researcher (2020)

The outcomes from Table 4.4 shows that more substantial part of the respondents concurred with the explanation that agent in the organization relates the item or administration highlights to buyer benefits with a mean of 3.93 and the SD of 1.03. This suggested a more substantial part of the respondents concurred with the decision; nonetheless, their reactions shifted. Furthermore, a more significant part of the respondents agreed that workers present their thoughts efficiently that prompts the purchaser's specific choice with a mean of 3.75 and SD of 1.07. Besides, a more substantial part of the respondents concurred with the explanation that the business introduction in the organization is adjusted to the clients' needs with a mean of 3.89 and SD of 1.09. Similarly, a more significant part of the respondents concurred with the explanation that the individual selling system in our organization is increasingly centered on problem-solving with a mean of 3.84 and SD of 0.95. In conclusion, the average mean of the statements was 3.85 and SD was 1.04. This suggested the dominant part of the respondents concurred with the statements, but their reactions differed and spread around the mean. The results agreed with the findings of Ondieki, et al. (2014) that discovered that banks take part in direct selling exercises as a method for expanding volume deals absent a lot of respect to client maintenance. The banks' commitment to guide sales paid little focus toward client steadfastness.

4.4.4 Descriptive analysis of Consultative Personal Selling Strategy

The descriptive results of consultative personal selling strategy are presented in table 4.5.

Table 4.5: Descriptive analysis of consultative personal selling strategy

Statement	Mean	SD
The workers in the organization are increasingly centered on recognizing and fulfilling the necessities and needs of their clients first.	3.81	1.06
The worker sets up a firm establishment for a gainful association with the customer	3.94	1.12
Consultative strategy produces a more information concerning the wants and needs of the customer.	3.72	1.05
The employees in the company present the particular benefits of the products to the customers.	3.97	1.09
Average	3.86	1.08

Source: Researcher (2020)

The outcomes from Table 4.5 show that the majority of the respondents concurred with the explanation that the workers in the organization are progressively centered around distinguishing and fulfilling the necessities and needs of their clients first with a mean of 3.81 and SD of 1.06. The outcomes inferred that the majority of the respondents concurred with the statement; however, their reactions fluctuated. Also, a more significant part of the respondents agreed with the explanation that the employee sets up a firm establishment for a gainful association with the clients with a mean of 3.94 and SD of 1.12. Also, the majority of the respondents concurred with the explanation that the consultative technique delivers more information concerning the needs and needs of the client with a mean of 3.72 and SD of 1.05. Additionally, the majority of the respondents concurred with the explanation that representatives in the organization present the specific advantages of the items to the clients with a mean of 3.97 and SD of 1.09. Besides, the average mean was 3.86 and SD was 1.08. This inferred dominant part of the respondents concurred with the statements, but their reactions differed and spread about the mean. The results coincided with the findings of Oketch (2014), who found that there are different estimates set up to hold the clients at the organization, including a committed client support office, streamlining claims the

executives, reestablishment sees the board and frequent subsequent meet-ups to the customers. Additionally, the investigation likewise uncovered the essential difficulties of holding the clients were the outside, which was raised through the challenge, estimating, client desires, nature of clients and trust, among others.

4.4.5 Descriptive analysis of Customer Loyalty

Table 4.6 presents the descriptive analysis results of the dependent variable, customer loyalty

Table 4.6 Descriptive analysis of Customer Loyalty

Statement	Mean	SD
At the point when the organization vows to accomplish something by a specific time it does so	4.01	1.03
I choose this company in preference to other competitors all the time	3.96	1.08
The company provides appropriate solutions to our problems	3.91	1.01
The insurance contact personnel are honest and reliable	3.87	0.93
Average	3.94	1.01

Source: Researcher (2020)

The outcomes from Table 4.6 show that a greater part of the respondents concurred with the explanation that when the organization vows to accomplish something by a specific time, it does as such with a mean of 4.01 and SD of 1.03. The outcomes inferred that a more substantial part of the respondents concurred with the statements, but their reactions differed. Further, a large portion of the respondents agreed with the explanation that they pick this organization in inclination to different contenders all the time with a mean of 3.96 and SD of 1.08. Moreover, a greater part of the respondents concurred with the explanation that the organization provides fitting answers for their issues with a mean of 3.91 and the SD of 1.01. In like manner, the outcomes indicated that a more substantial part of the respondents concurred with the explanation that the insurance contact staff are straightforward and reliable with a mean of 3.87 and SD of 0.93. The average mean of the

announcements was 3.94 and the SD was 1.01. This inferred dominant part of the respondents concurred with a large portion of the statements; however, their reactions changed and were grouped around the mean. The results agreed with the findings of Cheserem (2016), who found that marking, item advertising, value contemplations and area are positively correlated customer loyalty.

4.5 Correlation Analysis

Correlation is a term used to indicate the association between variables (Porth, White, Jaquish & Ritland, 2018). A correlation coefficient of +1 shows a perfect positive association, while -1 demonstrates a perfect negative association. A correlation coefficient of zero shows no association (Gogtay & Thatte, 2017). The correlation results are presented in Table 4.7

Table 4.7: Multiple Correlation Analysis Results

Correlations		Customer Loyalty	Canned Strategy	Systems Strategy	Features Strategy	Consultative Strategy
Customer Loyalty	Pearson Correlation	1.000				
	Sig. (2-tailed)					
Canned Strategy	Pearson Correlation	.554**	1.000			
	Sig. (2-tailed)	0.000				
Systems Strategy	Pearson Correlation	.518**	.441**	1.000		
	Sig. (2-tailed)	0.000	0.000			
Features Strategy	Pearson Correlation	.549**	.439**	.504**	1.000	
	Sig. (2-tailed)	0.000	0.000	0.000		
Consultative Strategy	Pearson Correlation	.588**	.542**	.551**	.473**	1.000
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	

Source: Researcher (2020)

The results in Table 4.7 showed that canned personal selling strategy ($r=0.554$, $p=0.000$) had a positive and significant association with customer loyalty. Systems' selling Strategy and customer loyalty were positively and significantly associated ($r=0.518$, $p=0.000$). Features personal selling strategy was positively and significantly associated with customer loyalty ($r=0.549$, $p=0.000$). Finally, consultative personal selling strategy was positively

and significantly associated with customer loyalty ($r=0.588$, $r=0.000$). This implied that the Consultative personal selling strategy was the most variable that affected customer loyalty among the selected insurance companies. The results agreed with the findings of Cheserem (2016), who showed that the job of the marketing channels does not concentrate on the interest fulfillment by offering merchandise but the need to stimulate requests through data, making friendship and advancement to the customer. Also, Ayimey, Awunyo-Vitor and Abdulai (2013) indicated contrasts in client maintenance systems regarding ordinary correspondence with customers and offer of the rewards were connected with consumer loyalty

4.6 Diagnostic Tests

4.6.1 Multicollinearity Test

Multicollinearity refers to the presence of correlations between the predictor variables (Katrutsa & Strijov, 2017). Multicollinearity inflates the standard errors and confidence intervals leading to unstable estimates of the coefficients for individual predictors. Table 4.8 presents the multicollinearity test

Table 4.8: Multicollinearity Test

Variable	VIF	1/VIF
Canned Strategy System	1.44	0.6944
Strategy Feature strategy	1.22	0.8197
Feature strategy	2.5	0.4000
Consultative Strategy	2.21	0.4525
Mean VIF	1.84	

Multicollinearity was assessed in this study using the variance inflation factors (VIF). According to Katrutsa and Strijov (2017) VIF values in excess of 10 is an indication of the presence of Multicollinearity. The results in Table 4.8 indicated absence of multicollinearity since the VIF of all the variables were less than 10.

4.6.2 Heteroscedasticity Test

The research tested for heteroskedasticity by employing the Likelihood Ratio (LR) as shown in Table 4.9. The null hypothesis was that the error variance was homoscedastic.

Table 4.9: Heteroskedasticity Test

Breusch-Pagan / Cook-Weisberg test for heteroskedasticity

Ho: Constant variance

Variables: fitted values of Customer Loyalty

chi2(1) = 156.94

Prob> chi2 = 0.074

From the results in Table 4.9, the likelihood-ratio test generated a chi-square value of 156.94 with a p-value of 0.074. The chi-square figure was statistically insignificant at 5% level and so the null hypothesis of constant variance was accepted justifying the absence of heteroskedasticity in the data as indicated by Poi and Wiggins (2001).

4.1 Normality Test

Normality test was tested using skewness and Kurtosis test. The test statistic was that if the p value > 0.05, the study conclude that the data is normal. Table 4.10 presents the normality test

Table 4.10: Normality Test

Variable	Pr(Skewness)	Pr(Kurtosis)	adj chi2(2)	Prob>chi2
Customer Loyalty	0.0062	0.5498	7.08	0.1289
Canned Strategy	0.0676	0.7518	3.61	0.1643
System Strategy	0.0023	0.7335	8.21	0.3165
Feature strategy	0.1148	0.8503	2.64	0.2671
Consultative Strategy	0.0206	0.0533	7.99	0.1184

The results from Table 4.10 shows that the data was normally distributed as the respective p values for all variables were greater than 0.05.

4.7 Regression Analysis

The results presented in table 4.11 indicate the fitness of model

Table 4.11: Model Fitness

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.705a	0.697	0.685	0.28367

Source: Researcher (2020)

a Predictors: (Constant), Canned personal selling strategy, system personal selling strategy, features personal selling strategy and consultative personal selling strategy

The model fitness results in Table 4.11 show that canned personal selling strategy, system personal selling strategy, features personal selling strategy and consultative personal selling strategy were seen as acceptable factors in clarifying client loyalty with adjusted R square of 0.685. This means that independent variables explained 68.% of the variations in customer loyalty. The outcomes were in agreement with the discoveries of Auka, Bosire and Matern (2015) who demonstrated that every one of the components of administration quality affect client reliability in retail banking.

Table 4.12: ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	12.881	4	3.22	64.40	.000 ^b
	Residual	13.036	246	0.05		
	Total	13.888	250			

Source: Researcher (2020)

a Dependent Variable: Customer Loyalty

b Predictors: (Constant), Canned personal selling strategy, system personal selling strategy, features personal selling strategy

The results show that independent variables were good indicators of customer loyalty. This was supported by a F measurement of 64.40 and the detailed p value (0.000) which was less than 0.05 significance level. Therefore, the model was statistically significant

The multiple regression of coefficient is presented in Table 4.13.

Table 4.13: Multiple Regression Results

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.175	0.121		18.039	0.000
	Canned Strategy	0.137	0.04	0.24	3.469	0.001
	System Strategy	0.082	0.041	0.144	2.014	0.046
	Feature strategy	0.142	0.039	0.248	3.632	0.000
	Consultative Strategy	0.137	0.039	0.261	3.528	0.001

Source: Researcher (2020)

Canned personal selling strategies and customer loyalty were positively and significantly related ($\beta = 0.137$, $p=0.001$), as shown in table 4.9. Personal selling strategy and customer were positively and significantly related ($\beta = 0.082$, $p=0.046$). Features personal selling strategies and customer loyalty were positively and significantly related ($\beta = 0.142$, $p=0.000$). Finally, consultative personal selling strategy was positively and significantly related to customer loyalty ($\beta = 0.137$, $p=0.001$). This implied that an improvement in canned personal selling strategy, system personal selling strategy, features personal selling strategy and consultative personal selling strategy led to an increase in customer loyalty in the selected insurance companies in Malindi. The regression results consisted of those of Nguyen, Nguyen and Phan (2018), who found that life insurance firms should concentrate on improving help quality and corporate picture to get consumer loyalty that prompts client dedication. Additionally, Tapera and Gororo (2016) built up that individual selling and publicizing were primarily utilized as the principle limited time procedures to expand the deals.

The regression model was, therefore;

$$Y = 2.175 + 0.137X_1 + 0.082X_2 + 0.142X_3 + 0.137X_4$$

Where:

Y= customer loyalty

X₁= Canned personal selling strategy

X_2 = System personal selling strategy

X_3 = Features personal selling strategy

X_4 = Consultative personal selling strategy

β_0 = constant

$\beta_1, \beta_2, \beta_3$ & β_4 = Coefficients

4.7 Hypotheses Testing

Hypotheses were tested using multiple linear regression analysis as represented

4.7.1 Hypothesis testing of canned strategy on customer loyalty

The first hypothesis to be tested was;

There is no significant effect of canned strategy on customer loyalty among insurance Companies in Malindi Town.

The hypothesis was tested by using linear regression and determined using p-value. The acceptance/rejection criterion was that, if the p value is less than 0.05, we reject the H_0 but if it is more than 0.05, the H_0 is not rejected. Based on the results presented in Table 4.9 p value was 0.001. This was supported by a calculated t-statistic of 3.469 that is larger than the critical t-statistic of 1.96. Null hypothesis was rejected. Therefore, there is significant effect of canned strategy on customer loyalty among insurance Companies in Malindi Town.

4.7.2 Hypothesis testing of system strategy on customer loyalty

The second hypothesis to be tested was;

There is no significant effect of System strategy on customer loyalty among the insurance Companies in Malindi Town.

The hypothesis was tested by using linear regression and determined using p-value. The acceptance/rejection criterion was that, if the p value is less than 0.05, we reject the H_0 but if it is more than 0.05, the H_0 is not rejected. Based on the results presented in Table 4.9, p value was 0.046. This was supported by a calculated t-statistic of 2.014 that is larger than the critical t-statistic of 1.96. Null hypothesis was rejected. Therefore, there is significant

effect of system strategy on customer loyalty among insurance Companies in Malindi Town.

4.7.3 Hypothesis testing of features strategy on customer

The third hypothesis to be tested was;

There is no significant effect of Features strategy on customer loyalty among insurance Companies in Malindi Town.

The hypothesis was tested by using linear regression and determined using p-value. The acceptance/rejection criterion was that, if the p value is less than 0.05, we reject the H_0 but if it is more than 0.05, the H_0 is not rejected. Based on the results presented in Table 4.9 p value was 0.000. This was supported by a calculated t-statistic of 3.632 that is larger than the critical t-statistic of 1.96. Null hypothesis was rejected. Therefore, there is significant effect of features strategy on customer loyalty among insurance Companies in Malindi Town.

4.7.4 Hypothesis testing of consultative strategy on customer

The fourth hypothesis to be tested was;

There is no significant effect of Consultative strategy on customer loyalty among insurance Companies in Malindi Town.

The hypothesis was tested by using linear regression and determined using p-value. The acceptance/rejection criterion was that, if the p value is less than 0.05, we reject the H_0 but if it is more than 0.05, the H_0 is not rejected. Based on the results presented in Table 4.9 p value was 0.001. This was supported by a calculated t-statistic of 3.528 that is larger than the critical t-statistic of 1.96. Null hypothesis was rejected. Therefore, there is significant effect of Consultative strategy on customer loyalty among insurance Companies in Malindi Town.

4.8 Discussion of the Findings

4.8.1 Canned Personal Selling Strategy and Customer Loyalty

From the descriptive results, the average mean of the statements was 3.75 and the standard deviation was 1.06. This implied that the majority of the respondents agreed with most of the statements of canned personal selling strategy on customer loyalty; however, responses

were spread about the mean. Moreover, canned personal selling strategy ($r=0.554$, $p=0.000$) had a positive and significant association with customer loyalty. Canned personal selling strategies and customer loyalty were positively and significantly related ($\beta =0.137$, $p=0.001$). The results concurred with the findings of Nguyen, Nguyen and Phan (2018), who found that life insurance firms should concentrate on improving help quality and corporate picture to get consumer loyalty that prompts client dedication. Additionally, Tapera and Gororo (2016) built up that individual selling and publicizing were primarily utilized as the principle limited time procedures to expand the deals.

4.8.2 System Personal Selling Strategy and Customer Loyalty

From the descriptive results, the statements had an average mean of 3.92 and the standard deviation was 1.19. This implied majority of the respondents agreed with the statements; nevertheless, their statements varied. The results were in agreement with the findings of Moghareh Abed and Haghighi (2016) that indicated that managers' impression of the reception of systems concerning the selling firm is related with the appropriation of some particular classes of practices which can add to the production of stable and long-lasting positive associations with clients. Additionally, system's personal selling Strategy and customer loyalty were positively and significantly associated ($r=0.518$, $p=0.000$). The results further indicated that the system's personal selling strategy and customer were positively and significantly related ($\beta =0.082$, $p=0.046$). The results were similar to the findings of Cheserem (2016), who demonstrated that marking, item advertising, value contemplations and area are certainly connected with client reliability. Also, Ayimey, Awunyo-Vitor and Abdulai (2013) demonstrated contrasts in client maintenance systems as far as standard correspondence with customers and offer of the rewards were undoubtedly connected with consumer loyalty.

4.8.3 Features Personal Selling Strategy and Customer Loyalty

From the descriptive results, the statements had an average mean of 3.85 and the standard deviation was 1.04. This implied that the majority of the respondents agreed with the statements; nonetheless, their responses varied and spread around the mean. Moreover, the feature's personal selling strategy was positively and significantly associated with customer loyalty ($r=0.549$, $p=0.000$). Similarly, results showed that features personal selling

strategies and customer loyalty were positively and altogether related ($\beta = 0.142$, $p = 0.000$). The discoveries agreed with the aftereffects of Ondieki et al. (2014), who found direct selling activities as a technique for extending volume sales portrays a lot of the influence respect to client maintenance. The banks' commitment to guide opportunities paid little focus toward client unwaveringness.

4.8.4 Consultative Personal Selling Strategy and Customer Loyalty

The descriptive results had a mean of 3.94 and the standard deviation was 1.01. This inferred dominant part of the respondents concurred with a large portion of the statements; however, their reactions fluctuated and were bunched around the mean. The outcomes agreed with the discoveries of Cheserem (2016), who found that marking, item promoting, value contemplations and area are positively correlated customer loyalty. Also, consultative personal selling strategy was positively and significantly associated with customer loyalty ($r = 0.588$, $r = 0.000$). This implied that the Consultative personal selling strategy was the most variable that affected customer loyalty among the selected insurance companies. The results agreed with the findings of finally, consultative personal selling strategy was positively and significantly related to customer loyalty ($\beta = 0.137$, $p = 0.001$). The results concurred with the findings of Oketch (2014), who found that there are different estimates set up to hold the clients at the organization, including a devoted client support office, streamlining claims the board, reestablishment sees the board and regular subsequent meet-ups to the customers. Also, Magasi (2015) presumed that a long haul client association relationship is significant in making longer-term client maintenance.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter addressed the summary of the findings, the conclusions and the recommendations. Lastly, it presented the areas for further researches.

5.2 Summary of the Findings

This section outlined the discoveries from the examination that was explored by the researcher on customer loyalty.

5.2.1 Canned personal selling strategy and customer loyalty

The first objective of the study was to determine the effect of canned personal selling strategy on customer loyalty among insurance Companies in Malindi Town. From the descriptive results, the average mean of the statements was 3.75 and the standard deviation was 1.06 thus, majority agreed with most of the statements of canned personal selling strategy on customer loyalty; however, responses were spread about the mean. Moreover, canned personal selling strategy ($r=0.554$, $p=0.000$) had a positive and significant association with customer loyalty. Also, canned personal selling strategies and customer loyalty were positively and significantly related ($\beta =0.137$, $p=0.001$). The results concurred with the findings of Nguyen, Nguyen and Phan (2018) who found that a life protection companies should concentrate on improving help quality and corporate picture to get consumer loyalty that prompts client dependability. Also, Tapera and Gororo (2016) established that personal selling influences satisfaction.

5.2.2 System Personal Selling Strategy and Customer Loyalty

The second objective of the study was to explore the effects of system personal selling strategy on customer loyalty among insurance Companies in Malindi Town. From the descriptive results, the statements had an average mean of 3.92 and the standard deviation was 1.19. This implied majority of the respondents agreed with the statements; nevertheless, their reports varied. The results were in agreement with the findings of Moghareh Abed and Haghighi (2016) that showed managers' impression of the reception of systems concerning the selling firm is related with the appropriation of some particular

classes of practices which can add to the production of stable and long-lasting positive associations with clients. Additionally, systems personal selling Strategy and customer loyalty were positively and significantly associated ($r=0.518$, $p=0.000$). The outcomes further showed that the framework-specific selling technique and client were undoubtedly and collectively related ($\beta =0.082$, $p=0.046$). The findings were like the discoveries of Cheserem (2016) who indicated that marking, item promoting, value contemplations and area are positively associated with customer loyalty. Also, Ayimey, Awunyo-Vitor and Abdulai (2013) indicated contrasts in client maintenance procedures as far as regular correspondence with customers and offer of the rewards were undoubtedly related to customer satisfaction.

5.2.3 Features Personal Selling Strategy and Customer Loyalty

The third objective of the study was **to examine the effects of features personal selling strategy on customer loyalty among insurance Companies in Malindi Town.** From the descriptive results, the statements had an average mean of 3.85 and the standard deviation was 1.04. This implied that the majority of the respondents agreed with the statements; nonetheless, their responses varied and spread around the mean. Moreover, the features of personal selling strategy were positively and significantly associated with customer loyalty ($r=0.549$, $p=0.000$). Similarly, results showed that features personal selling strategies and customer loyalty were positively and significantly related ($\beta =0.142$, $p=0.000$). The discoveries agreed with the results of Ondieki et al. (2014) who found that banks take credit in direct selling activities as a method for expanding volume deals absent a lot of respect to client maintenance. The banks' commitment in guide deals paid little focus toward client reliability.

5.2.4 Consultative Personal Selling Strategy and Customer Loyalty

The fourth objective of the study was to establish the effect of consultative personal selling strategy on customer loyalty among insurance Companies in Malindi Town. The descriptive results had a mean of 3.94 and the standard deviation was 1.01. This suggested a more substantial part of the respondents concurred with the vast majority of the statements; however, their reactions changed and were bunched around the mean. The outcomes agreed with the discoveries of Cheserem (2016) who found that marking, item promoting, value contemplations and area are positively correlated customer loyalty. Also, consultative

personal selling strategy was positively and significantly associated with customer loyalty ($r=0.588$, $r=0.000$). This implied that the Consultative personal selling strategy was the most variable that affected customer loyalty among the selected insurance companies. The results agreed with the findings of finally, consultative personal selling strategy was positively and significantly related to customer loyalty ($\beta =0.137$, $p=0.001$). The results concurred with the findings of Oketch (2014) who found that there are different estimates set up to hold the clients at the organization, including a devoted client support office, streamlining claims the board, reestablishment sees the board and regular subsequent meet-ups to the customers

5.3 Conclusions

Based on the findings of the study, it is concluded that canned sell strategy have a great influence on customer loyalty. The results showed that canned selling strategy had a positive and significant association with the customer loyalty. Moreover, the results showed that canned personal selling strategy had a positive and significant relationship with customer loyalty. Moreover, the study concluded that canned selling strategy can be achieved when the sales representatives of a company are involved in providing incentives sought by the buyers until a consensus is arrived.

Furthermore, the study concluded that system selling strategy had a positive and significant association with the customer's loyalty. Moreover, the study also concluded that system personal selling strategy had a positive and significant relationship with customer loyalty. The study further concluded that system personal selling strategy was so influential and is a commonly used by much organization, particularly the financial institutions in which the firms market their products through selling the products as a package instead of selling them separately.

Moreover, the study concluded that features selling strategy was positively and significantly associated with the loyalty of the customers. Likewise, the features selling strategy was positively and significantly related to the customer loyalty. The study also concluded that features personal selling strategy is used by the companies and the salespersons associate the features and the content of the product to the benefits to the consumers. The study revealed that the features of the products must be in a position to meet the needs of the prospective buyers.

The study also concluded that consultative selling strategy was positively and significantly associated with customer loyalty. The study further established that consultative strategy was positively and significantly related to customer loyalty. The study concluded that consultative strategy influences organizational performance through improved communication, reduced costs, increased productivity, quick decision making, increased organization flexibility and increased efficiency

5.3 Recommendations

Based on the findings of the study, it is recommended that the insurance companies in Malindi can use the canned selling strategies as a strategic action to enhance customer loyalty and counter competitive pressure in the industry. Moreover, the companies should embrace and implement canned sell strategies to gain a competitive advantage against other players in the industry since it had a positive relationship with customer loyalty. Insurance companies need to use canned strategy as a strategic action to enhance customer loyalty and counter competitive pressure in the industry.

The study also recommended that the insurance may introduce other systems of selling their products to the customers. Moreover, the study recommended that based on the level of completion in the market, the management in all insurance companies in Kenya to carry out various personal selling strategies to enable the companies to grow and diversify their portfolio to minimize losses and cut down the cost thus enhancing their competitiveness. Moreover, the study recommended systems selling strategies should be put in place to enhance operational efficiency and improve the decision-making process to increase their performance.

Moreover, the insurance companies can be more involved in advocating selling their products by clearly establishing the features of a product before making the presentation. The study also recommended the insurance companies to be revealing all the components of any product without hiding any information. Further, it is recommended that the insurance companies need to do the presentation of contents of goods and adopted consumer needs to increase loyalty.

Based on the consultative selling strategy, the study recommended the insurance companies increase the number of salespersons so that they may be responding to the grievances of the

customers immediately. Following the entrant of new insurance companies in Kenya, the existing companies must come up with personal selling strategies that will ensure their survival in the increasingly volatile industry. The study also recommended consultative strategy is the most reliable and has a great influence influences on the organizational performance since it improves communication, reduced costs, increased productivity, quick decision making, increased organization flexibility and increased efficiency.

5.5 Areas for Further Studies

This study recommends further studies to be conducted in other industries such as; telecommunication industry and Banking industry to draw comparisons on the use of personal selling strategies on enhancing customer loyalty. Studies should be done on the effects of personal selling strategies in other counties to draw a comparison. Further studies should also consider looking at the different factors affecting customer loyalty in Kenya.

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APPENDICES

Appendix I: Letter of Introduction

Dear Respondent,

RE: REQUEST TO COLLECT DATA FOR ACADEMIC RESEARCH PROJECT

I am a master's student at the Kenyatta University in Mombasa Campus. I am kindly requesting you to take the time to answer the questionnaire. Your information will be treated with confidentiality.

Yours sincerely,

Abel Moriasi Arori

Appendix II : Questionnaire

SECTION A: GENERAL INFORMATION.

SECTION A: DEMOGRAPHIC INFORMATION

1. Indicate your gender
 - a) Male []
 - b) Female []
2. Indicate your age
 - Below 30 Years ()
 - 31-40 years ()
 - 41-50 Years ()
 - 51 Years & above ()
3. What is your job position in the organization?
 - a) Sales Manager []
 - b) Sales persons []
 - c) Customers []
4. Number of Year associated with the Company
 - a) Less than 3 years []
 - b) 3 – 5 years []
 - c) 6 – 10 years []
 - d) 11 – 15 years []
 - e) Over 15 years []

SECTION B: CANNED PERSONAL SELLING STRATEGY

Please indicate your level of agreement with the following statements relating to canned personal selling strategy

Where, 1=Strongly Disagree, 2=Disagree, 3=Neutral, 4=Agree, 5=Strongly Agree

Statement	1	2	3	4	5
1. The workers give full subtleties that address customer issues explained in the content.					
2. The employees keep track of buyer's mental state while asking questions					
3. The workers are always sharp in demonstrating upgrades and looked for reactions until a firm understanding is landed.					
4. The employees outline the content of the insurance in a systematic and well planned manner					

SECTION C: SYSTEM PERSONAL SELLING STRATEGY

Please indicate your level of agreement with the following statements relating to system personal selling strategy on customer loyalty

Statement	1	2	3	4	5
1. The organization sells its items as a bundle.					
2. The system builds the business volume of the organization.					
3. There is relentless correspondence between the organization and clients.					
4. Customers are more concerned with the system products other than individual products					

SECTION D: FEATURES PERSONAL SELLING STRATEGY

Please indicate your level of agreement with the following statements relating to features personal selling strategy

Statement	1	2	3	4	5
1. Employees present their ideas systematically that leads to buyer's positive decision					
2. Workers present their thoughts efficiently that prompts the purchaser's sure choice.					
3. The business introduction in the organization is adjusted to the clients' needs					
4. The personal selling strategy in our company is more focused on the problem solving					

SECTION E: CONSULTATIVE PERSONAL SELLING STRATEGY

Please indicate your level of agreement with the following statements relating to consultative personal selling strategy

Statement	1	2	3	4	5
1. The workers in the organization are increasingly centered around recognizing and fulfilling the necessities and needs of their clients first.					
2. The worker sets up a firm establishment for a gainful association with the customer					
3. The strategy produces a more information concerning the wants and needs of the customer					
4. The employees in the company presents the particular benefits of the products to the customers					

SECTION F: CUSTOMER LOYALTY

Please indicate your level of agreement with the following statements relating to customer loyalty among insurance companies in Malindi Sub-County.

Statement	1	2	3	4	5
At the point when the organization vows to accomplish something by a specific time it does so					
I choose this company in preference to other competitors all the time					
The company provides appropriate solutions to our problems					
The insurance contact personnel are honest					

Thank you for your participation

Appendix III: List of Insurance Companies in Malindi

1. Gateway insurance company limited
2. Marangi insurance agency
3. Blue shield Company Limited
4. Tausi Insurance Agency