



**INNOVATION STRATEGIES AND SERVICE DELIVERY IN SAFARICOM PUBLIC LIMITED COMPANY IN KENYA**

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

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

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

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**ABSTRACT**

*Efficiency in service delivery is defined as the experience that organisations have when the proper people, procedures, and technology are used in a way that produces favourable results and is beneficial to the company, therefore lowering operating costs. The purpose of this study was to assess innovation strategies and service delivery in Safaricom public limited company in Kenya. Descriptive research was the method of choice for this investigation. This study was conducted with the firm itself serving as the unit of analysis, and the 214 managers who have direct interface with Safaricom PLC across a variety of divisions were watched. Several strong and positive correlations were discovered between various aspects of Safaricom PLC's service delivery and innovation. These included product innovation, process innovation, market innovation, technological innovation, and service delivery overall. Positive and statistically significant relationships were observed for all of these variables. Findings indicate that innovative initiatives significantly improve Safaricom PLC's service performance. As long as Safaricom continues to prioritize product innovation and invest in it, the company is expected to continue on its current growth trajectory and reaffirm its commitment to delivering exceptional service. Research shows that process innovation has helped Safaricom succeed by increasing service quality, operational efficiency, and the firm's commitment to providing exceptional value to customers. Market innovation has proven to be a vital component of Safaricom's strategy, enhancing service delivery and reinforcing its commitment to providing value to customers across Kenya. The study recommends that Safaricom should develop more targeted marketing campaigns that cater to specific demographics and customer segments, ensuring that product offerings resonate with diverse customer needs.*

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

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## INTRODUCTION

The provision of services is regarded as a critical component of a business's success and operational performance, given the competitive character of the modern global economy (Christensen & Zheng, 2023). On the other hand, a company's service delivery is the result of its achievements or investments over a certain period. The provision of services is related to innovation, where having a competitive advantage significantly increases the likelihood of strong performance within the industry. The industry it operates in. However, effective personnel management is a critical component of any given business's service delivery efficiency. You can rely on continuously excellent work and satisfied clients because motivated and satisfied employees are less likely to quit their jobs (McLoughlin, 2013). In industrialized nations such as China, the USA, the UK, Canada, Korea, and Malaysia, multiple studies have shown that service delivery is well-maintained (Economic Survey of Korea, 2019). This is the case from a global-level viewpoint. By applying innovative techniques, which have, in turn, improved service delivery inside their companies, over sixty percent of businesses have achieved success, which is comparable to the majority of industrialized nations. According to Robinson (2007), companies that are serious about improving their service delivery must create innovative approaches to address the challenges associated with change implementation.

Regionally, in application of dynamism in the service sector, there is also an aspect of consumers becoming very selective as well-being discriminative and thereby calling for the mastering of the evolving world to be able to handle the risky clients. This now becoming a threat to the organization hence the need to push their employees to adjust to their normal way to improve what they offer to the existing world in terms of service delivery (Nguyen, et al., 2016). More to this issue of services becoming fragile for many companies to withstand it which

their characteristics are defining its delivery while the means to which they are produced with are also becoming hectic to uphold. Some characteristics which are uncontrollable are thereby making it delivery a concern such as perishability as they can't last for long (Zeithmal & Bitner, 2012). Locally, Kwan and Donhee (2018) established a strong connection between how service delivery is considered to be quality and the level of satisfaction it brings to the customer. This recommendation aligns with Oanda's (2015) suggestion that DT SACCOs should segment their customers for the purpose of targeted marketing in order to increase customer satisfaction. The explanation from the stated researcher shows that service quality from deposit taking SACCOs is what will enable them to deliver as expected and a satisfied client will always deem to continue seeking similar service (Kimaru, 2019). The Telecommunication Providers, a subsection in ICT Sector, contributes about 10% of our country's GDP. It is among the most improved sector of the Kenyan economy. Therefore, it is expected to constantly remain strong at the backdrop of adversities and challenges facing it. The telecommunications providers, a key segment of the ICT sector, contribute approximately 10% of our country's GDP. It is anticipated that, being one of the most developed parts of the Kenyan economy, it would continue to thrive despite the difficulties it encounters. As a key pillar of the country's Vision 2030, the telecommunications sector remains vital. Industry players continue to innovate in response to competition, striving to provide customers with better and more innovative services.

### Statement of the Problem

Efficiency in service delivery is defined as the experience that organisations have when the proper people, procedures, and technology are used in a way that produces favourable results and is beneficial to the company, thus lowering operating costs (Raspa, Moultrie, Toth, & Haque, 2021). Globalisation,

deregulation, and competition have forced institutions to provide services around the clock in today's commercial world, yet there are still major disadvantages in terms of annoyance and security concerns. In telecommunication firms, service delivery is a critical aspect of operations that encompasses providing reliable, efficient and customer-centric services. Effective service delivery in telecommunications firms involves a combination of robust infrastructure, efficient processes, advanced technologies and a strong focus on customer support and satisfaction (Kungu & Ngui, 2021).

A study by Rosli and Sidek (2013) investigated how innovation strategies impact service delivery among SMEs in Malaysia. According to the conclusions of the study, the success of a firm is significantly impacted by both the innovation of its products and the innovation of its processes. On the other hand, over the course of the research, it was discovered that the influence of process innovation was much less noticeable in contrast to the impact of product innovation. A contextual gap, this study fills a knowledge gap by looking at commercial banks instead of SMEs. Samad and Aziz (2019) looked at how small and medium-sized food processing companies in Malaysia get a competitive edge via innovation. But competitive advantage, not organizational performance, was the investigation focus. The prior investigation's context was Malaysia's SMEs that manufacture food, in contrast to the current research that was center on commercial banks in Nairobi County, Kenya.

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

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

Kyongo (2017) discovered that African Industrial Financial Institution's performance was significantly improved by strategic innovation, which had a favorable influence despite its considerable impact. Regardless, a new knowledge gap was created by the study since it failed to explore the overall performance, which was supposed to be filled by the study. Maina (2016) conducted research to determine how innovation management techniques affected the output of insurance firms and businesses in Kenya. The researcher used regression analysis to try to figure out why innovative strategies have a beneficial effect on coverage providers' bottom lines in Kenya. The study, however, opted to ignore telephony in Kenya in favor of other settings. Therefore, this research filled these gaps by examining how service delivery is the impacted of innovative strategies at Safaricom PLC. The deficiencies in this area included conceptualization, theory, context, and methodology.

### **Research Objectives**

The general objective of this study was to determine the effect of innovation strategies and service

delivery in Safaricom public limited company in Kenya. Specifically, the study's goals included:

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

## LITERATURE REVIEW

### Diffusion of Innovation Theory

New ideas and technology circulate across a community or social system at a certain pace, according to this notion that Everett Rogers pioneered in 1962. Rogers contends that the method by which an invention is conveyed over the course of time among the individuals who make up a social system is what he refers to as diffusion (Rogers, 1962). The progressive spread of an innovation across the population of a civilization is what Rogers considered to be the definition of diffusion (Scott, 2008). According to Rogers (1983), the theory lays a significant amount of stress on the fact that the term "diffusion" refers to the process of dispersion (also known as "diffusion"). The availability of human capital is absolutely crucial for the commercial success of every new idea that is introduced into the market. There are four primary elements that have contributed to this development, and they are as follows: the invention itself, the means of transmission, the passage of time, and the organization of society. Because of its capacity to provide light on these aspects and the ways in which they influence the acceptance and dissemination of innovations, the theory is relevant to the inquiry.

According to Robinson (2009), the diffusion of innovations is criticized for the fact that it requires a

significantly different perspective in comparison to other theories of change. It reframes change as essentially about enhancing products and services to fulfill the wants and desires of individuals, rather than focusing on convincing people to change. This is in contrast to the traditional approach, which concentrates on convincing people to change. In this concept, it is proposed that people do not change over the course of time, but rather that innovations should be adapted to satisfy the needs of the populations who are already in existence. The results of Sevcik (2004) show that implementing a new idea is not a fast process, but rather one that takes persistence and patience. After that, he continues his argument by stating that resistance to change has a substantial influence on the dissemination of innovation, and that this, in turn, creates a delay in the process of adopting an invention. The major goal of the study was to examine what makes Safaricom's product innovation strategies work, and this idea was a key component in that investigation.

### Theory of Disruptive Innovation

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

Despite the theory's widespread use, many people still fail to grasp its essential ideas and put them into practice correctly (Gefen, Karahanna & Straub, 2013). On top of that, the original formulation seems to have dominated the last 20 years of crucial

theoretical developments. Consequently, the idea is sometimes questioned for problems that have already been solved. Technical and market innovation are the primary variables that this theory primarily backs up in this research (Sevcik, 2004). Disruptive innovations initially underperform compared to established offerings but eventually improve and meet or exceed the needs of mainstream customers.

Organizations may put themselves in a better position to expand, adapt to changing markets, and stay ahead of the competition by implementing innovative strategies and services based on the Theory of Disruptive innovative. Establish separate units or teams to explore and develop disruptive innovations. These units can operate with different resource allocations, processes, and performance metrics compared to the core business. Technical innovation is the primary variable that this hypothesis primarily bolsters in this investigation.

### **Service Quality Theory**

The notion of service quality was established by Gronorooos (1982) and then popularized by Parasuraman et al. (1985). From the standpoints of both the supplier and the consumer, Service Quality Theory is mainly concerned with measuring and bettering service quality. Various models and ideas that aid in understanding and improving service quality are included in the theory. The SERVQUAL model, foundational to the literature's comprehension of service quality, states that the distinguishing feature between anticipated and actual service is what establishes the service's quality. In the absence of PS, service quality is subpar; in the presence of PS, service quality is above par; and in the presence of equal ES and PS, service quality is acceptable.

The idea has its detractors who point out that the technical component is very subjective, making it impossible to judge quality objectively. Customers' perceptions of a service's quality are heavily impacted

by its functional quality, which in turn affects their overall evaluation (Chen & Ting, 2002). The idea behind service quality theory is that the gap between them is a solid measure of how excellent a service is. When commercial banks are quick to respond, helpful, and have employees who can handle client needs, they show that they care about their consumers. Employees' expertise, politeness, and capacity to establish trust and confidence in clients are what constitute assurance, according to Smith (2007). Service delivery, the dependent variable, was supported by this hypothesis.

## **LITERATURE REVIEW**

### **Empirical Review**

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

Martin and Namusonge (2014) averred that SMEs must introduce the process, product, and technology innovation to succeed. The study did not investigate how market and organizational innovation affect the performance. Additionally, the research looked at SMEs in Kenya, which has a different business environment than Burundi, namely in Bujumbura. This study would differ from others in both methodology and conceptual framework as it used an explanatory research design rather than a descriptive one.

Research out of Malaysia found that both product and process innovation had a substantial impact on company success (albeit process innovation's impact was less than product innovation's). They stated that the correlation between market innovation and corporate profitability was highly independent of environmental factors. Businesses in Bujumbura that do not engage in organizational innovation and do not consider the impacts on their performance, one of the most crucial aspects was not taken into consideration in this research. Furthermore, this research did not investigate the impact of government regulation, a moderating component that was deemed crucial. Two hundred and eighty-

four Malaysia's SMEs's wood-based, textile, apparel, , food and beverage industries were the subjects of this research, which would cover a variety of topics within the telecom industry.

Furthermore, research was conducted in Nairobi County, Kenya, by Kiilu and Peter (2020). While both sets of data were consistent, the research did take market innovation into account as a potential factor in boosting performance and entrepreneurship. Data was gathered from 10,000 SMEs in Nairobi, Kenya, using a descriptive research approach. A poor research strategy, descriptive research focuses only on explaining the investigated variables' behaviors or features. Nonetheless, an explanatory research strategy was used in this study, with a greater emphasis on establishing causal links among the study variables.

According to research by Regneala (2015) on the topic of Romanian banking system innovation reform, entrepreneurial spirit, technological prowess, and financial resources are the three most important factors in creating a workable innovation risk management strategy. According to the report, if banks want to stay competitive, their business models must include a culture of organized innovation if they want to succeed. Organizational processes may be better prepared to take advantage of value-adding occurrences that might happen in a typical company setting over a particular period of time with the help of capacity planning and management. The banking industry in this foreign nation was the subject of this investigation. Instead than looking at competitive advantage, the research looked at how resources, technology, and entrepreneurship impacted creative risk management.

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

Ida DAttoma and Silva Pacei (2016) investigated product innovation on service delivery among manufacturing firms in Europe. Product innovations

can lead to improved functionality, usability, and features, directly enhancing the customer experience. This can result in more efficient and satisfactory service delivery. Product innovation can enable the development of new services or service models. For example, advancements in technology can lead to the creation of digital services or platforms that offer new ways to interact with customers. Innovations in product design or technology can streamline service processes, reducing the time and resources required to deliver services. This can lead to faster response times and more efficient operations. However, the conceptual gap, Europe was the site of the investigation.

De-Loecker (2011) conducted research on differentiation of products. According to the research, cutting-edge goods may set a business apart from its rivals by providing customers with better service in general. This can lead to increased market share and customer loyalty. Innovations often focus on enhancing product quality and performance. Higher-quality products can improve service delivery by reducing defects, downtime, and customer complaints. The study's setting was not specified; nonetheless, it was conducted in Kenya's telecommunications industry.

Purba and Panday (2015) sought to examine in the Nigerian telecommunications sector, service delivery strategies have significantly contributed to improved performance among firms. The study adopted descriptive design. Implementing strategies focused on customer service, such as improved call centers, better complaint management systems, and personalized customer support, has led to higher customer satisfaction and retention rates. Investments in expanding network infrastructure and upgrading technology have improved service reliability and coverage. Enhanced network quality reduces dropped calls and improves internet speeds, leading to a better user experience. By focusing on these service delivery strategies, telecommunications

firms in Nigeria have enhanced their performance, improved customer satisfaction, and acquired a distinct advantage in the market. This study measured the impacts innovation in the context of service delivery.

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

Four critical sub-constructs are identified in the research on innovation skills among SMEs in Mexico by Maldonado-Guzmán et al. (2019). These sub-constructs are essential for driving innovation and gaining a competitive advantage. The study adopted primary data. Regression analysis has been used to test hypotheses. The internal processes, structures, and resources that support innovation. The capacity of a small or medium-sized enterprise (SME) to innovate depends on several sub-constructs, which in turn affect the SME's capacity to create new goods, break into new markets, and compete successfully. Market innovation, a component of strategic innovation, was used in this research.

In the state of Guanajuato in Mexico, Georgina Valdez-Bocanegra et al. (2020) argued the internal processes, structures, and resources that support innovation within an organization, particularly in SMEs. The study found out that systems and practices for generating new ideas, including brainstorming sessions, innovation workshops, and suggestion platforms. Procedures for researching and developing new products or services, including prototyping, testing, and iteration. The study focused on manufacturing companies. Government laws were also not included as a moderating variable, despite their importance in this research. Therefore, there was a contextual and conceptual gap.

Based on his research on microfinance institutions in Nairobi, Kenya, Muithya (2021) concluded that a focus on market innovation is essential for efficient operation. This research presents a conceptual gap as it employed product innovation, financial innovation, and market innovation as sub-constructs of strategic

innovation, but it did not use entrepreneurial innovation. The research will reveal a vacuum in the context. The requirement of innovation for the performance of SMEs was highlighted in a research conducted in Dubai by Al-Ansari et al. (2013). However, the researchers utilized a structured survey research model presenting a methodological gap. The study focused on market innovation and overlooked process and organizational innovation, thus presenting a conceptual gap. Therefore, this study focused in a different environment from the one in Dubai which presented a contextual gap.

Knowing how innovations, marketing orientation, and strategic competitive advantage impact and improve one another is essential for analyzing the interplay between these three factors as it pertains to a company's service delivery (Danielle and Masilela, 2020). Innovations, whether in product development, process improvements, or new technologies, can significantly enhance service delivery. The impact of consumer creation on innovation was evaluated by Verma and Jayasimha (2014). Research was conducted in the field of communication. Due to the difference between the descriptive and explanatory research designs, a conceptual and contextual gap and a methodological gap revealed by the study.

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

Innovations in technology are vital for knowledge-based companies, say Zhou and Li (2012), since they boost national economic competitiveness and help individuals succeed as entrepreneurs. Technological advancements, as pointed out by Griffith and Rubera (2014), help knowledge-based companies to become more productive by making processes easier and more efficient. This leads to better resource utilization and higher output, benefiting individual entrepreneurs and contributing to economic growth. Biener, Eling, and Wirfs, (2016) studied advanced technologies enable businesses to differentiate themselves through unique products, services, or processes. This competitive edge helps them capture

market share and drive innovation, boosting their success and contributing to national economic competitiveness. Innovation tactics were not included in the study as a predictor variable, nevertheless.

Kubbr (2007) points out that Japanese banks have been using innovation to their advantage more and more recently. Many banks now provide convenient online and mobile banking services that allow customers to see their accounts, make transfers, and finish transactions whenever and wherever they choose. This convenience improves customer satisfaction and attracts tech-savvy clients (Khalil, 2012). According to Yasuharu (2010), financial institutions may improve their customers' experiences by using data analytics and AI to provide individualized financial advice, tailored product suggestions, and customized customer support. The impact of intellectual capital on the performance of Chinese life insurance businesses was investigated by Lu, Wang, and Kweh (2014). In order to gauge how well businesses are doing, the study used a dynamic slack-based measure (DSBM). The study's findings showed that new technologies, such as chatbots and virtual assistants, improve customer service by quickly resolving typical issues. In contrast to the present research, which focuses on service delivery, this only employed efficiency metrics.

Kibicho (2015) examining the factors that lead to successful strategy implementation in the 51 listed Kenyan insurance industries involves analyzing various elements that influence the effectiveness of strategic initiatives. It was found out that effective communication of the strategy across all levels of the organization ensures that everyone understands and is committed to the strategic goals. Current study looked at insurance sector competitiveness; this one will concentrate on plan implementation success. There would be a disconnect in methodology and concepts between the two types of studies since this

one used an explanatory research strategy rather than a descriptive one.

In Kenya, Mbithi et al. (2016), sugar sector is susceptible to the far-reaching effects of technological innovation strategies on operational efficiency, market competitiveness, and overall company performance. Utilizing data analytics for monitoring production processes, predicting equipment maintenance needs, and optimizing supply chains can lead to more efficient operations and reduced downtime (Mitchelmore & Rowley, 2010). In addition to utilizing technology to integrate delivery networks and foster strong client relationships, real estate firms are also investing in technology to enhance data analysis. This data includes product usage, customer segmentation, demographics, and customer transaction behavior, all of which contribute to increasing market share and profitability. Renewable energy sources and energy-efficient equipment are two examples of technological advancements in energy management that have the potential to significantly reduce the high energy costs associated with sugar manufacturing. Due to the difference between the descriptive and explanatory research designs, a conceptual and contextual gap and a methodological gap revealed by the study.

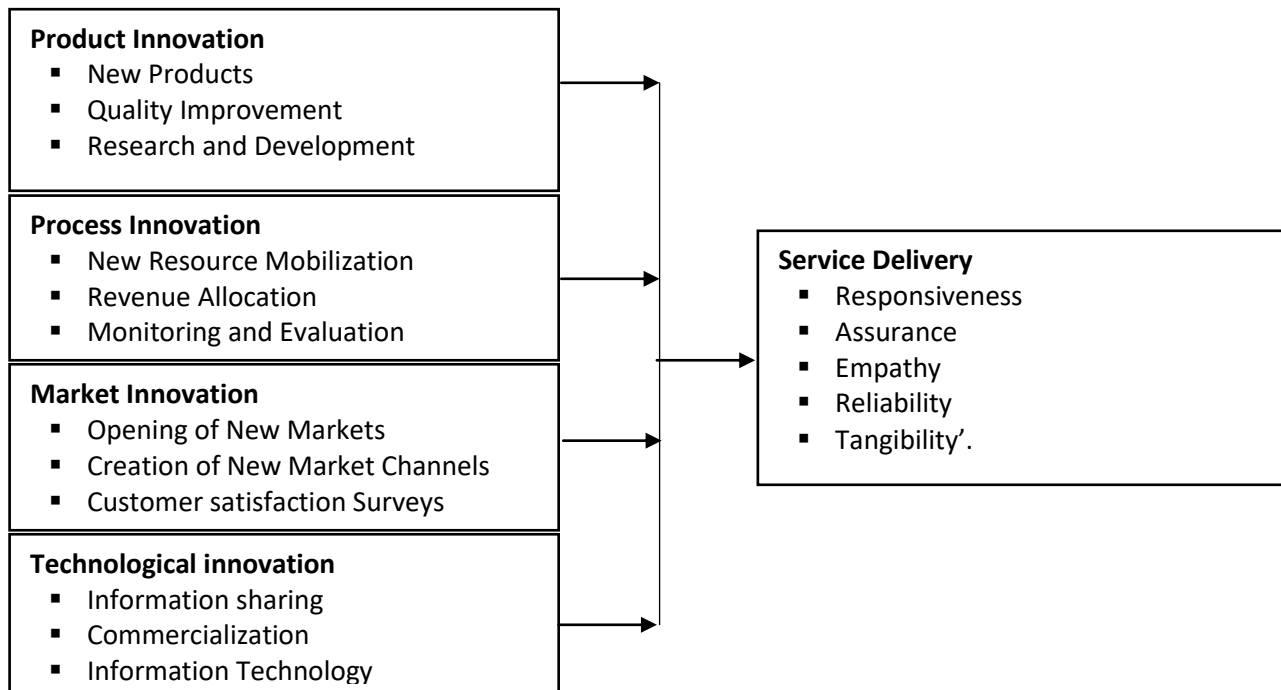
Waits, (2000) investigated the relationship between service innovation and service delivery involves exploring how innovations in service processes, technologies, and practices impact the effectiveness and quality of service delivery. The study adopted case study. It was found out that the adoption of digital tools and automation can streamline service processes, reduce manual tasks, and increase productivity. For example, automated appointment scheduling systems or customer service chatbots can speed up service delivery. Innovations in process design can eliminate redundancies and optimize workflows, leading to faster and more efficient

service delivery. The study was based on service innovation and not technology innovation..

In specifically, Agboola (2012) looked at the kind and level of adoption of new technologies as they pertained to the Nigerian banking sector and how they were affected by ICT. The Nigerian banking industry has undergone significant transformation with the adoption of ICT, transitioning from traditional banking methods to more advanced digital

solutions. This shift has been driven by the need for increased efficiency, customer demand for convenience, and competitive pressures. Banks in Nigeria are now leveraging a range of ICT solutions to enhance their operations, improve service delivery, and expand their reach. This investigation was centered on telecommunications companies, in contrast to the last one which examined Nigerian banks.

**Conceptual Framework**



**Independent Variables**

**Dependent Variable**

**Figure 1: Conceptual framework**

Source: (Author, 2022)

**METHODOLOGY**

**Research design**

This research made use of a descriptive survey approach. Descriptive research seeks to describe characteristics of people or groups, as pointed out by Kothari (2004). This design minimises bias in data collection and analysis while enabling a comprehensive description and analysis of events (Creswell, 2011). Saunders and Thornhill (2009) state

that this method is appropriate as it facilitates the collection of quantitative data amenable to analysis using descriptive or inferential statistics.

**Target Population**

All the folks or objects that researcher intend to make broad conclusions about from their study is "target population". Moreover, target population has various features (Russell, 2013). There were 214 managers who deal directly with Safaricom PLC on various

departments, and the unit of observation will be Safaricom PLC. The 214 managers will serve as the unit of observation, while Safaricom PLC served as the unit of analysis. These supervisors belong to one of three tiers of management: upper, medium, and bottom. These were the layers that were covered by the inquiry. The target population's distribution is

shown in Table 1. Cooper and Schindler (2006) first used the word "population" to describe a set of entities that share some trait that researchers may use to their advantage in their studies. A population is defined as the whole of a big group, according to Cameron, Zhu, Sari, and Lee (2018).

**Table 1: Distribution of the Target Population**

Category	Target Population
Senior Level Management	29
Middle level Management	83
Lower level Employees	102
<b>Total</b>	<b>214</b>

**Source:** Safaricom limited Human resource records, (2022)

**Sample Size and Sampling Procedure**

A selection of people chosen from a broader population for the purpose of estimating demographic traits is referred to as a sample (Bell and Harley, 2018). The sample was selected to correctly reflect the complete group, and it is representative of a subset of the population. Based on the formula proposed by Slovene (1978), the appropriate sample size for this project was determined. By utilizing this method for the calculation, a fixed sample size of 139 people could be determined. The Slovene's formula was enumerated below;

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

N=Population

e=Acceptable Margin of error

n= Sample

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

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

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

$$n = 139$$

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

**Table 1: Sample Size**

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

Finding the right total sample size and proportional sample for each group needed stratified sampling in

conjunction with proportionate approach, which is essential for the research. This research used a

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

### Data Collection Instruments

The questionnaire was the primary instrument used for gathering information. Certain items on the survey do not allow for free-form responses. In order to streamline the analysis process, save time and money, and make rapid use of the results, closed questions were created. Data collection from respondents is essential for research purposes, and a questionnaire is a structured collection of statements and questions developed for this specific purpose (Kazai and Khalid, 2012). The survey had two sections, namely: Section A featured demographic information, whereas sections B, C, and E provided specific information pertaining investigation' aims. The respondents were asked to identify where they stand on a scale similar to the Likert scale, which has five points and is anchored on the statements. One is for severely disagreeing, two is for disagreeing, three is for being unsure, four is for agreeing, and five is for strongly agreeing. These are the five potential replies to the question This approach facilitated the measurement of opinions. According to Cooper and Schindler (2014), questionnaires are appropriate for both descriptive and explanatory research purposes.

### Data Analysis and Presentation

Procedures used to process and analyze the data are introduced in this section. During the processing step, the data that has been collected is made ready for analysis by being edited, coded, classified, and tabulated. Inputting the coded data into SPSS Version 21 greatly simplified the data analysis process.

Descriptive and inferential statistics were both used in the research. Distribution tables with percentages and frequencies, measures of dispersion like the standard deviation, and measures of central tendency like the mean were all part of the descriptive statistics package. The application of inferential statistics, namely regression analysis, allowed us to determine the correlations between the variables that were under inquiry.

The order of the equation is given below:

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

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

$\beta_0$  is the regression coefficient/constant/Y-intercept,

$\beta_1, \beta_2, \beta_3$  and  $\beta_4$  are the slopes of the regression equation,

$X_1$  = Product Innovation strategy

$X_2$  = Process innovation strategy

$X_3$  =Market Innovation strategy

$X_4$  = Technological Innovation strategy

$\epsilon$ =error term

## FINDINGS AND DISCUSSIONS

A total of 98 out of 139 respondents were able to finish and return the questionnaires, making the response rate 70.51%.

### Inferential Analysis

#### Correlation Results

The link between the study's independent and dependent variables is examined using correlation analysis (Omondi & Hood, 2017). The correlation analysis values are shown in Table 3.

**Table 3: Correlation Analysis**

		Product Innovation Total	Process Innovation Total	Market Innovation Total	Technological Innovation Total	Service Delivery Total
Product Innovation	Pearson Correlation	1	.474**	.521**	.369*	.763**
	Sig. (2-tailed)		.004	.001	.029	.000
	N	98	98	98	98	98
Process Innovation	Pearson Correlation	.474**	1	.703**	.648**	.764**
	Sig. (2-tailed)	.004		.000	.000	.000
	N	98	98	98	98	98
Market Innovation	Pearson Correlation	.521**	.703**	1	.658**	.805**
	Sig. (2-tailed)	.001	.000		.000	.000
	N	98	98	98	98	98
Techn ologica l Innova tion	Pearson Correlation	.369*	.648**	.658**	1	.750**
	Sig. (2-tailed)	.029	.000	.000		.000
	N	98	98	98	98	98
Service Delivery	Pearson Correlation	.763**	.764**	.805**	.750**	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	98	98	98	98	98

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

Source: Survey data, 2024

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

fosters competitive advantage and long-term, sustainable growth (Varris & Littumen, 2010). The statistical significance and positive correlation between process innovation and service delivery are demonstrated by (process innovation and service delivery:  $r = 0.764$ ,  $p < 0.01$ ). This is due to the fact that

process innovation boosts market share and profitability (Kang, Na, & Jeong, 2019).

The results show a favourable association between market innovation and service delivery, which is statistically significant ( $r = 0.805$ ,  $p < 0.01$ ). Market innovation leads to the provision of services by the company (Dahiyat et al., 2017). (Technology innovation and service delivery:  $r = 0.750$ ,  $p < 0.01$ ) shows that the two are positively and statistically

correlated. Customer happiness, which is frequently used as a gauge of the success of service delivery, is also impacted by technological innovation (Ahmad et al., 2019).

### Regression analysis Results

#### Model Summary

The dependent variable's variations as a result of changes in the independent variables were explained by the model.

**Table 4: Model Summary**

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

Source: Survey data, (2024)

As stated in table 4 above, innovation in products, processes, markets, and technologies was responsible for 90.2% of the changes in service delivery, while other variables that were not part of the research accounted for 9.8%. A coefficient of correlation of 0.950 indicates a strong positive

link between the independent and dependent variables.

#### Analysis of Variance

The study's model's significance is assessed using analysis of variance. The outcomes are shown below in Table 5.

**Table 5: Analysis of Variance**

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

a. Dependent Variable: Service Delivery

Source: Survey data, (2024)

Based on the findings in Table 5 above, the model was determined to be statistically significant with a p-value of 0.000, which was less than 0.05 ( $p < 0.05$ ), and a  $F = 68.950$ . According to the findings, service delivery may be accurately predicted by product, process, market, and technology innovation.

#### Regression Coefficients

The association between the various variables in the study is displayed using regression coefficients. The regression coefficients show how much and in which direction changes in the independent variables affect the dependent variables.

**Table 6: Regression Coefficients**

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

a. Dependent Variable: Service Delivery

Source: Survey data, (2024)

From the results in Table 6 the regression equation was:

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

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

Where:

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

X1 is product innovation

X2 is process innovation

X3 is market innovation

X4 is technological innovation.

$\epsilon$  is the error term

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

A strong positive correlation (Beta=0.186, t=2.136, p<0.05) was found between process innovation and

service delivery. As a result, assuming all other factors remain constant, service delivery increases by 0.156 units for every one unit increase in process innovation. The effects of process and product improvements on the service offerings of manufacturing organizations were also examined by Dahiyat, Abdallah, and Al-Sa'di (2017). The study came to the conclusion that improving service delivery requires process innovation.

Service delivery and market innovation were shown to be significantly and favourably correlated (Beta=0.246, t=2.716, p<0.05). This demonstrates that, all else being equal, service delivery improves by 0.179 units for every unit rise in market innovation. This is consistent with a study on marketing innovation and company competitiveness conducted by Dedkova, Ungerman, and Gurinova (2018). The study found that marketing innovation significantly improves the firm's service delivery.

There was a favorable and statistically significant link between technological innovation and service delivery (Beta=0.308, t=3.807, p<0.05). This suggests that, with all other conditions being equal, there is a 0.293-unit gain in service delivery for every unit rise in technical innovation. These results are in accord with those of a research on the same issue that was carried out by Lee and Song (2015). The study's conclusions state that technological innovation is

crucial for enhancing service delivery in various industries. It facilitates quicker and more dependable service, boosts customer happiness, lowers operating expenses, and promotes efficiency.

### CONCLUSION AND RECOMMENDATIONS

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

Market innovation and Safaricom PLC's service delivery were shown to have a positive and statistically significant relationship. Market innovations may allow the company to improve its services if it can expand its market share. The use of

data-driven insights has allowed Safaricom to tailor its offerings to meet the specific needs of its customers, resulting in higher satisfaction and loyalty. Technological innovation has been a key driver of improved service delivery at Safaricom, positioning the company for sustained growth and success in a competitive market.

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

Safaricom should develop more targeted marketing campaigns that cater to specific demographics and customer segments, ensuring that product offerings resonate with diverse customer needs. In order to improve customer service and service delivery efficiency, Safaricom should keep utilising cutting-edge technology like artificial intelligence and machine learning. As technological innovation increases, Safaricom should prioritize cybersecurity investments to protect customer data and maintain trust in its digital services.

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