# EFFECT OF MARKET SEGMENTATION, TARGETING AND POSITIONING STRATEGIES ON INTERNATIONAL SCHOOLS IN NAIROBI

BY

## **BRIAN WAFULA LUPAO**

D65/68154/2013

## SUPERVISOR: Dr. RAYMOND MUSYOKA

# A RESEARCH PROJECT SUBMITTED IN PARTIAL FULFILMENT OF THE REQUIREMENTS FOR THE AWARD OF THE DEGREE OF MASTER OF SCIENCE IN MARKETING, SCHOOL OF BUSINESS, UNIVERSITY OF NAIROBI

**DECEMBER 2017** 

# DECLARATION

This research project is my original work and has not been submitted to any other
university, college or institution.
Signature Date
Brian Wafula Lupao
D65/68154/2013
The research project has been submitted for examination with my authorization as the
university supervisor
Signature Date
Dr. Raymond Musyoka
Lecturer, Department of Business Administration
School of Business
University of Nairobi

#### ACKNOWLEDGEMENT

I would like to give thanks and glory to The Almighty God for granting my prayers. I thank Him for His favor and guidance, for He knew me even before I was born, and that His Will shall be done. Amen.

I want to thank my parents and siblings for their spiritual, material and financial support, their encouragement, believe and patience they've had in me. "I made it!!! Hurray!

I would also like to greatly express my unending appreciation to my supervisor Dr. Raymond Musyoka for his availability, dedication and professional advice. I also give gratitude to Prof. Justus Munyoki for his kindness and understanding. I dearly thank all my module lecturers for their positive insights, motivation and mentorship throughout the demanding coursework. I thank the University of Nairobi at large for giving me an opportunity in the esteemed institution both at undergraduate and Master's Level. They provided adequate facilities, highly qualified and experienced lecturers and a conducive learning environment.

Finally, I wish to heartily acknowledge my classmates for their team work, open mindedness, encouragement, positive criticism and making the 3hour classes' fun, interactive and lively. There would be no class without you. Let this worthy achievement elevate us to the next level.

#### God Bless.

### **DEDICATION**

This research project is dedicated to my dad, Ronald Makhanu Lupao, my mum, Eunice Nakhumicha Lupao, my sisters Sheillah and Daisy, my brothers Elvis and Clive Lupao, and the rest of our lineage.

# TABLE OF CONTENTS

DECLARATION	ii
ACKNOWLEDGEMENT	iii
DEDICATION	iv
LIST OF TABLES	vi
ABBREVIATIONS AND ACRONYMS	vii
ABSTRACT	viii
CHAPTER ONE: INTRODUCTION	1
1.1 Background of the Study	1
1.1.1 Market Segmentation	
1.1.2 Targeting	4
1.1.3 Positioning	5
1.1.4 International Schools in Nairobi	7
1.2 Research Problem	8
1.3 Research Objectives	
1.4 Value of the study	
CHAPTER TWO: LITERATURE REVIEW	
2.1 Introduction	12
2.2 Theoretical Foundation	
2.3 Market Segmentation Strategies	13
2.4 Targeting Strategies	15
2.5 Positioning Strategies	17
2.6 Empirical Review	
CHAPTER THREE: RESEARCH METHODOLOGY	
3.1 Introduction	23
3.2 Research Design	23
3.3 Population of the Study	23
3.4 Data Collection	24
3.5 Data Analysis	24

CHAPTER FOUR: DATA ANALYSIS, RESULTS AND INTERPRETATION	25
4.1 Introduction	25
4.2 Response Rate	25
4.3 General Information	26
4.4 Segmentation, Targeting and Positioning Strategies	27
4.5 Extent of the application of segmentation, targeting and positioning strategies	29
4.6 Effect of segmentation, targeting and positioning strategies	31
4.7 Discussion of Findings	33
CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS	35
5.1 Introduction	35
5.2 Summary	35
5.3 Conclusion	37
5.4 Recommendations	38
5.5 Limitations of the Study	39
5.6 Suggestion for Further Research	39
REFERENCES	41
APPENDICES	46
Appendix I: Questionnaire	46
Appendix II: List of International Schools in Nairobi	51

# LIST OF TABLES

Table 4.1 Response Rate	. 25
Table 4.2 General Information	. 26
Table 4.3 Segmentation, Targeting and Positioning Strategies	. 27
Table 4.4 Extent of the Application of Segmentation, Targeting and Positioning	
Strategies	. 29
Table 4.5 Effect of Segmentation, Targeting and Positioning Strategies	. 31

# ABBREVIATIONS AND ACRONYMS

- **STP** Segmentation, Targeting and Positioning
- USA United States of America

#### ABSTRACT

Segmentation, targeting and positioning are tools of marketing used in gaining competitive advantage by a firm in the market. STP can be viewed as main disciplines in strategy of marketing; faults in these areas result in failure and tend to be costly; doing it right leads to success. This study therefore sought to determine the effect of segmentation, targeting and positioning strategies on international schools in Nairobi. The study used a cross sectional descriptive survey design and carried out a census of the 34 international schools. The primary data was collected by use of questionnaires that are semi structured in nature. The semi-structured questionnaires were self-administered to the marketing manager at each international school. The data collected was edited for accuracy, consistency and completeness and then analyzed using descriptive statistics with the help of Statistical Package of Social Sciences. The study found that segmentation based on gender, fees paid and the education system were the most used market segmentation strategies by international schools in Nairobi but the application of undifferentiated targeting, niche market and differentiated marketing strategies by international schools was minimal. The study found that benefit positioning and product positioning by providing exceptional quality of services were the most used positioning strategies by international schools in Nairobi. Additionally, the study found that market segmentation helps international schools to adjust to specific needs in the market, allows international schools to serve their clients according to their needs and targeting can allow international schools to understand the market structure and how to serve it. The study further established that market positioning strategies can help international schools to build their image and can help them to create proper appeals in the minds of the target market. The study concluded that market segmentation strategies, targeting strategies and positioning strategies are vital to international schools and they help international schools to brand and position themselves in a better position. The study recommends that the management of international schools in Nairobi should ensure they incorporate market segmentation strategies, targeting and positioning strategies since they are vital for international schools in Nairobi.

#### **CHAPTER ONE: INTRODUCTION**

### 1.1 Background of the Study

Segmentation, targeting and positioning are tools of marketing used in gaining competitive advantage by a firm in the market. STP can be viewed as main disciplines in strategy of marketing; faults in these areas result in failure and tend to be costly; doing it right leads to success (Schlegelmilch, 2016).Many companies face the decision on how to effectively handle the state of markets becoming interdependent and competitive while consumers become choosier (Lhotáková & Klosová, 2009).Thus, segmentation, targeting and positioning (STP) is a critical basis for each marketing strategy of product. A firm is able to formulate an effective tactical marketing strategy (marketing mix) with a factual STP.

The STP approach proposes that the mass market comprises of certain number of groups that are relatively homogenous, each with different desires and needs. Marketers of STP try to pinpoint those segments in the market, direct activities of marketing at the segments, which the marketers are certain that their business can gratify better than their opponents can, and site can well their merchandise offering in order to appeal to the segments targeted (Lynn, 2011). Unlike the generic marketing strategies, which revolve around the product, the STP model is more about the consumers. The model comes to use when forming marketing communication strategies because it aids marketers in prioritizing propositions, developing and delivering relevant and personalized messages to involve with diverse audiences. It aims at commercial efficiency/effectiveness,

choosing the most appropriate market segments for a company thereby emerging a product positioning strategy and a marketing mix for every section (Abeck, 2017)

In Kenya, the education industry is one of the sectors that have experienced phenomenal growth in the recent past (Kilavuka, 2007). The international schools sector in Kenya continues to grow inexorably. As globalism continues to gather pace, so has the demand for international education. This sector is benefiting from a more interconnected world and the increased migration of people that this has produced. In addition, there is a growing middle class in developing countries who also wish for their children to have the benefit of a world-class education (Barnes, 2016). The society is also continually demanding for higher quality education and value for their money. Society has always had high expectations of teachers, and more so today. This has been necessitated by the following trends in society that is; move towards the nuclear family, the increasing involvement of women in the work force, the expansion of universal literacy programmes and the deluge of information in this information age (Ochieng, 2006).

#### **1.1.1 Market Segmentation**

Market segmentation is the procedure of distributing a potential market into separate consumer subsets with joint characteristics or needs and selecting one or more section to aim with a unique marketing mix (Moyo, 2005). It includes the subdivision of the all-inclusive market for a service or product into minor market segments or groups, entailing customers who are somewhat alike within a precise segment and extremely different from customers constituting other sections (Moschis, Lee &Mathur, 1997). Segmentation

encompasses larger market being subdivided into different customer subsets with same wants and needs or/and receptiveness to marketing offerings (Brooksbank, 1994).

Market segmentation can be carried out using various societal factors, like; lifestyle, demographics, beliefs, values, and psychographics, geography, life stages, benefit, and behavior (Abeck, 2017). A company can distinguish its customers in terms of geographic variables (such as nation, state, region, demographic variables (such as education, gender, income, and age), and neighborhood type), psychographic variables (such as interests, values, attitudes, and opinions), and behaviors (such as purchase frequency, brand loyalty, channel usage, and media habits) (Lynn, 2011).By aligning customers together based on resemblance of their reactions towards greater marketing efficiency, marketing factors, and customer fulfillment can be attained(Moschis, Lee &Mathur, 1997).

Market segmentation is an adaptive strategy. It constitutes of the market partition with the aim of choosing one or more segments in the market, of which the firm can target through development of precise marketing mixes which adjust to specific needs in the market (Restrepo, 2003). Effective segmentation allows the marketers to provide a difference between segments according to their response to market variables. For instance, the marketers can define the differences between price sensitive consumers and non-price sensitive consumers as a result of segmentation (Abeck, 2017). Through segmentation, one can identify the areas having specific needs and also identify mature markets to find new customers. Firms with high growth rates become successful by recognizing and meeting up the desires of precise customers, not all consumers, for special varieties of services and products, not all services or products (Olbara, 2011).

3

### 1.1.2 Targeting

Targeting implies the method of assessing every segment's desirability and choosing any of them to enter (Walletzký, 2015). Targeting is the authentic segment selection. In this process, the organization must balance its capabilities and resources against the desirability of diverse segments (Hajar, Mahrani & Sinarwati, 2014). Targeting is involved with a tactical concentration on one or some identified segments in the market, and establishing marketing offers that are responsive and unique to each segment of concern. Selection of target market includes assessing every market segment's desirability and choosing any of the market segments to enter. After identifying the valid segments and evaluating the consumer target's profile in these segments, it requires to be assessed, whether the segment is attractive for the specific brand and product (Lhotáková & Klosová, 2009).

The decision of target market is the consumer choice in a product-market whereby an organization will focus on its marketing program strategy of positioning. This choice is among the most demanding challenge in the organization's management (Moutinho, 2000). The target market comprises of the customer sets that possess the needs and characteristics that the firm can best support. The two stages to market targeting are emerging a segment attractiveness measurement and selecting the target segments. Targeting enables organizations to focus more on the precise wants of the segment targeted with regard to prestige, price, habits and desire. Once the firm understands the consumer demand structure it decides which segments to serve and how (Hajar, Mahrani & Sinarwati, 2014).

Target marketing implies that a customer group has been recognized to whom the firm will direct the majority of its marketing time, resources, and attention, with the rationale that it is better to use a rifle than a shotgun to get results and for whom the offering should be right(Olbara, 2011). The market should be reachable, measurable and sufficiently large. When the target market is well-defined, based on the product appeals knowledge and analysis of market, and is measurable, it should define whether the audience of target is big enough to weather the organization on a continuing basis. Furthermore, an organization's target market should be accessible (Moyo, 2005).A company should evaluate the overall market attractiveness and its suitability to the objectives and resources of the company in enticing the target market (Hajar, Mahrani & Sinarwati, 2014).

#### **1.1.3 Positioning**

Positioning refers to designing the image of a company and placing it to exist in a distinct place in the mind of the market in target (Kalafatis, Tsogas & Blankson, 2000). According to Walletzký (2015), positioning is placing a product to occupy a distinctive, clear and desired place relative to its rival products in the consumers mind. This positioning strategy is a concept through which businesses preoccupied with the influence of their external environment on their capability strategy (competences and resources), and influence and stakeholder expectations (Ayele, 2012). Marketers describe the positioning of a brand in a statement of positioning strategy. The statement embraces the vital benefits offered to customers and the intended brand or image personality the brand anticipates to instill in the mind of the customer (Dibb & Simkin, 2006).

Positioning is a modest tool of marketing that concentrates on image building. It is an effort to differentiate a firm from its opponents/competitors, so as to be the better favorite for a specific market segment (Mokaya, M'Nchebere & Kanyagia, 2017). The positioning strategy involves marketing and designing a product to fulfill the requirements of a target market, and creating the proper appeals to outstand the product from the antagonism in the minds of the target market (Dibb&Simkin, 2006). The notion of positioning constitutes both customer and competitive considerations. It basically deals with distinction and is seen as an undertaking that is creative whereby a current brand in a congested marketplace of same brands can get a position in the minds of the targeted prospects that is distinct from the opponents (Ng'oo, 2012)

The core of positioning is an appropriate consumer analysis, the competitors, the brand itself and the benefit (Lhotáková & Klosová, 2009). It is a vital concept whereby organizations can trigger competitive advantage by good image creation for their product in the customer minds (Ayele, 2012). An organization should evaluate the influence of its positioning strategies on other segments. If an adverse reaction from other segments arises, whether they are older or younger customers, perhaps the marketer should detect those aspects (if any) that are probable to appeal to many segments and service and position products based on these aspects (Moschis, Lee &Mathur, 1997). A business that positions itself favorably within a precise marketplace, relative to challengers, has high chances of garnering high profits regardless of average profit gaining within the marketplace (Mokaya, M'Nchebere & Kanyagia, 2017).

#### **1.1.4 International Schools in Nairobi**

The International schools in Kenya are private, coeducational day schools, which offer an education program for students of all nationalities. Their curriculum draws from rigorous standards and benchmarks from around the world, with the objective of providing a challenging program that allows students to transition to the best schools internationally, as well as top universities (Ajwala, 2014). International school's offer curriculum based on a foreign national curriculum, a wide range of extra-curriculum activities, expatriate staff, foreign students and the fees charged, high investments in sophisticated resources and equipment to support the core and extra curriculum activities and school fees which ranges from two to three times higher than those of local curriculum based schools (Ochieng, 2006). Nairobi County has the highest registration of international schools (Kilavuka, 2007).

International schools provide an alternative solution to expatriate students in Kenya and they offer same schooling standards globally, providing for a simple change between schools whether located in USA or France (Ajwala, 2014). Most international schools in Nairobi offer differentiated service characterized by high teaching practices that are differentiated, teacher to pupil ratios and small class sizes, all work to make sure that every child is carefully observed and able to reach their full potential (Barnes, 2016). The sector has witnessed a very high growth rate as more and more international schools are being opened. The growth in this sector can be attributed to the need to meet the educational needs of these groups of people: children who experience difficulty with the local 8-4-4 system of education due to subject with immigrants from neighboring countries, growing numbers of top income group earners, international and business organizations with branches in the country (Ochieng, 2006).

#### **1.2 Research Problem**

The sustainability and success of any business in an environment that is competitive is decided by its marketing strategy choice. As such, the current marketing strategy development comprises such ideas as STP (Yabs, 2014). Behind any marketing strategy that is successful, there is a cautious segmentation, targeting and positioning action. Actually, the particular potential customers' identification enables optimization of cost and increase in profits and sales. Nonetheless, opponents imitate many marketing strategies and therefore an organization must identify proper market segments, target the profitable ones and location itself in the consumer's minds so as to sustain competition (Chelimo, 2012). In general, customers are prepared to pay a premium for a requirement-satisfying product more precisely than does a product in competition.

In Kenya, the private education sector has experienced significant growth in the recent past; this growth has been driven by quest for quality education. This has led to many players in this industry trying to meet the high demand for quality education. Competition is therefore very stiff since the clients have many choices (Ochieng, 2006). Players in the education sector are faced with stiff competition due to the fact that their clients have a choice. Because of the many choices available to parents, investors have been forced create a competitive advantage whether it is a matter of quality or price in order for them to survive in this industry (Kilavuka, 2007). International schools in Kenya are also faced with growing competitions, political changes, changing technology, rising customer

expectations, changes in the workforce, low academic standards, employee relations, managing change and organizational capacity (Ochieng, 2006).

Empirically, multiple studies have been undertaken on the market STP concepts. For instance, Hsiao and Chen (2009) studied the application of market segmentation to student conduct in choosing a department or school and recognized that reputation and students considered function and convenience, quality, meaning and emotion, and structure and scale as vital factors. Kalafatis, Tsogas and Blankson(2000) carried out a study on positioning strategies in business markets and found that even though business positioning is largely influenced by firm criteria such as product quality and factors of relationship building; other concerns like structure of company, offerings'breadth and integration degree also impact on positioning. The studies by Chen and Hsiao (2009) and Kalafatis, Tsogas & Blankson (2000) however focused on specific concept of market segmentation and positioning.

A paper by Kilavuka (2007) in Kenya studied the competitive strategies adopted by private primary schools and found that differentiation strategies are the most widely applied in the education industry while cost leadership and focus were the least used but the study focused on competitive strategies. Mauti (2010) studied the impact of competitive strategies on the international school's performance and found a statistically significant association between differentiation, focus and cost leadership strategies and performance but the focus of the study was competitive strategies. Most of the available studies focus on the specific concepts of market segmentation, targeting and positioning and in different sectors. Moreover, most studies in Kenya focus on international schools offering the British National Curriculum despite the fact that there are types of international schools. This in itself constitutes an empirical literature gap in the education industry hence the question; what is the effect of market STP strategies on international schools in Nairobi?

#### **1.3 Research Objectives**

The aims of this research are:

- i. To identify the segmentation, targeting and positioning strategies applied by international schools in Nairobi
- ii. To determine the extent in which segmentation, targeting and positioning strategies are applied by international schools in Nairobi
- iii. To establish the effect of segmentation, targeting and positioning strategies on international schools in Nairobi

#### **1.4 Value of the study**

The study objective is to develop the effect of market segmentation, targeting and positioning strategies on international schools in Nairobi. The findings of the study will be of significance to administrators of international schools, as they will use its findings and recommendations to enhance their marketing strategies. The findings will also provide managers and board of directors with information on the general state of competition in the education industry and type of strategies employed by various international schools.

The study will also provide information to potential investors on the challenges faced by current investors and therefore help them know what kind of strategy to adopt in order to develop a strong market position. Finally, the study will increase the body of knowledge and stimulate need for further research in the education industry in Kenya.

#### **CHAPTER TWO: LITERATURE REVIEW**

#### **2.1 Introduction**

This section presents the theoretical foundation, an analysis of the various market segmentation strategies, the marketing targeting and positioning strategies and finally a review of various studies under empirical review.

#### **2.2 Theoretical Foundation**

The market segmentation theory will be adopted as the theoretical foundation for this study. The market segmentation theory emanated from Wendell (1956). The theory asserts that market segmentation uses demand in the market as its foundation for development and decide reasonable and realistic regulations to products along with marketing actions to satisfy wants of different customers. The market segmentation concept was established in economic theory to display how an organization selling similar products in the marketplace is characterized by heterogeneous demand that exploit profits. The theory indicates that finest profits can be attained if the business uses marginal response to price of consumers i.e. price elasticity to describe commonly exclusive segments and fix prices so that marginal profits accrued in every segment are equal (Jones, 2005). Market segmentation is viewed as a disparity on the model of setting prices by monopolists and is frequently conversed under the price discrimination topic (Hunt & Arnett, 2004).

The segmentation theory presupposes that markets are not homogenous however some areas in fact are, implying segmentation shoulders homogeneity at segment level but it doesn't at the market level. Segmentation also adopts segments that lack competition but competition does not have to be accredited if they have been selected on assumption that competitors lack a position that is strong in such segments (Pesonen, 2013). The theory also presupposes segmentation of markets combine markets that are similar into one. Those with same features have similar responses to specific market mixes thus enables firms to device effective strategies of marketing (Chen & Hsiao, 2009).

The market segmentation theory provides the ability to gain a full market understanding, improved prediction techniques of consumer behavior, and an improved ability to detect and exploit new market opportunities for commercial benefit (Fuller, Hanlanv & Wilde, 2005). According to the theory, ability to split markets into distinctive sets of buyers, or prospective buyers, who react in a different manner to variables of a mix in marketing, is highly probable to demonstrate mostly advantageous to those wanting to affect the demand of a consumer for a precise service or product (Hunt & Arnett, 2004). The theory also supports that the goal of market segmentation is to infer the alterations between consumers with same features and making the differences advantageous (Chen & Hsiao, 2009).

#### **2.3 Market Segmentation Strategies**

The process of observing a market characterized by demand that is divergent, that is, heterogeneous market, as containing a smaller number and more parts that are homogeneous, termed segments (Papastathopoulou, 2006). Market segmentation is applied using factors such as demographic, geographic and behavioral. In geographic segmentation, likely organizations or customers are segmented in a national, regional, state, or local marketplace. Below demographic segmentation, customers who are

13

potential are recognized by measures such as race, gender, income level, age, religion, occupation, family size, marital status and education level. In psychographic segmentation, many firms provide products that are belief based, emotions, and attitudes of the market targeted. The want for greater appearance, status and extra cash are cases of psychographic variables (Moyo, 2005).Commonly, there are two methods of market segmentation; multi-segment and concentration strategies.

Concentration strategies get up in cases where one segment is targeted with a solo marketing mix, which constitutes of strategy aimed at pricing, programs that are promotional and targeted at every person, product type with slight or no disparities, and system of distribution directed at whole segment (Moyo, 2005). In concentrated marketing, a marketer chooses one segment, establishes a proper marketing mix, and guides its efforts in marketing and resources towards that market segment entirely (Moutinho, 2000).Concentration strategy concentrates on one segment in the market with one brand or product and with a totally dynamic marketing mix (Lhotáková&Klosová, 2009).Through this strategy, the business acquires resilient knowledge of the segment's requirements and realizes solid market presence. Moreover, the business enjoys effective/operating economies by specializing in its distribution, promotion and production. The concentration strategy is in particularly operative for small firms with narrow resources, since it does not have faith in the use of mass advertising, mass production and mass distribution (Moyo, 2005).

Multi-segment strategies arise when multiple segments are pursued with a marketing mix for every segment and different marketing plans for each one of the segment (Moyo, 2005). In this marketing strategy, a business decides to deliver distinct offerings to every distinct market segment of target. The multi-segment marketing attempts to appeal to several market segments. Every segment is aimed at distinctively as the business offers exceptional benefits to dissimilar segments (Lhotáková & Klosová, 2009).Under this segment multiple distinctive potential customer groups are recognized as target market. The business thus acquires a robust status in serving this group of customers and turn out to be a network for additional customer group products that could get in use (Moutinho, 2000).The multi segment strategy enables the organization to cater for several needs of different segments by the company. Nonetheless, it's costly (Moyo, 2005).

### **2.4 Targeting Strategies**

Targeting involves assessing every segment and picking either one or more of the segments to enter (Abeck, 2017). The likelihoods for determining the company's target group of customers in a product market range from trying to appeal to many people in the marketplace (a mass-market approach) to follow one or more niches within the market (Moutinho, 2000).Mass customization is the capacity to react speedily and profitably to the altering needs and desires of specific customers. It's a rounded approach to bringing services and goods to market with the customer as the key aspect of the organization (Lhotáková & Klosová, 2009).Niche marketing involves pinpointing a line of product to one specific sub-segment and obliging to all resources in marketing to the that sub-segment's satisfaction(Dibb & Simkin, 1996). There are three major targeting strategies: differentiated, undifferentiated and concentrated (Hajar, Mahrani & Sinarwati, 2014).

Differentiated marketing is a scheme employed in marketing whereby many market segments are targeted by a company through the use of special offers suited to each sector. Thus, higher sales are experienced by the company and therefore each market segment gets a better position (Larsen, 2010). The strategy of targeting differentiated companies occurs in cases where companies decide to attend to two or better defined segments in the market and acquires for each market a dissimilar marketing mix. They do not use completely different marketing mix they however use different promotional appeals as the basis for a differentiated targeting strategy (Moyo, 2005). The differentiated strategy is applied in cases where a firm has chosen target market segments that are more than one and has prepared for each a market mix (Moutinho, 2000). In a strategy that has differentiated same brands are given in two segments or more but with a different market strategy in each (Lhotáková & Klosová, 2009).

In the undifferentiated targeting strategy, a firm embraces the philosophy of mass market, observing the market as one large market without individual segments. Undifferentiated marketing implies creating one offering to the entire market; the offering is focused in the direction of what many individuals need and the majority's common. This strategy asserts that discrete customers have same requirements that are met with a mutual marketing mix (Moyo, 2005). The strategy is an approach of mass marketing that disregards variances among the segments. The entire market is reflected to be undistinguished and the brand or product is aimed to anyone (Lhotáková & Klosová, 2009). A firm does not deliberate the variances between every segment and considers targeting the market with a single offer. Thus, the organization concentrates on the comparable wants of the customers instead of the variances (Larsen, 2010).

A niche market (one market segment) is picked to target efforts in market under the concentrated targeting strategy. Appealing to one segment grants the opportunity of focusing on comprehending the motives, satisfactions and needs of the members of the segment and on establishing and sustaining a marketing mix that is greatly specialized (Moyo, 2005). By use of concentrated targeting strategy, a firm is capable of marketing more efficiently because of prodigious knowledge and a position that is strong in the needs of the customers inside every segment. Even though concentrated targeting strategy can be extremely profit gaining, likewise it includes a big risk because of the fact that the firms depend on some segments for their entire firm and will suffer majorly if the segment goes sour (Larsen, 2010). The strategy can also become tragic for a business that is unsuccessful in its target market that is narrowly defined (Moutinho, 2000).

#### **2.5 Positioning Strategies**

The procedure of creating positioning strategies requires one to have the skill to create a marketplace picture and creatively thinks about the three sub-components and the interrelationships between them (Brooksbank, 1994). These strategies are easier to create and put into use in cases where products are sold only to a single market that includes a group of homogeneous people that value offerings like value and convenience (Moschis, Lee & Mathur, 1997). According to Cant et al, (2002) seven distinguishable positioning strategies exist, that is, positioning of attributes, benefits, competitor, user, use/application, and quality/price and product category.

The enterprise puts itself in standings of one or more outstanding qualities or benefits in attribute positioning (Moyo, 2005). In this positioning, an enterprise can position itself in relations to one or additional features or attributes. The benefit method of positioning stresses the exclusive benefits that the customers get from products or firms (Moyo,

2005).It highlights the unique benefits offered by the product or enterprise. Under the benefit positioning, products and services act as leaders in a certain benefit proposition. This depends on recognizing other segments of benefit with markets clearly and then putting focus on what they want(Kipyegon, 2009).In the positioning of use/application an organization can put its products or self in regard to the application possibility or use of product (Moyo, 2005).

In positioning of the user, enterprise uses the users in mind to position its products, using personalities or models. Through this positioning, the enterprise positions their products in consideration to the users (Moyo, 2005). Through competitor positioning, it's possible to position certain products against offerings that are competitive. The competitive position chosen by a firm to dwell in is a mixture of the differential advantage it seeks to form so as to secure that market and the target market it chooses (Kipyegon, 2009).In positioning of a competitor some market offerings are better positioned against competitive offerings.

The quality/price positioning base, so as to signal the quality or stress low price to indicate value can place their attention on high price (Moyo, 2005). The enterprise can say their product is of excellent taste, or the price is low. A products price has the ability to find the class of the product in the positioning of the objective. It can also improve the perceived consumers' value in the subjective positioning (Ayele, 2012). In product positioning it's possible for a firm to put itself in the category of the product untraditionally connected to it, thus expands opportunities for business (Moyo, 2005). Product positioning is a scheme focusing directly on the specific benefits or attributes of a product, that is, features distinguishing brands from each other (Dibb &

Simkin, 1996). In the position of the product, product is explained by consumers on essential features - the products place in the mind of the consumer relative to products in competition (Walletzký, 2015).

#### **2.6 Empirical Review**

Several studies have explored the segmentation, targeting and positioning concepts and their impact on organization. A study by Kinoti and Njeru (2013) studied the strategies of market positioning engaged by firms (pharmaceutical) promoting medicines in Nairobi by use of a survey research. The study picked the size of 50 firms as a sample through the method purposive sampling. Data was collected from senior medical representative or marketing manager of the experimented pharmaceutical companies using structured and semi structured questionnaire. The authors established the practice of positioning strategies by pharmaceutical companies but the degree differs though all firms such that it is seen as offering medicines that are high quality to patients. The study found that price positioning strategy is lesser practiced by pharmaceutical firms and most of them reflect on drug's quality as very essential.

In their study, Claudiu, Ionel and Tudor (2008) studied the STP of the providers in Romania. The study focused on application of strategic marketing as an important factor in the connection to the suppliers by companies from the business – to - business market. The study found that the key vital measures applied by firms operating on the Romanian business-to-business market were product price, product quality, long-term relationships and granted discounts, availability of supplier services provision, granted credit facilities, and products supplied.

Craft and Hassan (2005) explored the association between segmentation bases and positioning strategies in international markets. The study adopted the assessment of principal component to establish the main macro in addition to micro bases of segmentation, which are connected to options of strategic positioning decision. Additionally, an analysis of regression was applied to determine the influence of each of the bases of segmentation on the several options of strategic positioning applied by managers of the segmentation. The research discoveries observed that the joint use of both micro and macro segmentation bases so as to influence comparable strategic positioning globally. However, the study observed that micro bases of segmentation are necessary in pursuing differential positioning strategies.

A study by Ng'oo (2012) studied the adoption of positioning strategies by 16 big audit firms in Kenya. The study used descriptive design and collected data from five senior managers from each firm using a semi- structured questionnaire. The study found that 100% of the audit firms used product-positioning strategies, price positioning strategies, cultural symbols and competitor positioning strategies to gain and retain the market share where they control more than 70% of the market. The study further established that these firms concentrated on product responsiveness attribute in their positioning strategies while adopting time and location pricing strategies to stand out from their competitors. Further still, brand name and competitor positioning were very much in use by the surveyed audit firms as preferred positioning strategies.

Additionally, Olbara (2011) studied the relationship between competitive advantage and target marketing strategy by Standard Chartered Bank. The study collected data using an interview guide, which acted as a guide during the interview. The study found that target

marketing has enabled the bank to achieve competitive advantage through brand building, use of differentiation strategy, analysis of environmental factors, innovation, competitive conditions and available resources. The study concluded that the bank should continue innovating products for its target market and building the brand, which they have achieved through offering services to the targeted market.

Kipyegon (2009) assessed the positioning strategies adopted by courier firms in Kenya. The study also examined how the firms develop and use these strategies to sustain their competitive advantage. The study adopted a descriptive design and targeted ten courier firms based in Nairobi. Data was composed by usage of a self-administered open and closed ended questionnaire. The study established that acceptance of the positioning strategies by the decision makers is critical and therefore there is need for good identification of the customer needs to help in speeding up the adoption of this strategy and avoid rejection of the same. However, limiting aspects such as lack of technical skills, poor understanding of the relevance of positioning strategies by those in the management and poor internal support hinder the implementation.

Ayele (2012) also investigated the adopted positioning strategies by Nairobi five-star hotels, Kenya, to remain proficient in the market's tough competition in the hotel industry. The study has been carried out by in view of seven five-star hotels in Nairobi. The study found that these hotels in Nairobi had embraced a number of positioning strategies centered on altered approaches of coming up with positioning strategy. The positioning strategies adopted by five-star hotels include; personal contact positioning, extensive staff training, positioning strategies and leadership positioning which the six five-star hotels incorporate highest extent approach. Chelimo (2012) studied the positioning strategies put in use by Telecommunication firms in Kenya. The study collected primary data by use of questionnaires that are semi structured, which were directed to in-charge individuals of strategic planning function, and in lack of their presence, to persons managing the marketing function. The findings of the study established that customers prefer most telecommunication firms because of their characteristics of products, advancement in technological, superior characteristics of product and prices that are competitive, as these impacts on positioning to a larger degree.

#### **CHAPTER THREE: RESEARCH METHODOLOGY**

#### **3.1 Introduction**

This chapter comprises of the research design, population of the study, data collection and finally the data analysis technique.

#### **3.2 Research Design**

This research sought to assess the effect of targeting, segmentation of markets and positioning strategies by international schools in Nairobi. Thus, the study used a cross sectional descriptive survey design. A cross sectional descriptive survey provides an accurate account of the characteristics. A descriptive research aims at providing a valid and precise depiction of the variables or aspects that relate or are relevant to the questions of research. A cross sectional descriptive survey study also seeks to define the features of precise groups, estimate the fraction of individuals who have certain features and make estimations.

#### **3.3 Population of the Study**

The population refers to the entire group of people or objects that the researcher is concerned with inferring the conclusions. The population of this study comprised of the 34 international schools in Nairobi County (See appendix I). The study carried out a census of the 34 international schools. A census was considered since the population was small

#### **3.4 Data Collection**

Primary data was used for this study. The primary data was collected by use of questionnaires that are semi-structured in nature. The semi-structured questionnaires were self-administered to the marketing manager at each international school. The questionnaire contained semi-structured questions with most of them comprising of a 5-scale Likert like questions. Questionnaires were preferred since they are considered effective when dealing with a large number of respondents, guarantees respondents' anonymity, save time and facilitate a quick derivation of information.

### 3.5 Data Analysis

Data analysis entails examining the data collected and making deductions and inferences. The data collected was edited for accuracy, consistency and completeness and then analyzed using descriptive statistics with the help of Statistical Package of Social Sciences. Descriptive statistics was used to summarize the data using frequencies, percentages, mean and standard deviation.

# CHAPTER FOUR: DATA ANALYSIS, RESULTS AND INTERPRETATION

### **4.1 Introduction**

This section presents the findings of the analyzed data and the interpretation of the research findings. The chapter outlines the response rate, general information, findings on the segmentation, targeting and positioning strategies applied by international schools, the extent of their application and the effect of the STP strategies on international schools.

### 4.2 Response Rate

This study carried out a census of the 34 international schools in Nairobi. The study however obtained complete data from 27 international schools. The 27 international schools made a response rate of 79.41%, which was more than 50% hence adequate. Table 4.1 shows the response rate results

	Frequency	Percent
Questionnaires responded to	27	79.4
Questionnaires not responded to	7	20.6
Total	34	100.0

#### Table 4.1 Response Rate

**Source: Research findings** 

### **4.3 General Information**

This section covered the period in which the school has been in operation and the number of students in the schools. The findings are illustrated in table 4.2

n=27		Frequency	Percent
Period in operation	6-10 years	8	29.6
	11-15 years	6	22.2
	Over 16 years	13	48.1
No of students	101-300	6	22.2
	301-500	9	33.3
	More than 500	12	44.4

 Table 4.2 General Information

**Source: Research findings** 

The results on table 4.2 indicate that 48.1% of the international schools had been in operation for more than 16 years whereas 29.6% had been in operation for a period of 6 – 10 years while 22.2% had been in operation for a period of 11-15 years. The results on average indicate that most of the international schools had been in operation for more than 10 years. The results further indicate that 44.4% of the international schools had more than 500 students whereas 33.3% had 301 and 500 students while 22.2% had 101 – 300 students. The findings on average indicate that most of the international schools had more than 300 students.

# 4.4 Segmentation, Targeting and Positioning Strategies

This sought to establish the segmentation, targeting and positioning strategies applied by international schools in Nairobi. The results are shown by table 4.3

Strategy	Statement	Agree	Disagreed
		F (%)	F (%)
Segmentation	Segmentation based on the gender (Boys/girls school	21(77.8)	6 (22.2)
Strategies	or mixed only)		
	Segmentation based on age of students (Primary or	13 (48.1)	14 (51.9)
	secondary only or both)		
	Segmentation based on amount of fees	14 (51.9)	13 (48.1)
	Concentration on a particular education system(8-4-4	22 (81.5)	5 (18.5)
	or others)		
Targeting	Undifferentiated targeting strategy by viewing the	13 (48.1)	14 (51.9)
Strategies	market as one big market		
	Niche market by targeting one segment of a market	11 (40.7)	16 (59.3)
	Differentiated marketing by targeting two or more well	12 (44.4)	15 (55.6)
	defined market segments		
Positioning	Attribute positioning based one or more outstanding	12 (44.4)	15 (55.6)
Strategies	attributes		
	Benefit positioning through emphasizing on the unique	23 (85.2)	4 (14.8)
	benefits offered		
	User positioning by positioning services with users in	11 (40.7)	16 (59.3)

 Table 4.3 Segmentation, Targeting and Positioning Strategies

mind using personalities		
Competitor positioning by positioning against competitive offerings	6 (22.2)	21 (77.8)
Product positioning by providing exceptional quality services	of 24 (88.9)	3 (11.1)

**Source: Research findings** 

The results on table 4.3 indicates that 77.8% of the respondents indicated that segmentation in their school was based on the gender (Boys/girls school or mixed only) whereas 48.1% agreed that they segmented students based on age on students (Primary or secondary only or both) respectively. The results also indicate that 51.9% of the respondents indicated that segmentation was based on amount of fees while 81.5% indicated that their schools concentrated on a particular education system. This finding indicates that most of the international schools segmented their students based on gender, fees paid and the education system.

On targeting strategies, the results indicate that 51.9% of the respondents disagreed that their schools used undifferentiated targeting strategy by viewing the market as one big market while 59.3% disagreed that their schools use niche market by targeting one segment of a market. The results further indicate that 55.6% of the respondents disagreed that their schools used differentiated marketing by targeting two or more well defined market segments. This finding indicates that most of the international schools do not use undifferentiated targeting, niche market by targeting one segment and differentiated marketing by targeting two or more well defined market segments.

The findings on positioning strategies indicate that 55.6% of the respondents disagreed that their schools use attribute positioning based one or more outstanding attributes while 77.8% disagreed that their schools use competitor positioning by positioning against competitive offerings. The results further show that 85.2% of the schools use benefit positioning through emphasizing on the unique benefits offered while 88.9% indicated that their schools used product positioning by providing exceptional quality of services respectively. The findings also show that 59.3% of the respondents disagreed that their schools employ the user positioning by positioning services with users in mind using personalities. This finding indicates that international schools use benefit positioning through emphasizing on the unique benefits offered and product positioning by providing exceptional quality of services respectively.

# 4.5 Extent of the application of segmentation, targeting and positioning strategies

This section sought to assess the extent of the application of segmentation, targeting and positioning strategies by international schools in Nairobi. Table 4.4 shows the obtained findings

## Table 4.4 Extent of the Application of Segmentation, Targeting and PositioningStrategies

		Mean	Std.
			Dev
Segmentation	Segmentation based on the gender	3.15	1.634
Strategies	Segmentation based on age of students	2.81	1.642
	Segmentation based on amount of fees	3.26	1.701
	Concentration on a particular education system	3.89	1.577

Targeting Strategies	Undifferentiated targeting strategy by viewing the market as one big market	2.11	1.423
	Niche market by targeting one segment of a market	2.04	1.743
	Differentiated marketing through targeting two or more well defined market segments	2.09	1.623
Positioning Strategies	Attribute positioning based on one or more outstanding attributes	2.81	1.594
	Benefit positioning through emphasizing on the unique benefits offered	3.78	1.649
	User positioning by positioning services with users in mind using personalities	2.03	1.238
	Competitor positioning by positioning against competitor products and services	2.22	1.502
	Product positioning by providing exceptional quality of services	3.26	1.723

#### **Source: Research findings**

The results on the extent of application of segmentation strategies indicate that segmentation based on the gender, segmentation based on amount of fees and concentration on a particular education system were applied at moderate extent as indicated by the mean values of 3 and above which correspond to the Likert scale value of 3 which indicates "moderate extent". The results further indicate that segmentation based on age on students was applied by international school on a minimal extent as indicated by the mean value of 2.81, which corresponds to the Likert scale value of 2 which stands for "minimal extent".

The findings on the application of targeting strategies indicate that undifferentiated targeting strategy by viewing the market as one big market, niche market by targeting one segment of a market and differentiated marketing through targeting two or more well

defined market segments application by international schools was minimal. This is indicated by the mean values of 2.11, 2.04 and 2.09, which correspond to the Likert scale value of 2 which stands for "minimal extent".

The findings on positioning strategies indicate that attribute positioning based on one or more outstanding attributes, user positioning by positioning services with users in mind using personalities and competitor positioning by positioning against competitor products and services are applied at a minimal extent by international schools as indicated by mean values of 2.81, 2.03 and 2.22 respectively. The results also show that benefit positioning through emphasizing on the unique benefits offered and product positioning by providing exceptional quality of services is applied at a moderate extent by international schools.

#### 4.6 Effect of segmentation, targeting and positioning strategies

This section sought to explore the effect of segmentation, targeting and positioning strategies on international schools in Nairobi. Table 4.5 shows the obtained findings

		Mean	Std. Dev.
Segmentation Strategies	Focusing on a one or specific market segment can be beneficial to international schools	2.07	1.141
	Segmenting clients based on resemblance of their reactions can enhance marketing efficiency	2.26	.984
	Market segmentation helps international schools to adjust to specific needs in the market	1.74	1.023
	Effective segmentation can allow international schools to serve their clients according to their needs	1.66	.934
	Segmentation can help international schools to identify the specific areas and to find new customers	1.56	.751
Targeting	Targeting can enable international schools to focus of the	1.56	.751

 Table 4.5 Effect of Segmentation, Targeting and Positioning Strategies

Strategies	precise need of the targeted segment		
	Targeting can permit international schools to determine the amount of fees and services to offer	1.78	1.050
	Targeting can allow international schools to understand the market structure and how to serve it	1.70	.953
	Targeting can enable international schools to direct their marketing time, resources to a particular segment	1.74	.944
	Market targeting can assist international school to develop and sustain an appropriate marketing mix	2.11	1.050
Positioning Strategies	Market positioning can help international schools to build their image	1.59	1.083
	Market positions can help international schools to create proper appeals in the minds of the target market	1.67	.961
	Positioning can allow internationals schools to brand themselves and the benefits the offer to students	1.70	.869
	Positioning can allow international schools to fulfill the requirements of their target markets	1.81	.879

#### **Source: Research findings**

The findings on the effect of segmentation strategies on international schools indicate that the respondents agreed that focusing on a one or specific market segment is beneficial to international schools and segmenting clients based on resemblance of their reactions enhances marketing efficiency in international schools. This is indicated by mean values of 2.07 and 2.26 which correspond to the Likert scale value of 2 which stands for "agree". The findings also indicate that the respondents strongly agreed that market segmentation helps international schools to adjust to specific needs in the market, effective segmentation allows international schools to serve their clients according to their needs and segmentation helps international schools to identify the areas having specific needs and to find new customers. This is shown by the mean values of 1.74, 1.66 and 1.56 which correspond to the scale value of 1 which stands for "strongly agree".

The results in the effect of targeting strategies on international schools indicate that the respondents strongly agreed that targeting can enable international schools to focus of the precise need of the targeted segment and can permit international schools to determine the amount of fees and services to offer as indicate by mean values of 1.74 and 1.66 respectively. Additionally, the respondents also strongly agreed that targeting can allow international schools to understand the market structure and how to serve it and can enable international schools to direct their marketing time, resources and attention to a particular segment as indicate by the mean values of 1.70 and 1.74 respectively.

On the effect of positioning strategies, the respondents strongly agreed that market positioning can help international schools to build their image and positioning can help international schools to create proper appeals in the minds of the target market as indicated by mean values of 1.59 and 1.67 respectively. According to the results, the respondents strongly agreed that positioning can allow internationals schools to brand themselves and the benefits they offer to students and positioning can allow international schools to fulfill the requirements of their target markets as indicated by mean values of 1.70 and 1.81 respectively.

#### **4.7 Discussion of Findings**

The findings established that undifferentiated targeting strategy by viewing the market as one big market, niche market by targeting one segment of a market and differentiated marketing through targeting two or more well defined market segments application by international schools was minimal. A study by Craft and Hassan (2005) observed that the joint use of both micro and macro segmentation bases so as to influence comparable strategic positioning globally. According to Moutinho (2000) under multiple distinctive potential customer groups are recognized as target market. Thus, the business thus acquires a robust status in serving this group of customers and turn out to be a network for additional customer group products that could get in use.

The findings established that undifferentiated targeting strategy by viewing the market as one big market, niche market by targeting one segment of a market and differentiated marketing through targeting two or more well defined market segments application by international schools was minimal. A study by Olbara (2011) found that target marketing has enabled the bank to achieve competitive advantage through brand building, use of differentiation strategy, analysis of environmental factors, innovation, competitive conditions and available resources.

Finally, the findings revealed that benefit positioning through emphasizing on the unique benefits offered and product positioning by providing exceptional quality of services is applied at a moderate extent by international schools. A study by Ng'oo (2012) established that firms concentrated on product responsiveness attribute in their positioning strategies while adopting time and location pricing strategies to stand out from their competitors. Kipyegon (2009) also established that acceptance of the positioning strategies by the decision makers is critical and therefore there is need for good identification of the customer needs to help in speeding up the adoption of this strategy and avoid rejection of the same.

34

### CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS

#### **5.1 Introduction**

This chapter gives the summary of the research findings, the research conclusions and the recommendations. The chapter also provides the research limitations and suggests new areas, which require further investigation.

#### **5.2 Summary**

This study aimed at establishing the effect of segmentation, targeting and positioning strategies on international schools in Nairobi with focus to determining segmentation, targeting and positioning strategies the extent in which segmentation, targeting and positioning strategies are applied by international schools in Nairobi. The study carried out a census of the 34 international schools. The study however obtained complete data from 27 international schools. The 27 international schools made a response rate of 79.41%, which was more than 50%, hence considered adequate. The general information results established that most of the international schools had more than 300 students.

This finding on the market segmentation strategies established that most of the international schools segmented their students based on gender, fees paid and the education system. On targeting strategies, the study revealed that undifferentiated targeting, niche market by targeting one segment and differentiated marketing by targeting two or more well defined market segments was used by most of the

international schools in Nairobi. Finally, on positioning strategies the study established that most of the applied strategies by international schools were benefit positioning through emphasizing on the unique benefits offered and product positioning by providing exceptional quality of services respectively.

The findings on the extent of application of segmentation strategies established that segmentation based on gender, segmentation based on amount of fees and concentration on a particular education system were applied at moderate extent. The findings also established that the extent of application of undifferentiated targeting strategy by viewing the market as one big market, niche market by targeting one segment of a market and differentiated marketing through targeting two or more well defined market segments by international schools was minimal. The findings revealed that benefit positioning through emphasizing on the unique benefits offered and product positioning by providing exceptional quality of services is applied at a moderate extent by international schools.

The findings revealed that market segmentation helps international schools to adjust to specific needs in the market, effective segmentation allows international schools to serve their clients according to their needs and segmentation helps international schools to identify the areas having specific needs and to find new customers. The findings also established that targeting can enable international schools to focus on the precise need of the targeted segment and can permit international schools to determine the amount of fees and services to offer. Additionally, the findings found that targeting can allow international schools to direct their market structure and how to serve it and can particular segment

The results on the effect of positioning strategies, established that market positioning can help international schools to build their image and positioning can help international schools to create proper appeals in the minds of the target market. In addition, the results established that positioning can allow internationals schools to brand themselves and the benefits they offer to students and positioning can allow international schools to fulfill the requirements of their target markets.

#### 5.3 Conclusion

The study found that segmentation based on gender, fees paid and the education system were the most used market segmentation strategies by international schools in Nairobi. This study concludes that the most preferred market segmentation strategies by international schools are segmentation based on gender, fees paid and the education system. The study also found that the application of undifferentiated targeting, niche market and differentiated marketing strategies by international schools was minimal. The study therefore concludes that targeting strategies are not frequently used by international schools in Nairobi. The study further established that benefit positioning and product positioning by providing exceptional quality of services were the most used positioning strategies by international schools in Kenya. The study concludes that benefit positioning and product positioning are the preferred positioning strategies by international schools in Nairobi.

The findings established that market segmentation helps international schools to adjust to specific needs in the market, allows international schools to serve their clients according to their needs and helps international schools to identify the areas having specific needs

37

and to find new customers. The study therefore concludes that market segmentation strategies allow international schools to identify prospective clients and meet their target clients' needs. The study found that targeting can allow international schools to understand the market structure and how to serve it and can enable international schools to direct their marketing time, resources and attention to a particular segment. The study concludes that targeting strategies can help international schools to understand their target markets and to identify prospective clients.

Finally, the study found that market positioning strategies can help international schools to build their image and positioning can help international schools to create proper appeals in the minds of the target market. The study concludes that positioning strategies are vital to international schools and they help international schools to brand and position themselves in a better position.

#### **5.4 Recommendations**

The study concluded that the most preferred market segmentation strategies by international schools are segmentation based on gender, fees paid and the education system. This study therefore recommends that the management of international schools should embrace segmentation by gender, fees paid and a particular education system.

The research found that targeting strategies are not frequently used by international schools in Nairobi. However, the findings revealed that targeting strategies can help international schools to understand their target markets and to identify prospective clients. The study therefore, recommends that the management of international schools should embrace targeting strategies since they are vital to international schools.

The research concluded that benefit positioning and product positioning are the preferred positioning strategies by international schools in Nairobi. The study recommends that the management of international schools can also use other marketing positioning strategies like user positioning and attribute positioning.

The study, based on the findings, concluded that market segmentation strategies, targeting strategies and positioning strategies are vital to international schools and they help international schools to brand and position themselves in a better position. The study therefore recommends that the management of international schools in Nairobi should ensure they incorporate market segmentation strategies, targeting and positioning strategies since they have a positive effect on international schools in Nairobi.

#### 5.5 Limitations of the Study

The context of this study was international schools in Nairobi, however; international schools in Kenya are distributed all over the country. The findings therefore are limited to international schools in Nairobi and may not be generalized to other international schools situated in other parts of the country since they apply different marketing segmentation, targeting and positioning strategies. The study collected data from marketing managers in the selected international schools thus the study is based on the views of the sampled marketing managers.

#### **5.6 Suggestion for Further Research**

The study focused on international schools in Nairobi thus the study recommends a similar study on other international schools in other parts of the country. The study also obtained data from both international primary and secondary schools in Nairobi. This

study recommends an additional study on the segmentation, targeting and positioning strategies of either primary or secondary international schools in Nairobi. The study further recommends an additional study on the effect of segmentation, targeting and positioning strategies on the financial performance of international schools in Nairobi.

#### REFERENCES

- Abeck, K. B. (2017). Marketing mix diversification in Retail: The case of SimDelice in Cameroon. *Unpublished Thesis*, Aalborg University.
- Ajwala, L. A. (2014). Perceived Effectiveness of Teacher Training Programmes Offered By International Secondary Schools in Nairobi Kenya. Unpublished MBA Project. University of Nairobi, Kenya
- Ayele, G. A. (2012). Positioning Strategies Adopted by Five Star Hotels in Nairobi, Kenya. Unpublished MBA Project. University of Nairobi, Kenya
- Barnes, J. (2016). John Catt's Guide to International Schools 2016/17. John Catt Educational Ltd
- Brooksbank, R. (1994). The Anatomy of Marketing Positioning Strategy. *Marketing Intelligence & Planning*, 12(4), 10-14.
- Chelimo, C. (2012). Positioning Strategies Used By Firms in the Telecommunications Industry in Kenya. *Unpublished MBA Project*. University of Nairobi, Kenya
- Chen, Y. F., & Hsiao, C. H. (2009). Applying Market Segmentation Theory to Student Behavior in Selecting a School or Department. *New Horizons in Education*, 57(2), 32-43.
- Claudiu, C., Ionel, D. & Tudor, I. F. (2008). Segmentation, Targeting and Positioning of the Suppliers. Basis Element in Strategic Planning on Business-to-Business Market in Romania. The Academy of Economic Studies

- Dibb, S.&Simkin, L. (1996). *The market segmentation workbook: Target marketing for marketing managers*. Cengage Learning EMEA.
- Fuller, D., Hanlan, J & Wilde, S. J.(2005).*Market segmentation approaches: do they benefit destination marketers?*', Center for Enterprise Development and Research Occasional Paper, no. 4, Southern Cross University, Coffs Harbour, NSW.
- Hajar, S. I., Mahrani, S. W. &Sinarwati, M. (2014). Segmentation, Targeting, Positioning and Strategy of Radio Company in Kendari, Southeast. *International Journal of Humanities and Social Science Invention*, 3(10), 47-54
- Hassan, S. S.& Craft, S. H. (2005).Linking global market segmentation decisions with strategic positioning options. *Journal of Consumer Marketing*, 22(2), 81-89.
- Hunt, S. D., & Arnett, D. B. (2004). Market segmentation strategy, competitive advantage, and public policy: Grounding segmentation strategy in resource-advantage theory. *Australasian Marketing Journal*, 12(1), 7-25.
- Jones, SC, Rees, L, Hall, D & Tang, A, (2005). Using market segmentation theory to select target markets for sun protection campaigns, in Purchase, S (ed), Proceedings for the ANZMAC Conference, University of Western, Australia.
- Kalafatis, S. P., Tsogas, M. H., &Blankson, C. (2000).Positioning strategies in business markets.*Journal of Business & Industrial Marketing*, 15(6), 416-437.
- Kilavuka J. M. (2007). Competitive Strategies Adopted By Private Primary Schools in Nairobi under the 8-4-4 Curriculum. Unpublished MBA Project. University of Nairobi, Kenya

- Kinoti, M., &Njeru, N. (2013). An investigation into market positioning strategies practiced by pharmaceutical firms in Nairobi. *Prime Journal of Business Administration and Management (BAM)*, 3(7), 1118-1124.
- Kipyegon, B. I. (2009). Positioning Strategies Adopted by Firms that offer Courier services in Kenya. *Unpublished MBA Project*, University of Nairobi.
- Larsen, N. (2010). Market Segmentation. A framework for determining the right target customers. *Unpublished Project Report*. Aarhus School of Business
- Lhotáková, M., &Klosová, A. (2009).Identification of a target consumer in process of positioning-theoretical and practical aspects.*ActaOeconomicaPragensia*, (3), 3-24.
- Lynn, M. (2011). Segmenting and targeting your market: Strategies and limitations [Electronic version]. Retrieved [insert date], fromCornell University, School of Hospitality Administration site: <u>http://scholarship.sha.cornell.edu/articles/243</u>
- Mauti, M. J. (2006). The Influence of Competitive Strategies on the Performance of International Schools Offering the British National Curriculum (BNC) in Nairobi, Kenya. Unpublished MBA Project. University of Nairobi, Kenya
- Mokaya, S. O., M'Nchebere, G. M., &Kanyagia, P. (2017). *The effect of market positioning on organizational performance in the airlines industry in Kenya; case of Kenya airways*. Jomo Kenyatta University of Agriculture and Technology
- Moschis, G. P., Lee, E., & Mathur, A. (1997). Targeting the mature market: opportunities and challenges. *Journal of Consumer Marketing*, 14(4), 282-293.

- Moutinho, L. (2000). Segmentation, targeting, positioning and strategic marketing. *Strategic management in tourism*, 121-166.
- Moyo, T. (2007). An evaluation of the use of segmentation, targeting and positioning strategies by selected small and medium engineering manufacturing enterprises (SMME) to sustain and grow customer base. *Unpublished Dissertation*. Port Elizabeth Technikon
- Ng'oo, R. K. (2012). Positioning Strategies Adopted By Large Audit Firms in Kenya. Unpublished MBA Project. University of Nairobi, Kenya
- Ochieng, B. A. (2006). A Survey of School Senior Managers' Perceptions of Performance Management System in Schools Offering British National Curriculum (BNC) In Nairobi, Kenya. Unpublished MBA Project. University of Nairobi, Kenya
- Olbara C. J. (2011). Target Marketing Strategy and Competitive Advantage by Standard Chartered Bank. *Unpublished MBA Project*, University of Nairobi.
- Papastathopoulou, P. (2006). Segmentation, Targeting, Positioning in Financial Services Markets. Athens University of Economics and Business
- Pesonen, J. (2013). Developing market segmentation in tourism: insights from a Finnish Rural Tourism Study. Publications of the University of Eastern Finland.
- Restrepo, J. A. (2003). *Segmentation Targeting Positioning*. Eureka Facts, The Smart Marketing Information

Schlegelmilch, B. B. (2016). *Segmenting Targeting and Positioning in Global Markets*. In Global Marketing Strategy (pp. 63-82). Springer International Publishing.

Walletzký, L. (2015). Market Segmentation, Targeting, and Positioning.MasarykovaUniverzita

Yabs, J. K. (2014). Market Segmentation Strategies Used as Competitive Advantage Tool: A Case of Chloride Exide Kenya Limited. *Journal of Economics and Sustainable Development*, 5(26), P42-48.

#### **APPENDICES**

#### **Appendix I: Questionnaire**

#### Dear respondent,

This questionnaire seeks to collect data on effect of market segmentation, targeting and positioning strategies on International Schools in Nairobi. This study is academic in nature and it is only for academic purposes. Please respond where appropriate

#### Section I

Less than 100 [ ] 101 – 300 [ ] 301-500 [ ] More than 500 [ ]

#### Section II

 Please indicate the segmentation, targeting and positioning strategies as listed in the table below. You can tick more than one option.

a) Segmentation Strategies	
a. Segmentation based on the gender (Boys/girls school or mixed only)	
b. Segmentation based on age of students (Primary or secondary only or both)	

- c. Segmentation based on amount of fees
- d. Concentration on a particular education system(8-4-4 or others)
- e. Others (specify)

#### b) Targeting Strategies

- a. Undifferentiated targeting strategy by viewing the market as one big market
- b. Niche market by targeting one segment of a market
- c. Differentiated marketing by targeting two or more well defined market segments)
- d. Others (specify)

#### c) Positioning Strategies

- a. Attribute positioning based on one or more outstanding attributes
- b. Benefit positioning through emphasizing on the unique benefits offered
- c. User positioning by positioning services with users in mind using personalities
- d. Competitor positioning by positioning against competitive offerings
- e. Product positioning by providing exceptional quality of services
- f. Others (specify)\_
- 5) Please indicate the extent of the application of segmentation, targeting and positioning strategies in your school. Use the following scale where appropriate
  - 1- Not at all 2 Minimal extent 3 Moderate extent 4 Large Extent 5- Very large

	1	2	3	4	5
a) Segmentation Strategies					
a. Segmentation based on the gender					
b. Segmentation based on age on students					
c. Segmentation based on amount of fees					
d. Concentration on a particular education system					
b) Targeting Strategies					
a. Undifferentiated targeting strategy by viewing the					
market as one big market					
b. Niche market by targeting one segment of a market					
c. Differentiated marketing through targeting two or					
more well defined market segments					
c) Positioning Strategies					
a. Attribute positioning based one or more outstanding attributes					
b. Benefit positioning through emphasizing on the					
unique benefits offered					
c. User positioning by positioning services with users					
in mind using personalities					
d. Competitor positioning by positioning against					
competitor products and services					
e. Product positioning by providing exceptional quality					
of services					

6) Evaluate the following statements on the effect of segmentation, targeting and positioning strategies on international schools. Use the following scale where appropriate

1-Strongly agree 2- Agree 3 – Neutral 4- Disagree 5- Strongly Disagree

Statement		1	2	3	4	5
Ma	arket segmentation					
a.	Focusing on a one or specific market segment can be beneficial to international schools					
b.	Segmenting clients based on resemblance of their reactions can enhance marketing efficiency in international schools					
с.	Market segmentation helps international schools to adjust to specific needs in the market					
d.	Effective segmentation can allow international schools to serve their clients according to their needs					
e.	Segmentation can help international schools to identify the areas having specific needs and to find new customers					
Ta	rgeting					
a.	Targeting can enable international schools to focus of the precise need of the targeted segment					
b.	Targeting can permit international schools to determine the amount of fees and services to offer					
c.	Targeting can allow international schools to understand the market structure and how to serve it					
d.	Targeting can enable international schools to direct their marketing time, resources and attention to a particular segment					

e.	Market targeting can assist international school to develop and sustain an appropriate marketing mix			
Po	Positioning			
a.	Market positioning can help international schools to build their image			
b.	Market positions can help international schools to create proper appeals in the minds of the target market			
c.	Positioning can allow internationals schools to brand themselves and the benefits the offer to students			
d.	Positioning can allow international schools to fulfill the requirements of their target markets			

Thank you

#### **Appendix II: List of International Schools in Nairobi**

- 1. Braeburn School
- 2. Braeside Schools
- 3. Brookhouse School
- 4. Brookhurst International School
- 5. Brookshine
- 6. Cavina School
- 7. GEMS Cambridge International School
- 8. Hillcrest International Schools
- 9. Hillcrest Preparatory School
- 10. Inquisitive Mind International School
- 11. International School of Kenya
- 12. Kabete International School
- 13. Kenton College Preparatory School
- 14. Light International School
- 15. Lycee Denis Diderot –French
- 16. Maxwell Adventist Academy
- 17. Montessori Plus Center
- 18. Nairobi Academy Secondary School
- 19. Nairobi International School
- 20. Oshwal Academy Nairobi Junior High
- 21. Oshwal Academy Nairobi Senior High
- 22. Peponi House Preparatory School
- 23. Premier Academy
- 24. Rosslyn Academy
- 25. Rusinga Schools
- 26. St Austin's Academy
- 27. St Christopher's Secondary School
- 28. St Mary's School
- 29. The Aga Khan Academy, Nairobi
- 30. The Aga Khan Nursery School, Nairobi
- 31. The Banda School
- 32. West Nairobi School
- 33. Woodland Star International School
- 34. Zuwena International School