EFFECTIVENESS OF BRANDING ON COMPETITIVE ADVANTAGE OF INSURANCE FIRMS IN KENYA

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DECLARATION

I, the undersigned, declare that this is my original work and to the best of my knowledge has not been presented to any institution or university other than the University of Nairobi for examination.

Signed: _____________________Date: ___________________________

ESTHER NJERI KIRUI

D61/79132/2015

This research project has been submitted for examination with my approval as the University Supervisor.

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DEDICATION

This project paper is dedicated to family, who have always encouraged and supported me throughout my life. They have been, and still are, the pillar of strength in my life. I thank you.

To my friends, finishing this project would have been impossible if it were not for your constant impetus in concluding this project. Also for your wonderful support and great input, you are much appreciated.

ACKNOWLEDGEMENT

To God, who made all this possible. All glory unto him.

I would like to thank Dr. Raymond Musyoka, first and foremost, for agreeing to be my supervisor. I am grateful for his systematic guidance constructive criticism, open door policy and above all for his time and effort as he supervised me throughout the project process.

I would like to acknowledge some of my classmates who encouraged me to finish what we started together. Thank you all.

ABSTRACT

The objective of the study was to determine the effectiveness of branding on competitive advantage of insurance firms in Kenya. The study's specific objectives were: to determine the branding practices employed by insurance firms in Kenya and to establish the effect of branding on competitive advantage of insurance firms in Kenya. This study was based on Michael Porters competitive forces model and the brand equity theory. Descriptive cross sectional research design was used to address this research problem. The population target for this study was the 49 insurance companies operating in Kenya as at 31st December 2017. Since the population of the study is relatively small, the researcher conducted a census study and so all the 49 firms were selected for the purpose of this study. The study focused particularly on senior level managers of the insurance companies. The researcher believed that they are the most informed on the various branding strategies employed by the firms. The study used primary data collected using questionnaires. Two respondents from each organization were chosen upon which the questionnaires were administered. Descriptive statistics were used to analyze the data. Descriptive statistics displayed data in percentages, mean, frequencies and standard deviation. Results were presented through graphs and tables. The researcher also conducted correlation and regression analysis to determine the relationship between the study variables. The study concluded that insurance firms had employed branding. Branding was in various ways such as brand association, brand communication, brand positioning, and brand identity. Use of branding enhanced the competitive advantage of the insurance firms in Kenya. The study also concluded that the effect of branding on the competitive advantage of insurance firms was positive. This was realized after establishing that brand association, brand communication, brand positioning, and brand identity had a positive and significant relationship with the competitive advantage of the insurance firms in Kenya. This meant that use of branding increased the competitiveness of the insurance firms.

TABLE OF CONTENTS

LIST OF TABLES

LIST OF FIGURES

LIST OF ABBREVIATIONS AND ACRONYMS

AKI	Association of Kenya Insurers
GDP	Gross Domestic Product
IRA	Insurance Regulatory Authority
RBV	Resource Based View

CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

We are living in a world where branding is everywhere including in sports places. Firms and organizations are branding everyday making very little to remain unbranded. Today every organization is branding itself so that to differentiate themselves from other organizations hence able to stand out, by creating emotional connection with customers resulting into long term relationship. Organizations are able to create their brands inside the mind of the prospects and customers, making customers to perceive companies brands as the best. According to Kapferer (2012) the continuity growth of branding has led to development and research on how to brand services and product. The purpose of branding is to retain the customers. According to Keller (2012) where customers have a variety of chooses to choice from, branding principles are applied hence reduce the complexity of proliferating choice and information.

Relevant theories advanced forward in support of this study are Michael Porter’s competitive forces model as well as the resource based view. According to Michael Porter, the competition's extent and nature of the industry is determined by forces namely: the buyer's power in bargaining, threat of substitute products, jockeying among current contestants, bargaining power of suppliers and the threat of new entries (Porter, 1985). The theory was relevant to this study as it explains ways through which industries become competitive and thus help managers in developing competitive advantage. The resource based view points out that a firm's uniqueness of resources, greatly determines how the firm performs. This theory guided this study in explaining the significance of the resources of the firm in determining the level of competitive advantage as well as their performance.

The business environment in Kenya has been very dynamic and aspects of this dynamism include: globalization, increased competition and increased implementation of economic reforms by the Government, price decontrols and liberalization of both foreign and domestic markets and privatization and commercialization of public sector (Ayele, 2012). All these have made it necessary for organizations to adjust their operations in order to fit within the environment. The insurance industry in Kenya has been rocked by various challenges brought about by globalization, the major one being stiff competition in the industry. In the last few years the insurance industry has witnessed the emergence of new entrants which increases competition in an already competitive industry (Kamau & Waudo, 2016). To survive in the competitive industry, insurance companies have invested heavily on branding.

1.1.1 The Concept of Branding

According to Kotler (2012) “a brand is name, sign, logo, design or a combination of these that makes a goods or service to be identified by the seller and able to differentiate it from competitors”. On the other hand Yap (2010) disagree with Kotlers definition by saying that “a brand is not just a product, trademark neither other logo nor all about advertising or tagline”. Aaker (2014) argues that branding is more than name and symbol; it is created and influenced by people, culture, visuals, words, PR, opinions, perceptions and social media. Similarly, Keller (2013) defines brand to be an identity of a product or service and should be able to differentiate one product form another by delivering clear message, connect with customers emotionally, motivate and build user loyalty. Branding is the image that customers have towards a company or product that is created after experience with product, service or company.

The availability of the internet has made branding to become more important due variety and choices of products and services online .Customers can easily access the products and services at their own convenient time making businesses to rethink new strategies of becoming more competitive in the market (Temporal 2010) .Today most businesses are now recognizing the importance of growing there brand through social media as there communicating channel. According to Fill (2009) argues that managers have less influence in managing the reputation of a brand since customers have more influence in the branding process. Customers can now control the brand and the brand owner in terms of redefining what the brands mean to them, the perception and how the brand attribute is important to their personality.

A brand consist of both intangible and tangible elements when effective communication is done hence differentiating products and services, assisting the buyer to reduce the risk of buyer decision, making the organization to have sustainable competitive advantage resulting into long term profitability (Keller, 2013). Services and products that are not branded do not add extra value to customers and it is difficult to distinguish it from the competitor (Balmar, 2017). Brands that are successful should be strong in the market and be able to create positive and lasting impressions which should be seen by customers hence proving value. The key to success of building a strong brand depends on how the organization understands the needs of the customer, competition of other products and the market. This can be done through market research.

1.1.2 The Concept of Competitive Advantage

Porter (1985) defined competitive strategy “as the search for a favorable competitive position”. The reason behind profitability of a firm in an industry is competitive advantage. Thompson and Strickland (1998) defined strategy “as the game plan for positioning an organization in the market arena”. In this definition strategy is seen as a means by which an organization ‘fits’ into the environment. However strategy as a fit does not fully explain the performance of organization. Johnson and Scholes (2002) defined strategy as a “configuration of an organizations resources and competences with the aim of achieving stakeholder expectation”. Sustainable competitive advantage is a lasting ability to outperform all competition in a particular area or industry (Porter, 1996).

For firms to survive and adapt to dynamic environments and attain competitive advantage, appropriate innovative strategies must be implemented. Competitive advantage can be described as the continuous reward of using specific distinct strategies established through unique combinations of internal organizational resources and capabilities that are not imitable. This enables an organization to attain a sustainable competitive advantage. Competitive advantage is “evolution that meets requirements of the current generation without undermining the potential of later generations in meeting their obligation” (Kihumba, 2008). A company is said to exhibit competitive advantage if it has higher positioning in terms of safeguarding against competitive forces (Damanpour, 1996). A firm is said to have a competitive edge if it has a mastery of making extended gain.

A firm is said to have a competitive advantage when the business enterprise if it has the capability of administering identical benefits as its rivals at a lower cost or deliver benefits or products that are exceedingly higher than those of rivals . This is referred to as differentiation advantage. Competitive advantage enables a firm to attain superior profits and gain superior firm value for its customers (Barney, 1991). Oliver (1997) purports that customers must notice certain differentials among the products offered by an organization for the firm to attain competitive advantage. Businesses can attain competitive advantage by generating a unique competitive plan that allows a suitable orientation in the industry that could be leveraged to increased firm capability resources and this can be attained through higher innovation levels (Porter, 2006).

1.1.3 Insurance Industry in Kenya

Insurance is the creation of a pool of funds by policyholders with the aim of indemnifying them from unforeseen risks. It works on the principal that the losses of the few are paid by many. Its main intention is to mitigate the policy holder against financial loss that might arise due to unforeseen risks and thus giving peace of mind to the policyholders. Life insurance is also a way of creating an immediate estate for ones dependents'. Insurance companies are financial institutions that function in the economy as part of the financial service industry. The financial services industry is made up of insurance companies, building societies, insurance brokers, pension funds, fund management companies, stock brokers, real estate companies, savings and credit societies etc. it has important effect on the customer retention of Kenya's economy contributing approximately 11% of the Gross Domestic Product (GDP) with insurance contributing 3% to the GDP (IRA, 2017).

Insurance promotes financial stability of individuals, families, and organizations by indemnifying those who suffer loss or harm. Business failure without insurance leads to reduction in shareholders wealth and many other kinds of negative externalities. Higher unemployment, loss of business, high prices of products, less government tax revenues and rising government responsibilities are few negative externalities associated with uninsured losses. This therefore implies that insurance promote financial stability by ensuring continuity in face of adversities (IRA, 2017).

Kenya insurance industry is reported to face various challenges (IRA, 2017). For instance insurance brokers are facing threats from Bancassurance and direct selling done through the internet and mobile services. Additionally, 20% of motor insurance claims are noted to be fraudulent due to collusion of clients with loss assessors and employees from the insurance companies. Hospitals are also reported to be giving documents with false claims of major surgeries and overpricing some treatments. The poor state of affairs continues to prevail as most of the insurers have failed to report fraudulent cases as required by the IRA policy. Lack of awareness and understanding of insurance products stills remains a hurdle. According to a report done by Deloitte (2015) aggressive educational campaigns by insures as opposed to passive brand marketing through media is an effective measure in tackling the issue of awareness. Provision of affordable covers to the low-income earners is also critical for insurers in a bid to widen their market and increase penetration levels.

1.2 Research Problem

In the current dynamic business environment, organizations are using varies methods in order to have product identity among customers which is more than marketing activity. The success of any product, service, individual, business or business is based in market is based on how it is perceived as unique by customers. According to Kumar and Prasad (2012) successful business differentiates themselves from the rest of the competitors through branding practices in order to win and retain customers. Due to ever changing world, customers' preference and behavior keep on changing during decision making process hence it is important for organizations to build and retain their brand (Keller, 2012).

The Kenyan Insurance market has a low penetration rate which presents the industry with valuable potential as a significant population does not have insurance cover. The consumption of insurance products in Kenya is mainly dominated by Motor, fire industrial and personal accident covers that are normally offered as riders under group medical insurance schemes. "This indicates a poor perception on personal insurance covers" (Mbogo, 2010). In the Kenyan economy, insurance firms have a pivotal responsibility in the growth of the economy mainly by creating employment opportunities and payment of taxes that support the Kenyan economy. The insurance companies' need to be competitive enough to ensure growth and retention of market share in the industry because this would certainly translate to increased sales and profits. Branding has been massive in the life insurance sector and therefore the need to establish its influence on competitive advantage.

Several studies have being done on branding practices and competitive advantage locally and internationally. Internationally, Palmer (2011) established that branding has positive results when used in universities. There is a positive effect on brand identity and brand image when there is agreement between the two. Values should be credible and it should not just be a message but also evidence that the communication is true. Chapleo (2010) concludes that brands which are considered to be successful have the challenge of lack of internal brand engagement making them to be apparent in the international market. Brands also have common positive success actors. According Naatu (2016) internal branding, customer orientation, brand position, research and development are important factors that make an organization to have competitive advantage. Lastly, Boscor (2015) establish that banks should adopt new strategies in the field of human resource research, cost reduction and partner with other banks and companies to remain competitive.

Locally, Kamiri (2007) carried out a survey on creation and application of brand equity by insurance companies in Kenya. The study reiterated Kotler's (2000) facts that "a brand is essentially a seller's promise to deliver a specific set of features, benefits and services consistently to the buyers and the best brands convey a warranty of quality". Njuguna (2014) did a study on the influence of brand equity on consumer choice in branded bottled water among supermarket customers in Nairobi central business district, Kenya. The study found that, "that brand loyalty is a prominent factor which creates brand equity". Nyambura (2011), focused on branding in the banking service industry, "thus the results were limited to only financial institutions". Furthermore the study was based on a financial shareholder's perspective of brand equity. Asava (2016), establish that private universities should pursue branding in order to have a competitive advantage that will ensure there institution image is built hence increase in market value. According to Opiyo (2017) concludes that for a party to be successful it has to come up with brand strategies that will ensure united party brand is built to give voters the image.

From review of previous studies done, it is evident that there are previous studies done on branding. However, there exists both conceptual and contextual gaps and that is what the current study seeks to leverage on. The local studies conducted focused on other firms and not insurance companies which is the focus of the current study. Although Kamiri (2007) focused on the insurance companies, the study did not examine the relationship between branding and competitive advantage leaving a conceptual gap. This thus justifies why it is necessary to do further research on this particular area. Thus, the research question this study sought to answer is: What is the effect of branding on competitive advantage of insurance firms in Kenya?

1.3 Objective of the Study

The study seeks to determine the effect of branding on competitive advantage of insurance firms in Kenya.

1.4 Value of the Study

This study's findings will be used as a reference by scholars, students and researchers who might want to undertake studies in the same knowledge area. This study will also be significant to both researchers and scholars in identifying research gap in this field which will prompt and guide them in executing further studies.

The outcome of this study will also aid the various regulatory agencies and the government when developing legislation and regulatory framework around insurance companies branding strategies. The regulators will thus consider this study as they formulate policies that will create a favorable environment for investors.

The study will be of great importance to various managers and investors in the insurance sector. It will be able to provide information on how branding practices assist to achieve competitive advantage in insurance firms. This will be able to expand their knowledge on how marketing should be done in insurance firms and assist to improve performance which in essence translates to shareholders wealth maximization.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

The chapter entails theoretical literature review, branding together with its relationship with the competitive advantage of organizations. This chapter further outlines both local and global empirical reviews and research gaps and finally the conceptual framework.

2.2 Theoretical Review

This study was based on Michael Porters five forces Theory and the brand equity theory.

2.2.1 Michael Porter’s Five Forces Theory

Competition's extent and nature in the industry is determined by five forces namely: threat of substitute products, threat of new entries, the buyers' bargaining power, the jockeying among existing contestants and the supplier's bargaining power. Collectively, these forces determine any industry's profit potential (Pearce & Robinson, 2011). Rivalry is brought about when key players compete on the basis of price, new advertising methods, product innovations and an increase in the warranties provided to customers as part of service to customers. Competition draws from the fact that one or more players feel the need to improve their position in the industry. Pressure arising from substitutability of products is greatest since they limit potential of returns in the market through putting caps on prices charged by firms in the industry (Porter, 1998).

Suppliers have an effect on the participants' power to bargain by either increasing prices or decreasing the quality of the products. They have the effect of limiting the profitability of an industry. New entry by other firms in the industry drive the need to have a significant share of the market and also come with additional resources that are bound to increase prices or drive them down. Buyers on the other hand have a powerful effect on pricing since they can bargain for it to be driven down or demand superior quality, more range of services, or pin competitors against one another at the expense of profitability in the industry (Tanwar, 2013).

The emergence of game theory which discusses competition in a market came about as a criticism of Porter's model that had limitations in trying to explain the generic interactions among organizations (Hansen, et al., 2015). According to Game theory, strategic competition is the relation amongst players in which the actions of one player depends on the actual or predicted actions of the rest of the players. Game theory is beneficial to strategy in that it emphasizes broader thinking, looking for alternatives and awaiting the reactions of other game players (Shinkle, Kriauciunas & Hundley, 2013).

The theory was significant to the study as it acknowledges the factors that influence the competitive structure as well as the economic environ of the industry, and it includes the suppliers' power to bargain, the buyers' power to bargain, the threat from new entries as well as the threat from substitutes. The study sought to determine how these factors increase level of competition in the industry. The stronger the forces, the higher the competition, the weaker the forces, and the lower the competition. Insurance firms develop competitive strategies depending on the industry's competition level. The competitive environment of the insurance firms affects the performance of the firms in that industry.

2.2.2 Brand Equity Theory

According Keller (2002) brand equity model is the added value on a product or service, and it was first developed in 80s as one of the brand management philosophies. Brand equity was not defined but it was one of the financial assets to the firm (Tuominen 1990).In 1991 David Aaaker went further developing the brand equity model where it was of more value to various studies and there was a clear definition. Later Aaaker and Joachimsthaler came up on how to categories brand equity known as brand equity assets which consist of brand loyalty, awareness, brand associations, perceived quality and other intellectual properties such as trademarks (Aaker & Joachimsthaler 2000). Brand equity can be measured from three outcomes that is product performance, shareholder and consumer knowledge.

Keller (1993), approached brand equity study from the perspective of the customer by developing customer based brand equity .Customers should be able to recognize or recall the brand due to the branding of the product. Customers usually ask themselves critical questions when looking for a brand namely; what is the brand identity?, what is the brand meaning ?, what is the response of the brand and how does this brand connect with the consumer and how do the customer associate with it? When customers have high brand name awareness, the brand image is high hence perceiving the brand of high quality resulting into brand loyalty. Brand equity can be built from brand identity, brand positioning, brand elements, brand associations and brand communication (Keller 2013). Brand equity can also be formed through alliances and co-branding through association the brand can grow.

2.3 Empirical Studies and Research Gaps

According to Aaker (2014) branding practices is the process of planning, designing, communicating and managing a brand. On the other Kapferer (2012) argues that brand practices involve managing tangible and intangible of a brand effectively .The intangible aspects include customer experience, communications and emotional experience that result into creating a perception in the mind of the customers. A brand should be able to represent the company by meeting the promises of the customers .In holistic approach brand practices is the most important element in an organization in terms of values, reputation, people and leadership.

According to Ahonen (2011) brand association is an attribute that comes in the mind of the consumer about the brand and the consumer holds the impression of the brand in terms of the image and impression. On the other hand, Keller (2012) defines brand association as the link to consumers' memory that results into creating a brand image. One of the most important aspect of brand equity is brand association since it creates value to customers by retrieving information and differentiate one firm from the other. According to Aaker (2014) brand association is the main reason why customers make choices to purchase a brand hence resulting into brand loyalty. When customers have positive experience towards the brand, it makes customers to be associated with the brand. Marketing programs should focus on creating positive brand experiences by informing the consumer about the brand.

Brand association makes customers to have choices of associations and is able to determine the level of satisfaction by meeting the needs and wants of the consumer. When brand association is unique it is useful in brand positioning hence achieving competitive advantage. According to Boyle (2010) brand associations defines the success of a brand when it is used effectively. A brand I s network of associations in the customers mind which are derived in three sources m mainly, consumer benefits, attitudes and product attributes. Therefore it is important for brand managers to leverage brand association when coming up with brand elements so that to build a strong network associations. On the other hand secondary association is linked to people, things and places in which the brand links more specific to events, other companies, regions and distribution channels (Keller 2012). In summary, Kotler (2016) argues that brand practices should first start by brand positioning and values before implementing brand marketing programs ,consider performance of the brand and lastly sustain the brand to ensure it continues to grow.

According to Keller (2012) brand positioning is an act where companies designs an image and occupy the mind of the targeted customer. On the other hand Gang (2011) defines brand positioning as a strategy in which a brand occupy the mind of the customer with values and associated differentially. Kotlers model (1994) of STP (Segmentation, Target and positioning) explains how brand positioning is an important concept in strategic brand management. Brand positioning focus on the unique, value and credibility of the brand,

Brand positioning ensures the brand has sustainable competitive advantage or a unique selling point that gives consumers the reason to purchase the brand. According

Funch (2008), brand positioning has different dimensions including attribute positioning, benefit positioning, and brand positioning strategies which can be applied to different target groups. It is important to note that brand positioning is an activity of the management to ensure there is a customer –focused value proposition added on the brand

According to Aaaker (2012) brand management is all about starting by developing a brand identity that constitutes of the core values, direction, meaning and purpose of the brand. Brand identity is all about how the brand is to be portrayed in the mind of the customers by giving direction and purpose to the organization. Brand identity creates opportunities and maximizes success if the brand is well recognized by the customers (Rooney 2015).Organizations are able to control the brand identity but it is difficult to control the perceived image of the brand. There are several brand identity frameworks that have being developed. According to Kapferer (2012) brand identity has several dimensions and communications which include verbal or non -verbal communication or formal and informal.

In Kapferer model (2012) there are six facet brand identity that include: external components namely physique, relationship and customer self –reflection while internal components include culture, self- image and personality. In the development of brand identity it is important to start with values and characteristics of the brand which is then communicated to pass the message to the audience. Aaker and Joarchimsthaler (2011) came up with a brand identity planning model that brand should be considered into four perspectives namely: brand as an organization, brand as a product, brand as a person and brand as a symbol. Brand as a product covers mainly the functional benefits while as person covers the personal characteristics and lastly brand as an organization involve making the organization to be competitive advantage such as environmental concern, innovation .Brand a symbol is looks at brand recognition.

Brand communication is an art that involve bridging the gap between the audience and the organization in terms of product or services being promoted. It is the connection between physical entity and the audience who are best suited to purchase the product. Therefore brand exists only if there is link between audience and products in which it is communicated effectively. Marketers strive to communicate with consumers in the way they prefer through various communication channels including social media and traditional channels. According to Theodore (2010) brand that is unknown is an experiential brand that is known by only existing customers and the brand is only doing half the job. In the 21st century customer communication is more than just advertisement and communication. Customers want to have relationship with brands that result into loyalty making advertisers and marketers to change their communication strategy. Customers need brands that communicate in authentic manner when interacting with them without forcing. The communication should be directly to customers, spontaneous and be flexible.

Companies take time to have genuine dialogue with customers in various platforms including social media so that to better position there brands in the market. Brands personality is used to communicate certain information to particular group of customers so that they can easily connect with the brand. Customers always remember the last impression that the brand persona left them with (Kevin, 2013). For brand to be effective there should be transparency and openness on the way they pass information to the final consumer. Very few companies share intimate details about their brands and these makes them to stand out from other competitors winning confidence of consumers since nothing is off the table. According to Swanson and Kelley (2011) it is very difficult to control negative publicity of a brand once it is communicated to the public.

Wood and Masterman (2008) acknowledge that the relationship between audience, brand and the event is important and complex. This complex relationship gives those who attend events deeper knowledge of the company's products and creates a perception of community involvement of the company which in turn influences positive brand opinion. Martensen and Grønholdt, (2008) noted that events allow for creating experience for the consumers and as a result activate emotional responses which gives a differential yet competitive advantage for companies, as they are able to tap into emotional benefits of consumers.

Wong and Merriles (2008) "posit that branding can help the organization to gain competitive advantage". They state that brand orientation is a strategic asset. Bridson and Evans (2004) suggest that "an organization should have a clear brand identity for the formation of a strong customer base". Marketers have now begun to evaluate models that give their brands a competitive edge and in turn improve the brand performance. Performance can be in the form of increased market share, improved profitability and strong equity scores.

Kandampully and Suhartanto (2010) posit that "corporate image is positively associated to customer loyalty". In addition, they added that customer satisfaction and corporate image with the organizational performance significantly illustrate the variance of customer loyalty. Da Silva and Alwi (2006) noted that if the customers are satisfied with the services or products offered by a brand then they have more willingness to recommend the services or products to others; have less probability to switch other brands, and more likely to repurchase from the same brand.

Palacio, Meneses and Perez (2012) also empirically proved the dominant role of brand image in predicting customer satisfaction in the hospitality industry. Moreover, the congruence between the brand image and customers' self-image would enhance customer satisfaction and customers' preference for the brand.

Pimentel and Heckler (2013) found that brand image has an indirect influence on loyalty via customer satisfaction. Moreover, brand image could have both direct and indirect effects on loyalty. Nevertheless, brand image can be certainly viewed as a predictor of customer loyalty. Thus, in the service industry context, a positive brand image appears to stimulate customer loyalty. It is accepted that positive brand image contributes to enhance customer loyalty and also, customer loyalty has great roles in building strong brand image of a company. Brand image therefore is essential for companies to gain lifetime customer loyalty which leads to gear up organizational efficiency.

From review of previous studies done, it is evident that there are previous studies done on branding. However, there exists both conceptual and contextual gaps and that is what the current study seeks to leverage on. The local studies conducted focused on other firms and not insurance companies which is the focus of the current study.

Although Kamiri (2007) focused on the insurance companies, her study did not examine the relationship between branding and competitive advantage leaving a conceptual gap. This thus justifies why it is necessary to do further research on this particular area.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

The chapter contains information about the research, population and sample that will be selected for the study. Data collection, data analysis and presentation techniques that will be employed in the study are highlighted in this chapter.

3.2 Research Design

Khumar (2005) described research design as that method that is procedurally acquired by the researcher in answering research questions. According to Wanyama and Olweny (2013), "a research design aims at improving the ability of the research in conceptualizing an operational plan in order to be able to embark on the various techniques available and required tasks for the completion of the study while at the same time ensuring that the procedures used are sufficient enough to acquire valid, objective and precise responses to the research questions".

Descriptive cross sectional research design was used to address this research problem. A descriptive study aims at establishing the what, where and how with regards to a phenomenon (Cooper & Schindler, 2008). The appropriateness of this design is that it allowed the researcher to utilize both quantitative and qualitative data so as to establish the effect of branding on the competitive advantage of insurance companies in Kenya.

3.3 Population of the Study

"A population has been defined as individuals, groups, object or events that exhibit similar traits" (Mugenda & Mugenda, 2003). The population target for this study was the 49 insurance companies operating in Kenya as at 31st December 2017.

Since the population of the study is relatively small, the researcher conducted a census study and so all the 49 firms were selected for the purpose of this study. For primary data collection purpose, the study focused particularly on senior level managers of the insurance companies. The researcher believed that they are the most informed on the various branding strategies employed by the firms.

3.4 Data Collection

Primary data was used in this study. Structured questionnaires were used to collect primary data using the Likert Scale. The targeted respondents in this study were senior level managers of the insurance companies. This is because they are involved in the organizations' management and have a broad understanding of the affairs of the organizations.

Two respondents from each organization were chosen upon which the questionnaires were administered. The structured questionnaire contained close-ended and open – ended questions. The close-ended questions consisted of more structured responses which brought out more tangible recommendations. The ratings on various attributes was tested using the closed ended questions which helped in the reduction of responses that were related so as to obtain responses that are more varied.

Additional information that was not captured using the close-ended questions was captured using the open-ended questions to aid in gaining a better understanding of the effect of branding on the competitive advantage of insurance companies in Kenya. The research instrument was personally administered by the researcher to the respondents. The researcher kept a register of the questionnaires to ensure that all the questionnaires distributed to the respondents are returned.

3.5 Data Analysis

Questionnaires was edited for consistency and for them to be termed complete. Data was cleaned up through editing, tabulation and coding so as to detect any anomalies in the responses as well as input specific numerical values on the responses for further analysis. Descriptive statistics were used to analyze the data. Descriptive statistics displayed data in percentages, mean, frequencies and standard deviation. Results were presented through graphs and tables. The researcher also conducted correlation and regression analysis to determine the relationship between the study variables.

CHAPTER FOUR

RESULTS AND DISCUSSIONS

4.1 Introduction

This chapter comprises of data analysis, findings and interpretation. Results are presented in form of charts and continuous prose form.

4.2 Questionnaire Response Rate

The researcher administered 98 questionnaires. However, 84 respondents responded positively. This reveals an overall successful response rate of 85.7%. According to Babbie (2004), “return rates of 50% are acceptable to analyze and publish, 60% is good and 70% is very good”. Based on these 85.7% response rate is adequate for the study.

4.3 Background Information

The study was to establish background information of the respondents and the business. With regard to the respondents the study was to find out the period of time the senior managers had worked in the insurance companies. On the other hand, the study was to find out the number of years the companies had operated and the number of employees.

4.3.1 Period of Time Worked in the Organization

Results in Figure 4.1 show that 41% of the respondents had served in the company for more than 5 years, 32% had served for less than 5 years while 27% had served for 5 to 10 years. The larger number of the senior managers had worked in the companies for a commendable period of time, meaning they have adequate information required for the study.

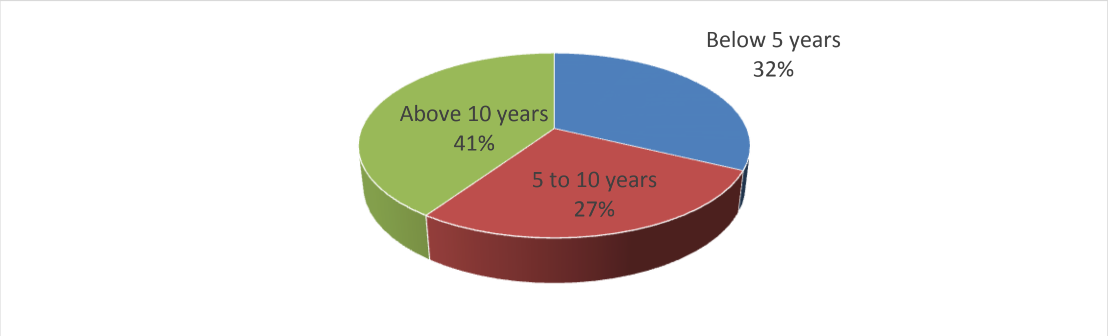

Figure 4.1: Period of Time Served in the Organization

4.3.2 Years of Operation

Results in Figure 4.2 show that 35% of the businesses had been operation for more than 20 years, 33% were operational for a period of 11 to 20 years while 32% had operated for less than 5 years. Most of the companies had operated for a long period of time which is an indicator that these companies have an understanding on the importance of branding.

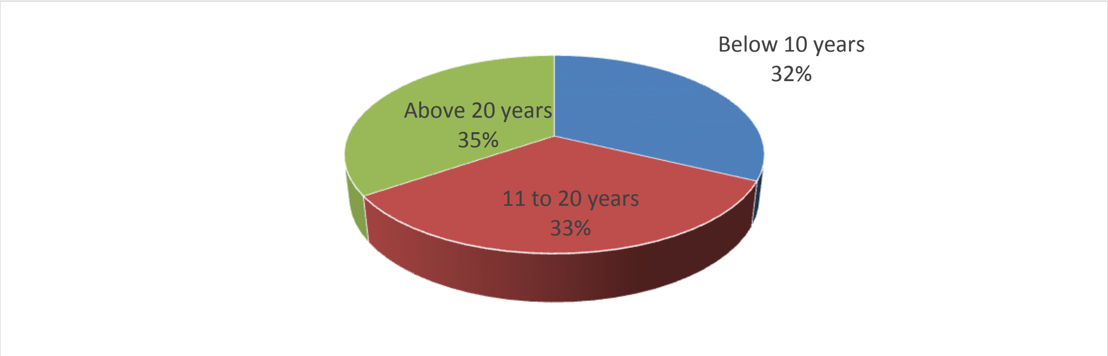

Figure 4.2: Years of Operation

4.3.3 Number of Employees

Results in Figure 4.3 show that 30% of the businesses had employed 100-499 employees, 30% had employed between 500– 999 employees, 20% had employed more 999 employees and another 20% had employed less than 100 employees.

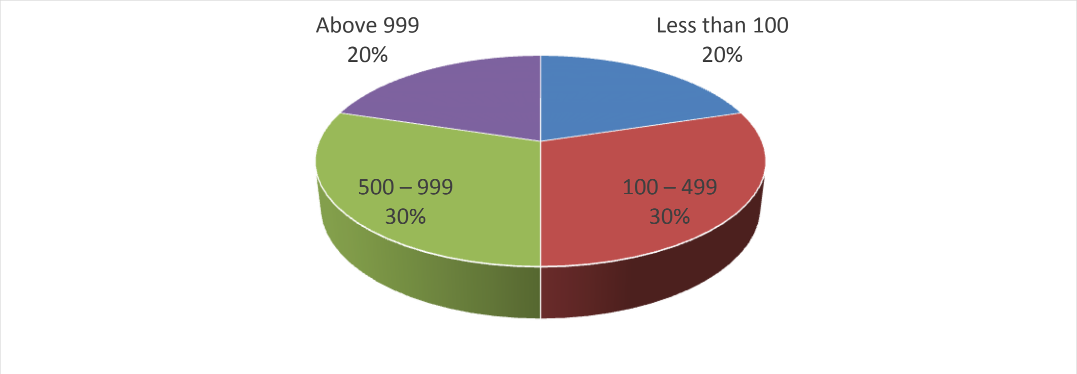

Figure 4.3: Number of Employees

4.4 Descriptive Statistics

This area presents the descriptive results on brand association, brand communication, brand positioning, brand identity and competitive advantage of insurance firms.

4.4.1 Brand Association

The study sought to establish whether insurance companies employed brand association and the importance. The respondents were asked to give their response to statements on brand association on a scale of 1 – 5. Results in Table 4.1 reveal that the mean for the statement that brand associations are attributes that the customers relate with the host of different brand associations provides value in different ways was 4.20 which is an indicator that the respondents were in agreement with the statements. The standard deviation was 0.86. The mean for the statement that celebrities, symbols, and slogans can in the right context elicit positive feelings towards the brand was 4.18 which is an indicator that the respondents were in agreement. The standard deviation was 0.88 which depicts the responses varied. The mean for the statement that brand association is the something that is deep rooted in the customers experience and this enables them to make decisions processing was 3.96 which is an indicator that the respondents were in agreement. The standard deviation was 0.97 which depicts the responses varied with a small margin.

Results also revealed that the mean for the statement that plenty of brand associations provide the client with reason to buy the insurance brand was 3.49 which is an indicator that the respondents were in agreement. The standard deviation was 0.96 which depicts a small variance. The mean for the statement that brand associations are connected and they bring out positivity that are transferred insurance brand was 3.82. The standard deviation was 0.91 which shows minimal variance.The mean shows that the brand associations depend on how it sits on the client’s mind. 4.48 which is an indicator that the respondents are in agreement. The standard deviation was 0.70 which depicts the responses were varied.

Table 4.1: Brand Association

Statement	**Mean**	**Std Dev**
Brand associations are vital in creating value for the company since the host of different brand associations provides value in different ways.	4.20	0.86
Celebrities , symbols, and slogans can elicit positive feelings towards the brand.	4.18	0.88
Brand association can serve as an information for the consumers who	3.96	0.97

would like to purchase.		
Most brand associations help the consumer with reason to purchase from an insurance brand.	3.49	0.96
Brand associations are connected and they bring out positivity that are transferred insurance brand.	3.82	0.91
Brand associations depend on how the information sits in the consumers mind.	4.48	0.70
Average	**4.02**	**0.88**

4.4.2 Brand Communication

The study sought to establish whether insurance companies employed brand communication and the importance. The respondents were to give their responses on brand communication on a scale of 1 – 5. Results in Table 4.2 reveal that the mean for the statement that customers will often go to insurance firms they are familiar with was 4.46 which is an indicator that the respondents were in agreement. The standard deviation was 0.50 `had a minimal variance. The mean for the statement that branding activities communicate and deliver the brand promise to customers was 4.15 which is an indicator that the respondents were agreeing with the statements. The standard deviation was 0.92. The mean for the statement that their insurance firm does most of the brand communication on social media was 4.58. The standard deviation was 0.73.

Results also revealed that the mean for the statement that brand communication influences the consumer's perception was 3.87 and standard deviation was 1.37 . The mean for the statement that with effective brand communication customers are willing to come back was 3.81 and the standard deviation was 0.84. The mean for the statement that customers are familiar with their insurance since they are reliable and offer reasonable quality service was 3.36 and the standard deviation was 1.06 .

Table 4.2: Brand Communication

Statement	Mean	Std Dev
Customers will often go to insurance firms they are familiar with.	4.46	0.50
Branding activities communicate and deliver the brand promise to customers.	4.15	0.92
The insurance firm does most of the brand communication on social media.	4.58	0.73
Brand communication influence the consumer's perception.	3.87	1.37
With effective brand communication customers are willing to come back.	3.81	0.84
Customers are familiar with our insurance since with are reliable and we offer reasonable quality service.	3.36	1.06
Average	**4.04**	**0.91**

4.4.3 Brand Positioning

The study sought to establish whether insurance companies employed brand positioning and the importance. The respondents were asked to give their response to statements on brand positioning on a likert scale of 1 – 5. Results in Table 4.3 reveal the mean for the statement that brand positioning of a brand affects the purchasing power in the way the consumer sees the insurance as one that will meet their needs was 4.32 and the standard deviation was 0.81. The mean for the statement that brand position has been primarily built up as a competitive advantage for the insurance firms was 4.14 which is an indicator of improvement. The standard deviation was 0.84 which depicts the responses were varied. The mean for the statement that brand positioning enables the insurance to get target audience to know about the brands was 4.39 and the standard deviation was 0.73 .

Results also revealed that the mean for the statement that the insurance brand position is similar to existing insurance brands in the marketplace was 4.12 showing thtat they were in agreement and the standard deviation was 0.77. The mean for the statement that the insurance firm has resources to gain and maintain the position that they aspire to was 4.04 and the standard deviation was 0.61 which depicts the responses were varied. The mean for the statement that the firm has positioned itself to ensure long term viability was 3.92 and the standard deviation was 0.70. The mean for the statement that the firm has required structure within to effectively implement brand position was 3.65 which is an indicator of improvement. The standard deviation was 0.75.

Table 4.3: Brand Positioning

Statement	**Mean**	**Std Dev**
Brand positioning of a brand affects the purchasing power in the way the consumer sees the insurance as one that will meet their needs	4.32	0.81
Brand position has been primarily built up as a competitive advantage for the salon.	4.14	0.84
Brand positioning enables the insurance to get target audience to know about the brands.	4.39	0.73
The insurance brand position is similar to existing insurance brands in the marketplace.	4.12	0.77
The insurance firm has resources to gain and maintain the position that they aspire to.	4.04	0.61
The firm has positioned itself to ensure long term viability.	3.92	0.70
The firm has required structure within to effectively implement brand position.	3.65	0.75
Average	**4.04**	**0.73**

4.4.4 Brand Identity

The study sought to establish whether insurance companies employed brand identity and the importance. The respondents were asked to give their response to statements on brand identity on a scale of 1 – 5. Results in Table 4.4 reveal that the mean for the statement that employees play a major role in the brand identity management strategy was 4.37 which is an indicator that the respondents were agreeing with the statements. The standard deviation was 0.90 which depicts the responses were varied. The mean for the statement that brand identity influence employees' attitude and behavioural responses was 4.56 which is an indicator that the respondents were agreeing with the statements. The standard deviation was 0.63 which depicts the responses were varied. The mean for the statement that brand identity results in good perceptions and attitudes towards the brand was 4.46 and the standard deviation was 0.63 .

Results also revealed the mean for the statement that brand identity can help the firm to increase the motivation of their employees and customers was 4.06 and the standard deviation was 0.77 .The mean for the statement that brand identity have an effect on customers' identification with the insurance firm was 3.43 and the standard deviation was 1.11 . The mean for the statement that brand identity is a customers' degree of identification with the insurance company was 3.43 which is an indicator of improvement and standard deviation was 1.22 which depicts the responses were varied.

Table 4.4: Brand Identity

Statement	**Mean**	**Std Dev**
Employees play a major role in the brand identity management strategy	4.37	0.90
Brand identity influence employees' attitudinal and behavioural responses.	4.56	0.63
Brand identity results in good perceptions and attitudes towards the brand	4.46	0.63
Brand identity can increase the motivation of their employees and customers.	4.06	0.77
Brand identity have an effect on customers' identification with the insurance firm.	3.43	1.11
Brand identity is a key driver of customers' degree of identification with the insurance company.	3.43	1.22
Average	**4.05**	**0.88**

4.4.5 Competitive Advantage

The study was to establish the trend of competitive advantage of insurance companies. The respondents were to give their response to statements on competitive advantage on a likert scale of 1 – 5. Results in Table 4.5 reveal that the mean for sales volume was 4.35 which is an indicator of improvement. The standard deviation was 0.72 which depicts the responses were varied. The mean score for the company's total profits realized was 3.94 which is an indicator of improvement and the standard deviation was 1.29. Results also revealed that the mean for customer growth was 4.01 which is an indicator of improvement and the standard deviation was 0.94.

Results also revealed that the mean for asset growth was 3.79 which is an indicator of improvement. The standard deviation was 0.73 which depicts the responses were varied. The mean for company's market share was 3.88 which is an indicator of improvement and the standard deviation was 0.57. Further, results portrayed that the mean for the company's market penetration was 3.98 which is an indicator of improvement and the standard deviation was 0.82 .

Table 4.5: Competitive Advantage

Statement	Mean	Std Dev
Sales volume	4.35	0.72
Total profits realized	3.94	1.29
Customer growth	4.01	0.94
Asset growth	3.79	0.73
Market share	3.88	0.57
Market penetration	3.98	0.82
Average	**3.99**	**0.84**

4.6 Inferential Statistics

Inferential analysis was conducted to generate correlation results, model of fitness, and analysis of the variance and regression coefficients.

4.6.1 Correlation Analysis

The Table 4.6 below presents the results of the correlation analysis. The results presented in the Table 4.6 shows that branding association and competitive advantage have a positive and significant association (r=0.530, p=0.000). The table further indicates that branding association and competitive advantage have a positive and significant association (r=0.686, p=0.000). Results also showed that branding association and competitive advantage have a positive and significant association (r=0.502, p=0.000). It was further established that branding association and competitive advantage have a positive and significant association (r=0.662, p=0.000). This implies that branding results to improved competitive advantage.

Table 4.6: Correlation Matrix

Variable		Competitive Advantage	Brand Association	Brand Communication	Brand Positioning	Brand Identity
Competitive Advantage	Pearson Correlation	1				
	Sig. (2-tailed)					
Brand Association	Pearson Correlation	0.530	1			
	Sig. (2-tailed)	0.000				
Brand Communication	Pearson Correlation	0.686	0.629	1		
	Sig. (2-tailed)	0.000	0.000			

Brand Positioning	Pearson Correlation	0.502	0.694	0.512	1	
	Sig. (2-tailed)	0.000	0.000	0.000		
Brand Identity	Pearson Correlation	0.662	0.666	0.801	0.492	1
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	

4.6.2 Regression Analysis

Results in Table 4.7 above show that brand association, brand communication, brand positioning, and brand identity were found to be satisfactory variables in explaining competitive advantage of insurance companies. This is supported by coefficient of determination also known as the R square of 0.528. This means that brand association, brand communication, brand positioning, and brand identity explain 52.8% of the variations in the competitive advantage of insurance companies.

Table 4.7: Model Fitness

Indicator	Coefficient
R	0.727
R Square	0.528

"The F-statistic in the linear model output display is the test statistic for testing the statistical significance of the model. The F-statistic values in the ANOVA display are for assessing the significance of the variables in the model" (Cooper & Schindler, 2008). Results in Table 4.8 indicate that the overall model was statistically significant as supported by an F statistic of 22.124 and a p value of 0.000. Further, the results imply that the independent variables are good predictors of competitive advantage of insurance companies.

Table 4.8: Analysis of Variance

Indicator	Sum of Squares	df	Mean Square	F	Sig.
Regression	13.346	4	3.337	22.124	0.000
Residual	11.914	79	0.151		
Total	25.26	83			

Regression coefficients results in Table 4.9 show that that there is a positive and significant relationship between brand association, brand communication, brand positioning, and brand identity and competitive advantage of insurance companies as supported by beta coefficients of 0.319, 0.505, 0.313 and 0.416 respectively. These results show that adoption of brand association by a unit would result to improved competitive advantage by 0.319 units. These results also show that adoption of brand communication by a unit would result to improved competitive advantage by 0.505 units. Further, these results show that adoption of brand positioning by a unit would result to improved competitive advantage by 0.313 units. Results also revealed that brand identity by a unit would result to improved competitive advantage by 0.416. These findings are consistent with those of Wong and Merriles (2008) who posited that branding can help the organization to gain competitive advantage.

Table 4.9: Regression of Coefficients

Variable	B	Std. Error	t	Sig.
(Constant)	8.626	0.539	16.01	0.000
Brand Association	0.319	.082	3.895	0.000
Brand Communication	0.505	0.177	2.855	0.005
Brand Positioning	0.313	0.074	4.212	0.000
Brand Identity	0.416	0.201	2.065	0.042

CHAPTER FIVE: SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

This chapter shows the summary of the findings, the conclusions and the recommendations. This is done in line with the objectives of the study.

5.2 Summary of Findings

This area presents a summary of the findings from the analysis. This is done according to the objectives of the study,

5.2.1 Branding Practices Employed by Insurance Firms

The first objective was to branding practices employed by insurance firms in Kenya. Results revealed that insurance firms in Kenya have employed various branding practices. Specifically, the study showed that they had employed brand association, brand communication, brand positioning, and brand identity.

Use of brand association helped the firms to acquire competitive advantage in various ways. This included endorsements by celebrities, symbols, and slogans which elicited positive feelings towards the brand. Other ways included provision of information as an information for the consumers who would like to consume, the insurance brand, stimulate positive attitudes that are transferred to the insurance brand and creating control of the information that enters consumer memory.

Use of brand communication helped the firms to acquire competitive advantage in various ways. This included creating familiarity with customers communicating and delivering the brand promise to customers and allowing insurance firm to use the social media. Other ways included influencing the consumer's perception, enhancing customer retention and enabling the customers to create familiarity with their insurance since they are reliable and offer reasonable quality service.

Use of brand positioning helped the firms to acquire competitive advantage in various ways. This included influencing the purchasing decisions in a way that consumer sees the insurance as unique, true and the one which meets his/her needs, get the target audience to know about the brands, assist insurance firms to gain and maintain the position that they aspire to and ensure long term viability. Use of brand identity helped the firms to acquire competitive advantage in various ways. This included creating ways of engaging employees play a major role of the brand identity management strategy, influencing the employees' attitude and behavioural responses, Brand identity results in good perceptions and attitudes towards the brand, helped the firm to increase the motivation of their employees and customers and enhancing customers' identification with the insurance firm.

5.2.2 Effect of Branding on Competitive Advantage of Insurance Firms

The other objective of the study was the effect of branding on competitive advantage of insurance firms in Kenya. Results revealed that branding affected the competitive advantage of insurance firms in Kenya. The effect was inform of improved sales volume, increase in total profits realized, customer growth, asset growth, improved market share and increased market penetration.

Regression results showed that brand association, brand communication, brand positioning, and brand identity had a positive and significant relationship with competitive advantage of insurance companies as supported by beta coefficients of 0.319, 0.505, 0.313 and 0.416 respectively. These results show that adoption of brand association by a unit would result to improved competitive advantage by 0.319 units. These results also show that adoption of brand communication by a unit would result to improved competitive advantage by 0.505 units. Further, these results show that adoption of brand positioning by a unit would result to improved competitive advantage by 0.313 units. Results also revealed that brand identity by a unit would result to improved competitive advantage by 0.416.

5.3 Conclusion

The study concluded that insurance firms had employed branding. Branding was in various ways such as brand association, brand communication, brand positioning, and brand identity. Use of branding enhanced the competitive advantage of the insurance firms in Kenya.

The study also concluded that the effect of branding on the competitive advantage of insurance firms was positive. This was realized after establishing that brand association, brand communication, brand positioning, and brand identity had a positive and significant relationship with the competitive advantage of the insurance firms in Kenya. This meant that use of branding increased the competitiveness of the insurance firms.

5.4 Recommendations

The study recommended that insurance firms should make use of branding a priority the as it enhances their competitiveness. The insurance firms should first of all find out what the various forms of branding that are suitable for them so that they do not end up investing wrongly. By so doing they can manage to maximize on the benefits accruing from branding.

The study also recommend that, on identification of the form of branding that is suitable for their type of business, they should be keen to identify the specific aspects so as to boost their performance. For instance, in the case of brand communication, the insurance firms should do their due diligence to identify the mode of communication that will work for them since what works for one type of insurance firm may not be applicable for all types of insurance firms. This would go a long way to help decide whether to use mainstream media, social media or other forms of advertisement.

5.5 Suggested Areas of Further Studies

The study recommends that a similar study should be conducted but focus on specific types of insurance firms (such as motor vehicle, health, life insurance). This would help to establish whether the different types of insurance firms have similar experiences with regard to use of branding. However, this is expected to be different due to difference in business environment.

The study also suggested that a similar study be conducted but focusing on different type of organization such as banks. This would help to establish the differences that exist between insurance firms and banks with regard to use of branding. Further, the study suggest that a more extensive study be conducted to establish the influence of the specific aspects of the different types of branding as this would help the insurance firms to identify the aspects that have more weight than other and thus have clarity with regard to what to use and what not to use.

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APPENDICES

Appendix I: Questionnaire

This questionnaire is structured to collect information on the effectiveness of branding on competitive advantage of insurance companies in Kenya. Kindly read the questions carefully and tick against the asked question as per your position or understanding and relevance to the study. Utmost confidentiality is assured as the data collected from this questionnaire will purely be used for academic purposes.

PART A: BACKGROUND INFORMATION

1. Duration worked with the organization?

   Below 5 years ☐

   5 to 10 years ☐

   Above 10 years ☐

2. For how long has the firm been in operation?

   Below 10 years ☐

   11 to 20 years ☐

   Above 20 years ☐

3. How many employees are there in your company?

a) Less than 100 ( ) b) 100 – 499 ( ) c) 500 – 999 ( ) d) Above 999 ( )

PART B: BRANDING PRACTICES

The following is a list of items relating to the branding practice. Please state the extent to which you agree/disagree with the following items as they exist in your company.

Rating Scale

1= Strongly disagree 2=Disagree 3= Uncertain 4 =Agree 5=Strongly Agree

Brand Association		**Respondents**				
	Brand associations are vital in creating value for the company since the host of different brand associations provides value in different ways.	**1**	**2**	**3**	**4**	**5**
	Celebrity endorsers, symbols, and slogans can in the right context elicit positive feelings towards the brand.	**1**	**2**	**3**	**4**	**5**
	Brand association can serve as an information chunk that help the decision maker to cope with the otherwise large amount of information that the consumer may have difficulties accessing and processing.	**1**	**2**	**3**	**4**	**5**
	Plenty of brand associations provide the decision maker with reason to buy or consume the insurance brand.	**1**	**2**	**3**	**4**	**5**
	Brand associations are interlinked and can stimulate positive attitudes that are transferred to the insurance brand.	**1**	**2**	**3**	**4**	**5**
	Brand associations depends on how the information enters consumer memory.	**1**	**2**	**3**	**4**	**5**

Brand Communication		**Respondents**				
	Customers will often go to insurance firms they are familiar with.	**1**	**2**	**3**	**4**	**5**
	Branding activities communicate and deliver the brand promise to customers.	**1**	**2**	**3**	**4**	**5**
	The insurance firm does most of the brand communication on social media.	**1**	**2**	**3**	**4**	**5**
	Brand communication influence the consumer’s perception.	**1**	**2**	**3**	**4**	**5**
	With effective brand communication customers are willing to come back.	**1**	**2**	**3**	**4**	**5**

	Customers are familiar with our insurance since with are reliable and we offer reasonable quality service.	**1**	**2**	**3**	**4**	**5**
	The insurance firm do most brand communication on social media	**1**	**2**	**3**	**4**	**5**
Brand Positioning		**Respondents**				
	Brand positioning influences the purchasing decisions in a way that consumer sees the insurance as unique, true and the one which meets his/her needs.	**1**	**2**	**3**	**4**	**5**
	Brand position has been primarily built up as a competitive advantage for the firm.	**1**	**2**	**3**	**4**	**5**
	Brand positioning enables the insurance to get target audience to know about the brands.	**1**	**2**	**3**	**4**	**5**
	The insurance brand position is similar to existing insurance brands in the marketplace.	**1**	**2**	**3**	**4**	**5**
	The insurance firm has resources to gain and maintain the position that they aspire to.	**1**	**2**	**3**	**4**	**5**
	The firm has positioned itself to ensure long term viability.	**1**	**2**	**3**	**4**	**5**
	The firm has required structure within to effectively implement brand position.	**1**	**2**	**3**	**4**	**5**
Brand Identity		**Respondents**				
	Employees are a crucial part of the brand identity management strategy.	**1**	**2**	**3**	**4**	**5**
	Brand identity influence employees' attitudinal and behavioural responses.	**1**	**2**	**3**	**4**	**5**
	Brand identity results in positive stakeholder perceptions, attitudes and behaviours.	**1**	**2**	**3**	**4**	**5**
	Brand identity can help the firm to increase the motivation of their employees and customers.	**1**	**2**	**3**	**4**	**5**
	Brand identity have an effect on customers' identification with the insurance firm.	**1**	**2**	**3**	**4**	**5**
	Brand identity is a key driver of customers' degree of identification with the insurance company.	**1**	**2**	**3**	**4**	**5**

PART C: COMPETITIVE ADVANTAGE

12. What is the trend of the following in your insurance firm for the last five years? Use 1- Greatly decreased, 2-Decreased, 3-Constant, 4- Improved, 5- Greatly improved

Component	**1**	**2**	**3**	**4**	**5**
Sales volume					
Total profits realized					
Customer growth					
Asset growth					
Market share					
Market penetration					

Thank you for your co-operation