

**INFLUENCE OF INNOVATION STRATEGIES ON SERVICE DELIVERY
AMONG MEDIUM AND LARGE SUPERMARKETS IN NAIROBI CITY
COUNTY KENYA**


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DECLARATION

I hereby declare that this research project is my original work and has not been presented in any other institution.

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DEDICATION

This research project is dedicated to everyone who supported me in the various stages of the research work.

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ABBREVIATIONS AND ACRONYMS

GDP	Gross Domestic Product
HR	Human Resource
WHO	World Health Organization
SD	Standard Deviation

ABSTRACT

Changes in the business environment are characterized by high levels of competition, changing customer's behaviour, high firm operational costs and inadequate resources. These are some of the challenges experienced by most firms. Firms have to change with the changing customers to maintain the business relationships. Adoption of innovation is one of the critical measures to stay relevant and survive in the turbulent business environment. Innovation is the key driver of competitiveness, profitability, growth as well as value creation. The general objective of the study was to establish the influence of innovation strategies on service delivery among medium and large supermarkets in Nairobi City County Kenya. This study was based on two theories, Schumpeter's theory of innovation and service quality theory. A descriptive cross-sectional design was employed with a target study population of 75 medium and large supermarkets in Nairobi City County. The target respondents were senior managers of the medium and large supermarkets within Nairobi City County. Analyses was done using descriptive analysis, multiple linear regression and correlation analyses. It was established that process innovation strategies, market innovation strategies and technological strategies were shown to have a significant impact on service delivery at great extent while administrative strategies at moderate extent. The study established a positive relationship between innovation strategies and service delivery. It was concluded that there is a significant association existing between innovation strategies and service delivery hence the model of research is significant. The study recommends that management of the supermarkets should innovate their products and service offerings on a regular basis. The supermarkets should upscale resources in research and development to achieve quality and diversity in their service delivery.

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

Business in the present climate is dependent on the presence of globalized economies, increasing internet capabilities, and more recent information technology, and nothing can go as normal (MohdRosli & Syamsuriana, Sidek 2021). Innovation is the key driver of competitiveness, profitability, growth as well as value creation (Enkel, 2021). Innovation strategies guide managers on how to use resources to achieve a company's innovation goals thereby creating value and building competitive advantage (Malek, Moradi, Mehdizade, & Dorostk.,2021). As per Reguia (2014), innovative companies have greater worldwide market share, growth rates, profitability, and market value.

Two theories were used in this study: the Schumpeter's Theory of Innovation and Service Quality. Schumpeter's innovation theory rewards the integration of innovation in a business's operations as a possible source of future profits (Lemanowicz, 2015). Gronoroos proposed the idea of Service Quality Theory (1982). The idea states that a process of consumer choice making may be described by many methods such as psychodynamic, compartmental, cognitive and humanistic perspectives.

Medium and Large supermarkets are viewed as great contributors to economic development in Kenya. This segment of businesses creates trade openings and steers business rivalry and economic development (KIPPRA, 2020). Medium and Large supermarkets in Kenya have been facing diverse challenges including new entrants into the industry, increased consumers demand. How responsive an organization is to the environment determines its success. Since changes in the external

environment have a direct or indirect influence on the organization, medium and large supermarkets in Kenya have adopted different strategies to maintain their positions.

1.1.1 Innovation Strategies

Innovation is termed as the effective development, application and utilization of fresh or structurally enhanced services, products, organizational forms, technology or process (Hartley, 2021). The study of Eisenhardt and Martin (2021) states that innovation involves new product and service development which are considered to be innovation and is distinguished by its dynamic capability performance. Innovation as process is not considered singular action but rather is a sum of various interrelated sub procedures thus, innovation does not end with new concept or idea, new market development or new device invention but all these processes combined in an integrated manner. Muradi, (2021) asserted that innovation can also be considered as thinking beyond the obvious as it entails discovering new concepts, things, developments, improvements, and ideas so as to attain strategic advantages.

Hansen and Birkinshaw (2020) explored approaches to innovation as active organization, intentional processes, and management of activities. Further, innovation strategies can be described as the manner in which organization directs its resources for a given period of time and obtain capabilities that impacts the performance of innovation. This includes organization behaviours and economic perspective which is concerned with internal operations. It is also acknowledged that organization forms association with other organization and trade, cooperate as well as compete with one another. Thus, the operations of individuals within an organization are also known to affect the innovation process. Rushe and Waples, (2020) indicated that innovative companies do not have control of their share prices but of their innovation strategies, sales and profits.

Innovation Strategies mostly adopted originate from various typologies that include service, marketing or commercial, production, management, organizational, process and production innovations. The most creative approaches have a positive impact on the corporate culture and the surrounding environment, thereby promoting innovative traits (Aarons, 2020). Innovation Strategies therefore improve the interdisciplinary team's expertise, boost customer satisfaction since customer feedback is taken into account in the innovation process, guarantee that allotment and use of resources is suitable and promote the continuity of the innovative process (Aykut, 2021).

1.1.2 Service Delivery

According to Kazmi (2018), service delivery entails components of a firm that define the manner in which different processes interact between the clients and the service providers in which the client finds value or loses as a result of the interaction. Service is an intangible economic activity that cannot be stored and does not lead to ownership. It entails information exchange, knowledge and any other kind of assets (Jackson, 2019). We provide delivery wherever, whenever, and a method for distributing our goods and services to customers (Pujari 2016). This indicates that a good service delivery method enhances the delivery of products to clients and increases the value. Schindler and Cooper (2017), consider service delivery as a set of activities that are undertaken within a business environment to perform a service. Ven and Poole (2015) allege that service delivery reflects a firm's coordinated activities and actions aimed at delivering effective services and products.

There is a section of indicators that top management teams in organizations can utilize in tracking the progress of a firm's service delivery efforts that are pegged on the need to increase the overall performance of the organization. Good governance and accountability may be used as an indicator in measuring the success of service delivery in an organization. Customer satisfaction remains

crucial in determining an organization's success in the delivery of its services in the market (Verhoef & Lemonk, 2015).

When a service delivers on quality expectations, customer satisfaction is achieved. Kiragu (2015) speaks of ex-ante and ex-post expectations whereby; ex-ante expectations are anticipations about a service before encounter and ex-post perception is the reality after experiencing the service. Ex-ante expectations are created after an initial encounter with a service or are acquired through promises in advertisement, advocacy, word of mouth or references. Ex-post perception is the reality about the service and occurs after using the service at least more than once. Quality service delivery occurs through keeping promises and maintaining consistency in service delivery. Consistency in quality service delivery leads to positioning of the service in customer's mind and loyalty to the brand (Kinoti et al., 2013).

1.1.3 Medium and Large Supermarkets in Nairobi City County, Kenya

According to Ebrahims, Jack & Jill (2017) the Kenyan retail industry is highly active with supermarkets ranging from partnerships, sole proprietors, limited liability companies. These retailers fight for competitive advantage in the market through product diversification, price wars or quality of services advanced to customers. The country's economic climate has drastically altered, resulting in increased demand for regional and locally owned supermarkets (McKinsey Global Institute, 2017). These types of retail establishments have workers that are fifty and over. These supermarkets are located within the capital center of Nairobi with branches all over Kenya and some have gone regional. The medium and large supermarkets have recently been stocking other household goods such as household appliances, clothing and furniture.

As the industry becomes more profitable, more players' mainly international retail chains are anticipated to set up operations in Kenya (Anurag, Tyagi & Raddi, 2016). Completion of the market

freedom, increasing urbanization, and rising middle class and changing lifestyles are all linked to the better financial success of Kenyan supermarkets. Medium and large Supermarkets in Nairobi are becoming many and bigger and demonstrate bigger growth potential. The rivalry is fierce among supermarkets in Nairobi as each is trying to stand out as the finest. Consistent market has been attributed to consistent disposable income and divergent consumer taste on different brands (Odi, 2017).

For the case of Kenyan supermarkets, electronic payment systems have been of great importance in ensuring the success of the industry despite the geographical locations and irrespective of the type of business practiced (WTO, 2017). Some of the positive contributions in the Kenyan market is that business consumers and operators are able to access market services in selling and buying in 24 hours through out the year, hence making the operations of business activities convenient to every involved market player as people are able to get involved in any time of the day according to their needs and convenience (WTO, 2017).

1.2 Research Problem

Innovation strategies are significant components of a firm's competitive approach and strategy (Wanyoike, 2016). Changes in the business environment are characterized by high levels of competition, changing customer's behaviour, high firm operational costs and inadequate resources and are some of the challenges experienced by most firms. Firms have to change with the customers to retain the business relationship. Taking up innovation is basically one of the critical measures to stay relevant and survive (Wani, 2015). Innovation creates growth and service delivery in the dynamic and uncertain environment (Tinoco, 2010). Kiragu (2015) Niwagba (2013) found out that

the application of innovation strategies significantly influences service delivery of a firm. Innovation strategy impacts service delivery positively and firms should focus on innovation strategy (Hartley, 2006).

Competition has grown too with the increase in the economy. In small towns and secondary cities, medium and big stores are rapidly spreading into smaller towns and smaller cities to serve impoverished populations in Kenya. They both grew similarly in Kenya (Njenga, 2012).

A shift in environmental conditions and growth variables have led to this transformation (Neven & Readson, 2005). Stores located on the same street like their counterparts operate in the market among others that are medium and big. Some of the innovation strategies used by supermarkets include; innovation in the design of products, processes, the market, and the administrative structures (Moffat, 2016). An essential emphasis of process innovation is on the manner in which new goods or services are developed. Marketing innovation is about developing changes in the market in order to better serve customers. Administrative innovation is about developing improvements in administrative tasks, employee relations, and work environment while also rewarding employees competitively.

There have been a number of studies on how to implement innovation strategies, globally, regionally and locally. In Malaysia, Samad and Aziz (2016) explored how innovation affected the competitive advantage of Malaysian foods processing SMEs. The study sampled 220 firms using random sampling methods and questionnaires for collection of data. Using the regression technique, the study established that competitive advantage was positively enhanced by innovation. In Iran, Fathali (2016) examined competitive strategies and their effect on firm innovation among Iranian automobile companies. Data collection was through questionnaires administered to 286 executives

of automobile firms where correlation techniques were used for analysis. The findings showed that the Porters' competitive strategies positively and significantly affected corporate innovation. Goksoy and Ozalp (2013) performed study on commercial banks' competitive advantage in Rwanda by using innovative methods. It concerned a descriptive case study. To get lasting competitive advantage, they found that you had to provide something different than your competitors.

Locally, Kariuki (2017) examined innovation strategy and its influence on competitive advantage of Kenyan commercial banking entities. A descriptive survey was adopted and questionnaires used for data collection from managers of the 44 Kenyan commercial banks. It was found that market innovations positively affected the bank's competitive advantage. Kiveu (2013) studying the challenges of implementation of innovation strategies at the New KCC found out that non inclusive change management, financing limitations, limitations in leadership, breakdown in machinery at the plants and cash flow limitations due to huge borrowings were the main challenges. Deya and Laban (2019) looked at how strategic innovations impact ICT companies in the County of Nairobi's organizational performance. The questionnaire included structured questions to solicit respondents' data. Multiple regression analysis showed that three key drivers of ICT companies' success were market, product, and organizational innovation.

The vast majority of the research addressed focused on innovative strategies and competitive advantages, while few studies were conducted on the delivery of the service. To investigate whether innovative methods are linked to supermarket service delivery in Nairobi, Kenya, this research set out to determine the connection. The study was focused on the question: What influence do new and inventive ideas have on the service delivery among supermarkets within Nairobi City County?

1.3 Research Objective

The objective of the study was to determine the influence of innovation strategies on service delivery among medium and large supermarkets in Nairobi City County Kenya.

1.4 Value of the Study

Schumpeter's Theory of Innovation and the Service Quality Theory was enhanced by the research. The study added on to the on empirical evidence on innovation strategies, service delivery and presents an avenue for additional studies on the concept of innovation. As a result of this research, scholars in the service industry have gained new insights into their field. It will inform the readers how to overcome innovation strategies challenges.

The government and other policy makers will benefit from the study findings as the standard for formulation of policies in relation to the economy. It will further benefit by getting enlightened as a result of understanding the influence of innovation strategies on service delivery among medium and large supermarkets in Nairobi City County Kenya.

Finally, this study's findings shall be of significance to the strategic management practice by giving recommendations on how to enhance innovative strategies and service delivery. Managers will have better understanding and appreciate the importance of innovation in a firm. In addition, investors will utilize the results of this research to give the green light to retail stores in Kenya.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

Literature related to this subject is summarized in this chapter. Three guiding concepts are used in this research. The study also examined innovation strategies issues. The chapter also reviews prior research on the relationship between innovation strategies and service delivery.

2.2 Theoretical Foundation

The study was anchored on these theories: Schumpeter's Theory of Innovation and service quality theory.

2.2.1 Schumpeter's Theory of Innovation

Schumpeter first formalized his theory of innovation in 1934, which claimed that companies might improve their profit margins by integrating new ideas. According to Schumpeter's innovation theory, the incentive of integrating innovation into a company's operations is mainly the prospect of increasing profits. Schumpeter sees innovation proverbially as a new method for companies and commercial entities to decrease their production costs, although increasing their demand for products and services (Paris, 2015).

Innovation, according to Schumpeter (1934), is the progression of activity that includes structural changes, and he categorizes it into five kinds. The first is the use of quick manufacturing or sales techniques, which occurs during a time when innovation is not yet present. The second kind of innovation involves introducing or enhancing a present design's existing capabilities. The third kind of innovation results in the creation of a new market that did not previously exist. The fourth step

is to find up-to-date raw material or partially finished material sources. The final kind is the contemporary industrial composition, which involves the demolition or development of a dominance position. Any company that wants to make money must innovate not just in terms of product, process, and market, but also in terms of human resources.

The relevance of this theory in the current context is that innovation has been a key player in the growth and expansion of the retail space. Thus, it is indeed an appropriate time to study the strategies that companies in this sector have adopted. The five kinds of innovation rely on the four aspects of innovations for a company to gain a service. The theory has also been seen as limited in its view of the operating environment of organizations. Like previous business cycle theories, this hypothesis excludes other variables that cause company circumstances to fluctuate. Innovation is not the lone factor but just one of the elements that generate environmental variations (Megha, 2016).

2.2.2 Service Quality Theory

Gronoroo (1982) developed service quality theory, which Parasuraman et al. subsequently popularized (1985). It is based on Howard and Sheth's (1969) consumer behavior theory, which contends that the buyer decision-making process may be described using a variety of methods, including psychodynamic, behavioral, cognitive, and humanistic perspectives. Service quality was divided into three categories by Gronoroo (1982): technical, functional, and image. What service is provided to the customer is concerned with the technical component. This function is important to the customer in the evaluation of the service and it can frequently be measured through objective methods.

Functional component confines itself to how the quality of the service is delivered and may influence how a given customer will perceive the service. The services are intangible in nature, and it may be defined as an endeavor in which consumption and production occur in tandem to a significant degree (Armistead, 1990). The functional quality cannot be measured objectively as the technical dimension as it is very subjective. His function is important to the customer in the evaluation of the quality of the service and may in one way or another influence the judgment. Technical and functional qualities do not take place in a vacuum and therefore the image of the firm is equally important. Image is limited to how consumers perceive the company and its resource during seller-buyer contact, which makes the company image of many service companies very important.

This concept is essential for this research since it correlates innovation strategy with service delivery. Identifying qualitative gaps enables resource redeployment in areas that perform poorly for optimal competitive benefit. However, this approach was critiqued for concentrating on service delivery and not addressing quality of service (Gronroos, 1990). The theory has also been seen as limited in its view of the operating environment of organizations. Like previous business cycle theories, this hypothesis misses out other variables that drive changes in the business environment (Babakus & Inhofe, 2015).

2.3 Innovation Strategies

It is stated that innovation may take numerous forms, however it is divided into four distinct methods by Adriopoulos and Dawson (2009). Strategy in the areas of product/service/process/market/organizational innovation. An innovation strategy in a firm is a plan to increase profit and market share through product and service innovations. This depend on the best approach to be used in creating solution which must indicate whether it is product improvement

or a disruptive or breakthrough innovation. Innovation strategies considered under this study include process innovation, market innovation, administrative and technological strategies.

Process innovation is in most cases focused on the way innovation is applied on the organization and execution process that results to development of new products or service. Process innovation encompasses customer services, strategic planning, employee assessment and project management (Hamel, 2006). Bharadwaj, Fahy and Varadarajan (2015) indicated that process innovation increases the capability of using advance technology during production Herrera (2015) discovered that process innovation is linked to commercial banks' competitiveness. According to Liao, Fei, and Liu (2008) it is hypothesized that process innovation determines success and failure of an organization. Ussahawanitchakit (2018) asserted that process innovation has the capability to enhance competitive advantage. Organizations which emphasize on process innovation and the greater capability to implement process innovation are in position to realize better business environment response and they are in best position to build more.

New ideas, offering value to customers, telling the story of the business, and managing customer relations are all facets of business innovation. Market innovation is a process which initiates significant and ongoing market changes in order to increase consumer awareness of goods and services (Trott, 2017) The innovation within the market favours one player who is capable to keep up with market structure changes hence acquire competitive advantage (Palmer, Wright, and Powers, 2015). According to Palmer, Wright, and Powers (2015) there is a substantial link between market innovations and organizations competitive. The same results were obtained by Mahmud et al. (2010) whereby market innovations were found to provide organization capacity to expand its strategic customer base thus creating a sustainable competitiveness.

Market innovation is a fundamental tool for achieving sustainable competitive advantage in an organization (Ren et al. (2010). Market innovation is crucial since it enables firms to grab market opportunities and at the same time helps a firm in meeting customer needs.

Administrative innovation is concerned with organization structure, administrative process, information system and reward. Basically, it encompasses all work activities that are within organization and they are directly related to human resource management (Tan & Nasurdin, 2011). Efficient and effective administration efforts, improved employee interactions, better workplace and satisfaction via improvement in the working environment and competitive pay accomplish administrative innovation. Employees are a critical factor in determining whether a company succeeds or fails. Management innovations may involve knowledge coding techniques in order to create best practice databases.

According to Munyoroku (2014) it is observed that most firms succeed due to processes in operations which are efficient and the resultant increased investments in technologies that intensify firm internal efficiencies. Therefore, it is noted that identification and exploration of new revenue opportunities and improvement of customer satisfaction through reliable delivery should be supported by adoption of technological innovation strategies. Technological innovation strategies entail systems adoption such as ERP systems with provision of capabilities that give support and increase processes associated with production.

2.4 Measures of Service Delivery

The SERVQUAL methodology, which was developed to detect the gap in impression between what the business thinks it is providing to customers and what the consumer perceives, was used to assess

service delivery. The four SERVQUAL building components include: empathy, responsiveness, reliability and assurance.

The first aspect of service delivery to consider is reliability. This has to do with the company's ability to give the best service possible. In addition, it takes into account the company's capacity to provide the service on time, every time, and without faults. Customer service entails putting in place mechanisms to ensure that your customers are completely satisfied with your company. Heskett, thank you for your time and effort (1987). Reliability, tangibility, responsiveness, accessibility, and empathy are examples of service delivery indices (Parasuram, 1985).

The response of quality of service examines the capacity of the business to quickly react to the demands of the client. If businesses fail to react to a client and, in particular, if there is no clear cause or justification, the consumers have a bad impression. Because facilities are not utilized effectively and services rely on their usage, having access to them will restrict certain services. Services that are difficult to obtain are considered low quality, whereas those that are easy to acquire are considered high quality (Balunywa, 1998).

The assurance depends on the employee's capacity to trust and trust the client. This is based on the knowledge and skill of the employee to make pleasant and courteous communication. Four components of this component are: competency, customer compliance, efficient communication and attitudes. For services to be seen as a service, it should include all characteristics that meet the expectations of consumers. It should be classified as high service with all its main operational features and all quantifiable aspects (The Balunywa Council, 1998).

The capacity of an employee to demonstrate real care and concern for consumers establishes empathy. For empathy to be successful, the employee must demonstrate it on a regular basis. Delays

in the supply of service will lead to a loss of meaning in services and thus a service must be provided in good time before the customer gets irritated. As a result, excellent service is synonymous with operating within a certain range of tolerance. It will be deemed excellent service provided if the service operates as anticipated and planned (Balunywa, 1998).

2.5 Innovation Strategies and Service Delivery

Auma (2014) assessed the effect of innovation in enhancing competitive advantage of Kenyan horticultural processors and exporters. Data was obtained via questionnaires from administrators of 49 firms and the multiple linear regression adapted for data analysis. The regression results showed that marketing as well as production innovations significantly affected the sampled firms' competitive advantage. The focus of the study was horticultural processing and export companies and quantitative tools were used for analysis.

Dore (2018) assessed innovation strategies and their effects on competitive advantage of health care products manufacturing companies. A descriptive survey was adopted and data collected from 22 manufacturing firms Nairobi using questionnaires. The study using the regression model established that 88.0% of the variation in competitive advantage was accounted for by process, product, technology and market innovations. The study concluded that innovation strategies significantly influence competitive advantage. The study however focused on manufacturing firms.

Samad and Aziz (2016) explored how innovation affected competitive advantage of Malaysian foods processing SMEs. The study sampled 220 firm using random sampling methods and questionnaires for collection of data. Using the regression technique, the study established that competitive advantage was positively enhanced by innovation. The context for this study was SMEs and also employed factor model as opposed to regression model.

Kariuki (2017) examined innovation strategy and its influence on competitive advantage of Kenyan commercial banking entities. A descriptive survey was adopted and questionnaires for used for data collection from managers of the 44 Kenyan commercial banks. Through the regression model, it was documented that both product and process innovations significantly affected the sampled banks competitive advantage. It was also found that market innovations positively affected the banks competitive advantage. This study however focused on commercial banks.

Using a descriptive study approach and secondary data, author Ngugi (2015) studied mobile banking and competitive advantage in Kenya from 2006 - 2014. He applied multiple regression to examine the association between competitive advantage and innovations in mobile banking and established that there's a positive linkage and that innovations in mobile banking services have resulted in the deepening of financial services in Kenya. The context of the study by Ngugi (2015) was banks thus contextual gap.

Kuncoro and Suriani (2018) examined how product innovation affected rabbit meat merchants' competitive advantage. Questionnaires were used for collection of data from 110 merchants where the Structural Equation Modelling with Partial Least Square was used for analysis. It was found out that product innovation had a significant and direct influence on market driving while market driving significantly and positively influenced sustainable competitiveness. The study's context was rabbit meat merchants and supermarkets thus contextual gap.

Wambua and Datche (2017) use a Case Study of Equity Bank Mombasa County, Kenya to delve into the innovative factors that affect financial inclusivity in the banking industry with key focus on the perceived risk, user friendliness, trust and confidence and anti-money laundering requirements on innovative delivery channels. The descriptive survey research design with both

qualitative and quantitative approaches was applied for the study. The study's context was case study of banks and analysis was carried out using quantitative tools thus contextual and methodological gaps.

Wachiuri (2013) analyzed strategies used by the Standard Chartered Bank of Kenya to create a sustained competitive advantage. The study took the case study. The study revealed that a multitude of new ideas, especially ones connected to corporate competitiveness, are valuable and required to promote long-term financial security. Coca-Cola Kenya Limited's innovation approach was examined by Cheptegei (2012). The case study design was utilized in the research. Coca-Cola Company is studying the data and different entrance methods that may increase earnings and/or customer base numbers. Empirical research focused mostly on corporations in various industries which operate in diverse business contexts and thus the results are not generalizable. Some research has looked at market entrance strategy using case study methods, while others employ quantitative research to provide a contrast to the methods used in this study.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This represents the research techniques used throughout the whole study. Its primary focus is the study's design, followed by methods for data analysis, and finally the data collecting and presentation tactics that was used as a part of this study.

3.2 Research Design

Research design is a field of academic study dedicated to identifying study methodology (Kothari, 2014). According to Ghauri & Gronhaug, 2005, research design entails devising a specific strategy or a specific data collection structure, as well as subsequent statistical analysis, which includes the research strategy and the researcher's primary objectives. Cross-sectional design was used for this study. Cross-sectional studies provide data for possible linkages in order to collect basic data that will aid future study (Cherry, 2019). Descriptive study focuses on setting the rules of the game and therefore assists in determining the prevailing state of a phenomenon under research (Cooper & Schindler, 2003).

3.3 Population of the Study

A population includes many different things with common characteristics used in prediction (Kothari, 2011). The target population of this study was 75 medium and large supermarkets in Nairobi City County as per Kenya national Bureau of statistics report (2020). The study thus carried out a census of the 75 medium and large supermarkets in Nairobi City County. Medium and large

supermarkets have various branches across the country. For insignificant populations, Cooper and Schindler (2008) recommend a census and essential where the elements remain unattended too.

3.4 Data Collection

This research used original data to address certain issues. The researcher applied structured questionnaires to gather their data. The questionnaire technique, according to Mugenda & Mugenda (2003), is the most appropriate instrument for gathering relevant and complete information. The questionnaire contained three parts where the first part was on the organization characteristics. The second part was innovation strategies and the third part was service delivery. Targeted participants included top executives of the medium and large supermarkets within Nairobi City County. The survey was conducted by dropping completed questionnaires to targeted respondents and picking up the completed questionnaires on the specified dates. Some questionnaires were also distributed through email and online platforms.

3.5 Data Analysis

After collecting data, the questionnaires were revised for uniformity. Any anomalies were removed by editing, tabulating, and coding to find all the questionable information and numeric data for future study. Descriptive statistic was used to examine data that includes central trend (mean) measurements and dispersion measure (variance and standard deviations). The results were then presented using graphs and tables. The multiple linear regressions model below was used to establish the relationship between the variables:

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

Where:

Y = Service Delivery

β_1 to β_3 are the regression coefficients

β_0 = Constant Term

X_1 = Process Innovation Strategies

X_2 = Market Innovation Strategies

X_3 = Administrative Strategies

X_4 = Technological Strategies

E = Error term

CHAPTER FOUR

DATA ANALYSIS, PRESENTATION AND DISCUSSION

4.1 Introduction

This chapter includes statistical analyses and discussions of the research findings on innovation strategies and service delivery among medium and large supermarkets in Nairobi City County Kenya.

4.2 Response Rate

From a total of 75 surveys that were submitted, 60 were returned for data processing representing 80% response rate. The findings support Mugenda and Mugenda's (2013) assertion that rates higher than 50% are acceptable in analyses. Babbie (2010) likewise considers a return rate of 60% to be good, and a return rate of seventy to be outstanding. The findings were sufficient for data analysis. The researcher proceeded with analyses of data having adequate response rate.

4.3 Organizational Characteristics

This section is dedicated to firm's basic details. The data aided in comprehending the firms' background details under consideration. It requested information on the number of employees, years of operation and the number of branches.

4.3.1 Period of operation

The duration of operation of the supermarkets in Nairobi City County, Kenya was given by respondents as specified in Table 4.1.

Table 4.1: Period of Operation

Years	Frequency	Percent
Less than 4 years	9	15
4-8 years	28	46.67
Above 8 years	23	38.33
Total	60	100.0

Source: Field Data (2021)

Table 4.1 depicts that most of the medium and large supermarket in Nairobi City County, Kenya have been in operation between 4-8 years at 46.67%, above 8 years at 38.33% and lastly less than 4 years at 15%. The result implies that majority of the medium and large supermarket in Nairobi City County, Kenya are well established in the Kenyan Market.

4.3.2 Number of Employees

The goal of the research was to figure out how many people work for medium and large supermarket in Nairobi City County, Kenya. Table 4.2 depicts responses as gathered from respondents.

Table 4.2: Number of Employees

Employees	Frequency	Percentage
Less than 300	18	30
301 - 600	30	50
Above 600	12	20
Total	60	100.0

Source: Field Data (2021)

Table 4.2 depicts that most of medium and large supermarket Nairobi City County in Kenya have employees between 301 – 600 at 50%, followed by less than 300 at 30% lastly over 600 was 20%. This implies that most medium and large supermarket Nairobi in Kenya are able to operate on a large scale of staff.

4.3.3 Number of Branches

The goal of the research was to figure out how many branches do medium and large supermarkets in Nairobi Kenya have. Table 4.2 depicts responses as gathered from respondents.

Table 4.3: Number of Branches

Branches	Frequency	Percentage
Less than 5	18	30
5-10	28	46.67
More than 10	14	23.33
Total	60	100.0

Source: Field Data (2021)

Table 4.3 depicts that most of medium and large supermarket Nairobi City County in Kenya have between 5-10 branches in Kenya at 46.67%, less than 5 branches at 30% and lastly more than 10 branches at 23.3%. This implies that most medium and large supermarket Nairobi in Kenya are well distributed in Kenya in terms of branches.

4.4 Innovation Strategies

The independent variables of this research were innovation strategies. It was essential to determine the opinions of respondents on their organization's innovation strategies. The innovation methods have been assessed at a 5-point scale of Likert and the responses are required to either agree on "Not at all," "little extent" and "moderate extent" or "large extent", "very large extent". For each question, the most favorable answer was given 5 points, followed by 4, 3, 2, and 1 for the least positive. This research utilized a mean value of 4.0-5.0 for large, 3.0-4.0 for moderate, 2.0-3.0 small, and 1.0-2.0 for did not agree. The Medium and Large Supermarkets in Nairobi City County, Kenya was evaluated using a total of 20 statements.

4.4.1 Process Innovation Strategies

All five statements were requested to be rated on a scale of one to five by participants on process innovation strategies. Table 4.4 displays the final result.

Table 4.4 Process Innovation Strategies

Statement	N	Mean	Std Dev
The supermarket introduces new or substantially better techniques for production or production of products or services	60	4.11	.504
The business introduces logistics, transportation or distributing techniques new or substantially enhanced for your materials, products or services.	60	4.54	.505
The supermarket acquires sophisticated gear, equipment, software and structures	60	4.23	.798

for new or substantially enhanced processes

The supermarket buys existing knowhow, copyright, patented and unpatented innovations. 60 4.63 .547

In order to remove delivery operations that don't provide any value, the supermarket looks for non-value-adding activities. 60 4.26 .611

Composite Statistics 60 4.35 .652

Source: Field Data (2021)

In regards to Table 4.4, the business introduces logistics, transportation or distributing techniques new or substantially enhanced for their materials, products or services with mean value calculated of 4.63. The standard deviations of 0.547 derived by SPSS pointed out that majority of the respondents were of similar opinion. The business introduces logistics, transportation or distributing techniques new or substantially enhanced for their materials, products or services having a 4.54 as mean and a 0.505 as standard deviation. As part of the grocery store's delivery process, non-value-adding tasks are being identified and then omitted, mean value calculated of 4.26. The standard deviations of 0.611 derived by SPSS pointed out that majority of the respondents were of similar opinion. In addition to this, the supermarket acquires sophisticated gear, equipment, software and structures for new or substantially enhanced processes having a 4.23 as mean and a 0.798 as standard deviation. Finally, the supermarket introduces new or substantially better techniques for production or production of products or services with a mean difference of 4.11 and

0.504. The overall mean value calculated of 4.35 suggesting that many supermarkets in Nairobi, County Kenya embraced process innovation strategies to a great extent.

4.4.2 Market Innovation Strategies

All five statements were requested to be rated on a scale of one to five by participants on market innovation strategies. Table 4.5 displays the final result

Table 4.5: Market Innovation Strategies

Statement	N	Mean	Std. Dev
The supermarket renovates the methods of promoting existing and/or new services provided.	60	4.11	1.17
The supermarket renews distribution routes but does not change the logistical procedures connected to product delivery.	60	3.73	0.98
The supermarket renews general marketing management activities.	60	3.34	1.19
The supermarket comes up with new product placement strategies	60	3.90	0.89
The supermarket seeks possibilities based on future consumer demands and develops solutions to fulfil these requirements.	60	3.23	1.07
Composite Statistics	60	3.66	1.06

Source: Field Data (2021)

The supermarket renovates the methods of promoting existing and/or new services provided by Mean 4.11 and std deviation 1.17. The supermarket comes up with new product placement strategies which show an average difference of 3.90 and 0.89. In addition, the supermarket renews distribution routes, but does not change the logistical procedures connected to product delivery having a 3.73 as mean and a 0.98 as standard deviation. The supermarket renews general marketing management activities with a mean value calculated of 3.34. The standard deviations of 1.19 derived by SPSS pointed out that majority of the respondents were of dissimilar opinion. Finally, the supermarket seeks possibilities based on future consumer demands and develops solutions to fulfil these requirements having a 3.23 as mean and a 1.07 as standard deviation. The overall mean was 3.66 which implies that the supermarkets within Nairobi City County, Kenya embraced market innovation strategies to a moderate extent.

4.4.3 Administrative Strategies

All five statements were requested to be rated on a scale of one to five by participants on administrative innovation strategies. Table 4.6 displays the final result

Table 4.6: Administrative Strategies

Statement	N	Mean	Std. dev
The supermarket periodically changes its structure to enable team work	60	4.18	0.95
The supermarket promotes cooperation across various departments so as to speed up the invention process and get more feedback from the product released	60	3.73	1.06

The supermarket uses analytical techniques to assist decision-making processes	60	3.57	0.99
The supermarket has upgraded its administrative system	60	3.00	1.02
There is increasing investment in innovative technology within the supermarket	60	3.60	1.05
Composite mean	60	3.57	1.01

Source: Field Data (2021)

The supermarket periodically changes its structure to enable team work having a 4.18 as mean and a 0.95 as standard deviation as depicted in Table 4.6. Having a 3.73 as mean and a 1.06 as standard deviation, the supermarket promotes cooperation across various departments so as to speed up the invention process and gets more feedback from the product released. The supermarket uses analytical techniques to assist decision-making processes having a 3.57 as mean and a 0.99 as standard deviation as espoused by survey data. There is increasing investment in innovative technology within the supermarket supported by mean value calculated of 3.60. The standard deviations of 1.02 derived by SPSS pointed out that majority of the respondents were of dissimilar opinion. In addition, issues having a 3.00 as mean and a 1.02 as standard deviation implied that the supermarket had upgraded its administrative system. The overall mean was 3.57 which implies that many supermarkets in Nairobi City County, Kenya embraced administrative strategies to a moderate extent.

4.4.4 Technological Strategies

All five statements were requested to be rated on a scale of one to five by participants on technological innovation strategies. Table 4.7 displays the final result

Table 4. 7: Technological Strategies

Statement	N	Mean	Std. dev
Investment in innovative technology	60	4.20	0.89
The supermarket adopts new innovative technology	60	3.52	1.08
Changing design properties	60	4.30.	0.92
New product placement strategies are often formulated	60	4.11	1.10
Routine tasks are automated	60	3.80	0.99
Composite Statistics	60	4.02	0.99

Source: Field Data (2021)

Table 4.7, changing design properties as shown by a mean value calculated of 4.30. The standard deviations of 0.92 derived by SPSS pointed out that majority of the respondents were of dissimilar opinion, investment in innovative technology having a 4.20 as mean and a 0.89 as standard deviation while new product placement strategies are often formulated having a 4.11 as mean and a 1.10 as standard deviation. Routine tasks are automated with mean value calculated of 3.80. The standard deviations of 0.99 derived by SPSS pointed out that majority of the respondents were of dissimilar opinion. The supermarket adopts new innovative technology with a 3.52 as mean and a 1.08 as standard deviation. Overall, the mean was 4.02 which implies that technological strategies are adopted by the supermarkets in Nairobi City County, Kenya to a great extent.

4.5 Service Delivery

Under this research, service delivery was a dependent variable. The respondents' opinions on the service delivery of their supermarket had to be established. The following analysis has been adopted to distinguish the extent: mean value of $4.0 < 3.5$ to a large, a moderate extent of $3.0 < 4.0$, a small extent of $2.0 < 3.0$ and an average score of $1.0 < 2.0$ to a small degree. 10 statements were used to evaluate service delivery among supermarkets.

4.5.1 Responsiveness

The all five statements were requested to be rated on a scale of one to five by participants on responsiveness. Table 4.8 displays the final result

Table 4.8 Responsiveness

Responsiveness	N	Mean	SD
The supermarket employees are happy and willing to serve customers	60	4.53	0.487
Service times are clearly communicated to consumers by employees.	60	4.40	0.493
Responding to user requests is not a problem for the personnel	60	4.30	0.498
Mean	60	4.41	0.498

Source: Field Data (2021)

From table 4.8, responsiveness was influenced by the supermarket employees' happiness and willingness to serve customers at mean value calculated of 4.53. The standard deviations of 0.487 derived by SPSS pointed out that majority of the respondents were of similar opinion, followed by

providing consumers with up-to-date arrival times for services at a mean of 4.40, standard deviation 0.490. Lastly, responding to user requests is not a problem for the employees at a mean value calculated of 4.30. The standard deviations of 0.498 derived by SPSS pointed out that majority of the respondents were of similar opinion. The overall mean value calculated of 4.41 implying that responsiveness influence service delivery at great extent.

4.5.2 Reliability

The all five statements were requested to be rated on a scale of one to five by participants on reliability. Table 4.9 displays the final result

Table4. 9 Reliability

Reliability		Mean	Stdev
The supermarket performs services right the first time	60	4.20	0.554
The supermarket delivers services in a timely manner	60	4.16	0.528
The management delivers its services	60	4.06	0.555
Mean	60	4.14	0.551

Source: Field Data (2021)

From Table 4.9, Reliability was influenced by the supermarket performing services right the first time at a mean value calculated of 4.20. The standard deviations of 0.553 derived by SPSS pointed out that majority of the respondents were of similar opinion, followed by the supermarket delivering services in a timely manner at a mean of 4.16, S. D 0.528, The management delivers its services was at a mean of 4.06, S. D 0.55. The overall mean value calculated of 4.14 implying that reliability influence service delivery at great extent

4.5.3 Assurance

The participants were asked to rate their agreement with each of the five statements on assurance .

Table 4.10 displays the final result

Table 4.10 Assurance

Assurance		Mean	Stdev
The employee behavior instill confidence in the customers	60	4.54	0.582
The employees are consistently courteous to the customers	60	4.53	0.583
The employees' behavior instills confidence in customers	60	4.53	0.557
Mean	60	4.49	0.586

Source: Field Data (2021)

From table 4.10 assurance was influenced by the employee behavior instilling confidence in the customers at mean of 4.54, standard deviation 0.582, followed by the employee are consistently courteous to the customers at mean of 4.53, standard deviation 0.583. Lastly, the employees' behavior instills confidence in customers at mean of 4.53, standard deviation 0.557. The overall mean was 4.49 which imply that assurance influence service delivery at great extent.

4.5.4 Empathy

The participants were asked with three statements on empathy and prompted to indicate their degree of agreement with each of them as specified in Table 4.11

Table 4.11 Empathy

Empathy		Mean	Stdev
The employees give customers individual attention	60	4.50	0.532
Services are adjusted to suit individual customer needs	60	4.41	0.625
The operating hour are convenient to all customers	60	4.44	0.581
Mean	60	4.50	0.567

Source: Field Data (2021)

Empathy was influenced by employees give customers individual attention at mean of 4.50, standard deviation 0.532, followed by services are adjusted to suit individual customer needs at mean of 4.41, standard deviation 0.625, The operating hour are convenient to all customers at mean of 4.44, standard deviation 0.567. The mean value calculated of 3.226. The standard deviations of 1.33 derived by SPSS pointed out that majority of the respondents were of dissimilar opinion

The overall mean was 4.50 which imply that reliability influence service delivery at great extent. The aggregate mean was 4.53 that implies that commercial banks have adopted service delivery to great extent

4.6 Correlation Analysis

Correlation analysis was conducted to assess association between the predictor and response variables. It helps to link innovation strategies with service delivery.

Table 4.12: Correlation Between Innovation Strategy and Service delivery

		PI	MI	AI	TI	SDR
PI-Process innovation	Pearson Correlation	1				
	Sig. (2-tailed)					
	N	60				
MI-Market Innovation	Pearson Correlation	.650**	1			
	Sig. (2-tailed)	.01				
	N	60	60			
AI-Administrative	Pearson Correlation	.623*	.531*	1		
	Sig. (2-tailed)	.05	.05			
	N	60	60	60		
TI-Technological innovation	Pearson Correlation	.673**	.554*	.231*	1	
	Sig. (2-tailed)	.01	.05	.05		
	N	60	60	60	60	
SDR-Service delivery	Pearson Correlation	.754**	.742**	.604**	.405*	1
	Sig. (2-tailed)	.01	.01	.01	.05	
	N	60	60	60	60	1

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

* . Correlation is significant at the 0.05 level (1-tailed).

Process is positively related to service delivery ($r=0.754$) as indicated in Table 4.12. The association between market and service delivery is 0.742, with a significance level of 0.01. A 0.604 Pearson correlation coefficient and a 0.05 level of significance associated administrative with service delivery. Finally, technological shows a 0.405 Pearson correlation and a 0.05 p-value with service delivery.

4.7 Multiple Regression Analysis

Regression analyses were used to ascertain how supermarkets service delivery is supported by innovation strategies by utilizing the determination coefficient (r^2) and also to forecast the connection among variables by use of β coefficient. In order to determine the percentage of the dependent variable (service delivery) being predicted by five predictor factors, analyses of multiple regression was performed (market innovation, process innovation, technological and administrative strategies)

4.7.1 Model Summary

Analysis of Multiple regressions was conducted to highlight effects of predictor variables on dependent variables. Table 4.13 indicates the model summary.

Table 4. 13: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.889 ^a	.790	.653	.645

a. Predictors: (Constant), , Market innovation, Process innovation, technological and administrative strategies

Source: Field Data (2021)

In Table 4.10 at significance level of 0.005, the outcomes show that R and R^2 were 0.889 and 0.790 respectively. There is a robust association of innovation strategies and service delivery as evident by $R=0.889$. It was found, however, that the model's predictors accounted for 88.9 percent of

service delivery variance while those outside the model were responsible for just 11.1 percent of the variation.

4.7.2 Goodness of Fit of the Model

For the data, the researcher utilized a suitable regression model and conducted an ANOVA. Using 4.14 to illustrate.

Table 4.14: ANOVA

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	.134	4	.034	0.507	.015 ^b
	Residual	1.347	55	.067		
	Total	1.135	59			

a. Dependent Variable: Service Delivery

b. Predictors: (Constant), Process innovation strategies, market innovation strategies, administrative strategies and technological strategies

Source: Field Data (2021)

The ANOVA results are shown in Table 4.14. Coefficient of determination F statistic is 0.507 at 5 percent significance level shown in Table above. P values of 0.015 to 0.05 are statistically significant. Innovation strategy is an important predictor of service quality, according to this study.

4.7.3 Model Regression Coefficients

The presentation in Table 4.15 shows significant values, t-statistics, standardized and unstandardized coefficients.

Table 4.15: Regression Coefficient

Model	Unstandardized		Standardized	t	Sig.
	Coefficients				
	B (β)	Std. Error	Beta	(β)	
(Constant)	.159	.746		.213	.001
Process innovation strategies	.130	.219	.165	.059	.000
Market innovation strategies	.232	.179	.272	1.30	.000
Administrative strategies	.240	.115	.305	2.09	.010
Technological strategies	.150	.253	.126	.593	.000

a. Dependent Variable: Service delivery

The regression coefficients illustrated in Table 4.15 show that a relationship exists between innovation strategies and service delivery of supermarkets. Process innovation strategies posted $p=0.000 < 0.05$, market innovation strategies posted $p=0.000 < 0.05$, administrative strategies posted $p=0.010 < 0.05$ and technological strategies posting $p=0.000 < 0.05$. This Significance test was conducted at $\alpha=0.05$ in which the significance exists when p records a value < 0.05 . The results show that the parameters of innovation strategies possess a significant with service delivery.

The linear model then stands to be;

$$Y=0.159+0.130X_1+0.232X_2+0.240X_3+0.150X_4$$

As per the findings, when all other independent factors are held constantly, increasing the process innovation strategies parameter by a unit in relation to innovation strategies can results 0.130 units shift in service delivery can be achieved by adding a single unit, increasing market innovation strategies parameter in relation to innovation strategies by a single unit will result to a 0.232 change in service delivery, increasing administrative strategies parameter in relation to innovation strategies by a single unit will result to a 0.240 change in service delivery. Increasing technological strategies parameter in relation to innovation strategies by a single unit will result to a 0.150 change in service delivery

4.8 Discussion of Findings

It was found out that most of the medium and large supermarkets in Nairobi City County Kenya have embraced process innovation strategies to a great extent. This was backed by the following statements; the business introduces logistics, transportation or distributing techniques new or substantially enhanced for your materials, products or services and the supermarket identifies to reduce non-value-adding tasks from delivery processes. In additional to the foregoing, a firm's competencies and resources have an impact on its competitiveness. The findings agree with Bharadwaj, Fahy and Varadarajan (2015) who indicated that process innovation increases the capability of using advance technology during production. Herrera (2015) discovered that process innovation is linked to commercial banks' competitiveness. According to Liao, Fei, and Liu (2008) it is hypothesized that process innovation determines success and failure of an organization.

The study established that market innovation strategies influence service delivery to a great extent. This was backed by the following statements; the supermarket renovates the methods of promoting existing and/or new services provided and the supermarket comes up with new product placement strategies. The findings agree with Wright, and Powers (2015) who indicated that there is a substantial link between market innovations and organizations competitive. The same results were obtained by Mahmud et al. (2010) whereby market innovations were found to provide organization capacity to expand its strategic customer base thus creating a sustainable competitiveness.

The study established that administrative strategies influence service delivery to a moderate extent. The findings agree with Tan and Nasurdin, (2011) administrative innovation is concerned with organization structure, administrative process, information system and reward. Basically, it encompasses all work activities that are within organization and they are directly related to human resource management. Efficient and efficient administration efforts, improved employee interactions, better workplace and satisfaction via improvement in the working environment and competitive pay accomplish administrative innovation.

It was found out that most medium and large supermarkets in Nairobi City County Kenya have embraced technological strategies to a great extent. The findings agree with Munyoroku (2014) who observed that most firms succeed due to processes in operations which are efficient and the resultant increased investments in technologies that intensify firm internal efficiencies. Technological innovation strategies entail systems adoption such as ERP systems with provision of capabilities that give support and increase processes associated with production.

According to the findings, service delivery and innovation strategies have a positive correlation relationship. Supermarkets in Kenya used regression analysis to assess the impact of service

delivery and innovation strategies. $R^2=0.672$ is a good predictor of the data. The complete regression model is statistically significant at $0.018(<0.05)$. Noor, (2013) discovered a strong correlation between innovation strategies and service delivery.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter presents a summary of the findings, conclusions, recommendations and limitations of the study and suggestions made by the researcher. This is done in accordance with the study's objective.

5.2 Summary

The aim of this research was to examine the influence of innovation strategies on service delivery among medium and large supermarkets in Nairobi City County Kenya. It was found out that most of the medium and large supermarkets in Nairobi City County Kenya have been in operation for more than 4years and have between 301 – 600 employees. Most of the medium and large supermarkets in Nairobi City County Kenya have between 5 to 10 branches in Kenya.

Process innovation strategies, market innovation strategies and Technological strategies were shown to have a significant impact on innovation strategies at great extent. The supermarket identifies in order to eliminate non-value-adding activities in processes of delivery. Technological innovation encompasses increasing investment in innovative technology and coming up with new product placement strategies.

It was found out that many supermarkets embraced administrative strategies at moderate extent. The supermarket periodically changes its structure to enable team work. The supermarket promotes cooperation across various departments so as to speed up the invention process and get more

feedback from the product released. The organization engages in acquisition of advanced equipment that result into better improvement process.

A connection exists between service delivery and innovation strategies, according to the research results. The regression model used in this research was shown to be a decent predictor in the regression analysis. The models were statistical significance, as demonstrated in a variance analysis by p-value fewer than 0.05.

5.3 Conclusion

Majority of the Medium and Large Supermarkets in Nairobi City County, Kenya under review have a solid experience in Innovation strategies and have been in operation for more than 4years and have between 301 – 600 employees. The majority of Nairobi's medium and big supermarkets have five to ten locations throughout Kenya. The study concludes that process innovation strategies, market innovation strategies and technological strategies are adopted at great extent by most of these supermarkets. The supermarket promotes cooperation across various departments so as to speed up the invention process and get more feedback from the product released. There is increasing investment in innovative technology.

The research also came to the conclusion that technological innovation is a key element affecting product innovation; that technological innovation is a highly beneficial factor that impacts service delivery insurance; and that ICT platforms had a significant impact on the delivery of services. The use of SMS platforms to transact business is a critical ingredient in increasing insurance penetration; that information and communications technology (ICT) is one of the aspects of technological innovation strategy that has a significant impact on insurance penetration; and that the allocation of ICT budgetary estimates is one of the aspects of technological innovation strategy that has a significant impact on insurance penetration..

The study also made a conclusion that there is a significant association existing between product innovation, technological innovation, market innovation, management innovation, process innovation and service delivery hence the model of research is significant. The outcome of the study conform to the diffusion of innovations theory and Porter`s theory of competitive advantage. The study also made a conclusion that there is a significant association existing between innovation strategies and service delivery hence the model of research is significant. The outcome of the study confirms to the Schumpeter`s Theory of Innovation and service quality theory.

5.4 Recommendations

Technological and management innovations have a good and considerable impact on competitive advantage, according to the findings. As a result, managers of the supermarkets are urged to innovate their products and service offerings on a regular basis. The financial technology firm should upscale resources in development and research so that their products are of a better quality and diversity.

The study recommends that the process innovation strategies, market innovation strategies and technological strategies have a good and considerable impact on service delivery, according to the findings. As a result, managers of the supermarkets are urged to innovate their products and service offerings on a regular basis. The supermarkets should upscale resources in research and development so that their products are diverse and of better quality.

The study recommends the industry maps out specifically what aspects of innovation strategies are relevant to their industry and invest heavily into those aspects so as to offer superb service delivery. Supermarkets need to have structural reforms so that to be competitive in the Kenyan market.

5.5 Limitations of the study

The onset of Covid 19 necessitating people working from home and maintaining social distance limited the interactions the researcher could have with the respondents. Follow up questions had to be done remotely via a phone call. These limitations further made it harder to adequately validate some of the responses as would have been the case in face-to-face meetings.

One of difficulties was that mid-level management personnel were the target responders for the research. Many were extremely busy and strained due to the pressure at work, therefore there was not enough time to answer the surveys when the researcher provided them with the questionnaires. To guarantee that the questionnaire was properly completed, the instrument validity was checked to make sure that the aims of investigation were clear, brief and addressed before distributing them by email.

5.6 Suggestions for Further Studies

This research is a cross-sectional study using a quantitative method. It simply recorded the views and impressions of participants. The cross-sectional research was chosen utilizing the quantitative technique since owing to time and money constraints, this was the best option for dealing with issues. Therefore, comparable research on the basis of qualitative methods such as interviews is necessary.

This study only focused on medium and large supermarkets within Nairobi Country. This leaves gaps in the effect of innovative strategies on other firms such as airline companies, large-scale farms, manufacturing firms, motor firms amongst others. Future research should be undertaken to identify the effect of innovation strategies on service delivery in other sectors.

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APPENDICES

Appendix I: Questionnaire

The information gathered from this survey is meant for academic purposes only and is utilized in part for the implementation of a Masters Research project to assess the innovation strategies on service delivery among medium and large supermarkets in Nairobi Kenya." All submitted information will be handled with maximum privacy. There are 3 parts.

SECTION ONE: ORGANIZATION CHARACTERISTICS

Please tick the most appropriate.

1. In which supermarket do you work? (Enter below)

2. For how long has the supermarket been in operation? (tick one)

Less than 4 years 4-8 years Above 8 years

3. How many employees are there in your organization (tick one)

Less than 400 401 - 800 Above800

4. How many Branches does your supermarket have in Kenya? (tick one)

Less than 5 5-10 11-15 More than 16

SECTION TWO: INNOVATION STRATEGIES

To what degree do you agree with the following assertions about your supermarket innovation strategies? Use the scale below to help you.: 1- No extent, 2- Little extent, 3-Moderate extent, 4- Great Extent, 5- Very Great Extent.

Process Innovation Strategies	1	2	3	4	5
The supermarket introduces new or substantially better techniques for production or production of products or services					
The business introduces logistically, transportation or distributing techniques new or substantially enhanced for your materials, products or services.					
The supermarket acquires sophisticated gear, equipment, software and structures for new or substantially enhanced processes					
The supermarket buys existing knowhow, copyright, patented and unpatented innovations.					
It identifies in order to reduce operations that do not bring value to the customer experience.					

Market Innovation Strategies	1	2	3	4	5
The store rethinks how it promotes its current and future offerings.					
The supermarket renews distribution routes, but does not change the logistical procedures connected to product delivery.					
The supermarket renews general marketing management activities.					
The supermarket comes up with new product placement strategies					
The supermarket seeks possibilities based on future consumer demands and develops solutions to fulfill these requirements.					
Administrative Strategies	1	2	3	4	5
The supermarket periodically changes its structure to enable team work					
The supermarket promotes cooperation across various departments so as to speed up the invention process and get more feedback from the product released					

The supermarket uses analytical techniques to assist decision-making processes					
The supermarket has upgraded its administrative system					
There is increasing investment in innovative technology within the supermarket					
Technological Strategies	1	2	3	4	5
Investment in innovative technology					
The supermarket adopts new innovative technology					
Changing design properties					
New product placement strategies are often formulated					
Routine tasks are automated					

SECTION THREE: SERVICE DELIVERY

Which of the following claims about your company's service delivery do you agree with? Using a scale of 1-5, tick the appropriate answer from the alternative provided. 1=No extent, 2=little extent, 3=Moderate extent 4=Great extent, 5=Very great extent.

Service Delivery	1	2	3	4	5
Responsiveness					
The personnel at the store are cheerful and eager to assist clients.					
Customers are informed in advance of the precise time services will be done.					
Requests from customers will not be ignored since no one is overworked.					
The employees are willing to assist customers emergency cases					
Reliability	1	2	3	4	5
The supermarket is dependable and consistent in resolving complaints or problems of customers					
The supermarket performs services right the first time					

The supermarket delivers network services in a timely manner					
The management delivers its services					
Assurance	1	2	3	4	5
Support personnel are well-versed in troubleshooting and providing guidance.					
Customers are reassured by the employees' actions.					
Throughout the day, the workers are always kind to clients.					
The employees' behavior instills confidence in customers					
Empathy	1	2	3	4	5
Employees treat each consumer as though they were their only customer.					
Ethical conduct is encouraged in the workplace by the workers' commitment to ethics.					
Services are tailored to meet the specific demands of each client.					
All clients will find the operation hours to be convenient.					

Thank You

Appendix II: List of Medium and Large Retail Supermarkets in Nairobi Kenya

1. Acacia Supermarkets
2. Al - FatihahMaru Ltd
3. Alliance Supermarkets
4. Amana Eastleigh Supermarkets
5. Amici Supermarkets
6. Betccam Savers Supermarkets
7. Buru Buru Mini Markets
8. Chandarana Supermarkets
9. Choppies Enterprises
10. Cleanshelf Supermarkets
11. Clear Cut Supermarkets
12. Crown Supermarkets
13. Daily Basket Supermarkets (Delta Shops)
14. Deepak Cash and Carry Ltd
15. Eagle Supermarkets
16. . Eastleigh Supermarkets
17. . Eastmatt Supermarkets
18. . Ebrahims& Co Ltd
19. . Esajo Supermarkets

20. . Fair Mart Supermarkets
21. . Fairlane Supermarkets
22. . Gigiri Supermarkets Ltd
23. G-Mart Supermarkets
24. Green Forest Supermarkets Ltd
25. . Happy Valley Supermarkets
26. Highrise Provision Stores
27. Homechoice Supermarkets
28. Housewives Delight Ltd
29. . Jack and Jill Extravaganza
30. . Jaharis Supermarkets
31. Jawa's Supermarkets Ltd
32. JD's Supermarkets
33. . Jopampa Provision Stores
34. Juja Road Fancy Store Ltd
35. JuthlalLalji & Bros
36. K & A Self Selections Store Ltd
37. . Kabete Rations
38. Kaka Self Services Ltd
39. Kalumos Trading Co Ltd

40. . Kantaria Commercial Stores
41. Kanyaki Supermarkets
42. Karia Supermarkets
43. Karrymatt Supermarkets
44. Kassmart Supermarkets
45. Kenton Supermarkets
46. Kieni Enterprises
47. Lucky Stop Supermarkets
48. Maathai Supermarkets
49. . MagunaAndu Supermarkets
50. Metro Cash and Carry Ltd
51. Midas Touch Supermarkets
52. Mulei Supermarkets
53. . Muthaiga Mini Market Ltd
54. Naivas Supermarkets
55. NemchandNarshi& Co
56. . New Bharat Ration Store
57. . New Westlands Stores Ltd
58. Ng'ororgaaSupermarkets
59. Ngong Hills Supermarkets

60. Nova Supermarkets
61. Pakmatt Supermarkets
62. Quickmart Supermarkets
63. Rikana Supermarkets
64. Rongai Mattresses Ltd
65. Savannah Selfridge Supermarkets
66. Select and Pay Supermarket
67. Selfridges Supermarkets
68. Society Stores Supermarkets
69. StageMatt Supermarkets
70. . Sunmatt Limited
71. . Suntec Supermarkets Ltd (Just Homes Limited)
72. Tumaini Supermarkets
73. . Uthiru Wayside Supermarkets
74. . Wagon Shopping Limited
75. Zucchini Green Grocers Ltd

Source: Kenya National Bureau of Statistics (2020)