

**APPLICATION OF MARKETING INFORMATION SYSTEM BY SAVINGS AND LOAN
(KENYA) LIMITED IN CREATING SUSTAINABLE COMPETITIVE ADVANTAGE**

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**A MANAGEMENT RESEARCH PROJECT PRESENTED IN PARTIAL FULFILLMENT OF
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DECLARATION

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

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This Management Project has been submitted for examination with my approval as the University Supervisor.

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DEDICATION

To my entire family, especially my mother for her endless love, encouragement, patience, and support

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LIST OF ABBREVIATIONS

- CBA – Commercial Bank of Africa
- IT-Information technology
- KCB- Kenya Commercial Bank
- KES- Kenya Shillings
- MDSS - Marketing Decision Support System
- MI – Marketing Intelligence
- MIS-Marketing Information Systems
- NIC- National Industrial and Credit Bank
- SCA-Sustainable Competitive Advantage

ABSTRACT

The dynamic global business environment has resulted in organizations having to change their business strategies and processes so as to remain competitive. The competition is always increasing especially because of a shrinking market is more conscious of the service they receive. Firms must therefore continuously scan the macro environment to keep abreast with the competition as well as meet the demands of the customers in a value adding manner. Marketing Information Systems (MIS) links the firm to the environment by providing the needed information efficiently and effectively.

This was a case study on the use of marketing information system by Savings and Loan (Kenya) Limited and how the firm uses the information gathered from these systems to create a sustainable competitive advantage. An open-ended questionnaire was used to collect data from the respondents and content analysis was used to analyze the data collected. The findings indicate that Savings and Loan (Kenya) Limited has put in place a marketing information system in the marketing department. All the components of a marketing information system namely internal records system, marketing research system, marketing intelligence system and marketing decision support system have been implemented.

Further, findings show that the marketing research system and marketing intelligence systems are the more commonly used components of the MIS as a form of competitive advantage. The internal records systems are however not used to create a sustainable competitive advantage. This is because Savings and Loan (Kenya) Limited is not in the business of selling property but providing financing to customers who then buy the property from third parties. Sales orders and invoices are documents that are the most valuable documents since they provide information on payables and receivables and are therefore not used in Savings and Loan (Kenya) Limited. Moreover, the Marketing decision support systems are only used to forecast the interest rates.

The findings also indicate that the information gathered using the MIS is used to develop new products as well as improve the already existing products according to the changing customer needs. Marketing research was specifically identified as the single most important

function of the MIS. This is because it is through marketing research that the company realized in the early 2005 that it was losing market share and embarked on a re-branding campaign that has seen the market share grow from 14% to 40%. The Company also won the award of the best mortgage company of the year award by market intelligence in 2006. Savings and Loan (Kenya) Limited therefore sees marketing information system as the heart of the business and therefore continuously carries out the function.

It was recommended that Savings and Loan (Kenya) Ltd establish a function within the marketing department to deal with marketing information systems and coordinate MIS projects within the company. It was also recommended that Savings and Loan (Kenya) Ltd automates most of the MIS functions by help of the IT department within the Organization. This recommendation is in line with Savings and Loan (Kenya) Ltd planning as they have already short listed a supplier to provide a complete banking solution that would have a MIS module.

CHAPTER ONE

INTRODUCTION

1.1 Background

Globalization of world economies has resulted in high environmental volatility coming in unpredictable ways (Achrol, 1991). Environmental changes such as technological and innovation, competition, globalization, regulation and de-regulation and consumer behavior have affected many organizations in that organizations have been forced to enhance their business processes in order to survive in an environment which has become increasingly competitive (Ansoff, 1987). Organizations are therefore undertaking strategic changes in order to align their business strategies to the environment thereby matching the resources and activities of an organization to that environment (Johnson and Scholes, 1999).

The competitive environment affects the number and types of competitors the company must face- and how they may behave. According to Perreault et al (1987) competition free environments are rare and monopolistic competition is the most typical and is a challenge. This is because each competitor tries to control its "own" target market but the customers see the various alternatives as substitutes. The best way to survive for these firms is to analyze competitors and find a competitive advantage by anticipating that competition will come and seeking information about the competitors (Perreault et al, 1987).

Competition amongst same businesses (Mbogo, 2002) such as banks has brought about entry of new products, services and counterfeits as well. Consumer awareness has also increased and therefore organizations have to find new ways of attracting new customers and retaining old ones hence ensuring competitiveness in the market. Companies are therefore finding it difficult to continue using old and proven methods of sustaining growth in business as these are unable to provide solutions to today's and tomorrow's problems (Todd, 1999). Hence, it has become necessary for firms to keep ahead of competitors and predators by differentiating themselves.

With firms operating in these dynamic environments, they must constantly look for new opportunities, screen and evaluate them against the firms resources (for strengths and

weaknesses), the environmental trends and objectives of the firm to identify the best marketing strategies that will be sustainable in the long run (Perreault et al, 1987). For the organizations to remain profitable they must improve on their efficiency, innovative capability, product quality and customer responsiveness (Hill et al, 1999). Porter (1985) further argues that low cost and differentiation are two basic strategies for creating value and attaining a competitive advantage in an industry.

Perreault et al (1987) notes that successful marketing planning requires information about potential targets and competitors both of whom are unpredictable. This information is also needed for implementation and control and therefore needs to be available and accessible within no time. They further explain that marketing information system (MIS) make available information accessible, thereby making firms that have effective and efficient MIS be able to respond fast to the changing environments hence maintain a lead in their industry.

Subtle changes in the theory and practice of marketing have been fundamentally reshaping companies over the last three decades. A new concept of marketing that focuses on managing strategic partnerships and positioning the organization in a competitive market with the aim of delivering superior value to customers has emerged (Webster, 1992). There is a growing tendency of using marketing information systems to support marketing routine functions such as market research, pricing, new product development and the ability to receive realities of external environment. This will yield to making an organization listen, adapt, and adjust to the sensitivities and needs of external environment (Shaw, 1993).

1.1.1 Sustainable Competitive Advantage

The key for survival in the global market for a service firm is to offer a service that is in some way superior to its competition. Besides, it must be sustainable over time. This concept is known as sustainable competitive advantage (Clow, et. al, 1999). According to Hill et al (1999) , a company has a competitive advantage when its profits rate is higher than the average for its industry, and that it has a sustained competitive advantage when it is able to maintain this profit rate over a number of years.

A sustainable competitive advantage can be something a firm does that is different from its competitors, or superior to its competitors. Clow et al, (1999) highlight five requirements for a competitive advantage to qualify to be sustainable: the concept must be valued by customers as to result to additional sales, it must be non substitutable, the firm must have the resources and capability of delivering SCA to customers and finally it must sustainable, meaning it can not be easily copied by customers. Porter (1985) suggests that sustainability is achieved when "advantage resists erosion by competitive behavior". This is because of the existence of barriers that make imitation difficult. Additionally sustainability can only be created when the organization's resources and capabilities are durable, that is, they do not physically depreciate.

According to Hill et al (1999), they are four generic building blocks of competitive advantage that any company can adopt regardless of its industry or products namely, efficiency, quality, innovation, and customer responsiveness. Further Clow, et. al (1999) outline the potential sources of competitive advantages for service organizations. These are corporate culture, scale effects, cost and demand synergy, brand equity, customer relationships, spatial preemption, service package and information. Importantly, Bharadwaj et al (1993) suggest that information technology and implementation skills are two other opportunities for SCA.

1.1.2 Marketing Information System

Kotler (1997) defines marketing information system (MIS) as a continuing and interacting structure of people, equipment and procedures to gather, sort, analyze, evaluate, and distribute pertinent, timely and accurate information for use by marketing decision makers to improve their marketing planning, implementation, and control. It is an organized way of continually gathering and analyzing data to provide marketing managers with information they need to make decisions (Perreault et al, 1987). The role of MIS is to assess the managers' information needs, develop the needed information and distribute the information in a timely fashion to the marketing managers. The information needed is developed through

internal company records, marketing intelligence activities, marketing research, and Marketing decision support analysis (Kotler, 1997).

Marketing information system (MIS) consists of internal records system, marketing research system, marketing intelligence system and the marketing decision support system. (Kotler, 1997). These components are normally set up by marketing specialists or by some group that provides all the departments in the firm with information. Further, Perreault et al (1987) explain that the incoming data is organized in a database so that it is available when it's needed. Moreover, most firms have information-processing specialists who help managers get standard reports and outputs from the database.

Marketing information system can create a sustainable competitive advantage by utilizing the information that firms collect both from internal and external sources (Smith et al 1968). Moreover Clow et al (1999) highlight that most technologies that firms implement can be and are easily replicated by competing organizations. However, it is the information within the MIS that makes replication difficult since it is proprietary to each organization. What emerges therefore is that although the technology behind the MIS is important, it is the information that is generated that is the real source of sustainable competitive advantage.

Some of the ways in which the information derived from MIS can be used to create a sustainable competitive advantage for the organization are: to strengthen customer relationships, reduce perceived risk, facilitate cross-selling and up-selling, establish Switching Costs, to establish customers' profitability, create barriers to entry and customer retention strategies (Smith et al 1968).

1.1.3 Savings and Loan (Kenya) Limited

At the beginning of the 19th century, banking was still something only done by those that had assets or wealth that needed safekeeping. The first savings bank in the United States, the Philadelphia Savings Fund Society, was established on December 20, 1816, and by the 1830s such institutions had become widespread. Savings and loans accepted deposits and used those deposits, along with other capital that was in their possession, to make loans. The overriding goal of the savings and loan association was to encourage savings and investment

by common people and to give them access to a financial intermediary that otherwise had not been open to them in the past. The savings and loan was also there to provide loans for the purchase of large ticket items, usually homes, for worthy and responsible borrowers. The early savings and loans were in the business of "neighbors helping neighbors"(Wikipedia, 2001).

In Kenya, the savings and loan industry has been in existence since 1949 and they are about four main players: Savings and Loan (Kenya) Limited, Housing Finance Corporation of Kenya, East African building Society and Consolidated bank mortgages Ltd. Savings and Loan (Kenya) Limited is a subsidiary of the largest bank in Kenya; the Kenya Commercial Bank Ltd. It has been in existence since 1949, making it the oldest mortgage finance in Kenya. Currently, it has four branches all spread in Nairobi province: the Head office, Salama house branch, Haile Selassie branch, Garden plaza branch and Sarit Centre branch. With the continued growth of the Kenyan population, it is important that the nation's housing needs are attended to. Savings and Loan (Kenya) Limited takes customers deposits and provides housing finance to would-be homebuyers.

Savings and Loan (Kenya) Limited differentiates itself from other similar companies in that they offer their customers with loans to purchase land and finance the property construction while other firms finance purchase of finished properties only. It has carefully packaged financial services and a team of experienced personnel, a guarantee of the satisfaction and financial gain that is unmatched by other mortgage finance institutions in Kenya. The customers to Savings and Loan (Kenya) Limited include individuals or joint owners as minors, trustees, Administrators, Executors, societies, clubs, charitable institutions, schools etc; sole proprietors, partnerships and limited companies. The Institution has different interest rates, minimum balance scales, withdrawal schemes, call and terms of depositing differentiated with respect to the nature of the account and who operates it.

Mortgage financing of long-term loans are given to individual or companies for purchase or construction of residential homes. Companies also undertake estate development by making use of Savings and Loan (Kenya) limited bridging finance and obtain end financial

commitment for would be end buyers. It also offers specially packaged staff mortgages facilities for companies, cooperative societies and organized groups in form of savings bank accounts, fixed savings/deposits and housing development bands. Individual customers have access to up to five million, Corporate can access up to ten million while Estate developers have up fifty million shillings.

Savings and Loan (Kenya) Limited has recently been receiving stiff competition from firms in this industry, the main banks such as Standard Chartered, Barclays, National Industrial and Credit (NIC) bank, Commercial Bank of Africa (CBA) and Stanbic and the Insurance companies such as British American Insurance Company who have started offering mortgage services to their customers. The withdrawal of the Kenyan government from borrowing money from the banks left banks with no option but to increase it's lending to the public. The reintroduction of tax on capital gains on property by the finance minister suspended in 1985 (National finance bill, 2006) is likely to make a bad situation worse by slowing development of new houses and freezing demand due to expected increase in prices.

With this increased competition, Savings and Loan (Kenya) must come up with strategies that guarantee sustainable competitive advantage. Collecting and analyzing information about the internal and external environment can achieve this. According to (Child, 1987), the information processing requirements of companies are expanding as their competitive environment becomes more dynamic and volatile. To handle the increasing external and internal information flow and to improve its quality, companies have to take advantage of the opportunities offered by modern marketing information system (MIS).

1.2 Statement of the Problem

Maslow's hierarchy of needs describe housing as one of the basic human wants. Savings and Loan (Kenya) Limited aims to satisfy this need to its customers by accepting deposits and then providing mortgage financing to both corporate and individual clients. The mortgage industry in Kenya has been faced with several challenges ranging from economic, technological, legal and social coupled with stiff competition among the firms and from banks and insurance firms offering similar services. In response to these challenges. Savings

and Loan (Kenya) Limited has put in place measures such as increasing awareness through increased and improved advertising in the media.

Successful planning of marketing strategies requires information about potential target markets and their likely responses to marketing mixes as well as about competition and other marketing environment variables. Without good marketing information, managers have to rely on intuition or guesses that often lead to failure (Perreault et al, 1987). Therefore, for Savings and Loan (Kenya) to survive in the ever-increasing competitive industry, it must make sound decisions based on timely, adequate, and accurate information. One such tool that the firm can use is a marketing information system. According to Kotler (1997), the role of MIS is to assess the manager's information needs, develop the needed information, and distribute the information in a timely fashion to the marketing managers.

A case study by Mitchell and Sparks (1986) in the UK of six major banks proposed desirable components and linkages of a sophisticated marketing information system for financial institutions. The research revealed that most banks were not utilizing IT in MIS effectively. While appreciating the results of this study, it is noted that it did not emphasize on the broad spectrum of MIS, its major emphasis was on IT in MIS. Besides, the environment in which the study was carried out is different from the Kenyan environment hence these findings may not apply to Savings and Loan (Kenya) Limited.

According to the researcher, no study seems to have been carried out on Savings and Loan (Kenya) Limited and more particularly on their use of marketing information system. In a highly competitive environment, firms must use MIS to create a sustainable competitive advantage. Perreault et al (1987) observed that not every firm has a complete MIS and for the firms that do, managers don't know how to use these systems properly. It was not clear whether Savings and Loan (Kenya) Limited had put in place an effective and efficient MIS and the extent of use of these systems to create a sustainable competitive advantage. The proposed study sought to close this gap by establishing whether Savings and Loan (Kenya) Limited has put in place marketing information system and how the firm leverages this system to create sustainable competitive advantage.

1.3 Objectives of the Study

The study aimed to achieve the following objectives:

- i. Establish the extent of use of marketing information system by Savings and Loan (Kenya) Limited.
- ii. Determine whether the use of marketing information system by Savings and Loan (Kenya) Limited has created a sustainable competitive advantage.

1.4 Significance of the Study

The findings of this study will be useful to the following stakeholders:

- i. The savings and Loan (Kenya) Limited management will be able to assess whether they are reaping full benefits of an MIS to create SCA.
- ii. Other firms in the Savings and Loan Industry will benefit from the findings on how to use MIS to create a sustainable competitive advantage.
- iii. Firms in the Banking industry will benefit from such a study especially in marketing formulation and implementation.
- iv. The study will be significant to researchers and academicians who wish to further research in similar institutions, further; the study will assist academicians to broaden their syllabus.

CHAPTER TWO

LITERATURE REVIEW

2.1 Competitive advantage

Today's globalized markets are a breeding ground for conglomeration where mergers and acquisitions are becoming increasingly popular as a means of growth. For firms to survive, therefore, it has become necessary for them to keep ahead of competitors and predators by differentiating themselves. Creating and sustaining a competitive advantage is one way of achieving this goal (Colgate, 1988). Perreault et al (1987) explains that competitive advantage means that a firm has a marketing mix that the target market sees as better than a competitor's mix. This competitive advantage, he argues may result from efforts in different areas of the firm such as cost-cutting in production, innovative research and development(R&D), more effective purchasing of needed components or financing for a new distribution facility.

Competitive advantage can result either from implementing a value-creating strategy not simultaneously being implemented by any current or potential competitors (Barney et al, 1989) or through superior execution of the same strategy as competitors. Schendel et al (1978) described competitive advantage as "the unique position an organization develops vis-à-vis its competitors". Competitive advantage is mainly derived from resources and capabilities. Resources have been termed "assets", "strengths and weaknesses" and "stocks of available factors" (Shoemaker et. al, 1993; Wernerfelt, 1984). The capabilities of a firm are what it can do as a result of teams of resources working together. Examples of capabilities include product development, market research, fast development cycles and brand management (Shoemaker, et. al, 1993). Competitive advantage does not only come from being different, it is achieved if and when real value is added to customers. This often requires companies to stretch their resources to achieve higher returns (Prahalad et. al, 1993).

Thompson (1997) further explains that, a superior competitive position can be manifested by differentiation, lower costs than competitors and the speed at which a company can change. The requirements for these relate to the corporate culture, values, the ability of the

Organization to learn and change and the relative strength of key processes and technological competencies. The means concern the ability to add value, innovate, leverage and stretch resources and manage supply chain linkages effectively, which in many cases are in turn dependent upon the ability to empower people and harness their true potential contribution.

A sustainable competitive advantage (SCA) can be something a firm does that is different from its competitors, or superior to its competitors. Clow et al (1999) highlight four requirements for a competitive advantage to qualify to be sustainable: the concept must be valued by customers as to result to additional sales, it must be non substitutable, the firm must have the resources and capability of delivering SCA to customers and finally it must not be easily copied by customers. Schendel et al (1978) further argues that the extent of the return a firm can obtain from a competitive advantage, however, depends upon the sustainability of the competitive advantage, which the resources and capabilities confer upon the firm. Porter (1985) suggested that sustainability could be achieved when "advantage resists erosion by competitive behavior". This is because of the existence of barriers that make imitation difficult. Moreover, sustainability can only be created when the resources and capabilities are durable, that is, they do not physically depreciate.

The term "competitive advantage" has traditionally been described in terms of the attributes and resources of an organization that allow it to outperform others in the same industry or product market (Fahey, et. al, 1984; Kay, 1994; Porter, 1980). In contrast, the term "sustainable" considers the protection such attributes and resources have to offer over some usually undefined period of time into the future for the organization to maintain its competitiveness. Within this context, "sustainable" can assume a number of meanings depending on the frame of reference through which it is viewed. It can be interpreted to mean enduring, defensible, bearable, tolerable, livable, supportable, passable, acceptable, justifiable, negotiable and penetrable. For example, if the organization is to protect its existing value added against its competitors then the term "sustainable" associates itself with "endurable" and "defensible".

Most discussions of sustainable competitive advantage focus on defensive strategies based on existing resource strengths. For example, Grant (1995) considers the sustainability of the competitive advantage along the dimensions of durability, mobility and replicability. Durability determines how long the competitive advantage can be sustained and is considered in terms of the ability of competitors to imitate through gaining access to the resources on which the competitive advantage is built. This in turn can be considered in terms of mobility, referring to the extent to which resources can be transferred between competitors together with replicability, which describes the ease with which resources can be copied, by competitors.

While the importance of defensive strategies in protecting and exploiting existing resource strengths cannot be underestimated, securing the long term strategy of an organization must consider how to derive unique areas of value added in the future. For this purpose sustainability has to assume a different meaning which points itself towards penetrability, for example, in terms of new breakthroughs. This is because the speed at which the uniqueness of the resources of an organization becomes accessible dictates the speed at which the competitive advantage of an organization diminishes. (Chaharbaghi et al, 1996).

In fast-moving competitive environments, sustaining competitive advantage involves creating safe-havens from cutthroat competition by continuously creating gaps through unique resources that cannot be easily bridged by the competitors (Chaharbaghi et al, 1996). Clow et al (1999) outline several potential sources of competitive advantages for service organizations. These are corporate, culture, scale, brand equity and functional skills'. Importantly, Bharadwaj et al (1993) suggest that information technology and implementation skills are two other opportunities for sustainable competitive advantage.

2.2 Marketing Information Systems

The information processing requirements of companies are expanding as their competitive environment becomes more dynamic and volatile (Child, 1987). To handle the increasing external and internal information flow and to improve its quality, companies have to take advantage of the opportunities offered by modern marketing information system (MIS).

The first definition of marketing information was presented by Cox and Good (1967) where MIS was seen as a set of procedures and methods for the regular planned analysis and presentation of information for use in making marketing decisions. Brien and Stafford (1968), further developed this definition. They divided marketing information into control, planning and research information. Since this time numerous academic articles have been written attempting to explain MIS (Graf, 1979; Kotler, 1991; Li et al, 1993).

According to Perreault et al (1987), Marketing Information System is an organized way of continually gathering and analyzing data to provide marketing managers with information they need to make decisions. In some Companies, the marketing managers together with information specialists set up MIS. In others a group that provides all departments in the firm with information sets up the system. Moreover, Kotler (1988) defines MIS as a continuing and interacting structure of people, equipment and procedures to gather, sort, analyze, evaluate, and distribute pertinent, timely and accurate information for use by marketing decision makers to improve their marketing planning, implementation, and control. Therefore a marketing information system is more than a system of data collection or a set of information technology systems.

2.3 Components of a Marketing Information System

A marketing Information Systems (MIS) consists of people, equipments, and procedures to gather, sort, analyze, evaluate and distribute needed, timely and accurate information to marketing decision makers (Kotler, 1997).

Marketing information systems are intended to support management decision-making. Management has five distinct functions and each requires support from an MIS. These are: planning, organizing, coordinating, decisions and controlling. MIS has four components: the internal reporting system, the marketing research system, the marketing intelligence system and marketing decision support systems (Agnilar, 1967). The Company's MIS should represent a cross between what managers' think they need, what managers really need and what is economically feasible (Kotler, 1997).

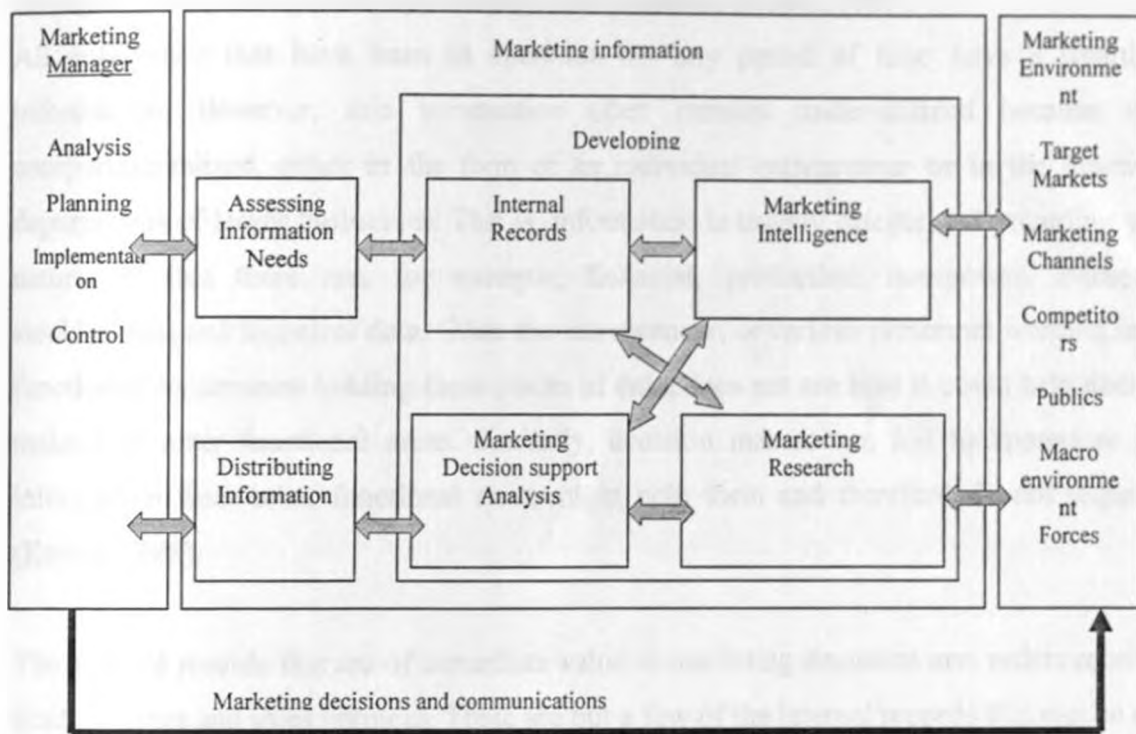


Figure 1. The marketing information system

Source: Kotler Philip (1997), *Marketing Management*, Prentice-Hall, London, Fifth Edition Pg.102.

The MIS concept illustrated in the figure above highlights that; to carry out their analysis, planning, implementation, and control responsibilities marketing managers need information about developments in the marketing environment. The role of MIS is to assess the managers' information needs, develop the needed information and distribute the information in a timely fashion to the marketing managers. The information needed is developed through internal company records, marketing intelligence activities, marketing research, and Marketing decision support analysis (Kotler, 1997).

2.3.1 Internal records System

Internal records systems are the most basic information systems used by the marketing managers. Included in the internal records system are orders, sales, prices, inventory levels,

receivables, payables and so on. By analyzing these internal records systems, marketing managers can spot important opportunities and problems (Kotler, 1997).

All enterprises that have been in operation for any period of time have a wealth of information. However, this information often remains under-utilized because it is compartmentalized, either in the form of an individual entrepreneur or in the functional departments of larger businesses. That is, information is usually categorized according to its nature so that there are, for example, financial, production, manpower, marketing, stockholding and logistical data. Often the entrepreneur, or various personnel working in the functional departments holding these pieces of data, does not see how it could help decision makers in other functional areas. Similarly, decision makers can fail to appreciate how information from other functional areas might help them and therefore do not request it (Kotler, 1988).

The internal records that are of immediate value to marketing decisions are: orders received, stockholdings and sales invoices. These are but a few of the internal records that can be used by marketing managers, but even this small set of records is capable of generating a great deal of information. By comparing orders received with invoices an enterprise can establish the extent to which it is providing an acceptable level of customer service. In the same way, comparing stockholding records with orders received helps an enterprise ascertain whether its stocks are in line with current demand patterns (Agnilar 1967).

2.3.2 Marketing research system

Marketing research is a systematic design, collection, analysis and reporting of data and findings relevant to a specific marketing situation facing the company (Quee, 1999). Besides, Agnilar (1967) defines marketing research as a proactive search for information. That is, the enterprise, which commissions these studies, does so to solve a perceived marketing problem. In many cases, data is collected in a purposeful way to address a well-defined problem (or a problem which can be defined and solved within the course of the study). The other form of marketing research centers on a specific marketing problem but is an attempt to continuously monitor the marketing environment. These monitoring or tracking exercises are continuous marketing research studies, often involving panels of farmers, consumers or

distributors from which the same data is collected at regular intervals. Whilst the ad hoc study and continuous marketing research differs in the orientation, yet they are both proactive Agnilar (1967).

Further, the American Marketing Association Board of Directors in 2004 adopted the definition of marketing research as the function that links the consumer, customer, and public to the marketer through information--information used to identify and define marketing opportunities and problems; generate, refine, and evaluate marketing actions; monitor marketing performance; and improve understanding of marketing as a process. Marketing research specifies the information required to address these issues, designs the method for collecting information, manages and implements the data collection process, analyzes the results, and communicates the findings and their implications. Besides, Murcko (1999) defines marketing research as the collection and analysis of information about consumers, market niches, and the effectiveness of marketing programs.

Perrault et al (1987) define marketing research as procedures to develop and analyze new information to help marketing managers make decisions. They describe marketing research a process as a five-step application of scientific method that includes 1) defining the research problem, 2) analyzing the situation, 3) getting problem specific information, 4) interpreting the data and 5) solving the problem. Continual improvements in marketing research are making marketing research information become more dependable encouraging firms to put more money and trust in research. They further argue that for companies to satisfy the ever-changing needs in a dynamic market, they must supplement their information through continuous customer research.

According to Kotler (1997) Companies can obtain marketing research in a number of ways. The large companies have their own marketing research departments while the smaller companies who cannot afford their own marketing departments conduct creative research in such ways as engaging students or professors to design and carry out marketing research projects, using online information systems and checking out rivals (Kotler, 1997). The following diagram shows the various steps in the marketing research process.

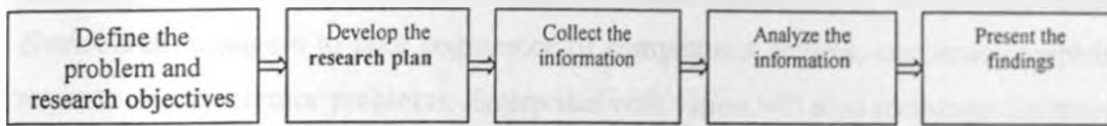


Figure 2. The marketing research process

Source: Kotler Philip (1997), *Marketing Management*. Prentice-Hall, London, Fifth Edition Pg.102

The marketing concept says that managers should meet the needs of customers and since it is not possible for them to keep up with all the changes taking place in their markets, marketing managers have to rely on help from marketing research, Perreault et al (1987).

2.3.3 Marketing intelligence systems

Whereas marketing research is focused, market intelligence is not. A marketing intelligence system is a set of procedures and data sources used by marketing managers to obtain their everyday information about pertinent developments in the marketing that they can use in their decision-making (Kotler, 1997). According to Agnilar (1967), the scanning of the economic and business environment can be undertaken in three ways: 1) unfocused scanning where by the manager, by virtue of what he/she reads, hears and watches exposes him/herself to information that may prove useful. Whilst the behaviour is unfocused and the manager has no specific purpose in mind, it is not unintentional 2) Semi-focused scanning - the manager is not in search of particular pieces of information that he/she is actively searching but does narrow the range of media that is scanned and 3) formal search which is as a purposeful search after information in some systematic way. The information will be required to address a specific issue.

Agnilar (1967) further argues that marketing intelligence is the province of entrepreneurs and senior managers within a firm. It involves them in scanning newspaper trade magazines, business journals and reports, economic forecasts and other media. In addition it involves management in talking to producers, suppliers and customers, as well as to competitors. Nonetheless, it is a largely informal process of observing and conversing.

Moreover, (Jones, 1999) explains that some enterprises will approach marketing intelligence gathering in a more deliberate fashion and will train its sales force, after-sales personnel and district/area managers to take cognizance of competitors' actions, customer complaints and requests and distributor problems. Enterprises with vision will also encourage intermediaries, such as collectors, retailers, traders and other middlemen to be proactive in conveying market intelligence back to them.

In addition, Kotler (1997) highlights four steps that a well-run company takes to improve the quality and quantity of marketing intelligence. First it trains and motivates the sales force to spot and report new developments since these people are the "ears" and "eyes" of the company. Secondly, the competitive company motivated distributors, retailers and other intermediaries to pass along important intelligence, an example is appointing of mystery shoppers. Thirdly the company purchases information from outside suppliers and firms that gather store and consumer-panel data at a much lower cost than the company could do on its own. Finally, some companies establish an internal marketing information center to collect and circulate marketing intelligence. The staff scans major publications, abstracts relevant news, and disseminates a news bulletin to marketing managers. These services greatly improve the quality of information available to marketing managers.

2.3.4 Marketing Decision Support System

A Marketing Decision Support System (MDSS) is a coordinated collection of data, systems, tools and techniques with supporting software and hardware by which an organization gathers and interprets relevant information from business and environment and turns it into a basis for marketing action (Kotler, 1997). An MDSS comprises of models that the marketing manager puts in the appropriate questions he needs to analyze, the models draw up data that are then analyzed statistically. Perreault et al (1987) define a MDSS as a computer program that makes it easy for a marketing manager to get and use information as he/she makes decisions. He further argues that these system helps change raw data into meaningful information.

Moreover, Agnilar (1967) argues that within the MIS there has to be the means of interpreting information in order to give direction to decision. These models may be computerized or may not. Typical tools are: Time series sales modes, brand switching models, linear programming, Elasticity models (price, incomes, demand, supply, etc.), regression and correlation models, analysis of Variance (ANOVA) models, sensitivity analysis, discounted cash flow, and spreadsheet 'what if' models. He explains that these models and similar mathematical, statistical, econometric and financial models are the analytical subsystem of the MIS. He notes that a relatively modest investment in a desktop computer is enough to allow an enterprise to automate the analysis of its data. Some of the models used are stochastic, i.e. those containing a probabilistic element whereas others are deterministic models where chance plays no part. Brand switching models are stochastic since these express brand choices in probabilities whereas linear programming is deterministic in that the relationships between variables are expressed in exact mathematical terms (Agnilar, 1967).

2.4 Summary of the Literature review

From the literature review it is clear that creating a sustainable competitive advantage is key to survival for organizations operating in a dynamic environment. Any strategies that marketing managers formulate must add value to customers for them to be sustainable. Therefore for them to make sound decisions, the marketing managers require timely, adequate, and accurate information about the environment.

Information about the potential customers, competitors and the environment has been identified as one source of sustainable competitive advantage since it assists the marketing managers to formulate winning strategies. Marketing information System (MIS) is a tool used by marketers to gather, collect and analyze data about the environment such as competitors and customers transforming it to useful information that aid the managers in making sound decisions. The four components of MIS i.e. the internal records system, marketing intelligence system, marketing intelligence system and the marketing decision support system bridge the gap between the organization and the environment by providing the relevant information in a timely, accurate and efficient manner. This research will aim to

establish whether these components of a marketing information system have been put in place in Savings and Loan (Kenya) Limited and how well the information collected using these MIS tools is used to create a sustainable competitive advantage.

2.2 Literature Review

The literature review is a critical component of any research project. It provides a context for the study by identifying what is already known about the topic. In this case, the review focuses on the components of a Marketing Information System (MIS) and their application in the banking sector, specifically in Kenya. The review covers the following areas:

- 2.2.1 Marketing Information System (MIS):** This section defines MIS as a system that provides decision-makers with the information they need to make effective marketing decisions. It discusses the various components of an MIS, including data collection, data processing, and data analysis. The review also examines the benefits of an MIS, such as improved decision-making, increased efficiency, and better customer service.
- 2.2.2 Marketing Information Sources:** This section discusses the various sources of marketing information, including primary and secondary sources. Primary sources are those that collect data directly from the market, while secondary sources are those that collect data from other sources. The review also examines the advantages and disadvantages of each source.
- 2.2.3 Marketing Information Systems in the Banking Sector:** This section discusses the application of MIS in the banking sector. It examines how banks use MIS to collect and analyze data on customer behavior, market trends, and competitor activity. The review also discusses the challenges of implementing an MIS in the banking sector, such as data security and privacy concerns.

2.3 Methodology

The methodology section describes the research design and the methods used to collect and analyze data. In this study, a descriptive research design was used to explore the current state of MIS in the banking sector. The data was collected through a survey of bank managers and staff. The survey instrument was a structured questionnaire that covered the following areas:

- 2.3.1 Data Collection:** The data was collected through a survey of bank managers and staff. The survey instrument was a structured questionnaire that covered the following areas:
- 2.3.2 Data Analysis:** The data was analyzed using descriptive statistics, including frequencies, percentages, and means. The analysis was conducted using the Statistical Package for the Social Sciences (SPSS) software package.
- 2.3.3 Data Interpretation:** The results of the analysis were interpreted in the context of the research objectives and the literature review. The findings were used to identify the strengths and weaknesses of the current MIS in the banking sector and to provide recommendations for improvement.

The findings of the study are presented in the following sections. The first section discusses the current state of MIS in the banking sector, while the second section discusses the challenges of implementing an MIS in the banking sector. The final section provides recommendations for improvement.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter contains the methodology used to perform the research. It describes the research design, process used to collect data and the process used to analyze the results obtained from the data collected.

3.2 Research Design

The study was modeled on a case study design. The study focused on the use of marketing information systems to create a sustainable competitive advantage in the savings and loan industry, Savings and Loan (Kenya) Limited. A case study involves a careful and complete observation of a social unit, which is either, a person, institution, family, cultural group or an entire community-and emphasizes depth rather than the breadth of the study (Kothari, 1990). The results were expected to provide insight as to how, Savings and Loan (Kenya) Limited and other firms in the savings and loan industry can leverage the benefits of marketing information system (MIS) to create a sustainable competitive advantage (SCA).

3.2 Data collection

Personal interviews were conducted and open-ended questions used to avoid subjectivity resulting from limiting the respondent's answers to questions. This facilitated a more in-depth interaction with the interviewees who will comprised of Savings and Loan (Kenya) Limited Head of Commercial department, a manager from the sales, customer service, and marketing sections department. They were interviewed on Savings and Loan (Kenya) Limited use of MIS in creating a sustainable competitive advantage as far as their respective functional departments are concerned. The interview guide will covered how Savings and Loan (Kenya) Limited has put in place their MIS and their use of the system in creating a sustainable competitive advantage.

Questions on section A were general in nature mainly demographics/personal. Sections B, C, D and E questions were open ended and aimed at addressing the main objective of the study.

Each of these sections represented a particular component of marketing information system i.e. internal records, marketing research, marketing intelligence and marketing decision support systems.

3.3 Data Analysis

Content analysis was used to analyze the data collected. This is a systematic qualitative description of the composition of objects or material of study. It involves observation and detailed description of objects, items or things that comprise the study (Mugenda, 1999).

CHAPTER FOUR

DATA ANALYSIS AND FINDINGS

4.1 Introduction

This chapter contains the results of the interviews conducted. The interviews were unstructured and involved discussions on the extent of use of marketing information systems in the company and how these systems assist in creating a sustainable competitive advantage. The people who were interviewed were the marketing manager, the sales manager, the head of business growth and development and two of the other managers in other departments.

4.2 The Organization

Savings and Loan (Kenya) is a wholly owned subsidiary company of the Kenya Commercial Bank which is a government of Kenya Institution. It opened its doors in 1943 and was the first mortgage Company in Kenya. The firm aims to provide affordable housing to all Kenyans by accepting deposits and providing mortgage loans to their customers. Currently Savings and Loan (Kenya) Ltd has a market share of 40%, the biggest in the industry, and was voted the best mortgage firm in Kenya by the market intelligence survey of 2006. Below are the responses to the interviews on the use of MIS by the institution and how they use MIS to create a sustainable competitive advantage.

4.3 Marketing Information Systems

This section covers the main components of a MIS namely internal records system, marketing research system, marketing intelligence and marketing decision support system in use at Savings and Loan (Kenya) as per the responses by various respondents to the questionnaire.

4.3.1 Internal records system

From the respondents it was clear that the internal records systems are few and logistical. The basic records contained in as internal records systems as described by (Kotler, 1988) are not in use at Savings and Loan (Kenya). This is because the firm only acts as a link between the

customer and third party property selling institutions. Such records would not be of any value to Savings and Loan (Kenya) Ltd.

However, from the findings it was established that the firm has online application forms that their customers fill to open an account since this is a requirement for anyone who intends to use the mortgage facilities and Loan application once they have identified a property to buy. These forms are also in hard copies that can be collected at any of their offices. This process of filling forms is continuous as the customers sign up. Savings and Loan (Kenya) Ltd then uses these forms to carry out credit checks and authorize requested actions.

4.3.2 Marketing research system

From the respondents it was established that marketing research is carried out in two ways at Savings and Loan (Kenya) Ltd. First the Organization has customer feedback forms that the sales and customer care staff present to their customers for filling. Secondly, Savings and Loan (Kenya) Ltd randomly interviews both customers and potential customers with specific questions. The findings indicated that Savings and Loan (Kenya) Ltd follow the five step process of marketing research as outlined by Perreault et al (1987) which are defining the research problem, analyzing the situation, getting problem specific information, interpreting the data and solving the problem.

From the respondents, it was established that after the market research specific actions are taken such as handling customers' complaints, revising interest rates and improving and/or developing new products as well as increasing advertising. From the respondents, this is the most important function of the marketing information system as it links the Savings and Loan (Kenya) with the environment especially the customers and competitors. The information obtained through the marketing research is used by the marketing manager to make decisions. This is in line with Perreault et al (1987) who defines marketing research procedures to develop and analyze new information to help marketing managers make decisions. The marketing research is a continuous process at Savings and Loan (Kenya) Ltd.

4.3.3 Marketing intelligence system

From the respondents, it is clear that marketing intelligence (MI) in Savings and Loan (Kenya) Ltd is not a preserve of the marketing team only. All members of staff who come in contact with customers are trained on MI. The training is carried out twice a year by both the external consultants Trainers at the KCB Training College. These members of staff are from Customer care, sales and marketing departments of the company with the marketing manager being in charge. Jones (1999) and Kotler (1987) support staff training and highlight the importance of training personnel to take cognizance of competitors' actions, customer complaints and requests and distributor problems.

The findings showed that the MI process at Savings and Loan (Kenya) Ltd is largely semi-focused as described by Agnilar (1967) since though the process does not involve search of any particular piece of information, the media scanned is narrowed to those that may contain competitor information and property investment information. According to Kotler (1997), some companies do purchase industry information from external suppliers. Savings and Loan (Kenya) Ltd gets information from research firms such as the Steadman and Consumer insight. The discussions with the respondent also established that some of the journals they get their information from are: Market intelligence, The Financial times, housing magazines such as Homes Kenya and the Local Newspapers. MI process is a continuous process within Savings and Loan (Kenya) Ltd.

4.3.4 Marketing decision support system

From the findings, it was established that the marketing decision support system (MDSS) in use Savings and Loan (Kenya) Ltd is the responsibility of the sales and marketing team. They use the system on a need basis especially to carry out forecasting and likelihood analysis on competitor actions. It was established that they do use Microsoft Office spreadsheets such as Microsoft word and Excel for the MDSS function. Data is entered in pre-defined spreadsheets with macros that carry out 'what if analysis' and comparative analysis. In line with Jones (1999), this system helps transform the raw data into meaningful information.

From the discussions with respondents, it was established that the results of the analysis make it easy for the marketing and sales managers to get timely comparative information in a good format for sound decision making. This is in line with Perreault et al (1987) describe a MDSS as a computer program that makes it easy for a marketing manager to get and use information as he/she makes decisions. Some of the important information they leverage the MDSS is on interest rates and competitor reactions to various campaigns.

4.4 Application of Marketing Information Systems to create a sustainable competitive advantage

From the discussions with respondents, it was established that the management of Savings and Loan (Kenya) Ltd appreciates the role of MIS in creating a competitive edge. Each of the components of MIS plays an important role in providing timely relevant information used by the managers to make decisions that ensure they maintained the leadership in the mortgage industry. According to Schendel et al (1978) a competitive advantage is a unique position that a company develops against the competitor. The information collected through the MIS provides this unique position to Savings and Loan (Kenya) Ltd since it is proprietary.

From the discussions with the respondents, it was established that the information collected from the internal records provide customer details. These details include the demographics, income levels, geographical location among others. Savings and Loan (Kenya) Ltd uses this information to segment their market and therefore come up with products targeted to a specific segment. According to Prahalad et al (1993) a competitive advantage is created when real value is added to customers and these products therefore add real value to the target.

The discussions with the respondents also revealed that the information from the marketing decision support system aids the marketing manager in coming up with the interest rates. By the time of the interview, Savings and Loan (Kenya) Ltd had the lowest interest rates on mortgage financing in Kenya. The low interest rate creates a superior competitive position as highlighted by Thompson (1997).

The findings also showed that for Savings and Loan (Kenya) Ltd to ensure sustained competitiveness, they are continuously carrying out the MIS processes. This is to ensure that this advantage does resist erosion by competitive behavior as discussed by Porter (1985). Additionally Savings and Loan (Kenya) Ltd is in the process of upgrading their MIS and integrating it with the banking solution to be up-to date. Porter (1985) supports this and highlights that competitive sustainability can only be created when the organization's resources and capabilities are durable, that is, they do not physically depreciate.

The findings showed that the information collected through the MIS is used to measure the level of satisfaction of customers, aid in development of new products and/or improve existing ones, measure service quality, branding, increase market share and revision of interest rates to match up with the competition.

The findings established that a marketing research carried out in 2005 showed that before then, little was known about Savings and Loan (Kenya) Ltd. By then the Company had only a 14% market share in the mortgage industry. This research was very helpful as it showed the management that action needed to be taken to ensure sustained competitiveness. At the beginning of 2005, the firm embarked on a re-branding campaign that aimed at increasing awareness and hopefully increase the market share. The campaign included lowering the mortgage interest rates to 15% which is still the lowest in the market.

Today Savings and Loan (Kenya) Ltd has a market share of 40%, the biggest in the industry. they were voted the best mortgage firm in Kenya by the marketing intelligence survey of 2006. The findings show that other Mortgage firms' lookup to Savings and Loan (Kenya) Ltd as far as interest rates and new products are concerned since the firm always experiences mystery callers trying to get insider information on Savings and Loan (Kenya) Ltd strategy.

CHAPTER FIVE

DISCUSSIONS, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

The objectives of this study were two-fold; the first one was to determine the use of marketing information systems by the institution; and the second one was to establish how the institution uses the MIS to create a sustainable competitive advantage. Having analyzed the data, this chapter discusses the research findings, conclusions drawn from the study, recommendations, limitations of the study and suggestions for further research.

5.2 Discussion

This project had two objectives. The first objective of the study sought to determine the use of marketing information system by Savings and Loan (Kenya) Ltd. The second objective was to determine how Savings and Loan (Kenya) Ltd uses MIS to create a sustainable competitive advantage.

Broadly, there are four main components of an MIS namely internal records system, marketing research system, marketing intelligence and marketing decision support system. Internal records systems are the most basic information systems used by the marketing managers. Included in the internal records system are orders, sales, prices, inventory levels, receivables, payables and so on. The findings indicated that Savings and Loan (Kenya) Ltd the only internal records they use are Loan application forms and forms bank accounts opening forms. Customers open accounts with the bank and then they look for the property to buy. Once identified and the value determined, the customer fills in the loan application forms upon which Savings and Loan (Kenya) Ltd performs all the credit checks and issues the loan.

Marketing research is the function that links the consumer, customer, and public to the marketer through information used to identify and define marketing opportunities and problems; generate, refine, and evaluate marketing actions; monitor marketing performance; and improve understanding of marketing as a process. Perreault et al (1987) suggest that

marketing managers rely on marketing research track the changes in the market and hence be able to meet the needs of the customers. Savings and Loan (Kenya) Ltd achieve this through customer feedback forms to measure the level of satisfaction and any other concerns.

A marketing intelligence system is a set of procedures and data sources used by marketing managers to obtain their everyday information about pertinent developments in the marketing that they can use in their decision-making (Kotler, 1997). Jones (1999) explains that some enterprises will approach marketing intelligence gathering in a more deliberate fashion and will train its staff to take cognizance of competitors' actions, customer complaints and requests and distributor problems. Savings and Loan (Kenya) Ltd uses this approach and trains all the members of staff who come in direct contact with customers twice a year. Savings and Loan (Kenya) Ltd also scans marketing and property journals regularly.

A marketing decision support system as a computer program that makes it easy for a marketing manager to get and use information as he/she makes decisions (Perreault et al 1987). Findings show that Savings and Loan (Kenya) Ltd use spreadsheets to carry out 'what if analysis' and comparative analysis with competitor information. The analysis is used as a guide when revising interest rates.

Savings and Loan (Kenya) Ltd leverages the information obtained from their marketing information system (MIS) to create a competitive advantage. From the findings it was clear that before 2005, Savings and Loan (Kenya) Ltd carried out a marketing research whose results showed that little was known about the Company. Its market share by then was a soaring 14%. This information was very useful to the company that embarked a re-branding campaign and currently they have the biggest market share of over 40% in the mortgage industry. Savings and Loan (Kenya) Ltd also carries out comparative analysis on competitor interest rates when determining the best rates to offer. This has helped them offer very competitive rates in the market thereby contributing to the market share. The firm also uses the information collected using the MIS while coming up on new products that match the customer needs. For instance Savings and Loan (Kenya) Ltd is the only mortgage company

that finances buying of land with an aim of constructing a property countrywide. This gives them a competitive edge over their customers.

From the findings, it was clear Savings and Loan (Kenya) Ltd appreciates the fact that it operates in a very dynamic environment especially due to the increased competition and the increased consumer needs and awareness. Savings and Loan (Kenya) Ltd therefore continuously uses marketing information systems to collect data from its macro environment and turn the data into useful information for effective and efficient decision-making.

5.3 Conclusion

Savings and Loan (Kenya) Ltd has successfully implemented a marketing information system and is the responsibility of the marketing manager. All the four components of an MIS i.e. internal record system, marketing research, marketing intelligence and marketing decision support system have been out in place. Information gathered through MIS is used by managers to make decisions as regards to branding, new products, interest rates, service quality among others. This was especially demonstrated by the re-branding campaign of 2005 that was triggered by a marketing research.

According to the respondents, the management recognizes the need of marketing information system in at Savings and Loan (Kenya) Ltd and the firm is in the process of completely automating the function. They attribute the significance growth of market share, the respect they command in the industry and a satisfied customer base that have repeat purchase to their continuous use of MIS to 'listen' to the environment and adapt to change.

In conclusion, the results from the respondents indicate that. Savings and Loan (Kenya) Ltd has demonstrated that use of marketing information system is extremely important for service companies operating in a highly dynamic and competitive environment. According to Clow et al (1988), firms with no sustainable competitive advantage easily get out of business because of replicability.

5.4 Recommendations

The biggest challenge at Savings and Loan (Kenya) Ltd is to automate their marketing information system. Currently it is still fairly manual and analysis of information collected can take a longer that it should. However the respondents confirmed that the firm is in the process of acquiring a complete banking solution that will have an MIS module and this shall hopefully resolve this challenge. The other challenge that faces Savings and Loan (Kenya) Ltd emanates from the fact that the MIS responsibility is under the marketing manager who has no specific team for this function. This means that the MIS functions can easily be neglected for lack of a dedicated resource. The recommendation is for Savings and Loan (Kenya) Ltd to set up a team within the Marketing department charged with the MIS responsibility. Lastly, it was clear from the respondents that the marketing decision support systems are not fully utilized at Savings and Loan (Kenya) Ltd, this can be associated with the fact that these systems are a bit technical in nature. It is recommended that the Savings and Loan (Kenya) Ltd marketing department involve the Information Technology (IT) in the initial setup of these systems and/or train their staff members on these MDSS.

LIMITATIONS OF THE STUDY

This study was limited to the use of marketing information systems Savings and Loan (Kenya) Ltd to create a sustainable competitive advantage. The study did not cover other forms of creating a competitive advantage used at Savings and Loan (Kenya) Ltd. Secondly the views were collected from the Savings and Loan (Kenya) Ltd and may not necessarily mean that Savings and Loan (Kenya) Ltd customers are satisfied by the service they receive from the firm. Moreover, the study was performed on one mortgage firm which may not necessarily be a good representative of all the mortgage firms as far as application of marketing information system to create a sustainable competitive advantage is concerned.

SUGGESTED AREAS FOR FURTHER RESEARCH

Given the above limitations, a study should be performed to other forms of competitive advantage employed by Savings and Loan (Kenya) Ltd. Secondly, views from the Savings and Loan (Kenya) Ltd customers and the general public can be collected to establish a relationship between the use of MIS by Savings and Loan (Kenya) Ltd and customer satisfaction. Thirdly, a replication study can also be performed for another mortgage firm or institution to evaluate whether they use marketing information systems to create a sustainable competitive advantage.

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APPENDICES

Appendix 1: Letter of Introduction

Date: 18th July 2006

Dear Respondent;

I am a post graduate student at the University of Nairobi studying Master of Business Administration in the Faculty of Commerce. I am currently conducting a case study at Savings and Loan (Kenya) Limited on the use marketing information systems to create a sustainable competitive advantage.

The purpose of this letter is to request you to respond to the attached interview guide. The interview guide is designed to gather information on ways and benefits of creating sustainable competitive advantage through marketing information systems.

The information you provide will be treated in strict confidence and at no time will your name be referred to directly. The information gathered will be used for academic purposes only.

Thank you for your cooperation

Yours sincerely,

Evah Kimani
MBA Student

Margaret Ombok
Supervisor

Appendix 2: List of Interviewees

UNIVERSITY OF NAIROBI
JERU KIBETE LUMIL

No	Respondent
1	Head of Strategy
2	Head of Commercial
3	Head of IT
4	Manager – Marketing
5	Manager – Sales
6	Manager – Customer service
7	Manager – IT

Appendix 3: Questionnaire

Section A: General Information

Interviewee Name (Optional):

Position/Designation:

Department:

Section B: Internal Records System

1. What are the internal records used by Savings and Loan (Kenya) Limited? Eg sales orders, price list etc
 - a. How often are these internal records updated?
2. What are the main benefits that Savings and Loan (Kenya) leverage off these internal records?

Section C: Marketing Research

3. Does Savings and Loan (Kenya) Limited have a marketing research department?
4. What skills and level of education do the employees have?
5. Who carries out the marketing research for Savings and Loan (Kenya) Limited?
6. How often is marketing research done in Savings and Loan (Kenya) Limited?

7. What are the steps followed when carrying out marketing research by Savings and Loan (Kenya) Limited.

8. In what areas is the information gathered during marketing research used within Savings and Loan (Kenya) Limited.

Section D: Marketing Decision Support systems

9. Does Savings and Loan (Kenya) Limited use MDSS to analyze data from external and internal sources?

10. What department (function) in Savings and Loan (Kenya) Limited is in charge of MDSS?

11. Are the MDSS used computerized?

12. What MDSS models are used?

Section E: Marketing Intelligence

13. Does Savings and Loan (Kenya) Limited use Marketing Intelligence as a method of obtaining information?

14. Does Savings and Loan (Kenya) Limited train its staff on Marketing Intelligence skills?

a. What are the staff job titles that are usually trained on MI?

15. How would you describe the methods used to obtain the information?

16. Does Savings and Loan (Kenya) Limited journals and periodicals to gather MI information?

a. What are the journals and periodicals used to gather this information?

17. Does Savings and Loan (Kenya) purchase MI information from external suppliers?

a. Who are these external suppliers?

18. Does Savings and Loan (Kenya) have a department(section) that collects and circulates MI information to the other sections ?

a. How often is such information circulated?

Thank you for taking your time to fill this questionnaire