

**PRODUCT CHARACTERISTICS THAT CONTRIBUTES TO THE SLOW
ADOPTION OF YU CASH: A CASE STUDY OF ESSAR TELECOM
KENYA LIMITED**

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DECLARATION

I hereby declare that this research project is a presentation of my original research work. Wherever contributions of others are involved, every effort is made to indicate this clearly, with due reference to the literature, and acknowledgement of collaborative research and discussions and that it has not been submitted anywhere for any award.

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DEDICATION

This work is dedicated to my wife Lydia, our Son Dylan, my friend Bett and my Mum Pacy for all their love and support. My wife assumed the role of a father and mother to our son when she needed me most. My son missed the opportunity to bond with his daddy at a critical time in his life. My friend was a source of inspiration all along. He made the journey to finalize my MBA seem so easy and manageable. My mother stood by me and acted as a source of guidance to my family. Your support and encouragement made my study a success. May God keep you and bless you.

ABSTRACT

Today Kenya boosts itself as a remarkable leader in Mobile money transactions in the world. Over 17 million Kenyans, about two thirds of the adult population, use the service and around 25 percent of the country's gross national product flows through it. Mobile money transfer service in Kenya has seen an exponential growth and acceptance even among the poor. It's in this pretext that Yu mobile, the third largest telecommunication service provider by subscriber base introduced its own money transfer platform dubbed Yu cash. This was in its quest towards delivering universal access to financial services through innovative mobile banking and payments services, the company targeted its growing Kenyan subscriber base with an intention of making it an African wide platform. Since its inception in 2009 the service has realized slow growth, acceptance and popularity among its targeted consumer base across the country despite the widespread usage of mobile phones in Kenya.

The purpose of the study was to provide valid and credible information as to what product characteristics led to slow adoption of Yu cash service in Kenya. To address issues specific to this study a case study research design was adopted in which an interview guide was used collect data while content analysis was used to analyze data. The findings revealed that Yu cash is not widespread in Kenya. Most distinctive factors that were a contributor was that the service had few agents, was not convenient and operated only in specific areas and low product awareness among its customers. The study also revealed various challenges faced by Yu cash and also highlighted areas of improvement. The most notable ones were-; the service provider was challenged to roll out its network to provide stability in the systems and network in general, faster resolution to customer queries and roll out its distribution channels among others as detailed in the study.

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ABBREVIATIONS

ATM -	Automated Teller Machine
ETKL -	Essar Telecom Kenya Limited
FMCG -	Fast Moving Consumer Goods
FSD -	Financial Sector Deepening
KCA -	Kenya Communications Act
KPTC -	Kenya Posts and Telecommunications Corporation
M-banking -	Mobile Banking
M-Money -	Mobile Money
MMT -	Managing Mobile Technologies
MMT -	Mobile Money Transfer
MVNO -	Mobile Virtual Network Operator
NPD -	New Product Development
SIM -	Subscriber Identification Module
SMS -	Short Messaging Service
SPSS -	Statistical Package for Social Science
STK -	SIM Tool Kit

TAM -	Technology Acceptance Model
USAID -	United States Agency for International Development
USSD -	Unstructured Supplementary Service Data
UTAUT -	Unified Theory of Acceptance and Use of Technology
WAP -	Wireless Application Protocol
WOM -	Word-of-mouth

CHAPTER ONE

INTRODUCTION

1.1 Background of the study

In the context of contemporary market changes, enterprises striving to stay in the competitive environment, and ensure constant growth, to achieve economic success, it's important that products characteristics are included into the success equation .The product, with its characteristics, is a well-studied phenomenon in marketing research for a longtime. Product characteristics form an important driver for competitive success in today's environment. The success of new products to anchor desired characteristics in its adoption process determines the survival of companies. The chances and extent of an organization adopting an innovation depends on the characteristics of the product innovation as perceived by the adopting firm (Premkumar et al., 1994). Prosińska and Bartels (2007) advocates that product characteristics appear to be more reliable parameters with which to predict the adoption of innovation in specific markets, taking into consideration all characteristics, conditions and limitations.

Product characteristics form an important part in innovation research in today's world. They are said to be crucial for consumer decision making with respect to new products (Goldsmith and Flynn 1992).Rogers (1993) advocates five characteristics of innovations-adoption process. These are relative advantage, compatibility, trial ability, complexity and observability. Rogers (1993) applied this classification of products characteristics to all types of product and services. Salutstri (2004) uses a PC to explain the error in design

that designers make, as the impact of one or more PCs in their work. In his recommendations he found out that its human nature that a designer will tend to focus on issues that are of particular importance to him, and expect someone else to take care of other issues.

Essar Telecom (K) Ltd, in 2007 conducted its first internal market survey and based the current rate of access to mobile phones, as a potential for further Yu cash adoption. In the same survey Yu mobile found out that Sixty-three percent of surveyed households had access to a mobile phone. Fifty-six percent of households own at least one active SIM card which is required for opening a Yu cash account. Even among rural, unbanked and poor households (those living on less than \$2 a day), about one-half of households have access to a mobile phone and own a SIM card. Based on users' perspectives, and research from competing firms, Yu mobile found out that the leading challenge to m-money uptake is the inconsistent service quality offered by m-money agents. The large majority of registered users reported they had encountered problems with agents. In particular, they cited agents' absenteeism and insufficient e-float or cash to help with a transaction. Another impediment to m-money uptake suggested by the survey findings is an insufficient understanding of m-money applications by potential and current users (ETKL Newsletter, 2007)

1.1.1 Concept of consumer behavior

Consumer behavior is the study of individuals, groups, or organizations and the processes they use to select, secure, and dispose of products, services, experiences, or ideas to satisfy needs and the impacts that these processes have on the consumer and society

(Kuester, 2012). With the reference of above cite, consumer behavior of every individual is different from other depending on buying choices which is influenced by buying habits and choices that are turn tampered by psychological and social drivers that affect purchase decision process. (Brassington and Pettitt, 2000) observed that consumers are not aware of changing their minds even when they do change their minds. And most people, after they change their minds, reconstruct their past opinion.

It is well established in marketing and consumer behavior literature that the consumer purchase decision process is the most important part for studying consumers' behavior (Constantinides, 2004). The consumers' buying behavior has always been a popular marketing topic and issue, widely studied since many years' back while no recently published marketing textbook is complete without a chapter devoted to consumers' behavior .The major approach, explaining the fundamentals of consumer behavior, describes the consumer buying process (Jobber, 2001; Boyd et al., 2002) According to most researchers the buying process of consumers is affected by various factors such as demographic, social, economic, cultural, psychological and other personal factors that are beyond the control and influence of retailers'(Kotler 2003) and marketing stimuli and web experience that can be controlled by marketers (Constantinides, 2004).

1.1.2 Concept of service marketing

In simple words, services are deeds, processes, and performances. But, the increasing interest in the services sector has been accompanied by considerable disagreement and debate as to what constitutes a service and whether service marketing is a distinctive subject area (Rama, 2005).

One of the first to define services was the American Marketing Association which as early as in 1960 defined services as activities, benefits, or satisfactions which are offered for sale, or provided in connection with the sale of goods Regan (1963) suggested that services represent either intangible yielding satisfactions directly or intangibles yielding satisfactions jointly when purchased either with commodities or other services. For the first time services were considered as pure intangibles ,capable of providing satisfaction to the customer and can be marketed like tangible products. Kotler and Bloom in 1984, defined service as, any activity or benefit that one party can offer to another that is essentially intangible and does not result in the ownership of anything. Its production may or may not be tied to a physical product.

We may conclude service as, an activity or series of activities rather than things which has some element of intangibility associated with it, which involves some interaction between the customer and the service provider, and does not result in a transfer of ownership. Customer has a vital role to play in the production process as the services are provided in response to the problems of customers as solution. The production of the service may or may not be closely associated with a physical product. Services have a number of unique characteristics that make them different from products. Some of most commonly accepted characteristics are as follows: Intangibility: This is where services are performances or actions rather than objects, they cannot be seen, felt, tasted, or touched in the same manner that we can sense tangible goods. Inseparability is where a service cannot be separated from the person or firm providing it. A service is provided by a person who possesses a particular skill by using equipment to handle a tangible product

(dry cleaning) or by allowing access to or use of a physical infrastructure such as a hotel or train.

1.1.2 Relationship between product characteristics, adoption and diffusion

Hoffman et al (2005) found out that Research processes of product creation, diffusion and adoption of innovation are essential for all participants of the dynamic market, especially since with the fast change of consumer needs and development of technologies not all offers and methods created and found by enterprises striving for exclusiveness by innovation are acknowledged and adopted by consumers. Results of research performed by researchers, who study innovation, show that consumers identified five major characteristics associated with new successful new products; these were compatibility, trial ability, complexibility, observability, and relative advantage (Solomon and Hogg 2006).

Knowledge about product characteristics' influence on customer interaction in various phases of enriches and specifies the existing product theory. Rogers's (1983) model of diffusion is based on the classical "bell-shaped" normal distribution curve, where the curve represents the frequency of consumers adopting a product over time. If the cumulative number of adopters is plotted, the result is an S-shaped (sigmoid) pattern.

Rogers (1983) contends that the adoption curve is normally distributed because of a learning effect due to personal interaction within social systems. As the number of adopters in the system increases so does the level of interpersonal influence on non-adopters. The result of this influence on adoptions is held to follow a binomial expansion,

a mathematical function that follows a normal curve when plotted over a series of successive periods.

1.1.3 The Telecommunication industry in Kenya

Telecommunications industry in Kenya has a long history. Telecommunications services were first introduced in Kenya in 1888; ten years after Alexander Bell patented the telephone. Then, the earliest telecommunications connections to the outside world were the submarine cables Laid by the Eastern & South African Telegraph Company in 1888) linking Zanzibar, Mombasa, and Dar es Salaam.

By 1908, Nairobi had its first eighteen customers up to 1977 telecommunications services in Kenya were managed as part of the East African Community regional network with neighboring Tanzania and Uganda. In 1977 the Community collapsed, and the Kenya Government established the Kenya Posts and Telecommunications Corporation (KPTC) to run telecommunications services. KPTC did this for twenty -two years on a monopoly basis until 1999 when the Government launched telecommunications sector reform, introducing. Competition in certain market segments and disbanding KPTC. In 1998 Parliament enacted the Kenya Communications Act (KCA 98) which set out a new framework for the development of telecommunications in a liberalized environment, and at the same time repealed the Kenya Posts and Telecommunications Act of 1977.

The Kenyan telecommunication sector was liberalized in 1999. In 2000, some 180,000 Kenyans had access to a mobile phone and by June 2013 that figure had grown to more than 30.5 million mobile phone subscribers up from 29.8 million recorded at the end of

June 2012. The fixed line subscriptions, however, have continued to experience a downward trend decreasing to 216,469 from 221,287, representing a decline of 2.22% over the same period. The total mobile telephone penetration during the period April to June 2013 increased to 77.3% up from 75.6% recorded in the period ending June 2012. These statistics highlight the major role played by the mobile communication in the telecommunication industry. Safaricom Limited controlled 65.9 per cent of the market share; Airtel Networks Kenya Limited had 17.1per cent while Essar telecom and Telkom Kenya Limited had 10.0 and 7.0 per cent respectively. (International Journal of Business and Commerce, 2005)

1.1.5 Essar Telecom Kenya Limited (Yu Mobile)

The Essar Group is a business corporation with a portfolio of assets in the manufacturing and services sectors of steel, energy, power, communications, shipping ports, logistics and other projects. Essar Group has a presence in more than 15 countries worldwide. The company has various interests in wireless services such as wireless carriers, telecom tower infrastructure, telecom retail and IT/telecom-enabled services (ETKL Newsletter, 2013).

Essar Telecom Kenya is Kenya's fourth mobile cellular network under the brand "yuMobile", launched in December, 2008.yuMobile achieved the fastest network rollout speed in the region, by achieving countrywide coverage in approximately 10 months from launch and currently, the network has a base of over 3 million subscribers and offers best in class rates. YuMobile offers several innovative product and service offerings all

targeted at making the subscribers life easier and more convenient (ETKL Newsletter, 2013)

Through the Obo pay powered technology Yu mobile pioneered a money transfer platform dubbed Yu cash. This is was in its quest towards delivering universal access to financial services through innovative mobile banking and payments services, to its growing Kenyan subscriber base with an intention of making it an African wide platform. During its launch in December, 2009. Yucash today has over 1.8 Million customers with 9000 agents countrywide including channel accounts. It's vital to note while other Money transfer services like Mpesa, Aitel Money and Orange money are sim based only, Yu cash is both sim and WAP based. Unlike others Yucash has four channels of transaction: STK (Sim tool kit), USSD, WAP and Admin console. The product works well on all phones with or without Wap, (Emil, 2009).

Yu cash is therefore an electronic payment and store of value that is accessible through the mobile phones as well as Web. Users have options of storing money through their mobile phones in an electronic account and can withdrawal or deposit money inform of hard currency at various Yu cash agent and Key accounts. The service also offers the options of sending or receiving money and pay bills option that is directly linked to company that offers the service such as DSTV and Water. Yu cash's platform lets consumers load money to a prepaid account. For customers with access to financial services such as credit cards or bank accounts, adding funds can be done online. But for the majority of consumers without access to financial services, a network of independent

agents who earn a commission for facilitating transactions is available. Once funds have been added to the account, Obo-pay then provides the platform for fund transfers between consumers or between merchants and consumers. Yu cash is also connects to ATM networks, (Equity bank) allowing customers to withdraw funds from cash machines using the mobile phones.

The slow growth and adoption of Yu cash a service is mind boggling .Compared to M-pesa, in March 2007 alone 1.1 Million Kenyans had registered to use M-pesa and over US\$ 87 Million had been transferred over the systems(Safaricom,2007).By September,2009,over 8.9 Million subscribers had registered for the service (Safaricom ,2009).By contrast Yu cash registrations have seen a staggering growth for the last 3 years with the peak being 2012 where 412,000 subscribers were registered to use the service.(ETKL Newsletter, 2013)

1.2 Research Problem

Understanding factors in New product development especially product characteristics, NPD process, timing, innovative supportive organizations and tools for NPD, firms external environment and post launch –marketing efforts has been of great interest and importance to researchers’ for many decades. While there is considerable consensus about how product characteristics affect product adoption and how it should be managed, “there are more areas lacking where research in how product characteristics affect NPD management ” (Ledwith & O'Dwyer, 2008, p. 99).One such areas where research in Product characteristics is lacking is the uptake of the decision process. According to Blackwell, Miniard and Engel (2006) products are adopted as a result of decision process. What differentiates one decision to another on an organizations’ product is the emphasis

on communication within the social strata rather than individual information processing. Most authors affirm that the Everret Rogers model is best suited for adopting a model that understands the process of adoption. The MMT studies on mobile technology related research fell into two areas; Mobile payment and Mobile banking.

Yu mobiles internal marketing survey on Yu cash adoption relative to other money transfer services of 2008,found out that Seventy-five percent of households in Kenya have at least one m-money user; 63 percent of households have at least one registered m-money user. While m-money services have been available since 2007, most registered customers hadn't signed up for an m-money account until 2010 or 2011. The number of early adopters of m-money services those who started using m-money before 2010 was small: 96 percent of current registered users use other money transfer services and only 2 percent of registered users use Yu cash. Despite these challenges, Yu mobile made great deal of excitement about the possibilities of mobile-money technology extending financial services into underserved areas, and the successful performance of some of the current offerings providing a great deal of encouragement to efforts proving the concept worldwide through its Obo pay technology.

According to the FSD research report, 2008 it was found out that Kenyans used their mobile phones services to transfer money safely and efficiently. Examples include paying for services rendered, utilities and airtime. Money transfer services appeared to meet the needs and expectations of Kenyans. The USAID report of 2009 also affirmed that there are significant benefits to be gained by the use of mobile technology by financial services

providers, especially in rural areas, in the form of cost savings, efficiency, fraud and error reduction, client security and convenience. Jack and Suri (2008) ascertained that trend allover for the product and service innovations were first used by the better off.

Several scholarly research on the use and adoption of m-money transfer services as new phenomenon of bringing financial services to the unbanked has been done by different researchers both internationally and locally. Davidson and Penicaud (2011) researched in Uganda on mobile money transfer services globally and found out that found that there is an association between Mobile Money savings behavior and adoption rate. Wishart (2006), Jenny and Isaac (2010) explored the history of mobile money services in different countries with special concentration Africa and showed that mobile phones have the potential to benefit consumer and producer welfare, and perhaps broader economic development. Jack and Suri (2011) researched on the effect of reduced transaction costs and effect on household consumption in Kenya and showed that mobile banking has the potential to reach remote corners of the socio-economic, as well as geographic, spectrum. This data revealed that research on mobile money globally, regionally and locally is recent due to novelty of this technology. From the above studies none of them has undertaken a special consideration to research on product characteristics that led to slow adoption of Yu cash. The proposed study therefore attempted to answer the following research question:-“what product characteristics lead to the slow adoption of Mobile money Transfer (Yu cash) service?”

1.3 Research objectives

The objective of this study was to establish the product characteristics that influence the slow adoption of mobile money transfer service.

1.4 Value of the Study

To the academia, findings of the proposed study would greatly contribute to the existing body of knowledge on product characteristics adoption and diffusion .Future academicians and researchers will also use the findings of this as a reference in their studies.

To the telecommunication industry the results of this study will present valuable information to companies that develop or augment available MMT services to impact their business positively. Appropriate regulatory bodies could use the findings to enhance service delivery and ensure that different sectors continues to benefit from innovations such as mobile money technology

The government, Policy and decision makers, Researchers' and analysts and other stakeholders interested in Mobile phone industry. The need to focus on affordable financial inclusion methods that contribute positively to business performance in areas like increased sales, increased use of mobile money services to purchase business products and supplies, and savings and loan accessibility is very significant. The study findings added to available literature on new product adoptions and more importantly on mobile phone industries furthers a more inclusive approach to financial integration and management.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

The chapter examines the following subtopics ;Theories underpinning the study, Consumer behavior and decision making process, service marketing and service triangle, technology and service sector and service quality and recovery strategies and determinants of buyer behavior.

2.2 Theories underpinning the study

Adoption of new service or new technology in service industry has been tackled for years by academics. Many models have been drawn such as the, UTAUT (Unified Theory of Acceptance and Use of Technology), TAM (Technology Acceptance Model) and its derivatives, and the Rogers's innovation diffusion theory.

2.2.1 Unified Theory of Acceptance

Based on TAM, the UTA model contains four core determinants: intention and usage-performance expectancy, effort expectancy, social influence and facilitating conditions (Barati, 2009). Performance expectancy is closely related to perceived usefulness, while effort expectancy reflects the perceived ease of use. Both usefulness and ease of use have been found as important factors in explaining technology acceptance (Koivumaki, 2008). One of the strengths of the UTA model is that it considers the role of several moderating variables, namely gender, age, experience and voluntariness of use provides a comprehensive framework for technology adoption analysis. The familiarization of mobile phones, usage time, success story of neighboring countries and the technology use

related skills could be seen as special characters of the facilitating conditions (Barati, 2009) as they all can be expected to influence the perceptions of individuals towards new technologies and technology related services.

2.2.2 Technology Acceptance Model

The TAM has been continuously studied and expanded. The two major upgrades being the TAM 2 (Venkatesh & Davis 2000 and Venkatesh 2000) .The TAM offers valuable insights into how and why customers offer to make a decision about the adoption and use of technologies in decision making. The TAM was developed to find out factors which made people to accept or reject information technology. This Model provides a theoretical base for specifying the causal linkages between two key characteristics of a product technology: perceived usefulness and perceived ease of use.

Karahanna and Straub (1999) observed that little attention had been paid to understanding factors that influenced the belief constructs of perceived usefulness and ease of use of products from technological innovations. TAM posits that perceived usefulness and perceived ease of use of are major determinants of its usage of a technology. TAM has been widely criticized, despite its frequent use, leading the original proposers to attempt to redefine it several times.

2.2.3 Rogers Innovation Diffusion Theory

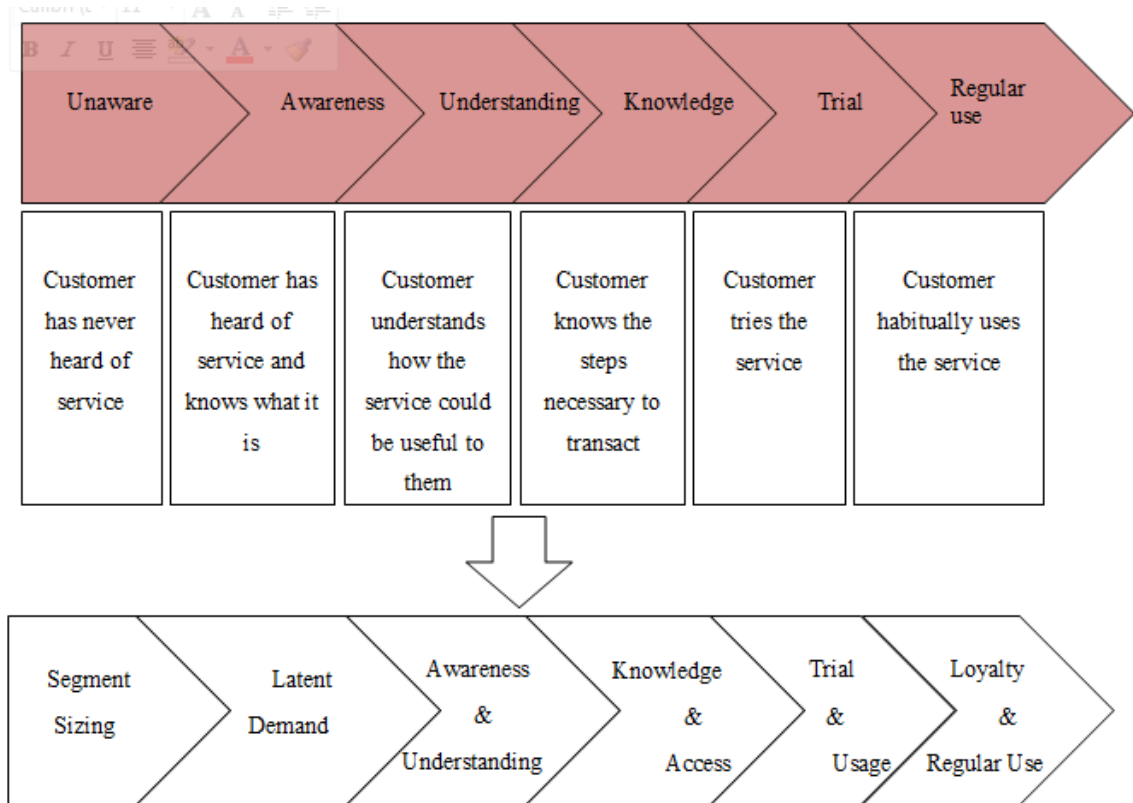
Rogers (1993) discerned five characteristics of innovations, which significantly influenced the innovation-adoption process. Venkatraman and Price (1990) agreed with Rogers that there are certain product and service characteristics that affect the diffusion

process and can influence consumer acceptance of new products and services. According to Rogers (1993) relative advantage of an innovative product/service is its offering over already existing products/services which accelerates its rate of adoption by the target market. Kotler and Keller (2006) stressed that compatibility of the innovative product and service offering with the existing backgrounds, behavior and lifestyle patterns of consumers also affects its adoption by the consuming public. The level of complexity in a product purchase and usage also affects the diffusion process. An innovative offering would be easily diffused when there is ease of understanding, purchase and use. The ease with which the product or service can be tested and tried also determines the rate of acceptance. Rogers (1995) defined observability as the ease with which the product can be observed. Observability in an innovative product refers to the degree to which a product/service's benefits can be observed, imagined and perceived by a potential consumer (Kotler, 2006).

Rogers categorizes the five stages of diffusion of an innovation as: awareness, interest, evaluation, trial, and adoption. An individual might reject an innovation at any time during or after this adoption process known as the customer journey. Consumer decision to adopt a new electronic payment service is therefore significantly affected by the amount of other consumers and merchants using it (Mallat, 2007). There is a link between Rogers's innovation adoption curve, TAM and TRA; even more, they are at some points complementary. In fact, one can easily note that TRA is based on TAM and analyzes separately each of external variables. The perceived usefulness of TAM could match with 'Awareness and Understanding' of customer journey. The perceived Ease of Use from

TAM could correspond to ‘Understanding and Knowledge’ in customer journey as shown in figure 2.1 below.

Figure 2.1: Customer journey in service



Source: Davidson, (2011).

2.3 Consumer behavior and decision making process

Customer behavior study is based on consumer buying behavior, with the customer playing the three distinct roles of user, payer and buyer. Majority of consumer behavior literature has been built upon two assumptions of influences. These are environmental influences such as culture, social class, personal influence, family and situation. Individual differences and influences like consumer resources, motivation and involvement, knowledge, attitudes and personality, values and lifestyle.

According to Blackwell, Miniard and Engel (2006) consumer behavior attempts to understand the decision-making processes of buyers, both individually and in groups such as how emotions affect buying behavior. It studies characteristics of individual consumers such as demographics and behavioral variables in an attempt to understand people's wants. It also tries to assess influences on the consumer from groups such as family, friends, reference groups, and society in general. The second one is that consumers are rational decision makers who have the ability or skills to go through a sequential decision making process to reach an optimal choice among alternatives. In 1950s, Herbert Simon, in his streams of studies on decision making process suggested that due to the uncertainty about the future and costs in obtaining information in the present, people's rational decisions are limited to the extent that their decisions can only be 'bounded rationality. The five stages are problem/need recognition, information search, alternative evaluation, purchase and post purchase/outcomes were first introduced by John Dewey in the last century (Dewey, 1967).

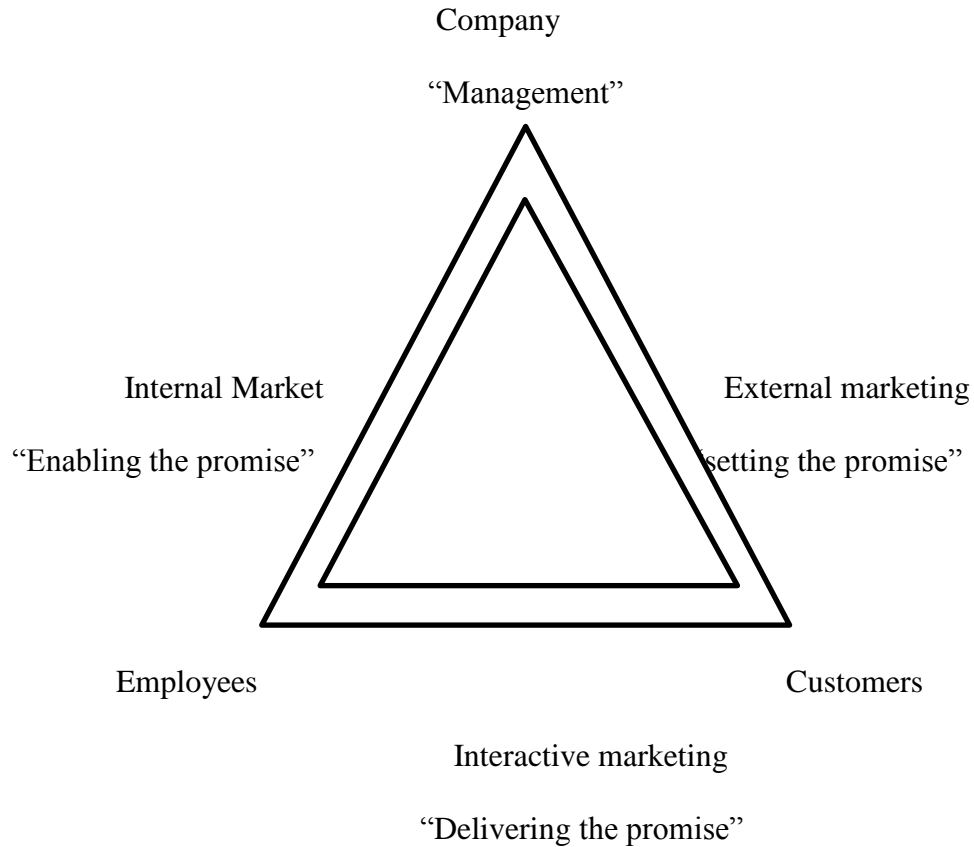
2.4 Service Marketing and service triangle

Quinn(1987) define services to include all economic activities whose output is not a physical product or construction, is generally consumed at the time it is produced, and provides added value in forms (such as convenience, amusement, timeliness, comfort or health) that are essentially intangible concerns of its first purchaser . Service marketing is a sub field of marketing which covers the marketing of both goods and services. Service marketing typically refers to the marketing of both business to consumer (B2C) and business to business (B2B) services (Lusch, 2004).

Many services are concerned with the distribution, installation and upkeep of physical objects; they include such diverse operations as retailing and warehousing, computer installation and car repair, office cleaning and landscape maintenance. Established competitors have failed to please today's demanding customers. In particular, customers now expect higher standards of service quality and greater speed. On the other hand, investments in quality must be made with reference to the returns that can be expected in terms of improved revenues and stronger customer loyalty.

In an external marketing, marketers interact directly to the end users. They try to understand the need of customers and satisfy them after fulfilling their demands. In an internal marketing, marketers try to interact with their employees in order to know about the strengths and weaknesses of their organization. Interactive marketing involves in the delivery of products or service to the customers and front –office employees of the company as presented in figure 2.1.

Figure 2.2: The service marketing triangle Source



Source: Olson (2005).

2.5 Technology and service sector

Innovation has played the role of the main driver in the rise of service sector (Barras, 1986). According to Boden and Miles (2000) as the capacity to innovate in a firm increases, it gains competitive advantage and generates a broader variety of offerings for its customer. In this sense, service firms need to be customer-oriented, considering that the customer is the one who selects from the variety of the offerings and acts as the

determining factor behind the success of the firms. Besides this, service activities are heterogeneous and innovation varies in extent and form between industries.

Sunbdo (2000) shows the competitiveness of a firm also depends upon its capacity to adapt and exploit technology in order to fulfill and exceed beyond customers' needs and expectations, while maximizing resource utilization. The extent of adoption and interest in technology varies amongst the different sub-industries within the service sector. However, some surveys reveal that in developed economies, the service sector is the biggest user and buyer of information technologies among other sectors, particularly ICT. Moreover, research on services reveal different approaches on innovation, assimilation approach, demarcation approach and synthesis approach (Coombs and Miles, 2000).

2.6 Service quality and recovery

According to Gravin (1997), the Service Quality can be defined from different perspectives User based, Product based, Manufacturing based, Value based and Transcendent view. The two basic reasons why quality is significant for the success of a service company are to win credibility and get repeat customers. If a company offers quality service consistently, it enjoys repeat business in that customers visit it repeatedly. They may even refer it to their friends and relatives and provide positive word-of-mouth publicity to the quality service offered by the company. There are five widely used fundamentals of Services Marketing are intangibility, heterogeneity, simultaneous production and consumption, perishability and lack of ownership

Despite persistent efforts to deliver exceptional service, zero defection is an unrealistic goal in service delivery (Heskett and Sasser, 1990). Intangibility, simultaneous production and consumption and high human involvement are characteristics of service that make it difficult to achieve zero defection (Boshoff, 1997). Unfortunately, customers are not always happy with the quality and value of the services they receive. People complain about late deliveries, rude or incompetent personnel, inconvenient service hours, poor performance, needlessly complicated procedures and a host of other problems.

Although service failures are inevitable, most service defections, especially because of poor customer service, are largely controllable by service firms (Hoffman & Chung, 1999; Hoffman & Kelly, 2000). Defensive marketing strategies that focus on customer retention through effective complaint management, managerial programs to prevent and recover from service failures, and continuous improvement in service performance will help to maintain long term relationships with customers (Fornell & Wernerfelt, 1987). Service failure can be viewed as customers' economic and/or social losses in an exchange; therefore, organizations endeavor to recover from negative effects by offering economic and social resources (Smith, Bolton, & Wagner, 1999).

According to Gilly, (1997) appropriate service recovery efforts can convert a service failure into a favorable service encounter, achieving secondary satisfaction and enhancing repurchase .Exceptional service recovery can produce a service “recovery paradox,” a situation where the levels of satisfaction of customers who received good or excellent

recoveries actually are higher than those of customers who have not experienced any problem (Smith and Bolton, 1998). On the other hand, an inappropriate and/or inadequate response to service failure may result in magnification of negative evaluation, also referred to as double deviation (Bitner, 1990). Furthermore, dissatisfied customers not only defect but also engage in negative word-of-mouth behavior (Mack, Muller, Crotts, & Broderick, 2000).

Hoffman and Chung, (1999) argues that it's imperative for service firms to develop effective service recovery strategies to rectify service delivery mistakes and increase retention rates or decrease defection rates Recovery strategy should be considered a means to reinstate and validate relationships with customers (Cowles and Tuten, 1995) not as an opportunity to create goodwill. The systematic analysis of service failure and recovery can be used to identify common failures, to resolve the routine causes of failures, and to improve the effectiveness of recovery efforts through a proper training program (Brown et al., 1995).

2.7 Determinants of buyer behavior

The buying behavior of consumer is affected by a number of factors which are generally uncontrollable. These factors are also known as determinants of consumer buying behavior. All these factors affect the buying behavior of consumer differently. Culture affects a lot the consumer buying behavior. It is the family values, beliefs, perceptions and preferences social class and religion affect the consumer buying behavior. Social factor such as family, reference group, role and status explain the behaviour of a group of

individuals and the manner in which it influences and conditions an individual's behaviour in the market place. Personal characters of an individual include buyer's age and life cycle stage, life style, personality and self. A person's buying choices are further determined by various psychological factors/characters viz., motivation, perception, learning, belief and attitudes. Marketers have very little control over these variables and therefore call for great attention on these factors to tune their marketing strategies. (Schiffman and Kanuk, 2004).

The markets are customer focused in these days to understand the consumers, are not easy jobs as his behaviour is distinctive and unpredictable. This has made the firms to step into the shoes of the customers and understands from his point of selection and purchase of products and services. Marketers need to identify the end users of product and services. They should frame marketing plans than considering the wholesalers and retailers who actually are the intermediaries in the process of purchase. Therefore marketers should consider the consumers and then develop their plans of action. Here lies the essence of marketing. The consumer is the king and all actions should start with his view in mind. (Journal of Exclusive Management Science, 2013)

2.8 Summary

The uptake of Mobile phone money services has been unprecedented. The most significant is the rapid adoption of mobile money transfer services. It is now clear that a thriving and a vibrant money transfer service require a vibrant service provider as well as multiple intermediaries and agents operating in the market. The available literature shows that there exists a strong relationship between Product characteristics and the appropriate

adoption channels. The available literature provided insights on product characteristics are adopted in different contexts.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter outlines the various research methodologies. It gives more information on the research design, data collection methods used and how data analysis was carried out.

3.2 Research Design

This study adopted a case study research design. Case studies emphasize detailed contextual analysis of events or conditions and their relationships. A case study is a holistic study inquiry that investigates a contemporary phenomenon within its natural setting, specifying particular terms in a greater detail. Case studies can deal with single or multiple cases (Creswell, 1994).

According to Cooper and Schindler (2003) a case study research design provides answers to questions such as: what techniques were used to collect data, the tools to be used, time and cost constraints. It also helps to control and give meaning to the study variables. A case study provides an in depth longitudinal examination of a single instance or event as a case (Flyvbjerg, 2006).

3.3 Data Collection

Primary data was collected using an interview guide. The questions were open ended and were designed to identify the major product characteristics that contributed to the slow adoption of Yu cash by Essar Telecom (K) Limited.

The respondents were those involved in day to day running of yu cash in the organization. The interview guide was made up of three sections namely: respondents profile, general product information and product characteristics. An interview is a purposeful discussion between two or more people (Khan and Carnell, 1957). The nature of any interview should be consistent with the research question(s) and objective(s), the purpose and research strategy adopted. The respondents will be 3 manager and 2 functional heads as they are considered to be key informants in this research.

3.4 Data Analysis

Data was obtained from employees and compared against each other in order to get more revelations on issues under study. The study yielded qualitative data from interview schedules, which was analyzed using content analysis to seek and solicit data that was qualitative in nature. The study identified key themes and concepts expressed by respondents, with particular attention to the choice of their words. The themes and concepts were categorized according to the objectives of the study so as to provide a preliminary over view of how objectives were met and the research questions answered. Analysis of data collected was compared within the theoretical approaches and documentation cited in literature review.

CHAPTER FOUR

DATA ANALYSIS, FINDINGS AND DISCUSSION

4.1 Introduction

This chapter presents the analysis and findings with regard to the objective and discussion of the same. The data collected in this chapter was mainly analyzed qualitatively. The respondents interviewed comprised of total of 7 senior and middle level managers handling yucash as product from Essar telecom Kenya Ltd were.100% response was achieved.

4.2 Respondents demographic information

This section was designed to establish the respondents' current position in the organization, the duration they have been holding the position, as well as the total duration they have worked with the organization. The study, in an effort to ascertain the respondents competence and conversance with matters regarding Essar Telecom Kenya Limited the interviewees were asked the position held in the organization and the number of years they have worked in the organization. All the respondents were senior managers in charge of various departments such as sales, customer care and marketing who had worked in the organization between 2-6 years, with 50% of the interviewees having worked for more than 4 years. It was confirmed that the departments in which these managers worked were involved in the development and promotion of yucash product. The average age of the respondents was 32 years. Based on the respondents' profiles, their responses had the advantage of good command and responsibility as they were

senior managers with experience and apt owing to their years of experience in the organization.

4.3 Organizational demographic information

The study in a view to determine the ability of the company to develop a product and apply product development strategies, it sought to know the company capacity, ownership and existence in the Kenyan Market. From all the respondents interviewed it was confirmed that the company ownership is mainly foreign, having existed in Kenya for six years with over 300 employees working for the company.

4.4 General product information

Essar's yucash product has been in existence for the last four years and most of the respondents have used the product for at least 3 years. 50% of the respondents confirmed that yucash has transformed their live positively with the remaining 50% being of the contrary opinion. Yucash product offers money transfer services ranging from sending money, receiving money, paying bills, ATM withdrawal services, bank transfers and airtime recharge. Yucash market take up was approximated to be between 5-9% of Kenya's mobile money transfer customers. By and large all the respondents, showed that the product never picked as anticipated by the company. The main challenges that faced the product from launch are competitor tariff reduction and competitor agent restriction from operating money transfer services.

Yucash distribution system was found out to be another main challenge that the product faced because of its few agents network in the country and thus the product accessibility

made difficult. This was worsened by the announcement by the company that it wanted to exit the Kenyan market making the customer feel insecure of transacting on yucash and agents uncomfortable of holding on to the yucash investment.

4.5 Product characteristics affecting adoption of Yu cash

Essar telecom Kenya limited adopted product development features and strategies which the study choose to investigate and figure out what might have led to its slow adoption. The product characteristics sought to achieve certain objectives such as product growth and retention, customer loyalty, increase market share through competitive tariffing , and perhaps more resources dedicated to Yu cash distribution. In a bid to understand the product characteristics under study the researcher divided the factors into the following subtopics.

4.5.1 Relative Advantage

This subsection was designed to establish how fast, reliable and affordable is the service and how the service offers faster response to customer queries with quick response to errors and spread of the service. As listed by all respondents the service was found to be affordable compared to the competition. Of all those interviewed 20% agreed that the service was fast and the remaining of the contrary opinion. Among the reasons given was that it was not a quick way of transferring personal remittances. Sometimes it can take up to three working days especially P2P for a customer to receive money from the sender.100% of the respondents agreed that the Yu cash service was not consistently good in quality or performance or able to be trusted. Two respondents noted that the Yu

cash service was not unique or convenient since it did not reach a wider population of the unbanked.

Respondents also indicated that for the service to have value, partnering with key institutions offering utility services was important since it offers customers convenience and an opportunity to maximize on collection of revenues. On customer query mechanism, 75% of the respondents felt that that the company needs to review its complaints handling mechanism. All respondents agreed that complaints resolution network in the company was long and for that reasons would not address emergency issues as and when they arise. The respondents also agreed that there was need to review on the service level agreement as indicated in the company policy from 24 hours to 6 hours. 100% of the respondents agreed that the service had a quick response to error.

The respondents further agreed that the service was quick to note errors and such as client and server errors as tools of validation whenever an operation fails command. On the spread of the service, 99% of the respondents indicated that the agent spread was far below expectations. The respondents went ahead to indicate the areas where Yu network was available yet finding a single agent to transact was close to impossible. The respondents championed a strong agent network and ensuring services are brought closer to the doorstep of customers countrywide as the only success factor to the high rate of adoption and use of Yu cash.

4.5.2 Complexity

To ascertain the ability of the features of the service that makes it simple to operate, the researcher asked questions related to how fast the service is the ability to use and

understand the service. 5 respondents agreed that Yu cash service was easier to use. They ascertained that the service offers a wide range of experience making the service easy to use. According to respondents Yu cash service has several ways of accessing and the services in the menu easy to use and understand. All respondents agreed that the service offered by Yu cash were familiar and the language understandable. Of the seven respondents, 6 agreed that sometimes the service is slow to use dictated by infrastructural challenges and downtime especially the network which affects timing and response rate.

4.5.3 Technology and innovation

This subsection dealt with value added services, safety of service and how informative the service is to the client. To the users, 45% of the respondents agreed that the Yu cash service has embraced technology. These include services such as accessing through wap, load/unload funds options and customer invite option. However all the seven respondents agreed that the service has not been at par in embracing technology especially business to business model whose goal is of ensuring fast delivery of services. The respondents cited that the service had few partnership agreements and possible channels which ultimate led few delivery channels options. All respondents agreed that Yu cash service can be thought of as a bank that provides transaction services. The respondents noted that the service accepts deposits of cash from customers who have registered as users.

In exchange for deposits Yu cash issues a commodity known as “e-float” measured in the same unit as money which is therefore secure and safe. However all the respondents noted that Yu cash service to some extent does not facilitate trade therefore making it harder to pay and to receive payments of goods and services. 100% of the responded

agreed that Yu cash has done little to educate and inform its customers on how they can benefit from the service. This was due to budgetary constraints.

4.5.4 Communication

To understand how Essar Telecom(K) Ltd used different communication strategies in the deployment of its product at different adoption stages, the researcher asked questions related to clarity, reliability, complaint handling procedures and related supporting services accorded to information. 5 out of 7 respondents confirmed that the balance query procedure has been simplified and made clearer. Remaining to respondents were of contrary opinion and went ahead to note that the procedure is long and unfriendly to the illiterate since the language options have not been provided. All respondent agreed to the fact that clarity on Yu cash operations only favors the literate therefore less and less adequate and reliable information is usually provided.

How complaints are handled, the respondents agreed that the procedure is hampered by bureaucracy and called for a lean and simpler way of resolving complaints. All respondents again agreed that the Yu network is not stable even after being voted the best network in clarity in 2012. The ability to step up network and provide stability was questioned and proved as lurking. All in all the respondents agreed that identification of strategies and techniques used by Essar Telecom (K) Limited in expending information of the service had an effect adoption of Yu cash.

4.5.5 Communicability, Trialability and Compatibility

In relevance to the communicability as a whole, Yu cash was thought to perform exemplary poor to other modes of money transfer. Actually all the respondents thought the ability of the service to be easily understood was 99%. This was equivalent to 90% satisfaction as depicted by the respondents. All interviewees who participated in the study had tried various functions in Yu cash menu. The scrolling of the menu had 80% of them attesting to it as factor that contributed to the adoption of the MMT by a small subscriber base. In the process of interacting with Yu cash on their daily basis, the respondents confessed that the service had not become part of their lives. Though down by 90%, it emerged that they interacted with the service not daily but monthly or by need to need basis.

4.6 Areas of improvement

This section focused on areas that Yu cash needs to make improvements on. 80% of the respondents highlighted some of the areas that they felt the service ought to improve on to compete effectively in the market. The respondents suggested areas in which they thought the MMT service could improve. Essar Telecom (K) Ltd was faced with the challenge of improving network and ensuring proper network stability (31%). Essar Telecom needs to curb the long hours one can wait to have issues or queries forwarded in relation to MMT sorted (23%). In most cases there were difficulties in retrieving money lost through erroneous transactions; respondents thus challenged the service provider to come up with ways of simplifying the lengthy and difficult procedures of reversing such transactions (19%).

Other highlighted areas to improve on were; Doubling transaction limits(8%),Sending quarterly transaction statements(6%),availing important information in all agents outlets(6%),cooperating with relevant authorities to return stolen money(4%),adding more options to the services menu(4%),registering more and more Yu cash outlets (4%),Effectively brand aggressively communicate the benefits of the product to customers and agents(4%),Differential branding of Yu cash outlets(4%).Customers being allowed to purchase certain services like Google applications (4%),and Promoting the use of the service online(4%) as presented in Table 4.1.

Table 4.1 Areas of improvement

Attribute	Percentage
Ensure good and stable network	31%
Faster resolution of customer queries	23%
Faster retrieval of wrong transactions	19%
Doubling transaction limits	8%
Sending quarterly transaction statements	6%
Availing important information to all agents	6%
Cooperate with relevant authorities to return fraud or stolen money	5%
Provision of Yu cash to all Banks	5%
Add to Yu cash menu to allow the purchase of Bundles	4%
Address the issue of float at Agents outlets	4%
Encourage the use of inline Yu cash transactions	4%
Differential branding of outlets	4%

Source: Researcher(2014).

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter presents the findings of the study in a summarized state, deriving conclusions from the findings and further suggesting recommendations on the way forward. It also gives suggestions for further research.

5.2 Summary

The main objective of the study was to identify those characteristics that led to the slow adoption of mobile money transfer in Kenya. The study revealed that there were various factors that the users of this service were looking for in the service industry. Essar Telecom (K) Ltd has made great efforts in its bid to promote its MMT service and offer the key players in the industry a run for their money. A number of areas have registered impressive levels of innovation while key areas have been neglected. Though the Organization has undertaken deliberate efforts to reshape its Yu cash service innovation; this has not created enough noise in the market to warrant its adoption and suit the needs and suitability in the market. The business development team needs to undertake a thorough market research when developing products which helps in identifying opportunities existing in the market and how the same can be exploited to meet the requirements of the market.

Yu cash exhibited relative advantage over other modes of money transfer services in that it was cheap, fast in service delivery, good in quality and can be trusted among other factors. However its ability to offer faster response to customer queries and the spread of the network was found wanting which makes it lag behind amidst competition. Yu cash was not complex since it had few functionalities which made it easy to understand and use. Though the service is attributed to innovativeness, it was found that there was need for additional service to make it competitive. All in all Yu cash was viewed to be a safe way to store money instead of carrying it around.

Although there was communication from and to Yu cash system in terms of balance clarity on operations and balances, this was due to Essar Telecom wide network. The respondents' quickly noted that Essars good network had not been fully utilized to capacity to guarantee good returns on its MMT. The respondents also mentioned that there was little information making the service unreliable since there lacked a good and elaborate complaint handling procedure. The study also found that it was easy to use and scroll through Yu cash. This however did not translate in subscribers having full knowledge and information into the functionality and use of the service.

There were also areas of improvement that were highlighted from the study. The service provider needs to ensure a better and stable network, improve its complaints handling procedure, and communicate the product to a wider audience, brand its outlets doubling transactions as well as sending statements upon request among others as discussed in the previous chapter. The study also noted that all this depended upon the organizations management in realizing the need on changing phases of consumer behavior and acting upon it.

5.3 Conclusion

From the research findings and the answers to the research question, some conclusions can be drawn about the study.

The findings of this research confirms that Essar Telecom (K) Ltd to a large extent has not embraced all vital product characteristics that make a superior product adapt quickly in the market. Michael Joseph the Safaricom CEO, in an M-Banking conference in Nairobi in 2008 said, “Getting masses to appreciate and adopt such technology takes a lot of effort and resources. It does not just happen. The customers’ proposition has to be understood”.

It was also established that Yu cash has experienced a slow adoption due to a disconnect it has had with its innovator company Elma. Due to the slow adoption, it did not reach many people in Kenya who expect to own bank accounts and who own mobile phones now save their money through the virtual accounts facilitated by Yu cash. The growth experienced in the money transfer service could therefore dispute the notion long held by traditional financial institutions that amounts of income earned were equivalent to economic growth. Yu cash was supposed to revolutionize the economy of the rural areas in Kenya.

Essar Telecom (K) Ltd has not successfully incorporated research in the diffusion of information in regard to its innovation. On its entrance to the market, Yu cash as a product targeted the un-catered for population as indicated in the MicroSave (2003) study cited earlier. Many low income earners were excluded from the traditional money transfer services. As a result many insecure and unaffordable means were being used

leading to delays and losses of money on transit. For this reason the product was supposed to be of relative advantage to the users. Yu cash was designed as an instant, secure and targeting the low income earners in the population were seen as something unique and not already in the market. Yu cash did not require any major effort from the adopter; it was completely free to the user. A Yu SIM card and the mobile phone already owned were all that was required for registration.

The technology was therefore compatible with the existing usage of the mobile phone to the potential adopters. The process of registration was easy, an identification document, simple menu and the phone, the adopter was not required therefore to learn any new skills. In case one was unable to transact on his/her own, Yu cash assistants were trained to assist such users. Since the registration cost nothing, users were in a position to sparingly try the service until they were confident of its stability. Consequently the unregistered, late majority and laggards were able to observe the results of the use of the products. Those receiving and sending money were testimony of success to the laggards as a result they were able to influence the skeptical ones into adoption.

Yu cash did not embrace much mass media advertising to diffuse information on its innovation. Multiple forms of communication were not used either. The Billboards, newspapers, TV advertisements, branding of shops, SMSs and printed materials among others were not used to reinforce one another and ensure that the customer was adequately informed at all times. Yu cash shops were not established where they were most needed. The low income earner who did not have extra resources had to go to towns for the service. Essentially, Essar Telecom (K) Ltd did not take the service to the customers' doorstep. The service targeted a specific audience; shops were incorporated in

places where customers visited to buy other products; shopping malls. They therefore used a more specialized (niche) approach, which centered on specific target audiences. However these special strategies used did not penetrate the market Yu cash as a product is supposed to be designed for the convenience of customers. Access to the service was limited. People had to walk longer distance for the service. It's is not available around the clock. Besides, it is located in few residential areas where customers cannot access the service at any time.

5.4 Recommendations

Many innovations in Kenya have not seen the kind of rapid growth experienced by money transfer innovations. Many fail while others operate marginally without any remarkable success. For innovations to experience acceptance it is important that various considerations be made before they are launched to the market.

Yu cash should have endeavored to seek and fill a gap in the Kenyan market. Innovations such as the Yu cash service should not have been rolled out with enormous costs only to fail in the short run. Market research needs be done to understand what the consumer wants and needs are and match them with the available resources. Consumers usually have unique and specific needs that should be considered first before the product. The product characteristics must match what someone specifically wants to buy or intends to buy. And part of what the consumer is buying constitutes a personal buying experience; not a copy of another product in the market.

Essar telecom (K) Ltd needs to study the customer need or want and understand the consumer's cost to satisfy the want or need. In coming up with the tariffing structure the company affirms that product price may be only one part of the consumer's cost structure. However what the company failed to take into consideration is the fact that most of the products undercut those already existing in order to penetrate the market. Whereas this may constitute a strategy often it is the cost of time, the cost of conscience in relation to the kind of purchase one makes and the cost of guilt (i.e. the ability to make the right decision or not) that matters.

It is imperative that Essar Telecom (K) Ltd considers the convenience of the buying experience of its customers and then relate that experience to a suitable distribution mechanism. Convenience has several aspects which may include for example the physical or virtual location, ease of access of a service, transaction service time and hours of availability. When designing a product, what matters the customer and not the competitor. A company should design the delivery mechanism of a product with the need of the customer in mind and not what the competitor is doing.

Though Essar used Multiple forms of communication the company did not include an understanding of non-traditional media, such as word of mouth and how it can influence ones position in the consumer's mind. It is how many ways a customer hears or sees the same message through the course of the day, each message reinforcing the earlier images that leads to a relationship and create a good image for the company. Consumers associate with what they know and what constitutes their past experience. Being associated with quality, honesty and sustainability will always give a new company's

new product an added advantage. Each medium serves a purpose in the various adoption stages. Companies should incorporate many media to communicate the same unified message with consistency and provide a feedback mechanism to make the communication two-way.

5.6 Suggestions for further Research

Further research on product characteristics should be done on MVNOs. With most of the institutions embracing the MVNO concept in Kenya it could be interesting to find out how they embark in providing cheaper mobile services and expand the market share amidst competition from other existing mobile money services. This research also recommends that a customer directed research such as a satisfaction survey be carried out to find out despite other money transfer service being affordable in rate people are still stuck in M-pesa service.

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APPENDICES

Appendix I: List of telephone operating companies Kenya

	Company	Year Incorporated
1	Safaricom Kenya Limited	1997
2	Airtel Networks Kenya Limited	2000
3	Orange Telecom Kenya Limited	2007
4	Essar Telecom Kenya Limited(Yu Mobile)	2008
5	Finserve Africa	2014
6	Tangaza Mobile	2014
7	Zioncell Kenya	2014

Source: CAK 2013

Appendix 2: Letter of Introduction



**UNIVERSITY OF NAIROBI
SCHOOL OF BUSINESS
MBA PROGRAMME**

Telephone: 020-2059162
Telegrams: "Varsity", Nairobi
Telex: 22095 Varsity

P.O. Box 30197
Nairobi, Kenya

DATE 18/09/2014

TO WHOM IT MAY CONCERN

The bearer of this letter JOSEPH ONDIEKI ABUON

Registration No. D61/30202/2013

is a bona fide continuing student in the Master of Business Administration (MBA) degree program in this University.

He/she is required to submit as part of his/her coursework assessment a research project report on a management problem. We would like the students to do their projects on real problems affecting firms in Kenya. We would, therefore, appreciate your assistance to enable him/her collect data in your organization.

The results of the report will be used solely for academic purposes and a copy of the same will be availed to the interviewed organizations on request.

Thank you.

**PATRICK NYABUTO
MBA ADMINISTRATOR
SCHOOL OF BUSINESS**



Appendix 3: Interview guide on the product characteristics that contributes to the slow adoption of Yu cash: a case study of Essar Telecom Kenya Limited.

Research conducted with the authorization of the University of Nairobi, School of Business.

I am an MBA student at UoN and I kindly request that you respond as objectively as possible to the questions listed below. I assure you that the findings of this study will be treated confidentially and will be for academic purposes only.

(Please fill in the responses appropriately and where possible fill in as many responses as you find relevant.)

Section A (): Demographic information of the Respondents

1. Name of the respondents
(Optional).....
2. Age:
3. What department do you work in?
4. What is your current title or position?
5. How many years have you worked in your current position?
6. How many years have you worked for the organization?

Section A (): Demographic information for the Organization

1. What is the ownership of the organization?
2. What is the age of the organization in Kenya?
3. What is the number of Employees?

Section B: General Product Information

1. How long have you used Yu cash?
2. How has the Yu cash technology impacted you?
3. What exactly should the service do?
4. How long should the service last?
5. What is the likely rate of market take-up on Yu cash?
6. Please describe the changes that have taken place in the last four years in the business environment which has affected the uptake of Yu cash?
7. In your own words what are the likely challenges Yu cash faced?

Section B: Product characteristics affecting adoption of Yu cash

Please indicate the severity of the following factors related to Yu cash.

Relative Advantage

1. How affordable is the service?
2. How fast is the service?
3. Is the service reliable?
4. Does the service offer faster response to customer queries?
5. Is it faster to send and receive money using Yu cash?
6. Does the service have a quick response to Errors?
7. How wide spread is the service?

Complexity

1. How easy to use is the service?
2. Is it easy to understand the service?
3. How faster to use is the service?

Technology and Innovation

1. Does the service offers additional Services like paying bills
2. Does is it offer safe storage of money
3. How frequent does the service offer informative materials

Communication

1. How clear is it when you query balance
2. Is clear on when you operate Yucash?
3. Do you get adequate and reliable information?
4. Are there good complaint handling procedures?
5. How stable is the network in supporting the service?

Communicability

1. Is the service easy to understand

Triability

1. Have you tried to use all yu cash functions in the menu?

Compatibility

1. Is it Compatible to handsets and devices available?
2. How has Yu cash become part of your life?

Section D: Feedback

1. What aspects of Yu cash should Essar Telecom improve on?

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Thank you for participating