

**MARKETING STRATEGIES AND PERFORMANCE OF KENYA
REVENUE AUTHORITY (KRA)**

BY

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DECLARARTION

I, the undersigned, declare that this is my original work and has not been submitted to any other college, institution or university other than University of Nairobi for academic credit;

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This project proposal has been presented for examination with my approval as the University supervisor;

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DEDICATION

I dedicate this paper to staff of KRA, you all stood by me throughout this programme and inspired me immensely.

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ACRONYMS

K.R.A –Kenya Revenue Authority

MST – Medium and Small Taxpayers

LTO – Large Taxpayers Office

CSR – Corporate Social Responsibility

CIC – Complaints and Information Centre

PRIA – Public Relations Institute of Australia

ABSTRACT

Marketing plays a major role in building an image of a given institution and raise awareness of products and services being offered by an institution. Kenya Revenue Authority (KRA) is the institution responsible for tax administration in Kenya. The authority embarks on a number of marketing strategies in order to raise awareness to the public on the payment of taxes. The strategies that have been used include: advertisements, corporate social responsibility, public open days, agent education forums and sensitizations in academic institutions.

These initiatives play a role in improving the image of an organization as well as its reputation, consequently reducing costs on explicit expenses such as contractual obligations. The second principle is on creating a good self-image that creates a better relationship between the companies and its core stakeholders such as the customers thus inculcating trust and goodwill which are intangible assets that enhance competitive advantage(Sun, 2010).

Kenya Revenue Authority (KRA) which was formed through an Act of parliament in 1995 is tasked with the responsibility of tax administration in Kenya. KRA is thus a non-profit making organization which enjoys monopoly in its field of operation. Marketing has been seen as a preserve for profit making organization as tool that enhances competitive advantage and thus little has been done on marketing by government nonprofit making agencies such as KRA

This study aimed at exploring the effectiveness of the various marketing strategies which are undertaken at KRA, the success and impact of marketing on the operations of the Authority. Further the study sought to establish the challenges that face execution of these marketing activities and examine the modalities which can be put in place in order to enhance them not only in KRA but in other government agencies operating in the same environment.

The study will used primary data collection techniques to gather data on the fundamental aspects of this subject. The study employed a qualitative approach where the various variables being studied were measured and analyzed using content analysis.

CHAPTER ONE: INTRODUCTION

1.1 Background of the study

There are a number of environmental forces that influence an organization's marketing activities. Some are external to the firm and are largely uncontrollable by organization while others are within the firm and are generally controllable by management. There is a dynamic change in business environment that has called for an urgent demand for marketing. Marketing has been used as a driving force both theoretically and methodological to understand the changing needs of the current customers and those of new customers. This demands for flexibility due to the changing customer requirements (Armstrong & Kotler, 2007).

In many organizations a number of marketing strategies are used to make sure that the marketing plan is effectively delivered. These are tools used by the marketing department to pass the message to their esteemed clients. It is the desire of any marketing department to understand the effectiveness of a given marketing strategy so that they can plan for their resources on the most effective ones. Marketing is a feature which has revolutionized the manner in which processes are executed both in the private sector and in the public sector. Services are designed ideally, to work in a given predetermined manner; however this is not always the case since most government institutions do not view marketing as critical pillar of their services (Blythe, 2001).

Marketing is a fundamental part of any institution, whether it provides services or goods and whether it has intentions of making profits or not. In the contemporary society, there is increased focus on the customer. This implies that institutions have to understand their customers so as to tailor their products to meet their demands and requirements. Institutions have both internal and external customers who should be provided with products and services timely and as specified (Randall, 2001). While it is the responsibility of each individual in the company to work towards satisfying the needs of their clients, it is also paramount to have a team which is always working closely with the customers. Marketing improves the performance of an organization through increase in the number of customers, increased customer loyalty and large volume of sales hence increased revenue (Leo et al., 2002).

Most institutions have therefore developed a marketing team to help them understand the customer needs and consequently guide the operations of the institution. This is initiated when a

company puts in place structures which help in reforming their internal resources and refocusing their objectives towards their clients. In other organizations, they have encouraged teamwork where the players are encouraged to listen to their customers and consequently provide products that meet the client's expectations (Laermer, 2007; Ziethmal, & Bitner, 2003). Organizations have embraced the idea of setting up a designated team whose key mandate is to carry out public relations, communications concerning the company and at the same time conduct marketing of their products. The department adopts a number of strategies to meet their short term and long term strategies (Van Auken, 2002).

1.1.1 Concept of Marketing

According to the American Marketing Association (AMA), marketing is defined as a set of processes that institutions use in creating, delivering, communicating and exchanging offerings that are of great value to customers, partners, clients and society at large (American Marketing Association, 2013). Kotler, (2013) defines marketing as a science and art of creating, exploring and delivering value for meeting the needs of a target market at a profit. Jay, (2013, on the other hand, defines marketing as a message or actions which is aimed at causing actions or actions from the recipients of the messages or the actions. Further, Julie, (2010) defines marketing as a traditional method through which an organization communicates, connects and engages with the target community to convey and sell their services and products in the process. So far the definitions all seem to narrow down to the same thing which is how products and services are delivered to the customer. Marketing can therefore be said to be a tool through which sellers get to know the needs of their clients and consequently design or redesign their products and services to meet their desired needs. It helps in increasing the competitive advantage of an institution in a competitive business environment.

Marketing emerged in early 1900s as an independent discipline, and despite the fact that marketing ideas existed before then, they were seen as facets of economics, production or operations. Most aspects such as advertising, customer behavior and importance of distribution partners were seen to be concepts of economics. The development of marketing was motivated by the need to understand the relationship that exists between buyers and sellers. Initially sellers were operating on a desire to sell as much as possible before the concept of marketing which was geared towards understanding the customers' needs and selling as much as possible while

investing on buyer-seller relationship. The concept suggests marketing decisions should flow from first knowing the customer and what they want and only then should an organization initiate the process of developing and marketing products and services (Bartels, 1988).

1.1.2 Marketing Strategy

Aaker(2008), defines marketing strategy as a process that can allow an organization to concentrate its resources on the optimal opportunities with the goals of increasing sales and achieving a sustainable competitive advantage. Marketing strategies are fundamental in setting out basic and long term activities in the marketing field. The formulation, evaluation and selection of market-oriented strategies consequently contribute to the goals of the company and its marketing objectives.

According to Jobber & Fahy, (2006), a marketing strategy is of utmost importance for an institution in many ways. First marketing strategy allows an institution to plan for the marketing activities throughout a given period of time. An organization with a good marketing strategy has a competitive edge over other organizations without. Marketing strategies are significant in an organization in increasing the sales, market share and improving customer loyalty. This makes the products and services of an organization more popular with the market. Further, marketing strategies are significant in exploration of new markets and spread of business to new territories so as to raise awareness of the products and services offered in a place where an organization is establishing its branches. Moreover, marketing strategies are used in bringing new products onto the market so that it can have a great impact in the market (Jobber & Fahy, 2006)

Marketing strategy is a concept which can be seen as continuous commitment by business to behave ethically and contribute to economic development while improving the quality of life of the workforce and their families as well as the local community and society at large. This is achieved through use of activities such as Corporate social responsibility (CSR) proposed to boost performance of an institution(Assael et al, 1995).Further, these strategies encompass seminars, sensitizations, promotions and use of different media for advertising their products and services to their esteemed clients. These activities are strategically arranged to capture the attention of the target clients so as to pass information to them and at the same time increase their loyalty of the organization (Brassington&Pettitt, 2000).

1.1.3 Organizational performance

Organizational performance may be defined as the analysis of a company's performance as compared to goals and objectives. In corporate organizations, there are three primary outcomes analyzed: financial performance, market performance and shareholder value performance. Organizational performance is the ultimate dependent variable of interest for researchers concerned with just about any area of management. This broad construct is essential in allowing researchers and managers to evaluate firms over time and compare them to rivals. March and Sutton (1997) found that of 439 articles in over a three year period, 23% included some measure of performance as a dependent variable. The definition of 'organizational performance' is a surprisingly open question with few studies using consistent definitions and measures (Kirby, 2005). Performance is so common in management research that its structure and definition is rarely explicitly justified; instead its appropriateness, in no matter what form, is unquestionably assumed (March & Sutton, 1997).

Organizational performance is influenced by a number of factors among them the effectiveness of marketing strategies that are adopted by an organization. Past empirical marketing strategy studies conducted in the United States and western European countries suggested a strong positive relationship between market orientation and organizational performance. The predicted positive relationship between market orientation and performance is based on the assumption that market orientation provides a firm with a better understanding of its environment and customers, which ultimately leads to enhanced customer satisfaction. The performance of an organization depends on the loyalty of the customers and the awareness of the products and services. This among other factors lead to increase in the market share and directly translates to increased turnover and consequently the performance of an organization is increased (Clive, 2005)

1.1.4 Kenya Revenue Authority (KRA)

KRA was formed in 1995 through an act of parliament to collect taxes on behalf of the government. This implies that KRA is a government institution that falls in the leading government parastatals in the ministry of finance. Tax policy is the choice of tax instruments with an objective to yield tax revenue enough to sustain government expenditure, reduce tax

compliance cost and enhance economic growth. Tax administration is the implementation of tax policy and encompasses formulation and implementation of taxation laws, tax collection and organization and systems engaged in tax collection. Tax policy as well as tax administration are instruments used by governments in raising revenue for financing public goods and services. Tax administration encompasses laws of taxation that stipulates tax liability, penalties and rates of tax enforceable by tax agencies to implement tax policy (KRA website).

The institution that is charged with this mandate in Kenya, through an act of parliament, is Kenya Revenue Authority which has embraced a number of marketing strategies to raise awareness and sensitize the public on tax requirements and benefits. This is important because many people are not aware of the advantages of paying taxes. Moreover, there is little awareness, especially in the rural areas on tax obligations. It is also paramount for KRA to market their services to encourage the public to avoid tax evasion and other related tax matters.

KRA is headed by a commissioner general with six commissioners as lieutenants each heading departments namely Customs Services Department, Domestic Services Department – Medium & Small Taxpayers(MST), Domestic Taxes Department – Large Taxpayers Office (LTO), Investigations & Enforcement, Technical Support Services and Corporate Support Services. Marketing and Communication is a unit which is headed by a Deputy Commissioner under Technical Service departments. Marketing is a section which is headed by a chief manager who reports to the deputy commissioner who in turn reports to Commissioner Technical Services.

KRA has established a department in its organizational structure to handle the fundamental aspects of marketing and other related issues in the Authority. The department, like any other is headed by a chief manager and has different subsections which handle different aspects such as communication, customer care and public relations among others. The department draws resources from other sections in terms of human resources to participate in their initiatives such as communication, corporate social responsibility and sensitizations on the various services (KRA, 2013).

1.2 Research Problem

There is no institution that can meet its corporate objectives and remain with existing business processes over time due to ever increasing customer demands, and KRA is not an exception. Since its formation in 1995, Kenya Revenue Authority (KRA) has been experiencing phenomenal growth in its core mandate. One of the contributors to this phenomenal growth is marketing which KRA has increasingly embraced to reform its business operations, and which has influenced the manner in which they provide services to its clients. The KRA revenue administration reform programme started in 2003, with information technology being the main driver (KRA, 2010). This notwithstanding, and as demonstrated by occasional adverse publicity and complaints in the public media, through both Complaints and Information Centre (CIC) and intranet based ICT Complaints, and even in the business news, KRA has continued to experience service delivery challenges in its day-to-day business operations, that is, shortcomings of systems and service providers is still an issue of concern.

Marketing is a fundamental feature in communicating the products and services provided by an institution to the public. Most public organizations mainly indulge in marketing activities in order to gain access to the people and share the information pertaining to their products and services. This is particularly important in order to reach out to those who are far from major towns and have little interaction with the major government offices. Organizations employ media such as radios, Televisions and Newspapers to make their services known to people in all areas of the country. It is therefore critical to look at marketing strategy effectiveness on performance (Armstrong & Kotler, 2007)

Several Studies have been done on marketing strategies. Abda (2011), conducted research in the sugar industry, exploring the various methods to increase competitiveness in sugar production while Neil (2009) conducted a comprehensive study on the tactics and tips of marketing which can be used in mobile money and other unbanked blogs with regards to organizational performance. Okumus (2003), carried out a study focusing on development of frameworks through which important decisions on strategies such as marketing are made and implemented while Giles (2007), conducted a study on how to make a practical strategy that would work even for the long term.

Hayes et al (2005), explored the use strategies, operations and technology in marketing to raise the competitive advantage of an organization. Chianu (2008) on the other hand conducted a research on marketing of farm products in western Kenya with emphasis on the challenges and opportunities while Clive (2005) was interested in raising the competitive advantage of an organization through strategic business planning in a dynamic environment.

Although studies have been done, no similar study known to the researcher has focused on the effect of marketing strategies on organizational performance in Kenya Revenue Authority. Furthermore, the studies focus on profit making institutions and manufacturing industry and not government institutions. There is therefore a gap in research that this study seeks to fill. This study undertakes to provide the much needed literature in this field and attempted to answer the following research question: Do marketing strategies influence the performance of Kenya Revenue Authority?

1.3 Research Objectives

- 1 To establish marketing strategies adopted by Kenya Revenue Authority
- 2 To examine the relationship between marketing strategies and performance of Kenya Revenue Authority

1.4 Value of the study

Marketing is important in transforming the operations of an organization. The shortcomings of previous studies coupled with the growing evidence of customer complaints on Kenya Revenue Authority services demonstrate the need to carry out this study. The frequent concerns by the combination of national stakeholders, tax agents, taxpayers and the private sector also necessitate the investigation into the marketing strategies that are used and their effectiveness. This study is significant to academicians, managerial policy makers and the government at large.

The academia benefits from the findings of the study in the sense that it provides rich literature that can be used for similar studies in future. Further the study provides areas of further research as well as the limitations that faced the study pointing out important knowledge gaps that can be exploited by other researchers. Further, the study provides information that is fundamental in shaping of the curriculum so as to reflect the activities that are occurring in the real life outside classroom environment.

The management and the policy makers are informed by the findings from this study in that it provide much needed analysis of the current state of marketing at KRA, as part of examination of marketing strategies for the Authority. As the use of marketing is increasing by the day in the Authority, it is important to understand what the public perceive as effective strategies, their pain areas, recommendations they make and how they compare with those of other government agencies. KRA's marketing and communications department also needs to know the outcome of the study in order to determine an appropriate marketing strategy for the Authority. The findings of the study therefore enables KRA to identify their positive and negative aspects of their products and customer recommendations thereof so as to improve their marketing strategies to its customers and to achieve further growth.

The study is also significant to the government of Kenya because it gives a true reflection of the effectiveness of marketing in a government agency. The study also informs the Government of the importance of marketing, consequently at large to enhance services to its citizens. The government also formulates policies which aim at ensuring that institutions of higher learning tailor their products accordingly thus aligning them to the demands of the market.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This chapter explores the various studies which have been done in this research area. The chapter first looks at the theoretical foundation of the study, followed by the various marketing strategies which have been used in different countries and finally looks into the link between marketing strategies and performance.

2.2 Theoretical Foundation

There are many theories which have been used in explanation of the impact of marketing strategies that have been adopted by various organizations across the globe. These models have been developed to explain the impacts of marketing on the behavior of an individual. Some of the models include cognitive structures model, likelihood model and associative network model

According Marks and Olson, (1981), cognitive structures model explains that marketing have a great influence on the mental behavior of an individual. Further, the model argues that marketing also can overt motor behavior of the target population. This model has been found to be vital in explanation of the information processing that leads to purchase decision making. This happens because it has a great impact on processes such as evaluation, attention, encoding, storage, and utilization of information (Olson & Reynolds, 1983).

Cognitive structures model makes a number of assumptions, such as network of related, associated concepts. Anderson, (1983) refers these networks to semantic and/or associative networks which comprises of a number of characteristic features. A good example is when individuals acquire semantic networks for those products that they have their knowledge.

According to Keller, (1993), associative network memory model can be better understood as a node link structures that are made up of nodes and joined together using lines. The nodes are a representation of the various concepts and the lines represent relationships between the concepts.

Cowley & Mitchell, (2003), further argues that the lines are indicators of the nature and the strength of the relationships between the concepts. An example of associations includes associations between products and a set of characteristics such as brands, packaging, and

commercials. These characteristics have links to other attributes, for example, from chocolate brand to chocolate to taste to sweet taste. The outcome of these is that each product is characterized by a group of associations that are varying in strengths. Some concepts are more strongly associated to each other than others. There is believed that long-term memory is made up of huge number of semantic networks. These networks are linked together using different orders of patterns that simulate a hierarchical patterns among them.

The most appropriate model for this study is likelihood model. This is because it focuses on the manner in which individuals make their choices. Further this model explores a number of strategies and how they are associated with buy decisions which is an indicator of effectiveness of marketing strategies.

2.3 Likelihood Model

This model explains the likelihood of an individual to be persuaded to make decisions in a given way. This can be seen as an elaboration of the relationship between the cognitive complex structures. The model argues that the relationships between these structures are mainly stimulated by a peripheral route of persuasion which is also known as emotional campaigns.

In respect to marketing strategies, consumers who possess complex cognitive structures are believed to demand more information in regards to a given product. A number of studies have been done on branding in relation to these model such as Aaker and Keller (1990), Henderson et al.,(1998), Henderson, Iacobucci and Calder,(2002), Joiner, (1998), Keller and Aaker, (1992), Roedder John et al., (2006) and Tybout et al., (1981).

When information on a given product is made available to the consumers, the consumers are likely to be persuaded. Increased communication and repeated persuasive marketing techniques ensure that there is increase in the probability of customers to purchase a certain product or service.

2.4 Marketing Strategies

There are a number of mechanisms which have been employed by marketing teams in raising awareness of products and services offered across the world. Some of the mechanisms are found to be appropriate in one situation or organization as compared to the other. The marketing

technique adopted by an organization is dependent on the target population, the product being marketed, the market share of the organization and the budgetary allocation for marketing. Most marketing strategies have elements drawn from the 7P's of marketing which include Promotion, Price, Product, People, Physical environment, Process and Place (Smith and Saker, 1992).

Promotion strategies are opportunistic marketing strategies which can be adopted to pass messages to the target clients. Research shows that this strategies are applicable in cases where an organization has a complimentary product or has the opportunity to market its products alongside other products. A good example is when the banks for instance plan to have symposiums to sell their products to the consumers. In such forums, an organization such as insurance or government organization could use the avenue to pass their product information to the people (Laermer, 2007).

Advertising is another form of promotion strategy. It is a form of communication designed to persuade potential customers to choose your product or service over that of a competitor. Successful advertising involves making your products or services positively known by that section of the public most likely to purchase them. A good advert should elicit attention, interest, desire and action from the target population. (Shada, 2008)

Another promotion strategy is through sales promotion. Sales promotion relates to short term incentives or activities that encourage the purchase or sale of a product or service. The incentives can be directed to any party in the distribution chain: end customer, retailer, or wholesaler. Examples of this type of promotion strategy include loyalty reward systems, bonus stock, tradeshow displays and commissions. (Mahmoud, 2008)

Price is the exchange value of a good or service. An item is worth only what someone else is willing to pay for it. The price of a good or service is its exchange value. Price marketing strategies affect consumer's behavior directly. These strategies can be classified into four broad categories namely differential pricing, psychological pricing, product line pricing and competitive pricing. (Giles, 2007)

Differential pricing involves selling the same product to different buyers under a variety of prices. This strategy works when differences in the reactions to prices exist among consumers

and consumers segments. The quality and quantity of one product is sold for different prices to different buyers. One common form of differential pricing is price skimming which involves setting the price of the product relatively high compared to similar goods and then gradually lowering it. A skimming strategy allows the firm to recover its cost rapidly by maximizing the revenue it receives (Bitner, 2003).

Psychological pricing recognizes buyer perceptions and beliefs that affect their price evaluations. Many marketers believe certain prices are more appealing than others to buyers. Odd pricing is one of the psychological pricing strategies that is now a common practice in retail pricing because many retailers believe that consumers are more attracted to odd prices than to ordinary ones for example sh.19.95 instead of sh.20. Prices may also be set geographically for companies with customers that are dispersed. This is usually because of the costs resulting from distance

Some companies tend to have different multi versions of the same product. This makes changes in price a sensitive area as these products are usually a substitute of each other. Product line pricing strategies come in to ensure that the increase in price does not affect the entire product line adversely. The strategies here include price bundling, premium pricing and partitioned pricing. Price bundling is the sale of two or more products as a package at a discount without the integration of the products. Premium pricing sets higher prices for the advanced models of the products or services offered. Partitioned pricing on the other hand involves splitting the price charge into a base price and a surcharge instead of a single price (Zeithaml et al., 1985).

Competitive pricing strategies are based on the company's position in relation to its competition and include; penetration pricing, price signaling and going rate pricing. Penetration pricing involves pricing the product relatively low compared to similar goods in the hope that it secures wide market acceptance that allows the company to raise its price. Price signaling puts high prices on low quality products. For a company to successfully use price signaling strategy, a segment of the buyers must believe high prices indicate good quality. It must also be difficult for the buyers to ascertain this quality. Going rate approach is used when products compete on the basis of attributes other than price (Yulkur and Herbig, 1997).

Product related marketing strategies are fundamental in any organization. These strategies include use of product design and use of technology in product development as well as delivery.

Further it includes the examination of convenience and usefulness of products as well as the value of the product to the client. Packaging, branding, inclusion of accessories and warranties are some of the common product marketing strategies. These are strategies that aim at product differentiation (Assael, et al, 1995).

Product identification is an important aspect of marketing strategy. Products are identified by brands, brand names, and trademarks. A brand is a name, term, sign, symbol, design, or some combination thereof used to identify the products of one firm and to differentiate them from competitive offerings. A brand name is that part of the brand consisting of words or letters included in a name used to identify and distinguish the firm's offerings from those of competitors. The brand name is the part of the brand that can be vocalized. A trademark is a brand that has been given legal protection. The protection is granted solely to the brand's owner. . A successful branding strategy is one that creates customer recognition. (Fanner, 2010)

Product packaging is another element of product strategy. A proper package helps to communicate the brand and its benefits as well as ensuring the contents are not damaged. How a product is packaged may be what attracts customers to it. For this reason, many companies conduct extensive research on color schemes, designs and types of product packaging that is the most appealing to its intended consumer. Packaging ensures that a product is also easily identifiable by both potential and existing customers (Lorette)

The information which is vital to marketing department is derived from the customers in a number. One of the most commonly used techniques is use of feedback forms after a product and service has been provided. Moreover, customer surveys are significant in understanding customer needs and requirements. The information is then used to customize products and services to suit a given group of population (Randall, 2001).

The greatest asset in any organization is the human resource it has. The people within an organization are the avenue through which the final product reaches the intended consumer. Therefore their level of competence, effectiveness and efficiency affects the final form of the product. People strategies have to be in such a way that the organization is able to optimize its human capital with the aim to maximize their potential and hence better performance (Koichi, 2009).

People strategies include recruitment, training, supervising, motivating evaluation and rewarding the employees in the organization. Recruitment entails getting the right people, with the proper qualifications for the job. It is the important to train these persons with the right knowledge and skills to ensure that things run smoothly. Supervision makes sure that activities in the organization are always on track while motivation is about keeping the employees' committed and satisfied at all times(Doyle, 1999).

An organization should also evaluate employee performance annually to discourage laxity in the way work is done. Having a performance contract that is signed by employees, especially those in mid-level and upper management can help to act a bench mark in the annual evaluation. The finally element of the people strategy is the rewarding aspect. This is the provision of financial gain as well as growth opportunities for the staff. By doing so, the employee turnover is likely to be low and production maintained at a high

Public Relations Institute of Australia (PRIA) defines Public Relations (PR) as: “The deliberate, planned and sustained effort to establish and maintain mutual understanding between an organization (or individual) and its (or their) publics”. This implies that public relations is about building good relations with the stakeholders with the aim of maintaining a good corporate image and handling unfavorable rumors, stories and events. By building good relationships with your stakeholders, particularly customers, an organization can generate positive word of mouth and referrals from satisfied customers.

The physical environment is the space by which you are surrounded when you consume the service. The physical environment strategies are made up of ambient conditions; spatial layout and functionality; and signs, symbols, and artifacts (Zeithaml 2000).

Ambience is one of the attributes of the physical environment. The ambient conditions include temperature, color, smell and sound, music and noise. The ambience is a package of these elements which consciously or subconsciously help a customer to experience the service. Ambience can be diverse. The marketer needs to match the ambience to the service that is being delivered. (Jobber & Fahy 2006).

There is also the layout and functionality of an office. The layout is the form in which the furniture is set up or machinery spaced out. Functionality is more about how well suited the environment is to actually accomplish the customers' needs. For example how comfortable the seats at the waiting area are or whether there is adequate customer parking

Kotler, (2012) in his book explained that process based marketing strategies are mainly used in industrial organizations. However, most organization have a procedure of service provision to their clientele. Institutions design their processes in a way that they are more appealing to the consumers. Some of the common features that marketers take advantage in process strategies include time taken to complete a service and the location of different service points required to complete a process.

A process involves the use of an organization's resources to provide something of value. Therefore, to properly manage processes, an organization must be able to decide how they are going to go about providing your services and/or developing its product. Operation managers can choose to keep their production in-house, outsource all operations, or to have a combination. Ultimately, their decision helps define the organization's supply chain. Process decisions directly affect the process itself and indirectly the services and the products that it provides. Whether dealing with processes for offices, service providers, or manufacturers, you must consider four very important process decisions (Krajewski et al, 2010)

Some elements of process strategy include the process structure, customer involvement, resource flexibility and capital intensity. Process structure determines the process type relative to the kinds of resources needed and how resources are partitioned between them. Customer involvement reflects the extent of customer's participation in the processes. Resource flexibility refers to the ease with which employees and equipment can handle a wide variety of products, output levels, duties, and functions. Capital intensity is the mix of equipment and human skills in a process. As the relative cost of equipment increases, so does capital intensity(Verma,2000).

Place marketing strategies are means by which products and services get from producer to where they can be accessed by the consumer. The more places to buy the product and the easier it is made to buy it, the better for the business. Positioning of a business in a place that is easily accessed by consumers increases the interest and inquiries by the consumers. This makes it an

appropriate location where consumers can make purchase decisions because of convenience of the location. Organizations also employ global presence through the use of technology such as mail order, internet, peer to peer, direct sales or multi-channel (Aaker, 2008)

The channels of distribution picked by an organization also fall under place strategies. An organization may decide to directly supply its products to the consumers or use middle men like wholesalers and retailers. Before narrowing down to a specific distribution channel, an organization needs to evaluate certain factors such as the price at which the consumer is willing to buy the product, the most cost effective way of supplying the product, the location of the consumers and their transaction value as well as what the competition is offering (Bitner,1990)

Logistics is another element of place strategy. It involves is how an organization plans, implements and controls the physical flow of raw materials, final products or services and related information from your business, or source of supply, to the consumer. An organization needs to consider when and how to order for raw materials, the re order stock levels, storage of products that are awaiting delivery to consumers and the actual delivery to consumers.

2.5 Marketing Strategy and Performance

Marketing as used in public sector can be defined as a set of activities or an array of institutions as well as processes which are interconnected and operate interdependently and aimed at anticipating, identifying, creating, communicating, delivering as well as exchanging of valuable offerings for the government agency that satisfy the public. In the contemporary society, a lot has been placed at hand to ensure high performance for the sake of public interest, irrespective of whether they govern the character of public provision instead of producing goods and services (Mahmoud, 2008).

The nature and the marketing tools that are selected by an organization are highly dependent on the nature of goods and services which the institution offers. In respect to these, marketing in the public sector must be astutely informed by the mandate of the organization, the manner in which they operate, that necessarily being the outcome of political decisions on the purpose and content of the public realm. This can also be seen as a process of balancing conflict over values. The relevance of marketing strategies is higher when the decisions are in line with the fundamental

political decisions of the land that ensures collective agency and commitment to service provision to the public (Kirby, 2005).

In public sector, marketing strategy plays a role in the collective choice of policy, needs for resources, increase of openness to the public and increases the need for equity. Marketing strategy is of paramount importance therefore in many government organizations, particularly those which provide service to the entire public (Leo et al, 2002).

The role of marketing strategies in any organization is to increase the volume of sales and services, improve on customer retention, improve the brand image of an organization and gain a better understanding of the customer needs. These objectives are met when an organization has a properly instituted marketing plan and adheres to the same (Clive, 2005).

From the literature review, there is a clear indication that when a marketing strategy is conducted in an appropriate and efficient manner, it greatly contributes to the performance of an organization. This therefore show that in most of the studies there is a positive relationship between marketing strategies and organizational performance

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This chapter outlines the methods that were employed in order to achieve the objectives of the study. The main aspects discussed in this chapter include: research design; population of study; methods of data collection and data the method of analyzing data.

3.2 Research Design

Case study design was appropriate research technique for this study. This design was best because it was important in determining the attributes of the subject population. Sekaran (2003) elucidates that case studies are carried out when the attributes of phenomena to be tapped in a situation are known to exist and the sole objective is to describe them better. This was fundamental in collecting in-depth data about the population being studied. The advantage of this design was that it helped in establishing the influence of the use of marketing strategies on the performance of Kenya Revenue Authority.

3.3 Data Collection

In this study emphasis was given to primary data. The primary data was collected through the use of interviews. The interview guide (attached as Appendix), has two key sections; part A, containing general information and part B, containing the research variables which include the marketing strategies and performance indicators. The major variables in part B of the interview were used as a guide to find the relationship between marketing and performance of an organization. This criterion was helpful in measuring the various aspects of marketing strategy effectiveness and measures of performance.

The interviews were designed and presented to the respondents. This platform allowed preparation of interview questions and discussing with the respondents directly. Further, the platform ensures that the responses were clarified further to ensure that the information collected was in tandem to the objectives of the study. This method of administering the interviews was selected because it ensured that the data collected is accurate.

The marketing department of KRA made up of approximately sixty employees was the target population for this study. The members of the department are well versed with marketing activities of KRA due to staff rotation policy and comprehensive induction process. This justified

the use of random sampling method of selecting the respondents who were interviewed. A total of seventeen respondents all from marketing department were interviewed in this study.

3.4 Data Analysis

Data analysis was done using content analysis except for general information of the respondent. Qualitative content analysis has been defined as a research method for the subjective interpretation of the content of text data through the systematic classification process of coding and identifying themes or patterns (Hseih & Shannon, 2005). Content analysis was most appropriate for this study because it allowed the researcher to understand social reality in this subject matter.

The data from the interview was sorted, edited and coded after the data collection process was completed. Coding in the context of content analysis is the transformation of raw data into a standardized form. The pilot study was conducted to ensure that the data collection tool was effective and does not omit anything.

CHAPTER FOUR: DATA ANALYSIS, FINDINGS AND INTERPRETATION

4.1 Introduction

This chapter gives the results of the analysis of the data that were ascertained from the interview as outlined in the research methodology in the previous chapter. The first part gives a general description of the respondents in terms of region they work, age, gender and length of time worked for KRA. The second section gives the results from the interview and the last section gives a discussion of the findings from the study. The results and discussion is organized to reflect the objectives of the study.

4.2 General Information of the Respondents

4.2.1 Gender

The gender distribution of the respondents is as shown in table 4.1 indicate that 52.9% of the respondents were male while 47.1 % were female. This implies that the respondents were representative in terms of gender.

Table 4.2.1: Table showing Gender Distribution of the Respondents

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Male	9	52.9	52.9	52.9
Female	8	47.1	47.1	100.0
Total	17	100.0	100.0	

4.2.2 Age

The age distribution of the respondents is as shown in table 4.2 indicate that, the respondents aged between 35-45 formed the majority of the respondents, making up 47.1% of the respondents. 29.4% of the respondents were aged between 26 and 35 years while 11.8% were aged between 20 and 25 and 11.8% aged above 45 years.

Table 4.2.2: Table showing Age Distribution

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 20-25	2	11.8	11.8	11.8
26-35	5	29.4	29.4	41.2
35-45	8	47.1	47.1	88.2
over 45 Years	2	11.8	11.8	100.0
Total	17	100.0	100.0	

4.2.3 Experience Working with KRA

The duration of time that the respondents have worked for KRA is shown in table 4.3 below. From the table it can be seen that 35.29% of the respondents have worked for KRA between 1 and 3 years, 23.53 % have worked for less than a year, 23.53 have worked between 3 and 7 years and 17.65% have worked in KRA for over 7 years. This was a representative sample in the sense that it captures responses from individuals who have worked for KRA for different durations of time.

Table 4.2.3: Table of the length of Time Worked with KRA

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid < 1Year	4	23.5	23.5	23.5
Between 1 and 3 years	6	35.3	35.3	58.8
Between 3 and 7 Years	4	23.5	23.5	82.4
> 7 Years	3	17.6	17.6	100.0
Total	17	100.0	100.0	

4.3 Qualitative Analysis on marketing strategies adopted by KRA

This section gives an in-depth description of the finding on the marketing strategies adopted by KRA and its influence on performance. The various marketing strategies adopted by KRA are presented here below in line with 7 P's of marketing.

4.3.1 Product Strategies

On product strategies, eight of the respondents were in agreement to moderate application of this strategy in KRA. Branding and packaging are some of the mechanisms that the respondents said they are being applied at KRA. They said it includes branding new tax collection platforms and packaging them in a manner that attract the tax payers. However, five respondents said that KRA does not indulge in product strategies arguing that KRA does not provide products to their clients and thus they do not have to package nor brand their products. The other respondents were not sure whether this strategy was being applied at KRA or not.

This indicates that use of product strategies of marketing in KRA has been used though not directly to the tax payers. This strategy comes into play through the desire of the authority to satisfy their customers. This is in tandem with the literature which explained that product marketing is focused on differentiation of the product and is mainly common where there are similar products in the market. In this case, KRA does not have a competitor and hence product differentiation is not a key priority in its marketing agenda.

4.3.2 Price Strategies

The respondents unanimously agreed that KRA does not apply price strategies to attract their customers. This they attributed to the fact that the products and service provided by KRA are offered free of charge. Moreover, they argued that KRA does not have a competitor and as such is interested in providing products and services to tax payers. Price strategies are commonly used in cases where there is competition and organizations always strive to provide competitive prices in the market. In non-profit organization, more so one that offers their products and services absolutely free to their consumers such as KRA, then pricing marketing strategies are not relevant.

Price strategies such as skimming and psychological pricing which are the most common price marketing techniques are not applicable at KRA. Therefore this marketing strategy is not applicable in an organization whose main role is to provide an avenue for collection of tax and are not involved in direct or indirect buying and selling of goods and service with the aim of making a profit or penetrating into the market.

4.3.3 Place Strategies

As reported by ten respondents, place strategy is not practiced at all by KRA as a marketing tool. However, three respondents cited the location of the KRA offices across the country as a feature which could fit this marketing feature. The remaining respondents were unsure whether this marketing strategy is practiced at KRA and if it would be of any relevance.

Place plays a very important role in an organization in two main ways, access to the suppliers and access to the market. While non-profit making organization are do not engage in active buying and selling of goods and services, their performance is begged on maximization of minimal resources to make a huge impact in the society. KRA therefore strategically positions itself near tax payers so as to reduce logistical issues involved in reaching their clients. This marketing strategy therefore has an impact at KRA.

4.3.4 Promotion Strategies

According to the majority of the respondents, promotion strategies have been used by KRA as a means of reaching out tax payers to a limited extend. Eleven respondents argued that advertising which is a form of marketing has only been adopted recently in KRA. They said this is achieved through the use of various media such as local television, Radio and print media such as newspapers and magazines. Further, the respondents cited the use of bill boards as one way of advertising there new tax platforms and available information channels and sensitization forums. None of the respondents cited the use of sales promotion, their main justification being the nature of the business that KRA indulges in; non-profit organization.

Fourteen respondents strongly believe on consistent use of public relations as an important tool that KRA has invested in creating a positive image to their clientele; Tax payers. Some of the mechanisms which were clear on this particular feature is the setting up of a new section within marketing to deal with public relations. Most of the respondents said that since KRA is a non-profit making governmental organization, a positive image is important for the running of its operations.

According to the literature, this strategy is not only applicable to organization that aim at making profits but also organization that are seeking to satisfy their customers and win their loyalty like KRA. Some of the activities that are applied include advertisement and use of waivers on tax arrears. This is therefore a common marketing strategy at KRA.

4.3.5 Process Strategies

Only one of the respondents cited the use of process marketing strategy tool. The respondent argued that KRA has invested in explaining the various processes that tax payers are expected to go through to complete a tax transaction. One of the processes that they gave is the iTax page, the marketing team has used brochures and other materials that has explanations of the various processes that tax payers go through. The rest of the respondents said that this tool has not been used in KRA. Two of them explained that these is a feature which is so common in that manufacturing industry where it results to different products and services that are appealing to consumers.

Process marketing strategies are common in manufacturing industries and service industries where clients have to go through a number of service stations to complete a certain need. While KRA is not a manufacturing organization, the services that it offers undergo through a number of stages. Kotler, (2012), argues that process marketing strategy also involve how an organization strategically organizes its resources in order to provide not only effective but also cost effective service to the clients. KRA therefore indulges in provision of services and has ensured that the services are at the convenience of the tax payer.

4.3.6 People Strategies

All the respondents acknowledged people based marketing strategies as key in KRA. Eleven of the respondents cited recruitment and training of the tax payers at various levels as some of the practices that are common in KRA while the remaining said that KRA has invested in training of their clients to ensure that they are aware of the products and services that enable tax payers to remit their taxes more efficiently. Nine respondents said that motivation is used as a marketing tool, giving an example of tax payer's week where the best performing tax payers of the year are rewarded. One of the respondents said that motivation of tax payers occurs by way of waivers.

Another feature that came out strongly from six of the respondents is the tax clubs that are introduced in institutions. One of the respondents expounded that the tax clubs mainly target university and secondary school students so that they can champion tax matters among their colleagues and create a good picture of KRA and the importance of paying taxes

Customer relations management initiatives was lauded by three of the respondents as a key feature of marketing tool while the other members were unsure and opted not to be neutral about this feature. The main reason which they cited as a feature of these is helping the needy such as orphaned children in children's home.

4.3.7 Physical Evidence Strategies

On application of physical environment as a marketing tool, all the respondents argued that KRA has not explored this venture. One of the respondents gave an example of banks and other government ministries as an attempt by which this marketing strategy is explored. The respondent argued that financial institutions and other government agencies provide an efficient manner in which a tax payer can access a number of the services since they are closer to each other.

The convenience of the environment and the ease with which the customers access the products and services provided is a key marketing strategies. According to literature, physical environment also involves the appearance of the location and the facilities there in that the clients enjoy. In KRA, the offices are not only conveniently located but clearly labeled and have adequate comfort facilities including parking, waiting rooms and wash rooms which are open to tax payers.

4.4 Effect of Marketing Strategies on Performance

The respondents were asked to comment on the effectiveness of the marketing strategies in regards to the performance of the organization. The main aim of this was to establish the various views on the basis of the marketing strategies. They were further asked to comment on the reasons for their response.

There were varied responses on this region as to which marketing strategy was the most effective marketing strategy at KRA. The responses are as shown in table 3.4 below:

Table 4.4: Table of the Most Effective Marketing Strategies

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Promotion	7	41.2	41.2	41.2
People	10	58.8	58.8	100.0
Total	17	100.0	100.0	

From the results, it can be seen that promotion and people based strategies were seen to be the most effective marketing strategies that have been implemented at KRA. Ten respondents pointed out that the most effective marketing strategy is people based marketing initiatives while seven of the respondents cited promotion as the most effective marketing strategy.

People based strategies were selected as the most effective marketing strategy; however there were varied reasons from different respondents for their choice. One of the respondents argued that KRA is a government institution that does not face any competition and as such people are the most important aspects of marketing that can be used.

Another respondent said that the importance of marketing in KRA is for impressing the people hence people strategies are the most effective. Another respondent cited training initiatives as some of the most effective marketing strategies which has brought about loyalty and improved the willingness of tax payers to pay their taxes. Further, another respondent said that people based marketing strategies are the most effective marketing strategies because it entails recruitment and sensitization of the public while another one cited tax clubs as one of the key feature that boost the effectiveness of this strategy.

The rationale given by those who chose promotion as the most strategies was the use of advertisements in various forms of media. Five of the respondents who gave promotion as the most effective marketing strategy, argued that advertisement through media has effect on many Kenyans since it reaches large population of people because they have radios and televisions. The remaining two respondents while acknowledging the role of broadcast media also lauded the use of print media through the use of billboards, newspapers and magazines.

Other effects of marketing strategies include improved image of the organization. This was strongly emphasized by the respondents through application of corporate social responsibility initiatives. The marketing department engages in activities which go towards helping the needy and marginalized societies. This boosts the living standards on the Kenyan citizens. Another effect of marketing mentioned is increased knowledge among the Kenyan citizens. This does not directly result to increased revenue but the Kenyans are more empowered through knowledge and information. Further, KRA through marketing has managed to remove misconceptions among the people on the role and the scope of KRA.

From the study, there were a number of suggestions for improvements as on marketing strategies. There is need for increase the scope in terms of geographical location. The need to reach more people is also an issue that came up in the survey. The respondents said that there is need to include all the services of KRA in their marketing plan and choose a media which can reach the entire nation easily. Further it was suggested by one of the respondents that KRA could partner with mobile service providers to market their services. This is because there are very high penetration levels of mobile telephony in Kenya.

CHAPTER FIVE: SUMMARY OF THE FINDINGS, CONCLUSION AND RECOMENDATIONS

5.1 Introduction

This chapter covers the summary of the findings from the study; the marketing strategies adopted by KRA then the effect of the marketing strategies on performance of KRA. This chapter further gives the recommendations that can be made from the findings to the various stakeholders involved in this research. The conclusion gives way to recommendations from the findings of this research and the experience involved throughout the process from proposal to data collection and finally data analysis and presentation

5.2 Summary of the Findings

Marketing is paramount in the performance of any organization particularly those that have many competitors. Marketing is often a differentiator between organizations that operate at similar conditions. In most cases, marketing strategies creates a positive impression of a given product and organizations and as such it makes the clients to make their buy decisions based on that information. Marketing has not been a consideration for government agencies because they do not aim at profit making. It has also been an assumption that the citizens are more interested with government services therefore the citizens do not need to be persuaded to seek for those services from the government agencies. However, marketing is paramount especially for a government agency like KRA where the loyalty of the tax payers is vital. The summary looks into the various marketing strategies adopted by KRA and their effect on performance of KRA

5.2.1 Marketing Strategies Adopted at KRA

From the results, there are a number of marketing strategies which are practiced at KRA to different degree. The strategies are practiced in KRA are dependent on a number of factors which include the target population, the nature of products and services provided and the organization which provides the services. Moreover, the marketing strategies are greatly influenced by the presence of competitors in the same field.

In this study, it was established that people based marketing strategies are the most effective and applicable marketing strategies. This is attributed to a number of factors that relate to the nature of organization and the services that they provide to tax payers; the main clients.

From the study it was found out that KRA has invested on marketing of its products to the Kenyan public, who are the main customers of KRA. The main duty of KRA is to collect taxes on behalf of the Kenyan government. Paying of taxes is mandatory to all Kenyans except in cases where the law exempts. Despite the fact that it is compulsory to pay taxes, KRA embarks on marketing for a number of reasons, the main reason being to instill loyalty in tax payers, to educate the tax payers and to improve the image of KRA.

The choice of marketing strategies which are used in KRA depends on its mandate and the target population. The fact that there are no competitors for KRA greatly impacts on the marketing approach that is used. From the results, it can be concluded that people and promotion marketing strategies are the most effective marketing strategies which are practiced by KRA. Promotion is achieved through advertisement in various media both print and broadcast and the use of bill boards as well as magazines. On the other hand, people based marketing strategies are achieved through the use of training, recruitment and corporate social responsibility. These strategies are effective mainly because of their aim. These initiatives increase the knowledge and information of tax payers and at the same time increases the loyalty of tax payers.

5.2.2 Relationship between Marketing and Performance at KRA

In any organization, marketing always strives to position their clients at the center stage of all their business operations. This is with the aim of ensuring that they bring out superior performance of an organization. Customer needs and expectations evolve over time and delivering consistently high quality products and services and responsiveness to changing marketplace needs become important for the success of an institution. This is achieved through implementation of marketing activities designed to satisfy customer needs better than competitors are able to satisfy customer needs. The focus of marketing is mainly divided into three; customer focus, competitor focus and inter-functional focus.

In KRA, marketing is mainly focused on the customers, who are tax payers in this case. The strategies aim at educating and motivating Kenyans on the importance of paying taxes. The impacts of marketing in KRA are mainly felt in the amount of revenue collected which is the core of the organization. Through education, tax payers get to learn more on the benefits of paying taxes and consequently increasing the amount of tax collected. Moreover, more people

are registered as tax payers through recruitment and training opportunities which are organized by KRA.

Moreover, there are other effects of marketing other than increase in the revenue collected, including the improvement of living standards of the Kenyans. This is achieved through the use of corporate social responsibility activities which are organized by the marketing department to help the needy. Marketing through training helps tax payers to know about their claims on taxes and reliefs that is provided to them, consequently it cushions them from excessive burden which they would have not known were it not for marketing.

Marketing has been seen to have a great impact on the amount of revenue collected by the Authority. This is achieved as a result of the impact that marketing has on tax payers. Marketing provides the much information by the tax payers. The information influences the negative perspective of tax payers towards KRA and consequently pay their taxes. The use of waivers and gifts for the best performing tax payers acts as a motivating factor hence increases the loyalty of tax payers. Further, through advertisement and training, the tax payers get to be involved in the manner in which they are expected to file and submit their taxes to KRA. This increases the amount of revenue collected by KRA. Further, through training and recruitment activities, KRA gets to increase the number of tax payers at KRA and consequently increase the tax base. This increases the amount of tax collected.

Marketing has other effects other than increased revenue collection. These include; improved image of KRA, improved living standards of the less privileged in the society and knowledgeable and informed society. Further, KRA helps in shaping the economy of the country through regulation of taxes which affects prices of goods. Marketing department uses this role as an opportunity to educate Kenyans on the importance of KRA in regulating market prices and consequently clarify misconceptions and keep the image of the Authority intact.

5.3 Conclusions

The main aim of the study was to establish the marketing strategies which have been used at KRA and their impact on the performance of the Authority. The research found out that promotion and people based strategies are the most common marketing strategies used at KRA. This is because of the nature of the organization and the services that it provides to its clients.

Further, it was established that marketing has greatly impacted on the amount of revenue collected particularly the two major marketing strategies mentioned. It was also found out that other than improved revenue collection, marketing has helped the needy through raising of the living standards of the society, increased the knowledge and information concerning KRA to tax payers and improved the image of KRA to the citizen.

5.4 Recommendations from the study

In this study, there were numerous lessons learnt as well as crucial information gathered which would go a long way in improving the state of affairs in this field of research. The marketing strategies at KRA affect a number of stakeholders; however, the greatest beneficiaries of this report are the management team who make decisions towards investment on marketing initiatives. Further the consumers of marketing activities should be informed of the effective marketing strategies. The Kenyan public sector also benefits from this study in many ways.

5.4.1 KRA Management

KRA management, being the decision making organ in the Authority can find the findings from this study useful in a number of ways. First, the study points out that the most effective marketing strategies that influence the tax payers'. This is an important aspect since it helps them in making investment decision on marketing and decisions on which activities to per take in order to have a significant impact on performance of KRA and consequently leading to increased output.

Secondly, the research has indicated the various areas of marketing that needs to be improved depending on the feedback from the respondents pointing out appropriate actions. The rating of the various marketing strategies are key in pointing out the areas that the marketing team feel are of importance and need to be given more emphasis. From the results, it is clear that there is need for action as far as place, product, physical environment, price and process based strategies since they are rated lowly.

There is need for further improvement on people and promotion marketing strategies because they were found to be the most effective marketing strategies. The KRA management should put in place measures to improve the marketing strategies which were rated poorly as they could be used in improving the performance of KRA. The research gives vital information in the running

of marketing department which is fundamental in decision making, particularly on budgetary allocation and balancing of marketing strategies across the board.

5.4.2 Consumers of Marketing Activities

Consumers of marketing activities are also some of the stakeholders who benefit from this study in the sense that they can clearly see the state of affairs of marketing. This helps them to understand the areas that they need to input their suggestions and make proposals for overall improvement of marketing. The users can also help marketing department members' providers both within and without to ensure that they perform their best in marketing and as a result they contribute to the improvement of the effectiveness of marketing strategies.

5.4.3 The Public Sector

This study highlights the strengths and weaknesses of different marketing tools that are used in winning customers loyalty and their effectiveness in KRA which serves the public in a non-profit government agency which could apply across the government sector. Most government institutions have almost similar operations which require adoption of marketing and as a result they could benefit from this study. Further to these, the institutions can conduct a separate research on their own institutions on these areas, complimentary to this study, and as a result improve effectiveness of marketing in the public sector.

5.5 Recommendations for Further Research

This research topic was examining one of the less practiced aspects; marketing in the public sector providing the much needed literature and methodology in this area of research. The world of academia can apply similar models in other areas and institutions; especially in the field of public sector which have different operations in as far as the use of marketing strategies are concerned.

The study found that there are various other perspectives which have been used by researchers to explore the effectiveness of marketing strategies. Koichi, (2009) in his study found out that human resource is significant in the performance of any organization which is in line with involvement in people based marketing strategies. In this study it was found out that people based strategies are the most effective marketing strategies. There is need to conduct further research to establish the application of marketing strategies in other organizations which have different operations from that of KRA and compare it with the private sector.

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APPENDIX: INTERVIEW GUIDE

Part A: General Information

1. Which of the following regions do you belong to?

Nairobi

Rift Valley

Southern

Western

Northern

2. Gender:

Male

Female

3. Age category

a) 20 – 25 Years

c) 35 – 45 Years

b) 26 – 35 Years

d) 45 years and Over

4. Length of Time working for KRA

Below two years

2 to 5 years

5 to 10 years

Above 10 years

Part B: Marketing Strategies and its Effect on Performance

5. Please indicate the elements of the following marketing strategies in the running of operations within Kenya Revenue Authority

Promotional Strategies

Price Strategies

Product Strategies

People Strategies

People Strategies

Physical Evidence Strategies

Process Strategies

Place Strategies

6. In your opinion which strategy is the most effective in KRA and why?

7. In a scale of 1 to 5 how would you rate the effect of the following strategies on revenue collection at KRA (5 being the highest)

- i. Promotional Strategies
- ii. Price Strategies
- iii. Product Strategies
- iv. People Strategies
- v. Physical Evidence Strategies
- vi. Process Strategies
- vii. Place Strategies

8. Other than revenue collection what are the other effects of marketing strategies implemented at KRA?

- i.
- ii.
- iii.
- iv.
- v.

9. In your opinion, what improvements can be done to marketing strategies at KRA to increase their efficiency and impact on the performance of the Authority

- i.
- ii.
- iii.
- iv.
- v.

Thank You for Your Time