THE INFLUENCE OF POSITIONING STRATEGIES ON COMPETITIVE ADVANTAGE OF THE INSURANCE FIRMS IN KENYA

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DECLARATION

This MBA research project is my original work and has not been submitted at any academic institution for examination purposes.

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

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DEDICATION

I dedicate this project to my beloved family, friends, and all those who have made this research project a success. Thank you for your time and support. Above all I thank the Almighty God for giving me the strength that carried me through this whole project.

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ABBREVIATIONS

IRA - Insurance Regulatory Authority

RBV - Resource Based View

SCA - Sustainable Competitive Advantage

SP - Strategic Positioning

ANOVA - Analysis of Variance

MFI - Micro Financial Institutions

ABSTRACT

In the 21st Century economy, firms deal with uncertain and dynamic environments. In order to be successful, Firms are required to position themselves strategically in order to handle and take advantage of the ever changing markets. They must be ready to handle issues such as global competition for the firm to maintain a competitive advantage. The objective of this study was to establish the influence of positioning strategies on competitive advantage of Insurance firms in Kenya. The study was anchored on two theories; the Resource based view theory and Network approach. The study considered using descriptive research design and the researcher use a survey method. Population of interest in this study involved 53 Insurance Companies in Kenya as per the insurance regulatory authority (IRA, 2015). It is from this list of registered companies that the respondents were drawn. This study used primary data as the source of information. This Primary data offers first-hand information as it is collected from original sources that have not been previously collected. The researcher collected this data through the use of a structured questionnaire, comprising of both open and closed ended questions. Descriptive analysis was used in terms of standard deviation and means. Frequencies and Percentages were used for data presentation. Multiple regression analysis was also be used to determine relationship between the variables. Based on the findings majority (32.1%) of the respondents were managers, 9.6% of the respondents had worked in various firms for more than 10 years. Majority 51% of the firms had more than 100 staffs. 45.28% of the respondents indicated that the ownership of the insurance firms was predominantly local. From the finding 57.8% of the variations in competitive advantage of Insurance firms in Kenya are explained by the positioning strategies (measured by cost leadership strategy, product differentiation, product usage, positioning strategy based on competitors and company objectives positioning).The study recommends that the Insurance firms should position themselves in the market and make use of the various positioning strategies as any organization not engaging in strategic positioning is losing an opportunity to build a competitive advantage. The government is also an important player in the external environment of the insurance firms. The government should therefore put in place policies and regulations in place that stimulate growth in the industry.

CHAPTER ONE: INTRODUCTION

1.1 Background of the Study

In the 21st Century economy, firms deal with uncertain and dynamic environments. In order to be successful, Firms are required to position themselves strategically in order to handle and take advantage of the ever changing markets. They must be ready to handle issues such as global competition for the firm to maintain a competitive advantage. Success and Sustainability of any organization in a competitive environment is determined by its choice of strategy. According to Beckman and Roscnfield (2008) in the competitive strategy the key is to identify a desired position in the industry and at that point, develop the capabilities and structure the activities of the firm to fit the requirements of that position. A firm that establishes and sustains a distinctive place for itself and its offerings in the market, it is said to be successfully positioned (Al Ries and Trout, 1972).

It is regularly observed that firms position themselves based on their advantages, or strength they possess when they are compared to their competitors. Sustainable Competitive Advantage occupies a significant role in the strategic positioning of a company against their competitors. According to Hoffman (2000)Competitive Advantage is the extended benefit in executing distinctive value creating strategy which is not concurrently being executed by a competitor, along with the incapability to duplicate the benefits of this strategy" .Resource based view theory (RBV) is the utmost widespread theory describing the concept of SCA .The major principle of resource-based view is that the base for a competitive advantage of a company lies mainly in the use of the bundle of resources at the firm's disposal. The RBV maintains that, for a firm to achieve Competitive advantages, a resource must provide economic value and must be presently scarce, difficult to imitate, non-substitutable, and not readily obtainable in factor markets.

The influx of many insurance firms coupled with advances in the industry has heightened the competition of the insurance Industry. According to IRA (2015) the 53 licensed insurers all compete in a market described by low penetration. Murira (2014), Low Penetration in the insurance industry is a major contest that faces the insurance firm's growth in terms of product diversification, market share among other measures. Murira (2014) argues that Stiff Competition for market share by many actors have led to price wars with some insurers charging unsustainable premiums. The study is aimed at benefiting Companies not only in the insurance industry to identify not only how to come up with appropriate strategies to compete but also how their products or services should be positioned in the minds of the consumers in order to remain competitive.

1.1.1 Positioning Strategies

Kotler and Keller (2006) explains positioning strategy as designing the image of the company and offering to occupy a unique position in the mind of the target market. The major objective is to locate the brand in the minds of consumers to make the most of the prospective benefit of the firm. Positioning is a creative undertaking which involves differentiation whereby an existing product in an overcrowded market place of similar products is given a distinct position in the minds of the targeted customers. According to Levy and Weitz (2001)positioning strategy can be defined as the choice of a target market segment being the customers a company will pursue to serve and the choice of advantage of differentiation that defines how it shall compete with competitors in the segment. Ries and Trout (1989) argued that while positioning was believed of in terms to the marketing of goods, it has equivalent value in industrialized goods and services. Since services are categorized in terms of their consumer protection, in their delivery, intangibility and simultaneous nature of their production and consumption, when compared with products they are tougher to consumers to understand, to predict in terms of their performance, to compare with competing products and therefore it becomes difficult for marketers to position successfully.

As Lovelock (1984) rightly puts it, positioning is more than just mere promotion and advertising. Positioning strategies can be conceived and developed in a number of ways. Positioning can be derived from competition, application and object attributes, types of consumers involved or by the particular characteristics of the product. These traits represent different approaches in developing positioning strategies, though they all have a common goal of depicting a favorable image in the minds of the consumer. Positioning strategy is therefore the act of projecting a new product to occupy a certain position in the minds of prospective consumers; Therefore a particular firm's product/services is competitively positioned relative to all other markets products in the minds of prospective consumers (Aulakh and Kotabe, 1997). That is the strategic positioning decision of a firm must establish its own unique competitive advantages over its competitors and sustain its on regular basis.

1.1.2 Competitive Advantage

The concept of Competitive advantage suggests that companies been capable of satisfying customer needs more effectively than their competitors. Hoffman (2000) mentions SCA as the prolonged benefit derived by executing some unique value creating strategy that is not simultaneously being implemented by any potential or current competitor, along with the inability to replicate the strategy's benefit.SCA appeared in 1984, when Day and Wensley recommended certain forms of strategies to "sustain the competitive advantage". SCA was also proposed by Porter in 1985 when he mentioned the main types of competitive strategies that can be followed by firms (low cost, differentiation, and focus) to achieve competitive advantage. Later in 2001 Porter, mentioned sustained profits as the only measure of economic value. He later defines two essential factors which establish profitability; i.e. structure of the industry, that establishes profitability of an average competitor and competitive advantage, which enables a company to do better than the average competitor (Porter M. E, 2001).

A firm it has value-creating positions and processes that cannot be duplicated by any other firms in employee training, leadership and service quality and finally technology and innovations can be said to possess Competitive advantage. Porter (2010) proposes holds that the basic steps of establishing competitive advantage entail identifying unsatisfied need in the market, determining the specific success requirements within the market that meets the unsatisfied needs, identifying the core competencies of the firm and determining how well they match with the success requirements of the market then ultimately establishing distinctive competencies which would refer in his case to things that the firm can outdo its competitors (Brown, 2001).

In any industry the success factors include management excellence, adequate and properly trained human resources, proper equipment or facilities, controlled cost of production and operations, optimal prices or rates, high product quality, adequate customer care, optimal volume of operations or sales, positive image or reputation, marketing effectiveness, well managed finances, up to date technology, research and development, proper location, and efficient processes or systems (Porter, 2010).

1.1.3 Insurance Industry in Kenya

Insurance Industry in Kenya's is regulated by the Insurance Act Cap 487.The Insurance Amendment Act, 2006 brought to life the Insurance Regulatory Authority (IRA) which is a State Corporation whose mandate include licensing, registration, supervision and regulation of Kenya's Insurance industry (IRA, 2011).The Industry falls under the Ministry of Finance and is characterized by various key players regulated by IRA whose numbers have increased over the years they include; Re-Insurance Companies, Insurance Companies ,intermediaries which include; Insurance Agents, Insurance Brokers, Motor Assessors, Insurance Surveyors, Insurance Investigators, medical insurance providers, Claim Settling Agents, Loss Adjustors and Risk Managers etc. (IRA, 2015).

According to Marwa (2007) the growth of Insurance Industry in Kenya is closely similar to the Historical liberation of Kenya. The industry is among the top markets in Africa in terms of growth and attractiveness. The growth in the Industry is all the way through new products and a major upgrading of its service delivery, guaranteeing the customers of world class service release. This has resulted to foreign investors entering the market and acquiring stake in the local insurance firms existing as the essentials for prospect growth remain evident. (AKI 2014). The Industry is a very competitive one characterized by low market penetration which is attributed to factors which include a Kenyans lack of saving culture, Majority of Kenyans have a low disposable income, tax incentives which are inadequate to persuade people purchase insurance products and a seeming credibility crisis by the public particularly on the resettlement of claims (PWC, 2011).

1.1.4 Insurance Firms in Kenya

According to IRA (2015) there are 53 licensed and registered insurers in Kenya that offer both General and life insurance services. The Kenya Insurance Survey (2004) mentions the following lines of business that drive the General insurance company's business in Kenya; Motor-private, Motor- Commercial, aviation, fire-domestic, Fire- Industrial and Engineering, Motor- Private and Personal Accident, theft, workmen's compensation, engineering liability, marine, and miscellaneous. Damodaran (2009) mentioned Insurance firms make income in the following ways, one is through premiums the firms receive from those who take insurance cover from them. The other source of income is from investment portfolios maintained to service the claims. The premiums paid by all policy holders are put in a pool. The Insurance firms invest the money in the pool to get return.

The Insurance firms also have an insurer who insures the company against huge claims they are called the reinsurers. They protect Insurance companies from large claims due to major calamity. (Kenya Insurance survey, 2004). According to IRA (2015) the 53 licensed insurers all compete in a market characterized by low penetration. According to Murira (2014), Low market penetration is a key challenge facing growth within the insurance company in terms of product diversification, market share among others. He argues that market share competition by various players has resulted to prices wars leading to some firms charging premiums that are unsustainable. According to (IRA 2012), 47 insurance companies shared net profit of Kshs7.7 billion, that was less than Kshs. 10.5 billion

Barclays Bank taxable profit posted in the year 2012(Barclays Bank, 2012). This reignites the debate on the need for consolidating with majority of analysts that have been of the position that the field been crowded has paved way for price wars which are unprofitable resulting to Key losers been smaller players.

1.2 Research Problem

Competition by many players for market share has resulted to wars in prices with majority of insurers charging premiums that are unsustainable. Service delivery has been compromised because the insurers are unable to fund infrastructure that would enable efficient services delivery and settlement of claims. The governments Increase of minimum capital requirement as an attempt to urge the insurers to come together have borne no fruit. As indicator Kenyan insurers' fought for the little customer base as investment income time and again disguised the losses racked up in the underwriting side of business. Scuffle for more premiums in pursuit for development in the crowded market is motivating some executives to caution of losses because, many of the players use pricing as an arsenal in growth of market share but what remains to be seen is how profitable these growth strategies are overly (Mbogo, 2011). Kenya's growth in Insurance was 2.94% in year 2015 as compared to 2.83% in previous years; while the growth in South Africa was 12.9% within a population of Kshs. 44 million (AKI, 2015). National financial access survey (2015) indicate that only 7.9% of the population in Kenya purchased insurance cover while overwhelmingly 89% had never embraced any insurance cover either property or life. In this regard therefore, there is a need for insurance firms to formulate and implement strategies for competition in order to position themselves strategically and have market share that is credible.

Previous studies done in Kenya did not cover the topic of interest of this study. Onyango (2011) assessed the effectiveness of positioning strategies that were used by residential property developers in Nairobi Kenya, he found that residential property developers in Nairobi have effectively used the positioning strategies whereby brand positioning was found to be the most effective strategy. Kiragu (2014) conducted a study on challenges facing insurance firms when building competitive advantage in Kenya. Koima (2003) conducted a study on challenges facing the regulation of Kenya's Insurance Industry. Kamanda (2006) studied Insurance firms with the main objective of establishing factors which influence regional growth strategy. Ouma (2007) study was on the relationship between competitive advantage and value chain within the insurance industry in Kenya. Kitua (2009) examined the internet as a sources of competitive advantages for insurance companies in Kenya and concluded that while availability of capital and cost control is a key success feature of the large firms in Kenya, other key factors exist given the fact the industry is facing one of the toughest competitive environments in history. This study will therefore focus on successful large Insurance companies to gather the data on the influence of positioning strategies on competitive advantage of Insurance firms in Kenya. The study is thus motivated by the need to bridge the above gaps in knowledge by investigating and determining; the influence of positioning strategies on competitive advantage of Insurance Firms in Kenya. From the identified knowledge gaps and challenges facing Insurance firms in Kenya, this researcher was inclined to ask the following question: What is the influence of positioning strategies on competitive advantage of Insurance firms in Kenya?

1.3Research Objectives

The objective of this study was to establish the influence of positioning strategies on competitive advantage of Insurance firms in Kenya.

1.4 Value of the Study

The study was found useful in theory building and also value addition to the existing knowledge by contributing to already existing theories anchored on positioning strategies and competitive advantage for example; resource based view theory and network approach therefore providing a platform for those who will require carrying out a study on this area. The researches will extent applicability of the theories in Insurance industry in both conceptual and textual. Government policy makers and Insurance regulatory firms may use the information in this study to make reforms to the existing policies or develop new policies. For example, Insurance Regulatory Authority (IRA) may better understand the strategies firms practice with concerns to the competitiveness in the industry and adjust their watchdog policies where professionalism is compromised in the formulation and implementation of strategies by the industry players.

It may also enable Insurance firm management and potential industry entrants to evaluate the compatibility of strategies with their own desires and also convey to light factors to ponder on when formulating and implementing strategic and marketing decisions desirable to customers over current and potential competitors. The study might be of great use to the scholars and the academicians as they carry out their research as it may add to the already existing literature on positioning strategic management. The study will be a valuable reference for researchers and scholars and who might be interested in carrying out additional research on the basis of the results of the current study.

CHAPTER TWO: LITERATURE REVIEW

2.1 Introduction

This chapter reviews of existing literature that has previously been carried out as regards to positioning strategies and Competitive advantage. It covers the theoretical foundation, positioning strategies, competitive advantage and empirical literature that link positioning strategies and competitive advantage.

2.2 Theoretical Foundation

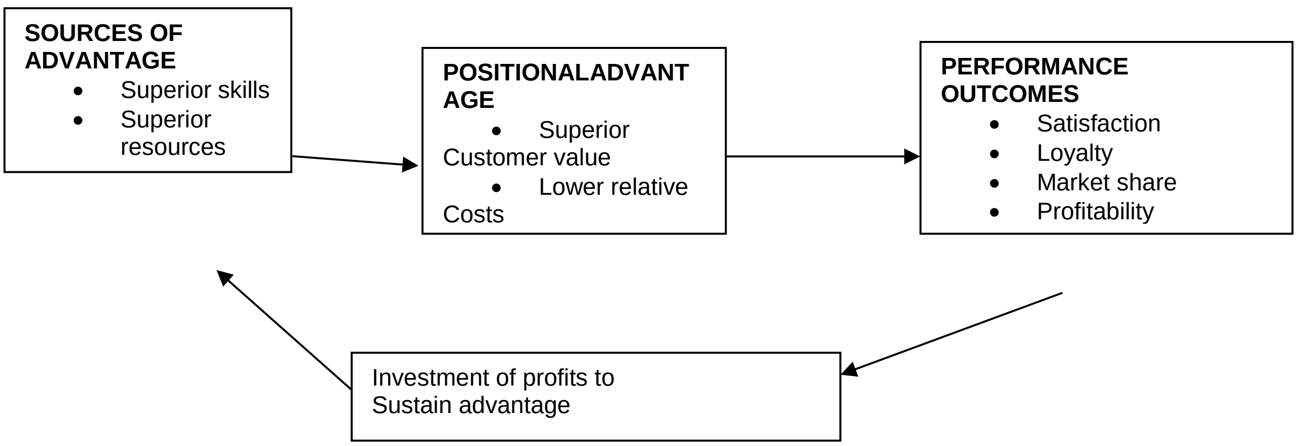
This study was anchored on two theories; the Resource based view theory and Network approach

2.2.1 Resource Based View Theory

The most widespread theory that describing the main sources of Competitive advantage is the “resource-based view” (RBV). The Resource based view theory as Wernerfelt (1984) rightly puts it, introduced the significance of a firm unique resources that enable it to gain a competitive advantage. The theory suggests the strategy of a firm depends on the resources that the firm owns. These resources influence how well that company executes its activities and betters its current and potential competitor’s. A framework presented by Day and Wensley (1988) connects the sources of advantages and performance outcome named superior resources and superior skills as the key sources of sustainable competitive advantage. The Resource based view theory later on mentions these main sources of advantage and calls them capabilities and assets respectively. Assets being resource endowment that the business has acquired and accumulated, while capabilities being the glue that keep the assets together enabling them to be deployed advantageously against competitors. Special attention has been given by researchers include strategic, organizational capabilities, financial and technological, (Lake &Ulrich, 1991), customer linking capabilities with market sensing and (Day G. S., capabilities of organizations that are Market-Driven, 1994), open culture and employee empowerment, executive commitment (Powell, 2005), reputational assets and leadership skills (Petrick et al., 1999). RBV is of the view that, in order for a company to generate Competitive advantage, the resource must be presently rare, must provide economic value, non-substitutable, difficult to duplicate, and finally should not be easily obtainable in the markets. Resource based view is based on two major underlying assertions, that are well developed in strategic management theory: Firstly that capabilities and resources possessed by current or potential competing firms may be different (i.e resource heterogeneity); and Secondly the differences need to be long lasting (i.e. resource immobility) (Mata et al, 2005). The resource-based theory flourished in the 1990's. Resource-based theory was developed in 1988-1997 and since then there have been no significant advances on this approach. However Oliver (1997) , claims that RBV lacks consideration for social context in how decisions in regard to selection of resource and how the selection might affect firm sustainable competitive advantage heterogeneity.

Oliver (1997) presented a model that was interesting and explains sustainable advantage. In the model he combined RBV with the Institutional Theory based on three levels of analysis –firm, individual, and inter-firm. Whereas RBV suggests that imperfections in the markets and resources that are different increase variations between firms, the institutional theory describes how the, traditions, social influence and conformity towards the norms result to homogeneity among the firms (Oliver, 1997).The connection between strategic positioning and Competitive advantage can be presented diagrammatically as show below in **figure 1.** This explains the link between positional advantage, sources of advantage and performance outcomes. The framework of elements of competitive advantage was presented by Day and Wensley (1988) as shown below in **figure 1**

FIGURE 1: THE ELEMENTS OF COMPETITIVE ADVANTAGE



Source; Day, g. S., &Wensley, R. (1988), Assessing Advantage: A Framework for Diagnosing Competitive Superiority. Journal of Marketing, 52, 1-20.

The above framework portrays performance and position superiority as a result of relative superiority of the resources and skills a firm/company utilizes. This superiority of the resources and Skills is a result of the investments made formerly aimed at advancing the firms level of competition. For positional advantage to be sustainable, the firm needs to continually invest its sources of advantage (Day & Wensley, 1988). This approach links Strategic positioning to Competitive advantage of a firm.

2.2.2 Network Approach

Jarillo (1988) saw competition as positioning the firm within the network than merely attacking the immediate environment. He argues that Firms should not be seen as monolithic entities of a service or good. He emphasized the significance of complexity and the arrays of certain relationships within firms that have evolved through contact with others. The interactions require major investments in order to build certain relationships, this gives therefore a major consistency within a network. Other authors similar to Jarillo's are Håkansson and Snehota (2005) who stated that development of strategy is majorly through positioning a company's image within the overall network of which is through the development of certain relationships. This entails maneuvering for a position that is favorable for the firm within the network. Relationships within the businesses are normally seen as the key device through which a company acquires a favorable position. Hakansson and Snehota are among the first who developed and applied the network approach. McNamara et al.(2003)was of the view that companies that tend to form and cluster strategic groups through similar strategies. They alienated secondary, core and private firms. A Closer view depicted that firms' performance within groups are fundamentally larger than across the same groups.

Different authors explained positioning strategies. Porter (1980) Generic strategies (low cost, focus and differentiation) in spite of its long domination in the strategy literature have received a lot of critiques. Similarly, to Porter's, Treace and Wiersema (1993) empirically distinguished three value disciplines –operational customer intimacy, product leadership and excellence. Bowman (2008) recognized a theory through Blue Ocean Strategy Kim and Mauborgne (2005). The publication of the book "Positioning: the battle for your mind" almost a decade ago had the word “Positioning” gain diversity than in network approach and the relationship marketing. Authors of the likes, Al Ries and Jack Trout thought of positioning as creating associations of brands in the consumers’ minds. This concept therefore dwells majorly on the perception of brand. According to Keller (2008) it is hard to differentiate brand and also prove superiority clearly over the competitors or put in other words, being able to attain points of difference (PODs). The Network approach was of the view that firms which strategically position itself has a source of competitive advantage. Companies that succeed in positioning themselves within the borderless business network have developed relationships with one another. Building relationships that are strong with strategic customers and suppliers leads to a better positioning within the market and possibly can lead to Sustainable Competitive Advantage (Håkansson &Snehota, 2005). Cockburn et al. (2000) agrees with network approach that strategic positioning lead to SCA. Their take is that firms imitate market leaders or create new strategies in order to reposition themselves. Those firms that unfavorably positioned tend to respond aggressively to the changes in environment. Porter maintains in order to achieve competitive advantage firms need to position themselves in strategic groups and Structurally-profitable industries. He argues that SCA largely depends on operational effectiveness (doing as your competitors but much better) or strategic positioning (doing things in a different way and deliver unique value) (Porter M. E., 2001).

2.3 Positioning Strategies

There are different processes for positioning strategies a firm may adapt. According to Beckman and Rosenfield (2008) firms might choose to distinguish themselves by choosing one of the three main alignments which are variety-based, need-based and access-based.

Positioning strategies are considered and advanced in multiple of ways. Different authors have presented Diverse positioning strategies. Porter (1980), Generic strategies (low cost, focus and differentiation). Kald et al. (2000) mentions the seven strategic positioning approaches: positioning based on characteristics of product or benefits to customers, positioning strategy based on pricing, positioning strategy based on the class of the Product, Positioning strategy that is based on Use or Application, Positioning strategy that is based on Process of Product, Positioning strategy that is based on competitors and positioning strategy that is based on Cultural Symbols.

2.3.1 Cost Leader Strategy

The Cost leader positioning strategy has the company positioned above its competitors it usually tells consumers that something is very special (i.e., worth paying for) about the products. The Price-Quality approach is one of the significantly and widely used approaches by firms when positioning. This is because of the perception, majority of us have perceive that if a certain product is expensive then it will better quality product whereas if product is cheap it will be of a lower quality, (Hooley et al.. 1998). According to Kald et al., (2000). Price is the actual payment in the switch of a good or service offered. In other words it's the worth or importance associated with a good or service and thus pricing strategies is a method where different companies establish prices for the services and products that they provide when penetrating the market and when already penetrating in one (Roxer 2009).Yan (2008) argues that the marketing configuration of a firm forms the underlying base of pricing strategies for instance the non-intergraded competitive pricing. Forman and Hunt (2005) identifies13 pricing strategies (cost leader) which among them include the following; Low Price Suppliers Strategy experience curve, Penetration Pricing, Leader Pricing Complementary pricing, Premium pricing and Price skimming.

2.3.2 Product Differentiation

Kald et al. (2000) say that characteristics of a product or the benefits a customer will derive as positioning strategy majorly focuses on the characteristics of the products or customer's benefits. For instance, the phrase "imported items" usually tells or depicts certain features of a product e.g durability, economy or reliability, 'motorbikes" emphasized on fuel economy, looks, others insist on their durability and others on power. The objective of product characteristics positioning is therefore to have your product at the top of your "customers'' mind when they are considering a purchase. Successful, product characteristics positioning has to led to achieving three major objectives; firstly there is need to differentiate your product from those of competitors, Secondly it is important to address the buying criteria of the customer and thirdly Articulating key product (or the company) characteristics.(on the mark ,2005).

Positioning Strategy Based on Product Process entails associating products with the users or with a class of its users. Casual clothing makers like jeans for example introduced 'designer labels' in order to improve the fashion image. In this scenario it was believed that a model or person has the belief is that the model or personality will influence the product's image by reflecting the characteristics and image of the model or personality communicated as a product user. Johnson and Johnson shifted its shampoo from one used for babies to one used by people who wash their hair frequently and therefore need a mild shampoo. This repositioning resulted in a market share (Kald et al., 2000).

2.3.3 Positioning Strategy Based on Competitors

In Positioning Strategy Based on Competitors, an implicit or explicit frame of reference is one or more competitors. In some cases, reference in competitors can be the dominant aspect of the positioning strategies of the firm; the firm either uses the similar positioning strategies as used by the competitors or uses a new strategy taking the competitors' strategy as the base (Roger, 1994). Rose (2012) gave a good example of this would be Colgate and Pepsodent. Colgate entered into the market focused on to family protection but when Pepsodent entered the market with its focus on 24-hour protection and basically for kids, Colgate changed its focus that was initially family protection into kid's teeth protection. This was a positioning strategy adopted because of competition.

2.4 Competitive Advantage

Competitive advantage has been a major theme in the study of successful businesses (Porter, 1980; Kay, 1994). Chaharbaghi and Lynch (1999) posit that a company's Competitive advantage is the leadership that a company's leader provides. The RBV maintains that, for a company to achieve SCA, "a resource must provide economic value and must be presently rare/scarce, difficult to duplicate/imitate, non-substitutable, and not readily obtainable in factor markets". A common objective of companies is to have long-term success, which can be realized by having competitive advantage (Porter, 1985). Day and Wensley, (1988) presented a framework linking the performance outcomes and sources advantage named superiority of resources and superiority of skills as the major sources of competitive advantage. Resource based theory later on mentions these major sources of advantage and names them assets and capabilities respectively. Assets being resource endowment the business has acquired ,accumulated, and capabilities being the glue that keeps the assets together and enabling them to be deployed advantageously against their competitors (Dierkx and Cool 1989, in (Day G. S., The capabilities of Market-Driven Organizations, 1994)

Firms use the resources effectively to develop achieve competitive advantage. Barney (1991) mentions that the resource need to be valuable, rare, immobile and heterogeneous. Since rare resources are normally rare and most resources are usually shared across firms in the industry, a firm that uses its resources in combination forms core competencies which are a major source of competitive advantage. The combination of these resources which make it difficult for competitors to duplicate and therefore this act as a source of competitive advantage include; human resources knowledge and skill, Technology/innovation resources, reputational resources, Organizational structure and culture, Intellectual property and Business processes.

Grant (2001) mentions human resources as providers of services to the firm through skills, expertise, knowledge and decision making capability. The human resources are key in building core competencies for the company by utilizing both skills and knowledge that they have accumulate over a period of time. For instance, a firm uses its intangible resources e.g skills, knowledge and expertise in order to develop unique processes which are hard for competitors to duplicate. This acts as a source of competitive advantage for the firm. Hodgson (1998) competence based perspective views structure, boundaries and existence of the firm as associated with the existence of team competencies and individual such as tacit knowledge and skills which are established and maintained by that organization. Tacit knowledge is attained by experience (Spender, 1996). It’s personal therefore, making it difficult to, communicate, formalize and share with others. A firm also needs to focus on determining its core capabilities that can become a source of Sustainable competitive advantage and how resources can be developed, protected and deployed by the firm in order to make this advantage sustainable (Teece, Pisano &Shuen, 1997).

A firm that discovers better technology in performing its activities better than its competitors acquires competitive advantage. Technology affects cost or differentiation when it influences the cost drivers of uniqueness of activities that are of value. (Porter, 1985) . A change in Technology can lead to a company gaining competitive advantage in the following ways: A change in technology lowers or enhance differentiation and the technological lead of the firm is sustainable, the change can shift costs or uniqueness drivers in favour of the firm, pioneering change can translate into a first mover advantages aside from those inherent with the technology itself. A change in technology improves the industry structure overally. Organizations that have superior database management and data processing can have an upper hand and therefore achieve competitive advantage over competitors. Companies that are innovative either through commercializing or developing their research findings are bringing on board new and nonexistent value. Innovation entails product, service and process innovations. Innovation of products entails having products being perceived as new by either the consumer or producers; the latter comprises of both distributors and end-users. This leads to competitive advantage.

The reputation of a firm emerges from multiple groups (Investors, customers, employees, and general public) and how they interact overtime. (Fombrun &Shanley , 1990; Brown & Perry, 1994). Companies with favorable reputations are more likely to achieve and sustain their superior financial performance over time (Sabate & Puente, 2003; Roberts and Dowling, 2002), they can positively impact capital gains (Vergin &Qoronfleh, 1998), the stock market (Jones, Jones and Little, 2000), superior market value (Black, et al., 2000) and charging a price premium (Rindova, Williamson, Petkova, & Sever, 2005). A favorable reputation gives a company two major distinctive competitive advantages over its competitors. Firstly, a firm with favorable reputations tends to have a competitive advantage over its competitors, because they are seen as stronger firms by their stakeholders. Secondly reputation persistence (e.g., Robets & Dowling, 2002; Shultz, et al., 2001) and its enduring nature normally positions firms in exercising much higher competitive advantage over a period of time (Vergin & Qoronfleh, 1998; Kraatz & Love, 2006). In addition, given reputation is usually an intangible asset, inimitable characteristics strengthen a firms competitive advantage.

Two factors have a significance influence on an organization ability to achieve competitive advantage. They entail are ‘structure and configuration’ and ‘organizational culture’ (Furlong, 2005). Configuration and Contingency theories have received attention both in strategic management research and organizational theory (Powell, 1992). Whenever by strong alliances, outsourcing or down scoping, firms usually appear to be draw within the Boundaries around smaller spheres of their activities (Petison and Johri, 2006).The culture of an organization is the shared habits they share, behavior, beliefs, mission, norms and symbols of the organization. Competitors are usually disadvantaged in terms of imitating the company’s culture since it usually entails several conditions and takes time for its formation. The RBV views firms as idiosyncratic social inventions which are limited by history (Barney, 1991), since they reflect unique personalities of the founders, distinctive circumstances of the foundation, distinctive circumstances of its growth and development, and the exceptional experiences that form their culture. Culture being unique and unmeasured, making it impossible for firms to observe and explain what isolates the elements of the culture and adds value to the organization (Lippman & Rumelt, 1982) because values, symbols and beliefs are usually difficult to describe. Categorize the relationship of these with performance of the firm does not allow for a detailed description (Barney, 1986b: 661), therefore this makes it impossible for the current and potential imitator to imitate what cannot be clearly describe.

Ownership of intellectual property is another source of a competitive advantage and includes; a patents or trademarks. Patents usually allows the owner to invent and can license the rights of a certain product, meaning that any willing customers can only purchase it from the original owner or licensed distributors. A key feature of patent that enables it have competitive advantage is its inability to be imitated by competitors with a similar product. How a product is designed can be a source of competitive advantage. However, this is typically easy for competitors to replicate. Intellectual property that can be a source of competitive advantage includes copyrights, trademarks, registered designs etc. Business processes is a source of competitive advantage. Business processes refers to the functions and activities which shape firm's operations which can be carried out externally or internally to clients (CIC, 2003). Analysis of Processes is derived from the value chain (Porter, 1985). The key tasks of any business processes entails integration, coordination, and reconfiguration and through learning (Teece et al., 1997).Porter (1985) views ability to perform certain activities and managing their linkages overtime as a source of competitive advantage. Business processes arise organizational capabilities and core competence that can be the origin of competitive advantage.

2.5 Empirical Review

Successful strategic positioning is seen as a major source of the company's competitive advantage. Companies which are able to strategically position themselves by developing relationships with others within borderless business network. Through building strong consistent relationships with strategic customers and suppliers can lead to better position in the factor market and therefore resulting into Sustainable Competitive advantage (Håkansson &Snehota, 2005). Munene (2013) researched on Strategic positioning and organizational performance of the top five oil companies in Kenya. The survey study established that the top oil firms do position themselves in the market and make use of the various positioning strategies especially given that the petroleum prices are regulated to acquire a competitive advantage relative to competitors that will enable it earn high profits, irrespective of average profitability within the energy sector.

Kasyoka (2011) did a case study on how strategic positioning leads to competitive advantage within Safaricom limited and found out that cutting edge technology helped Safaricom limited to achieve a competitive advantage. The study found that resource based view in Safaricom limited was highly influencing the achievement of a competitive advantage. The major resources in Safaricom limited include technological resources, human resources, knowledge resources, financial resources and assets. A survey study by Muriet (2011) on the relationship between strategic positioning and performance of the Kenya commercial banks; found out that strategic positioning positively and significantly enhances organizational performance through performance measurement. So it can be started that in order to have greater stability and profit efficiency, the banks utilized positioning to have competitive power in the bank in the market they operated, Market power was indicated by the market share, which had stemmed from how attractive the bank studied in terms of spread within the network, basically between product and uniqueness of the services offered. Blankson Kalafatis& Julian Ming-Sung (2008) journal article on how Positioning Strategies impacts Corporate Performance, through an exploratory study conducted on the US based firms observed that pursuit of positioning strategies affected the performance of the firms. “Top of the range" sub positioning strategy which appeared to be the most acknowledged strategy for service delivery of firms and are well known in their pursuit of the upper and middle class audiences that are targeted. Firms interviewed acknowledged that their businesses tailored to specific groups as a strategy was then a key factor in their return on investment overally and market share. They also noted that marketing has become increasingly vital in the process of strategic management, so has the idea of positioning become seemingly vital to the success of firms' marketing strategies. A Survey study by Rose (2012) on positioning strategies adopted by large audit firms in Kenya concluded that ownership plays an important role in the selection of positioning strategy that the organization seeks to follow. She noted that audit firms in Kenya have adopted a number of positioning strategies to seek a leadership position. The study established that audit firms concentrate on product characteristics, time and location pricing positioning as a strategy in the competitive audit market.

Celine Chew (2006) studied the strategic relevance of positioning strategies of British charitable organizations and found that the charity’s strategic positioning of charitable organizations was influenced greatly by a combination of external environmental and internal organizational factors. These factors have in turn led to internal responses by the voluntary organizations through repositioning in variety of ways that depended on their roles they played in an attempt to change the social and policy context.

CHAPTER THREE: RESEARCH METHODOLOGY

3.1 Introduction

This chapter entails the actual procedure, methods and processes that were used in gathering data for the research study. The methodology was divided into the following categories; Research design, study population, data collection methods and procedure and finally data analysis. This is meant to provide a clear understanding of the various steps involved during the research process.

3.2 Research Design

Research design constitutes the collection, measurement and analysis of data (Schindler, 2008).It refers to the arrangement of data collected and analysis in a way that brings together relevance in the research process. The study considered using descriptive research design and the researcher use a survey method. Descriptive design attempts to give extra insight into the research problem by relating the variables of interest. It focused on relatively few dimensions of a well-defined entity (Mugenda, 2008). Mugenda further explains that survey research method as a process of collecting data from a population of members and later describing the phenomena by asking respondents what their perception is, finding out their attitudes or what they values. The objective of descriptive study is to offer the researcher an outline and describing the important aspects of interest from an individual, organizational, industry or any other perspective, Kombo and Tromp (2006).

The researcher obtained information by asking key informants questions on the influence of positioning strategies on competitive advantage of Insurance firms in Kenya. The focus of this study was on variables of interest relating to the influence of positioning strategies on competitive advantage. In descriptive research the research variables are examined, as it exists without investigator interference (Yin, 2008).

3.3 Population of the Study

Mugenda and Mugenda (2003) considers population to be any group of people, events or things of interest to the researcher which the researcher wish to investigate and conclude on the findings of the research. Population of interest in this study involved the 53 Insurance Companies in Kenya as per the insurance regulatory authority (IRA, 2015). It is from this list of registered companies that the respondents were drawn. The researcher used a census survey where in all the companies one respondent was chosen. Key informant for example; CEO, Front line officers, Partners, Managers and Technician involved in strategy and marketing managers of the Insurance Firms in Kenya were the target respondent for this study because they deal with strategic decisions of the firm and therefore possessed good knowledge about positioning strategies of their firms.

3.4 Data Collection

The source of information for the study was majorly primary data. Primary data offers first-hand information as it is collected from original sources that have not been previously collected. The researcher collected this data through the use of structured questionnaire, which constituted of both open and closed questions. According Orodho and Kombo (2002) Questionnaires are used because they help in collecting a great amount of data within a large area within a short time thus saving time on the study. The targeted respondents are Chief Executive Officers (CEOs) and top level managers involved in making strategic decisions in the Insurance companies. The Questionnaire has three sections. Section one; entails General Information of the Insurance Company; Section two is on positioning strategies adopted by firms and Section three is on competitive advantage

3.5 Data Analysis

According to Kothari (2004) data analysis comprises collection, preparation and organization of data for analysis which then are put in thematic areas through coding, condensing the codes then finally presenting them in tables, figures or a discussion. Coded data helps reduce the data into segments that are meangiful through names assigning, merges, coding into categories and themes, and then having the data displayed enabling comparisons in the form of charts, graphs and tables. According to Nachmias and Nachmias (1990) open ended questions need to be coded so as to ensure ease in their analysis. Descriptive analysis was widely used in the terms of standard deviation and means, frequencies and percentages was used for the presentation of data. Multiple regression analysis was also being used to determine relationship between variables of interest.

According to Anderson, Babin, Black and Hair (2010) multiple regression model is used in cases where a dependent variable that is single metric is assumed to correlate to two or more metric variable(to analyses relationship) as shown below. Multiple regression helps in predicting the changes in dependent in relation to change in independent variable.

$Y_i = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \varepsilon$

Where Y_i Competitive advantage of Insurance firms in Kenya

B_0 represents a constant

X_1 representing Cost Leader Strategy

X_2 representing Product Differentiation strategy

X_3 representing Positioning Strategy Based on Competitors

X_4 representing Positioning Strategy Based on Product Usage

B_1, B2, B3 and B_4 are model coefficients

Ɛ representing error term

Anderson et. al (2010) indicates that each of the independent variable is weighted by regression analysis procedure to show predictions, weight show contribution to overall prediction and facilitate interpretation of results. A statistical package for social sciences (SPSS) version 21 was used as an aid in analysis of data, the measures of central tendencies were used in presentation of the data inform of mean and standards deviations, also the data was neatly presented in tables and discussions.

CHAPTER FOUR: DATA ANALYSIS, FINDINGS AND DISCUSSION

4.1 Introduction

This Chapter presents the researchers findings and discussion of collected data through structured questionnaires on the influence of positioning strategies on competitive advantage of the insurance firms in Kenya. This was in line with the objectives of the study. Data used for the study was collected through structured questionnaires consisting of both open and closed ended questions. Statistical Package for Social Sciences computer software was used for data analysis. Research findings neatly were presented in percentages and tables.

4.2 Response Rate

The target of the study was a sample size of 53 respondents out of which 52 respondents adequately filled in and returned the questionnaires resulting in a response rate of 98.11%. The response rate was satisfactory enough for making conclusions for the study since it acted as a representative. Mugenda and Mugenda (1999) mentioned that a response rate of 50% is usually adequate for analysis and reporting; a rate of 60% is good and a response rate of 70% and over is excellent. Based on the assertion, the response rate was excellent.

Table 4.2: Response Rate

Questionnaires	Frequency	Percent (%)
Response	52	98.11
Non-response	1	1.89
Total	**53**	**100**

4.3 Demographic Information of the Respondents

The study sought to establish the demographic information of the respondents in order to be able to categorically state what is true of this group of participants. The demographic information of the respondents included position in the company, the period of service, ownership of your firm and average number of staff in your firm.

Table 4.3: Position in the Company

Position on the Company	Frequency	Percent
Partner	1	1.9
Director	5	9.4
Senior Manager	6	11.3
Manager	17	32.1
Technician	13	24.5
Front Line staff	11	20.8
Total	**53**	**100.0**

Based on the findings majority (32.1%) of the respondents were Managers. 24.5% of the respondents were Technician. 20.8% of the respondents were front line officers. The study further established that 11.3% of the respondents were senior managers. 9.4% were directors with only 1.9% of the respondents being partners. The finding implies that the respondents were fairly distributed in relation to the position they held in various firms.

4.3.1: The Period of Service

The study further sought to investigate the distribution of the respondents in terms of the period of service. The results are displayed on the table below

Table 4.4: Period of Service

Period of Service	Frequency	Percent
Less than 1 yr	4	7.5
1-5 yrs	12	22.6
5-10yrs	16	30.2
Above 10 years	21	39.6
Total	**53**	**100.0**

From the study findings it was noted that 39.6% of the respondents had worked with the insurance firms for more than 10 years. 30.2% had worked for a period between 5-10yrs. The study further revealed that 22.6% had worked for a period between 1 and 5 years. However, only 7.5 % had worked for less than 1 year in various firms. This therefore implied that majority of the respondents had worked in the insurance firm for a good number of years hence were able to give insightful and informed information of positioning strategies. It also depicted firm's loyalty by the employees.

4.3.2: Average Number of Staff in Firm

The study further sought to investigate the average number of staff in various firms. The results were displayed on the table below.

Table 4.5: Average Number of staff in your Firm

Average number of Staff	Frequency	Percent
Less than 50	8	15.0
50-100	18	34.0
100 and above	27	51.0
Total	**53**	**100.0**

Based on the findings the study revealed that majority 51% of the firms had more than 100 staffs. 34% had an average staff between 50 and 100. Only 15% of the firms had less than 50 staffs. This indicated that a significant number of Insurance firms that were under investigation were big firms in the insurance Industry with more than 50 employees.

4.3.3: Firm Ownership

The researcher sought to establish the ownership of the insurance companies in Kenya. The results are displayed on the table below

Table 4.6: Firm Ownership

Firm Ownership	Frequency	Percent
Foreign	16	30.19
Local	24	45.28
Hybrid of foreign & local	13	24.53
Total	**53**	**100**

The findings depicted that, 45.28% of the respondents indicated that the ownership of the insurance companies was predominantly local, 30.19% of the respondents indicated that the ownership of the insurance companies was predominantly foreign while 24.53% of the respondents indicated that the ownership of the insurance companies was balanced between foreign and local. According to Agent theory, the incorporation of a firm affects behavior of its managers and it's influenced by stakeholder externally. The findings therefore depict that that majority of the insurance companies are local hence the behavior of the managers is not greatly influenced externally.

4.4: Positioning Strategies

The study sought to investigate the extent to which insurance companies applied various positioning strategies. The investigated strategies included: Cost leadership strategy, Product Differentiation, Product Usage, Positioning strategy based on competitors and Company Objectives positioning

4.4.1: Cost Leadership Strategy

Cost leadership strategy, the respondents were required to indicate the extent to which their organization applied each of the following positioning strategies on a 5 point scale where; 1 =Not at all, 2 = Little Extent, 3= Moderate extent, 4=Great Extent, 5= Very Great Extent. The results are displayed on table below,

Table 4.7: Cost Leadership Strategy

Positioning Based on Cost Leadership Strategy	**Mean**	**Standard deviation**
This company products/services are priced below their competitors in order to outperform them	3.7547	.95888
The insurance company has a low cost and efficient distribution channels	4.0000	1.00000
The company emphasizes on institutional learning, education and training in order to reduce staff turnover, wastage and defects	4.0000	.96077
This insurance company continuously develops cost innovative and effective products/services and refines existing ones	4.0943	.79091

This insurance company is different based on the quality of the products it offers	4.0755	.61548
This insurance company different based on the quality in which we deliver our services.	4.1321	.94131
This insurance company is different in terms of Location Pricing	3.7736	.99308
This insurance company is different based on the Customer Segment Pricing	3.7547	.85273
We are different based on the Time Pricing	3.5094	1.17051
GRAND MEAN	**3.94339**	

As illustrated by a Grand Mean of 3.94339 the findings indicate respondents agreed to a great extent that: The company Price their products/services below their competitors in order to outperform them with a mean 3.7547 and standard deviation =.95888.The insurance company has a low cost and efficient channels of distribution with a mean =4.0000 and standard deviation =1.000.The company emphasizes on institutional learning ,training and education, in order to minimize wastage, staff turnover and defects with a mean = 4.000and standard deviation =.96077.The company acquires its capital from low cost source with a mean =4.1509 and standard deviation =.79412.This insurance company continuously develops innovative and cost effective products/services and refines the existing ones with a mean =4.0943 and standard deviation =.79091.This insurance company is different based on the quality of the products offered with a mean =4.0755 and standard deviation =.61548.This insurance company different based on the quality of services delivered with a mean =4.1321 and standard deviation =.94131.This insurance company is different in terms of Location Pricing with a mean =3.7736and standard deviation =.99308.This insurance company is different based on the Customer Segment Pricing with a mean = 3.7547and standard deviation =.85273.We are different based on the Time Pricing with a mean = 3.5094 and standard deviation =1.17051.

4.4.2: Product Differentiation

On product differentiation, the respondents were required to indicate the extent to which their organization applied each of the following positioning strategies on a 5 point scale where: 1 =Not at all, 2 = Little Extent, 3= Moderate extent, 4=Great Extent, 5= Very Great Extent. The results are displayed on table below

Table 4.8: Product Differentiation

Positioning based on Product Differentiation	Mean	Standard deviation
The company maintain a strong brand /image identification	3.7547	.87499
This insurance company offers a wide range of product/services in order to cater for variety of customers needs	3.9245	.85145
This company invests in Innovation and creativity	3.9245	.89548
The organization frequently develop new products/services	3.9245	1.05337
There are strict product quality controls procedures on products/services through TQM	3.9434	1.02685
We are different based on the degree of ancillary/support services that we offer	3.9623	1.01834
We are different in terms of Quality Guarantee	3.8491	.96867
We are different in terms of Unique features for consumers we provide	4.1509	.96867
We are different based on the degree Product Supremacy we offer	3.5849	1.13398
GRAND MEAN	**3.890978**	

Based on the findings the Grand Mean of 3.890978 depicted that the respondents agreed to a great extent that: The company maintain a strong brand /image identification as shown by (mean =3.7547, SD= 0.87499).This insurance company offers a wide range of products/services in order to cater for a variety of customers needs as shown by (mean = 3.9245, SD=.85145). This company invests in Innovation and creativity as shown by (mean =3.9245, SD=.89548).The organization frequently develop new products/services as shown by (mean =3.9245, SD =.1.05337).There are strict product quality controls procedures on products/services through TQM as shown by (mean= 3.9434, SD=1.02685),we are different based on the degree of ancillary/ support services that we offer as shown by (mean=3.9623, SD=1.01834).We are different based on the degree Product Supremacy we offer as shown by (mean= 3.8491, SD=.96867).We are different in terms of Unique features for consumers we provide as shown by (mean=4.1509, SD=0.96867).We are different in terms of Quality Guarantee as shown by (mean =3.5849, SD=1.13398).

4.4.3: Product Usage

Further, on product usage, the respondents were required to indicate the extent to which their organization applied each of the following positioning strategies on a 5 point scale where: 1 =Not at all, 2 = Little Extent, 3= Moderate extent, 4=Great Extent, 5= Very Great Extent. The results are displayed on table below

Table 4.9: Product Usage

Positioning based on Product Usage	Mean	Standard deviation
The company specializes in meeting the needs of a particular client/user or a particular geographic segment	3.9434	.86414
The company offers individualized attention to customers	4.0755	.75572
The company harnesses the power of technology to give customers better services	3.9057	1.07889
The Company specialize in Improving value of customers' business or processes	4.1698	.97539
The company reduces customers' costs	3.8679	.94131
We specialize particularly in providing certain types of products/services to our customers	3.7547	.85273

The company offers reliable services to its customers	3.9811	.57145
GRAND MEAN	**3.956871**	

The Grand Mean was 3.956871 indicating that the respondents agreed to a great extent that: the company specializes in meeting the needs of a particular client/user or a particular geographic segment as revealed (mean= 3.9434, SD= SD= 0.86414), The company offers individualized attention to customers as revealed (mean=4.0755, SD=0.75572), The company harnesses the power of technology to give customers better services as revealed (mean= 3.9057, SD=1.07889), the Company specialize in Improving value of customers' business or processes as revealed (mean =4.1698,SD=97539), The company reduces customers' costs as revealed (mean = 3.8679, SD=.94131), We specialize particularly in providing certain types of products/ services to our customers as revealed (mean= 3.7547, SD=85273) and the company offers reliable services to its customers as revealed (mean 3.9811, SD=0.57145).

4.4.4: Positioning Strategy Based on Competitors

Further, on Positioning strategy based on competitors, the respondents were asked to indicate the extent to which their organization applied each of the following positioning strategies on a 5 point scale where: 1 =Not at all, 2 = Little Extent, 3= Moderate extent, 4=Great Extent, 5= Very Great Extent. The results are displayed on table below

Table 4.10: Positioning Strategy Based on Competitors

Positioning Based on Competitors	Mean	Standard deviation
Keeps overhead costs lower than competitors	3.8679	1.20954
The company design, produces, and markets its product efficiently than its competitors	3.8302	1.12208
We keep our prices same as competitors	3.6226	1.30423
We use new positioning strategy taking competitors as the base	3.7925	.88488
GRAND MEAN	3.7783	

As shown by an grand mean of 3.7783 respondents further agreed to a great extent that: We use new positioning strategy taking competitors as the base as shown a mean 3.8679 and a standard deviation of 1.20954 ; They keep our prices same as competitors as shown a mean 33.8302 and a standard deviation of 1.12208; Keeps overhead costs lower than competitors as shown a mean 3.6226 and a standard deviation of1.3042; The company design, produce, and markets its product efficiently than its competitors as shown a mean 3.7925 and a standard deviation of 0.88488.

4.4.5 Company Objectives Positioning

The respondents were also required to indicate the extent to which their organization applied each of the following positioning strategies on a 5 point scale where: 1 =Not at all, 2 = Little Extent, 3= Moderate extent, 4=Great Extent, 5= Very Great Extent. The results are displayed on table below

Table 4.11: Company Objectives Positioning

Company Objectives positioning	Mean	Standard deviation
We maintain Service Quality	4.0377	.43687
We Maximize Sales Growth and Penetration	3.7547	.73132
We always Maximize Current Profit	3.7547	.64765
GRAND MEAN	**3.849033**	

The Grand mean of 3.849033 was a clear evidence that respondents agreed to a great extent that: their organizations maintain Service Quality (mean= 4.0377, SD=0 .43687) Maximize Sales Growth and Penetration (mean =3.7547, SD=0.73132) and that they Maximize Current Profit (mean = 3.7547, SD= 0.64765).

4.5 Competitive Advantage

Competitive advantage was measured in terms of organizational performance. The respondents were required to indicate the extent to which their organization applied each of the following competitive advantages on a 5 point scale where: 1 =Not at all, 2 = Little Extent, 3= Moderate extent, 4=Great Extent, 5= Very Great Extent. The results are displayed on table below

Table 4.12: Competitive Advantage

Competitive Advantage	Mean	Std. Deviation
Market share	3.6226	.94516
Sales Volume	3.8302	.54547
Client satisfaction	3.8491	1.00759

Product and Service quality	3.9811	.79640
Organizational processes	3.6604	1.32931
Customer loyalty	3.5094	1.39536
Customer retention	3.7358	1.05886
Profitability	3.9623	.96001
Proprietary Technology /Innovation	4.0000	.85485
Unique Organization Structure	3.8868	.54280
Superior Business Processes	3.7358	.68363
Superior Company Reputation	3.5849	.96942
GRAND MEAN	**3.779867**	

Grand mean of 3.779867 Indicated that the performance was high due to increased competitive advantage in insurance companies investigated. The respondents agreed to a great extent that the following individual measures had improved: Market share as shown by (mean =3.6226, SD=0.94516), Sales Volume (mean =3.8302, SD=0 .54547) Client satisfaction as shown by (mean =3.8491, SD=1.00759)Product and Service quality (mean =3.9811, SD=0.79640) Organizational processes as shown by (mean =3.6604 SD=1.32931) Customer loyalty as shown by (mean =3.5094 1.39536) Customer retention (3.7358 SD=1.05886), profitability (mean =3.9623, SD=0.96001)Proprietary Technology /Innovation as shown by (mean =4.000, SD=0.85485)Unique Organization Structure as shown by (mean =3.8868, SD=0. 54280)Superior Business Processes as shown by (mean =3.7358, SD=.68363)Superior Company Reputation as shown by (mean =3.5849, SD= 0.96942).

4.6 Positioning Strategies and Competitive Advantage

The respondents were also requested to indicate the extent to which extent company enjoys each of the following Competitive Advantage as a result of positioning strategies on a 5 point scale where: 1 =Not at all, 2 = Little Extent, 3= Moderate extent, 4=Great Extent, 5= Very Great Extent. The results are displayed on table below

Table 4.13: Positioning Strategies and Competitive Advantage

Positioning Strategies and Competitive Advantage	**Mean**	**Std. Deviation**
Helps the company know where to face competition from and where to avoid it	3.7736	1.17082
Provides the company with a unique image in the market place	3.6604	1.28517
Facilitate fine tuning of strategy as a result of experience gained by being close to the customers helps in determining precisely what retail offering is required	3.9057	1.00507
Provides a framework on which to build and coordinate the key elements of the marketing mix	4.0189	.49964
GRAND MEAN	**3.83965**	

As shown by a grand mean of 3.8397 respondent also agreed to a great extent that; Positioning strategies helps the company to know where to face competition from and where to avoid it (Mean =3.7736, SD= 1.17082), Provides the company with a unique image in the market place (Mean =3.6604,SD=1.28517), Facilitate fine tuning of strategy as a result of experience gained by being close to the customers helps in determining precisely what retail offering is required(mean =3.9057, SD=1.00507) and that positioning strategies provides a framework on which to build and coordinate the key elements of the marketing mix (mean =4.0189, SD=0.49964)

4.6.1 Pearson Correlation Analysis

The study carried out Pearson correlation analysis to point to a linear association between the predicted and explanatory variables or among the latter. It, thus, help in determining the strengths of association in the model, that is, which variable best explained the relationship between positioning strategies and competitive advantage of Insurance firms in Kenya.

Table 4.14: Correlations table

Variables		**Competitive Advantage**	**Cost Leadership Strategy**	**Product Differentiation**	**Product Usage**	**Strategy Based on Competitors**	**Company Objectives Positioning**
Competitive Advantage	Pearson Correlation	1					
	Sig. (2-tailed)						
Cost Leadership Strategy	Pearson Correlation	.786*	1				
	Sig. (2-tailed)	.002					
Product Differentiation	Pearson Correlation	.765**	.670**	1			

	Sig. (2-tailed)	.012	.003				
Product Usage	Pearson Correlation	.754**	.655*	.689**	1		
	Sig. (2-tailed)	.003	.028	.007			
Strategy Based on Competitors	Pearson Correlation	.741**	.520*	.625**	. 657**	1	
	Sig. (2-tailed)	.004	.032	.024	.006		
Company Objectives Positioning	Pearson Correlation	.705**	.621*	.592**	.488**	544**	1
	Sig. (2-tailed)	.003	.028	.007	.222	.021	

Source : Research Findings (2016)

The table also shows the relationship between Cost Leadership Strategy and competitive advantage is strong, since r value is 0.786*. In addition the relationship between Product Differentiation and competitive advantage is strong too, since r value is 0. 765**. Moreover, the relationship between Product Usage and competitive advantage is strong since r value is 0. 754**. The relationship between Strategy Based on Competitors and competitive advantage is strong too; since r value is 0. 741** and the relationship between Company Objectives Positioning and competitive advantage is strong too, since r value is 0. 705**. In addition, independent variables are correlated among themselves. This finding indicate that increasing values of Cost leadership strategy, Product Differentiation, Product Usage, Positioning strategy based on competitors and Company Objectives positioning lead to an increase in competitive advantage of insurance companies. In addition the positive correlation between various predictor variables show that they affect each other in that a positive change in one affect the other positively and vice versa.

4.6.2 Regression Analysis

In this study, a multiple regression analysis was conducted to test the influence among the variables. The study used statistical package for social sciences (SPSS V 20) to code, enter and compute the measurements of the multiple regressions.

Table 4.15: Regression Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.768	.584	. 578	.08823

Source : Research Findings 2016

This study made use of the coefficient of determination to evaluate the model fit. The adjusted $R^{2,}$ also called the coefficient of multiple determinations, is the percentage of the variance in the dependent explained jointly or uniquely by the independent variables. The model had an average adjusted coefficient of determination (R^2) of 0.578 and which implied that 57.8% of the variations in competitive advantage of Insurance firms in Kenya are explained by the positioning strategies (measured by Cost leadership strategy, Product Differentiation, Product Usage, Positioning strategy based on competitors and Company Objectives positioning).The study further tested the significance of the model by use of ANOVA technique. The f findings are tabulated in table 4.15 below.

Table 4.16: Analysis of Variance

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	15.329	5	3.0658	3.1478	.0038b
	Residual	453.55	47	9.65		
	Total	468.879	52			

Source : Research Findings 2016

Critical value = 2.19

As per the Analysis Of Variance (ANOVA), the study recognized the regression model had a significance level of 0.3% indicating that the data was ideal for making a conclusion on the population parameters as the value of significance (p-value) was less than 5%. The calculated value was greater than the critical value (3.1478> 2.19) an indication that Cost leadership strategy, Product Differentiation, Product Usage, Positioning strategy based on competitors and Company Objectives positioning all have a significant effects on competitive advantage of Insurance firms in Kenya. The significance value was less than 0.05 indicating that the model was significant.

Table 4.7: Regression Model Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
Constant	0.366	0.495		0.739	0.006
Cost leadership	0.257	0.16	0.1855	1.6	0.010
Product Differentiation	0.239	0.152	0.008	1.572	0.024
Product Usage	0.233	0.114	0.031	2.044	0.002

competitors positioning	0.222	0.129	0.161	1.682	0.33
Company Objectives	0.247	0.16	0.1855	1.6	0.010

Source : Research Findings

As per the SPSS generated output as presented in table above, the equation (**$Y= \beta_0+ \beta_1X_1+\beta_2X_2+ \beta_3X_3+ \beta_4X_4+ \beta_5X_5$**) becomes:

$Y= 0.366 + 0.257X_1+0.239X_2+0.233X_3+0.222+ 0.247X_4$

The above regression model indicate that, a unit change in Cost leadership while holding the other factors constant would lead to an increase in Competitive advantage by a factor of 0.257, a unit change Product Differentiation while holding the other factors constant would lead to an increase in competitive advantage by a factor of 0.239, a unit increase in Product Usage while holding the other factors constant would lead to an increase in Competitive advantage of the country by a factor of 0.233 and a unit change in competitors positioning while holding the other factors constant would lead to an increase in Competitive advantage of the by a factor of 0.222.While holding the other factors constant a unit change in positioning based on Company Objectives would lead to an increase in Competitive advantage by a factor of 0.247.

This analysis was undertaken at 5% significance level. The criteria for comparing whether the predictor variables were significant in the model was through comparing the obtained probability value and $\alpha = 0.05$. If the probability value was less than α, then the predictor variable was significant otherwise it wasn't. All the predictor variables were significant in the model as their probability values were less than $\alpha = 0.05$.

CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter presents summarized key data findings, conclusions drawn from the findings and recommendations made. The conclusions and recommendations drawn were in a quest to address the research objectives of determining the positioning strategies adopted by insurance companies in Kenya and to establish their influence on competitive advantage.

5.2 Summary of Findings

Based on the findings majority 32.1% of the respondents were managers 39.6% of the respondents had worked in various firms for more than 10 years. Majority 51% of the firms had more than 100 staffs. 45.28% of the respondents indicated that the ownership of the insurance companies was predominantly local.

From descriptive statistics an average mean of 3.94339 indicates that respondents agreed to a great extent that cost leadership strategy affected competitive advantage of Kenya insurance companies. Additionally the mean average of 3.890978 indicated that respondents agreed to a great extent that Product Differentiation affected competitive advantage of Kenya insurance companies. On Product Usage as a strategy for company positioning, mean average was 3.956871 indicating that the respondents agreed to a great extent that Product Usage affected competitive advantage of Kenya insurance companies. As shown by an average mean of 3.7783 respondents further agreed to a great extent that positioning strategy based on competitors affected competitive advantage of Kenya insurance companies. The average mean of 3.849033 was clear evidence that respondents agreed to a great extent that Company Objectives positioning affected competitive advantage of Kenya insurance companies. Average means of 3.779867 Indicated that the performance was high due to increased competitive advantage in insurance companies investigated.

The findings indicated that increasing values of Cost leadership strategy, Product Differentiation, Product Usage, Positioning strategy based on competitors and Company Objectives positioning lead to an increase in competitive advantage of insurance companies. In addition the positive correlation between various predictor variables show that they affect each other in that a positive change in one affect the other positively and vice versa.

The adjusted $R^{2,}$ also known as the coefficient of multiple determinations, is the percentage of the variance in the dependent variable that s explained uniquely or jointly by the independent variables. The model had an average adjusted coefficient of determination (R^2) of 0.578 and which implies that 57.8% of the variations in competitive advantage of Insurance firms in Kenya are explained by the positioning strategies (measured by cost leadership strategy, product differentiation, product usage, positioning strategy based on competitors and company objectives positioning).

ANOVA established the regression model had a significance level of 0.3% which is an indication that the data was ideal for making a conclusion on the population parameters as the value of significance (p-value) was less than 5%. The calculated value was greater than the critical value (3.1478> 2.32) an indication that Cost leadership strategy, Product

Differentiation, Product Usage, Positioning strategy based on competitors and Company Objectives positioning all have a significant effects on competitive advantage of Insurance firms in Kenya. The significance value was less than 0.05 indicating that the model was significant.

As per the regression model obtained above, a unit change in Cost leadership while holding the other factors constant would lead to an increase in Competitive advantage by a factor of 0.257, a unit change Product Differentiation while holding the other factors constant would lead to an increase in competitive advantage by a factor of 0.239, a unit increase in Product Usage while holding the other factors constant would lead to an increase in Competitive advantage of the country by a factor of 0.233 and a unit change in competitors positioning while holding the other factors constant would lead to an increase in Competitive advantage of the by a factor of 0.222. While holding the other factors constant a unit change in positioning based on Company Objectives would lead to an increase in Competitive advantage by a factor of 0.247.

This analysis was undertaken at 5% significance level. The criteria for comparing whether the predictor variables were significant in the model was by comparing the obtained probability value and $\alpha = 0.05$. If the probability value was less than α, then the predictor variable was significant otherwise it wasn't. All the predictor variables were significant in the model as their probability values were less than $\alpha = 0.05$

5.3 Conclusion

The conclusion of this study is that cost leadership strategy, product differentiation, product usage, positioning strategy based on competitors and company objectives positioning are the various strategies that Insurance companies have adopted to sustain their company's competitiveness to their customers. Further to this conclusions, the study also noted that the strategies used by majority of Insurance companies have enhanced key aspects of the companies which include Market share, Sales Volume, Client satisfaction, Product and Service quality, Organizational processes, Customer loyalty, Superior Business Processes, Profitability, Proprietary Technology /Innovation, Unique Organization Structure, Superior Company Reputation and Customer retention. This is significant because strategy Implementation is done within the constraints of time, human capital and other resources.

Based on the study findings under the cost leadership strategy, companies set out to be the low- cost producer in the industry. The study concluded that companies adopting this strategy usually tend to have a wider scope, operate in similar/related industries or serve many industries segment. Through constantly seeking for cost reduction avenues, players adopting the cost advantage strategy can offer their services at low costs and hence derive their profits from high volume sales. Similarly, players adopting this strategy maintain it through ensuring they are located near their clients. They also ensure that they have cost reduction strategies. In differentiation strategy, the companies create products which are perceived to be unique by their customers and based on the perceived superior qualities of the product; they charge a premium for it. Among the insurance firms in Kenya that adopt differentiation strategy, profitability is pegged on ability to offer unique service. The strategy is maintained through strong creativity and innovation skills that are complemented by strong marketing skills and adequate communication of the products benefits to the customers. Though not very popular among the insurance firms in Kenya, focus strategy entails concentrating on an identified target market and focuses on meeting that market needs. The focus strategy can be either differentiation focus or cost focus. The maintenance of the strategy is mainly pegged on niche market concentration and the choice of a narrowly competitive scope. Under the resource based view, firms have resources that they perceive as strategic and giving them an advantage above their competitors. The competitive advantage that insurance firms in Kenya enjoy is significantly influenced by the strategies they adopt which mainly include cost reduction, market segmentation, creativity and innovation and resource and huge capital base.

5.4 Recommendations

The study seeks to make recommendations that will contribute to the body of knowledge. Managerial practice and managerial policy.

5.4.1 Contribution to Body of Knowledge

The study adds more knowledge to existing theories by providing more literature on competition and enhances more information theoretically concerning positioning strategies adopted by the insurance companies in Kenya. For students and researchers, this study will build on the existing knowledge. The study provides additional knowledge to the existing literature on the nature of competitive advantage strategies adopted by insurance firms in Kenya. Researchers will benefit from the literature gathered by the study, which will guide their investigation or, even suggest new enquiries. Future researchers and academicians can ground their work on this study so that they are in a position to comprehend the concept of strategies more so in the context of the insurance sector for competitive advantage. The study can be used by students as a case study for topics covering strategies for sustainable competitive advantage.

5.4.2 Contribution to Managerial Practice

This study established that major insurance firms in the country put more emphasis on positioning by differentiation, cost leadership strategy, product usage, positioning by competitors and quality and positioning by company objectives. The Insurance firms should position themselves in the market and make use of the various positioning strategies as any organization not engaging in strategic positioning is losing an opportunity to build a competitive advantage. The management is a key player in the internal environment of the insurance firms. The management should therefore put in place policies and regulations in place that stimulate growth in the industry. In addition the researcher recommends that management within these insurance firms should explore more by identifying strategies least adopted in the industry for example product development which can be used to gain competitive advantage over their competitors. This can be through pin pointing aspects of the strategy which can be exploited to gain competitive advantage over their competitors. This study would also recommend that the firms within this industry should invest more in technology due to the major developments occurring globally. This will ensure an easier and wider reach of existing and new customers such that they are able to have access to the products online. Firms can also make the most of the social media in creating awareness of their products or services since it has been widely recognized about the globe as a large platform for marketing.

5.4.3 Contribution to Managerial Policy

In addition insurance companies ought to be assessed and monitored on the basis of their risk level. This guarantees a stable insurance industry and will play a significant role in increasing penetration in the insurance industry. Self-regulations which are effective via established professional bodies like Association of Kenya Insurers (AKI) is recommended highly. Innovation that is continuous is required in areas such as product development, effective distribution channels and service delivery platforms required to provide for effective service delivery. The insurance companies should count more on their internal distinguished strengths that will enable them provide strong differentiation, added customer value, extendibility etc, put in other words they should count more on their "core competences. The study further recommends that organizations within the Insurance industry ought to develop and implement strategic plans which aim at reaching many customers and creating new markets by establishing partnerships, more branch networks and geographical expansion into other area. This will therefore deal with the issues of small market share and low market penetration which the industry players are currently constantly fighting for.

5.5 Limitations of the Study

Being a part time student there was a need to strike a balance between full time employment and studies; the researcher was not in a position to undertake an exhaustive and extensive research due to less research time. The researcher encountered challenges during data collection whereby some target respondents did not give the required information. However the researcher managed to work at winning the confidence of many respondents by explaining to them reasons for the research and without reasonable doubt assuring them of confidentiality.

This study concentrated on the creation of competitive advantage adopted by insurance firms in Kenya as a whole. This was done without classifying the firms among the different services that are offered. The different categories of insurance firms have different orientations and the fact that they were viewed in the same breath is one limitation of this study. The major challenges the researcher encountered in this study are the limitations of time and financial resources.

5.6 Areas of Further Research

This study aimed at establishing the influence of positioning strategies on competitive advantage of Insurance firms in Kenya. Further studies should be done to investigate the role of strategic positioning on competitive advantage of other firms for instance: Banks, SACCOS and Micro Financial Institutions (MFIs) etc.

This study would also suggest that more research be carried out to identify the role and impact of the current industry regulations on performance of insurance companies. This will look at the existing regulations and how they impact the insurance companies in terms of performance.

The researcher further wishes to recommend that a similar study on the strategies adopted by Insurance companies to gain competitive advantage be done as a survey, to verify if the findings of this study apply to other insurance players in other foreign markets. If this were to be done, the findings of that research would broaden the scope of this study and entail a more generalizable scenario.

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APPENDICES

APPENDIX I: QUESTIONNAIRE

Instructions: Please tick the appropriate box and complete the blank space

SECTION 1: GENERAL INFORMATION

Please provide responses to the questions below; please tick inside the brackets beside your chosen alternative. For questions without a bracket, Please outline your answers in the spaces provided.

1. Name of Company………………………………………………………………………
2. What is your job position in the company?

   Partner [ ] Director [ ] Senior Manager [ ] Manager ( ) Technician ( )

   Front Line staff ( ) other (specify) ( )
3. For how long have you being working for this firm?

   Less than 1 yr. [ ] 1-5 yrs. [ ] 5-10yrs [ ] Above 10 years [ ]
4. What is the average number of staff in your firm?

   Less than 50 [ ] 50-100 [ ] 100 and above [ ] Above 100[ ]
5. What is the ownership of your firm?

   Foreign [ ] Local [ ] Hybrid of foreign & local [ ]

SECTION B: POSITIONING STRATEGIES

6. To what extent does your organization apply each of the following positioning strategies? Please Tick (√)appropriately on a 5 point scale where ; 1 =Not at all, 2 = Little Extent, 3= Moderate extent, 4=Great Extent, 5= Very Great Extent

Positioning Strategy Dimensions

Positioning Based on Cost leadership strategy	**1**	**2**	**3**	**4**	**5**
This company products/services are priced below their competitors in order to outperform them					
The insurance company has a low cost and efficient distribution channels					
The company emphasizes on institutional learning, education and training in order to reduce staff turnover, wastage and defects					
The company acquires its capital from low cost source					
This insurance company continuously develops cost innovative and effective services/products and refines existing ones					
This insurance company is different on the basis of the quality of the products/services it offers					
This insurance company different based on the quality in which we deliver our services.					
This insurance company is different in terms of Location Pricing					
This insurance company is different based on the Customer Segment Pricing					
We are different based on the Time Pricing					
Positioning Based on Product Differentiation	**1**	**2**	**3**	**4**	**5**
The company maintain a strong brand /image identification					

This insurance company offers a wide range of product/services in order to cater for variety of customers needs					
This company invests in Innovation and creativity					
The organization frequently develop new products/services					
There are strict quality controls procedures on products/services through TQM					
We are different based on the degree of ancillary/support services that we provide					
We are different in terms of Quality Guarantee					
We are different in terms of Unique features for consumers we provide					
We are different based on the degree Product Supremacy we offer					
Positioning Strategy Based on Product Usage	**1**	**2**	**3**	**4**	**5**
The company specialize in meeting the needs of a particular client/user segments or a particular geographic segment					
The company offers individualized attention to customers					
The company harnesses the power of technology to give customers better services					
The Company specializes in Improving value of customers’ business or processes					
The company reduces customers’ costs					
We specialize particularly in providing certain types of products/services to our customers					
The company offers reliable services to its customers					

Positioning strategy based on competitors	**1**	**2**	**3**	**4**	**5**
Keeps overhead costs lower than competitors					
The company design, produce, and markets its products efficiently than its competitors					
We keep our prices same as competitors					
We use new positioning strategy taking competitors as the base					
Company Objectives positioning	**1**	**2**	**3**	**4**	**5**
We maintain Service Quality					
We Maximize Sales Growth and Penetration					
We always Maximize Current Profit					

7. To what extent do you agree with the following statements regarding companies adopting positioning strategies? Tick appropriately(√) using scale of 1-5 where; 1 =Not at all, 2 = Little Extent, 3= Moderate extent, 4=Great Extent, 5= Very Great Extent

	1	**2**	**3**	**4**	**5**
Helps the company to know where to confront competition from and where to avoid it					
Provides the company with a unique image in the market place					
Facilitate fine tuning of strategy due to experience gained by being close to the customers helps in determining precisely what retail offering is required					
Provides a framework on which to coordinate and build the key elements of the marketing mix					

SECTION C: COMPETITIVE ADVANTAGE

8. How would you rate the level of competition in the insurance industry in Kenya?

   Very High ( )

   High ( )

   Fair ( )

   Low ( )

   Very Low ( )

9. To what extent does your company enjoy each of the following competitive advantage as a result of positioning strategies? Please Tick (√), appropriately on a 5 point scale where1 =Not at all, 2 = Little Extent, 3= Moderate extent, 4=Great Extent, 5= Very Great Extent

	1	**2**	**3**	**4**	**5**
Market share					
Sales Volume					
Client satisfaction					
Product and Service quality					
Organizational processes					
Customer loyalty					
Customer retention					
Profitability					

Proprietary Technology /Innovation					
Unique Organization Structure					
Superior Business Processes					
Superior Company Reputation					

Thanks for your contribution in the survey

APPENDIX I I: List of Insurance Companies

IN PURSUANCE of Section 184 of the Insurance Act, the Commissioner of Insurance gives notice that the following are authorized to transact insurance business as insurers for the year 2015.
1. AAR Insurance Kenya Limited
2. Africa Merchant Assurance Company Limited
3. AIG Kenya Insurance Company Limited
4. APA Insurance Limited
5. APA Life Assurance Limited
6. Barclays Life Assurance Kenya Limited
7. Britam General Insurance Company (Kenya) Limited
8. British-American Insurance Company (K) Limited
9. Cannon Assurance Limited
10. Capex Life Assurance Company Limited
11. CIC General Insurance Limited
12. CIC Life Assurance Limited
13. Continental Reinsurance Limited
14. Corporate Insurance Company Limited
15. Direct line Assurance Company Limited

16. East Africa Reinsurance Company Limited
17. Fidelity Shield Insurance Company Limited
18. First Assurance Company Limited
19. GA Life Assurance Limited
20. GA Insurance Limited
21. Gateway Insurance Company Limited
22. Geminia Insurance Company
23. ICEA LION General Insurance Co Limited
24. ICEA LION Life Assurance Company Limited 2
25. Intra Africa Assurance Company Limited
26. Invesco Assurance Company Limited
27. Kenindia Assurance Company Limited
28. Kenya Orient Insurance Limited
29. Kenya Orient Life Assurance Limited
30. Kenya Reinsurance Corporation Limited
31. Liberty Life Assurance Kenya Limited
32. Madison Insurance Company Kenya Limited
33. Mayfair Insurance Company Limited

34. Metropolitan Cannon Life Assurance Limited
35. Occidental Insurance Company Limited
36. Old Mutual Life Assurance Company Limited
37. Pacis Insurance Company Limited
38. Pan Africa Life Assurance Limited
39. Phoenix of East Africa Insurance Company Limited
40. Pioneer Assurance Company Limited
41. Prudential Life Assurance Kenya Limited
42. Resolution Insurance Company Limited
43. Saham Assurance Company Kenya Limited
44. Takaful Insurance of Africa Limited
45. Tausi Assurance Company Limited
46. The Heritage Insurance Company Limited
47. The Kenyan Alliance Insurance Company Limited
48. The Jubilee Insurance Company of Kenya Limited
49. The Monarch Insurance Company Limited
50. Trident Insurance Company Limited
51. UAP Insurance Company Limited

52. UAP Life Assurance Limited
53. Xplico Insurance Company Limited