Abstract:

This study was carried out among the NBFIs operating in Nairobi, Kenya. The study focused on the extent of application of the marketing mix variables by NBFIs in Kenya. The objectives of the study were: to determine the extent to which NBFIs in Kenya apply the marketing mix variables; to identify the factors that influence the extent to which each of the marketing mix elements are used. The data collection for this study was carried out using a questionnaire. The data collected was analyzed using descriptive statistics, frequencies and cross tabulations. Factor analysis was further used to determine the factors that influence the extent to which the NBFIs used marketing variables in the marketing effort. It was found in the study that to a great extent; Personnel, Product, and Pricing in that order, hold the key to the success of an NBFIs marketing strategy. To a very large extent, this successful application of the three elements of the marketing mix above is supported by appropriate application of the elements of the marketing mix namely; Physical Facilities, Place, and Promotion in that order of importance. It was established that there are factors that determine the extent to which the NBFIs apply the marketing mix variables. When it came to the factors that influence the use of marketing mix elements, there are five influencing factors which commonly influenced all the marketing mix variables in different degrees. These are: Availability of funds which influences ALL the marketing mix variables (Product, pricing, place, promotion, physical facilities and personnel. The types of customers influence product and price, Operating costs influence product, promotion, place, and physical facilities, Profitability influences promotion and physical facilities components of marketing mix while types of services influence pricing and place variables of the marketing mix. The study concluded NBFIs marketing effort must take into consideration the factors that drive the marketing variables. These factors are the Availability of funds, the types of customers, Operating costs, Profitability, and the types of services offered. It can be concluded therefore, that application of marketing mix elements in an organizations marketing strategy depends on the industry (industry specific) in which the organization operates.