MARKETING MIX STRATEGIES AND COMPETITIVE ADVANTAGE: A CASE STUDY OF FAMILY BANK IN KENYA

BY

ELIZABETH WATHAYU MWANGI

A RESEARCH PROJECT SUMMITED IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE AWARD OF A MASTERS OF BUSINESS ADMINISTRATION DEGREE OF THE SCHOOL OF BUSINESS - UNIVERSITY OF NAIROBI

2013
ABSTRACT

Marketing is the management process through which goods and services move from concept to the customer. It includes the coordination of four elements called the marketing mix: identification, selection and development of a product, determination of its price, selection of a distribution channel to reach the customer's place, development and implementation of a promotional strategy, the process which is the element that considers the knowledge and skills of your staff; their motivation and investment in supporting your brand, physical evidence which is the facilities and infrastructure, and employees, management, organization culture and customer service orientation which constitutes the people. The marketing mix is therefore the combination of marketing activities that an organization engages in so as to best meet the needs of its targeted market. Competitive advantage on the other hand, gives a company an edge over its rivals and an ability to generate greater value for the firm and its shareholders. The more sustainable the competitive advantage, the more difficult it is for competitors to neutralize the advantage. Marketing and healthy competition are a fact of business life. Unless a business can develop strategies to compete successfully in the market place, it has practically no chance of growth and would remain stagnant, performing far below its potential. In an increasingly competitive banking industry in Kenya, the absence of well-defined marketing mix and competitive advantage strategies leads to weak competitive positions and hence performance below the industry average. The purpose of this study is to examine the marketing mix and competitive strategies adopted by banks to attain competitive edge in the banking industry in Kenya with Family Bank as a case study. Both primary and secondary data were sourced and used for the analysis of the study. It also came to the fore that the bank enjoys competitive advantage in the industry, the most important factor contributing to the competitive advantage, being the bank's extensive branch network. The study recommended that the bank should improve customer relation, train staff to be more customer-friendly and proactive.