

Marketing Strategies and Organizational Performance of Deposit Taking Saccos in Nyeri County, Kenya

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The general objective of this study was to evaluate relationship between marketing strategies and performance of SACCOs in Nyeri county. The study has four specific research objectives which were to establish the effect of technological innovation on the performance of SACCOs in Nyeri County; to determine the effect of brand equity on the performance of SACCOs in Nyeri County; to examine how strategic alliances affect the performance of SACCOs in Nyeri County and finally to assess how product reengineering affect the performance of SACCOs in Nyeri county. The research methodology was descriptive research design. The target population of this study was the Deposit Taking SACCOs in Nyeri County. This means that the staff working at the SACCOs were the target population of the research study. The study used a purposive sampling approach in selecting the study area of study and simple random sampling to select respondents drawn from the Deposit Taking SACCOs in Nyeri County. The researcher used questionnaires and secondary data as the research instrument to gather the relevant information needed related to the study. The data collected was analyzed using quantitative methods, applying descriptive statistical methods to manipulate it and present the findings in percentages in figures and tables. The findings indicated that the four strategic positioning strategies that are product re-engineering, trademark equity, technological change and strategic alliances have a positive and significant effect on the performance of Deposit Taking SACCOs in Nyeri County. Based on the conclusion that marketing innovation improves organizational performance of Deposit taking SACCOs in Nyeri County Institutions significantly, the study recommends SACCOs should practice effective marketing innovation. Furthermore, based on the conclusion that brand equity improves performance of SACCOs significantly, the study recommends SACCOs should improve their brand equity. Since the study concludes that strategic alliances improve organizational performance of SACCOs significantly, the study recommends Deposit taking SACCOs in Nyeri County should enhance their strategic alliances. Finally, based on the conclusion that product reengineering improves performance of SACCOs significantly, the study recommends SACCOs should improve their product reengineering practices.

Key Words: Marketing Strategies, Product Re-engineering, Strategic Alliance, Strategic Positioning, Brand Equity, Technological Innovation, Organizational Performance

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INTRODUCTION

1.1 Background of the Study

In the 21st century business landscape, Cooperatives are run competitively in order to survive tough competition amongst themselves, other companies and even individuals in the line of business. SACCOs are owned by their members and they are the major consumers of their services. They are also owner managed and they share their earnings with their members. Deposit taking SACCOs are

in the same business environment with all deposit taking financial institutions including banks and microfinances institutions. The SACCOs must compete in all spheres of business for them to remain in business. Adopting marketing strategies that will help them remain competitive.

SACCOs compete in a complex and challenging context that is being transformed by many factors from globalization, frequent and uncertain changes to the growing use of information technologies (DeNisi, Hitt and Jackson, 2003). Therefore, achieving the desired performance is a major pre-occupation of managers and the Board in the competitive and slow growth markets, which characterize many businesses today and the sources of competitive advantage have been a major concern. Most Deposit Taking SACCOs search for the best strategies in order to consolidate their position in the market. Maintenance of competitive position and application of appropriate strategy most frequently ensure Deposit Taking SACCOs survival in the market and good results of its performance (Athiyaman, 2005). As competition intensifies, SACCOs continue to seek profitable ways in which to differentiate themselves from Deposit Taking SACCOs.

In highly dynamic and uncertain environments, competitiveness must be regarded as a multi-dimensional construct comprising customer values, shareholder values and an organization's ability to act and react. Each of these dimensions must be looked at in relative rather than in absolute terms. According to Smarta (2004), the new wave of liberalization and competitive business environment has forced SACCOs to awaken from the slumber, overhaul their thinking and wear new caps to re-assess the external and internal environment. Deposit Taking SACCOs need to acquire new skills to develop a strategic vision for the future course of their business. Many Deposits Taking SACCOs have adopted various strategies such as strategic alliances, diversification, mergers and acquisitions (Hax and Majluf, 2006). Positioning plays a pivotal role, since it links market analysis, segment analysis and competitive analysis to internal corporate analysis. The Deposit Taking SACCOs in Kenya have not been left behind, and they have also adopted various strategies in dealing with challenges brought about by globalization and liberalization. In the competitive banking industry, positioning reflects how consumers both parents and students perceive services and organization's performance on specific attributes relative to that of the competitors.

1.2 Statement of the Problem

High performance of deposit taking Saccos in Kenya is crucial for increase banking sector penetration nationwide toward economic growth and attaining sustainable growth. However, despite commercial banks recording high performance, most of deposit taking Saccos in the country have indicated decline in their performance from 2021-2023 (Sasra,2023). The performance in terms of return on assets of deposit- taking SACCOs has been declining. In 2021, the ROA for deposit-taking SACCOs was 10.93%, declining to 10.04% in 2022 and further decline to 9.46% in 2023 (SASRA report, 2023). The decline is an issue of concern considering the significant importance of deposit-taking SACCOs to socioeconomic development in the country.

From reviewed relevant literature, it has come out strongly from several writers like; Muyoka (2014), Nader (2011), Chang and Dutta (2012) and Tufano (2003) that marketing strategies have positive impact on performance. They have agreed on the transformative impact of performance and operational efficiency. However other scholars like; McAndrews (2002), Nader (2011 and Prager (2001) and Nadia, Anthony and Scholnick (2003) established that marketing strategies have negative effects on performance indicators. The varied results from the different researchers and alternative views from different countries are predominantly as an outcome of lack of deep and thoroughly research on the subject matter.

This study intends to take a departure from past studies and incorporate several marketing strategies and their effect on performance indicators. There is also concentration of technology adoption strategies studied on profitability and mostly in developed and emerging economies leaving a paucity of performance literature for Africa and Kenya specifically. It is against this background that the study intends to evaluated the relationship between a marketing strategy and the

performance of deposit taking Saccos in Nyeri County.

1.3 Objectives of the Study

- i. To establish the effect of marketing innovation on the organizational performance of SACCOs in Nyeri County.
- ii. To determine the effect of brand equity on the organizational performance of SACCOs in Nyeri County.
- iii. To examine how strategic alliances, affect the organizational performance of SACCOs in Nyeri County.
- iv. To assess how product re-engineering affects the organizational performance of SACCOs in Nyeri County.

2.0 LITERATURE REVIEW

2.1 Theoretical Framework

2.1.1 Theory of Strategic Balancing

Strategic balancing is founded on the premise that the strategy of an organization is partly comparable to the strategy of an individual. Certainly, the performance of organizations is affected by the actors' behavior, such as the system of leaders' values (Collins et al., 2009). An organization wavers between many antagonistic poles that signify cooperation and competition. This allows for existence of various configurations of alliances that disappear only if the alliance swings in the direction of a mainstream of poles of confrontation. Strategic balancing is comprised of three models which include: relational, symbiotic and deployment models. Competition attests to be part of the relational model and the model of deployment. It can be liable to undulation between the two aggressive strategies, one being primarily cooperative as depicted by the relational model and the other being predominantly competing as exemplified by the model of deployment. The organization can then take turns in adopting the two strategies so as to keep their relationship balanced. This argument is very close to that of Belsley et al, (1980).

2.1.2 Mathematical Theory of Games

The mathematical theory of games was invented by Deschamps and Nayak (2008). Game theory is the study of the ways in which strategic interactions among rational players produce outcomes with respect to the preferences (or utilities) of those players, none of which might have been intended by any of them. Game theorists, like economists and philosophers studying rational decision-making, describe these by means of an abstract concept called utility. This refers to the amount of „welfare“ an agent derives from an object or an event. Welfare refers to some normative index of relative well-being, justified by reference to some background framework.

The “hidden” value that may be uncovered by applying game theory is the deterrence value of investments in intellectual capital. As is well known, patents and copyrights add value by deterring competitors from making use of the same work and allow the patent or copyright holder to enjoy exclusive use of the intellectual work for a limited time. However, game theory shows that such a deterrence effect can also occur in the absence of patents and copyrights. The simplest scenario is where the market is limited and there is overcapacity in the industry. In such a scenario, an incumbent that makes a pre-emptive move by making a large investment may deter new entrants if the entrant believes that the incumbent will react aggressively to entry, or if the move allows the incumbent to move so far down the learning curve that it is difficult for new entrants to catch up.

2.1.3 The Competitive Strategy theory

The competitive strategy view, rooted in industrial organization literature, maintains an outside-in perspective where firm performance is determined primarily by environmental factors such as industry structure. Porter (1991) relaxes this condition, allowing SACCOs to choose their strategic position to gain sustainable rents, although individual SACCOs cannot change industry structure. This change in the assumption allows the firm to be the unit of the analysis. Thus, the outside-in perspective represents a view where a firm performance is primarily determined by outside factors such as industry structure

and institution can secure positions to exploit that structure Fahy and Hooley (2004). Organizations formulate their strategic position by finding the best defensive position against competitive forces, by swaying the balance of the forces to enhance the company's position, and by choosing a strategy for competitive balance prior to opponents' movement Oliver(1997). Strategic positioning is thus the output of a complex understanding of market structure and conditions that determine the sustainability of firm performance (Petrick et al., 2009).

2.1.4 Kotter's Model

Kotter, (2008) developed a model which should be used at the strategic level of an organization to change its vision and subsequently transform the organization. Studies using this model have shown that the change process goes through a set of phases. Each phase lasts a certain amount of time and mistakes at any phase can impact the success of the change. Kotter's eight step approach to change management is as follows: (1) People typically prefer the status-quo. Change means uncertainty about what the future looks like. Uncertainty makes people uncomfortable. Furthermore, people tend to mistrust things about which they are uncertain. That is why people avoid change. To encourage people to assist with the change, you must create a sense of urgency (Kotter, 2008).

This step is similar to interventions in drug treatment. You can try and battle the resistance to change that people have by yourself, or you can make your life much easier by enlisting the help of others. To counteract resistance, one option is to form a powerful coalition of managers to work with the most resistant people (Kotter, 2008). While it is not impossible to get things done without a definite plan of action, it is much simpler (and you get more cooperation) if there is a clear plan in place. Since the status quo is more comfortable for most people, they are likely to revert to business as usual and not flow with changes without a plan in place.

2.3 Conceptual Framework

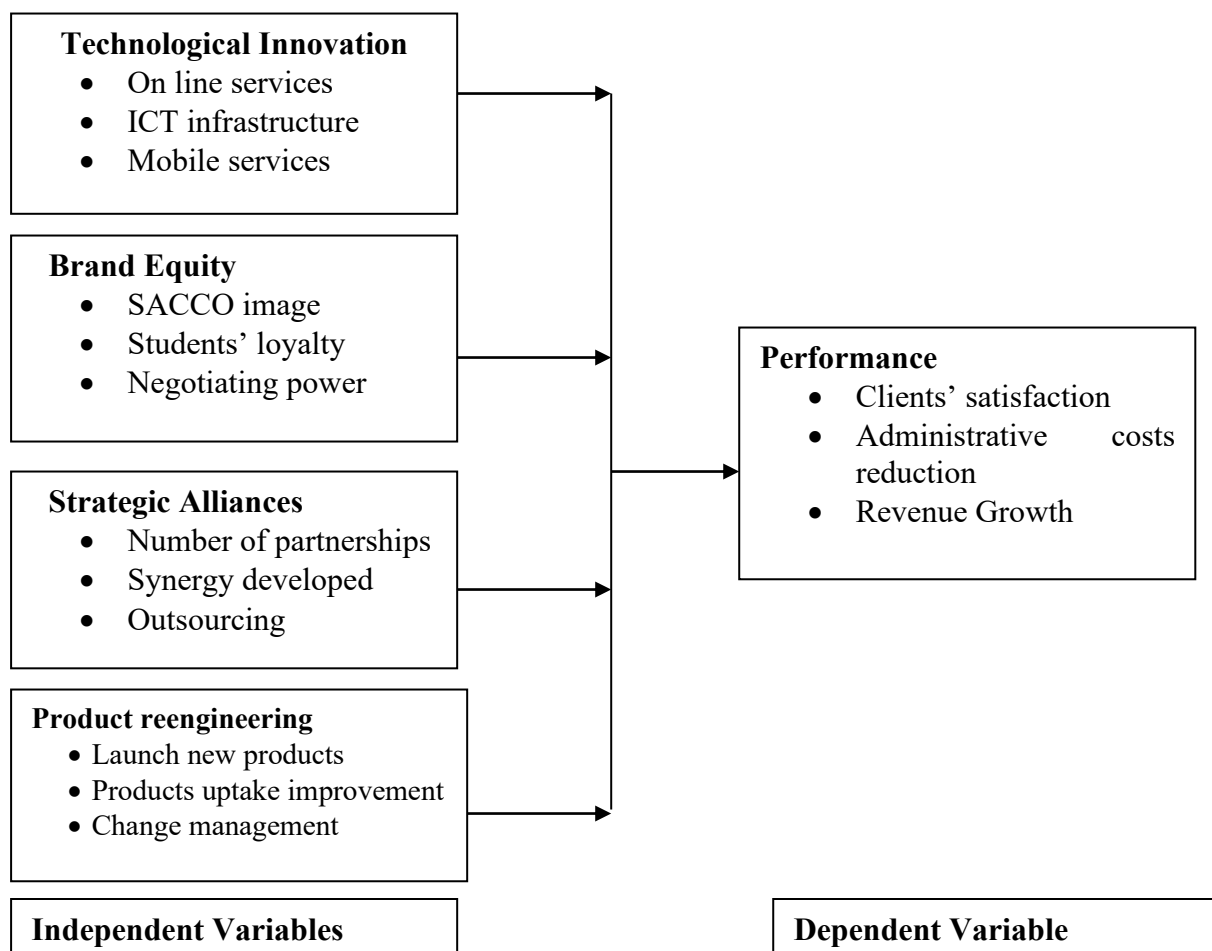


Figure 1: Conceptual Framework

2.3 Empirical Literature Review

2.3.1 Technological innovation

Technological innovation emphasizes automation and other capital-intensive production devices. Such technological innovation transforms the nature of human interaction with work, (Krell, 2010). Further, a major factor causing change or being used as a change agent is change in technology, (Rees & Porter, 2008). Technological forces especially computer-based information systems and internet continues to change how customers are served, employees communicate and networks with each other and external stakeholders, (Solocum & Heuriegel, 2007). Further, the introduction of new technology may result in considerable changes to systems and processes. Different skills are required and new methods of working are developed, (Armstrong, 2008) Technological innovation transforms the nature of the marketplace by changing the relative cost, features and availability of products, (Krell, 2011). The result of technological innovation may be an extension of the skills base of the organization and its employees, including multiskilling however it could result in downsizing, (Armstrong, 2012).

Technology innovation may be considered as neutral because it can have both positive and negative effects or a combination of the two and sometimes the technical advantages of the systems may outweigh the social advantages. Sometimes it is possible to take into account social and psychological needs by recognizing the social dimensions of technological changes, (Rees & Porter, 2008). New technology can present a considerable threat to employees as the world of work has changed in many ways and knowledge workers are employed in largely computerized offices and laboratories, and technicians work in computer integrated school systems. They may have to be managed differently from the clerks or machine operators they displace (Armstrong, 2008).

Many organizations have enhanced new technology through the adoption of E-commerce. Electronic commerce is one of the most popular and widely used innovations in the international business environment today. It has a very great and significant impact on almost all businesses as well as on the participants. With the fast-paced lives of people, e-commerce is now able to eliminate traditional boundaries, change behaviors, and bring about new opportunities. E-commerce is a modern business methodology that addresses the needs of organizations, Merchants and consumers to reduce costs while improving the quality of goods and services and increasing the speed of service delivery, by using internet. With the changing environment e-commerce has brought many opportunities and challenges to the telecommunication industry in Kenya. This is because the adoption of internet usage in Kenya has only gone to the elite. This is due to the technicalities involved in its usage, (Walter, 2010).

2.3.2 Brand equity

Brand equity is the marketing effects and outcomes that accrue to a product with its brand name compared with those that would accrue if the same product did not have the brand name. Fact of the well-known brand name is that, the company can sometimes charge premium prices from the consumer and, at the root of these marketing effects is consumers' knowledge. In other words, consumers' knowledge about a brand makes manufacturers and advertisers respond differently or adopt appropriately adept measures for the marketing of the brand. The study of brand equity is increasingly popular as some marketing researchers have concluded that brands are one of the most valuable assets a company has. Brand equity is one of the factors which can increase the financial value of a brand to the brand owner, although not the only one. Elements that can be included in the valuation of brand equity include (but not limited to): changing market share, profit margins, consumer recognition of logos and other visual elements, brand language associations made by consumers, consumers' perceptions of quality and other relevant brand values, (David, 2010).

The purpose of brand equity metrics is to measure the value of a brand. A brand encompasses the name, logo, image, and perceptions that identify a product, service, or provider in the minds of customers. It takes shape in advertising, packaging, and other marketing communications, and becomes a focus of the relationship with consumers. In time, a brand comes to embody a promise about the

goods it identifies-a promise about quality, performance, or other dimensions of value, which can influence consumers' choices among competing products. When consumers trust a brand and find it relevant, they may select the offerings associated with that brand over those of competitors, even at a premium price. When a brand's promise extends beyond a particular product, its owner may leverage it to enter new markets (Beckhard, 2007).

2.3.3 Strategic Alliance

Inter-organizational co-operation is spurred by the increased recognition of the fact that no firm or organization has all the "capabilities", e.g. resources and activities, needed for it to achieve its goals or objectives in the marketplace in today's dynamic and heterogeneous global market. Strategic Alliances is one class of widespread cooperative strategy that has gained a lot of visibility in last few decades, (Powell, 2014). According to Miller strategic alliances refer to arrangements in which corporations join forces to form corporate partnerships creating a separate co-owned commercial entity. Thus, a strategic alliance is a mutually beneficial relationship formed between two or more corporate institutions to pursue a set of common goals or to meet specific business needs. It is an arrangement wherein organizations agree to co-operate with each other in a business area, each bringing different strengths and capabilities to the alliance. These are collaborative organizational arrangements that use resources and/or governance structures from more than one existing organization, (Buchanan, 2009)

There are three important characteristics of any strategic alliance - Firstly; the parent institutions should remain independent subsequent to the formation of the alliance. Secondly, the arrangement possesses the feature of ongoing mutual interdependence, in which one party is vulnerable to the other, (Walter, 2010). Finally, because of the independent partners, an element of uncertainty exists as to the motives and actions of the other party, (Powell, 2014). Thus, various ways that strategic alliances have been defined may be different, with each definition concentrating on some particular characteristics of the phenomenon, yet there is some common denominator to which the above definitions can be reduced. In all the definitions, one realizes that institutions are trying to develop some kind of exchange relationships with some significant others as a means to gain access to activities or resources that they lack (Burnes, 2014).

2.3.4 Product reengineering

In this era of "faster, cheaper and better", organizations are focusing on improving the product development process. New business strategies, new organizational approaches, new business processes and new enabling technology are being used by many forward-thinking companies to continually improve their product development process. How does a company keep up with these fast-paced changes? Some of the improvement opportunities are obvious to personnel within an organization. Other opportunities may not be obvious, or there are so many things to do that it becomes a question of where to start. Management will typically have a number of questions on their minds: How do we compare with the rest of industry and with the best in industry? What are our strengths and weaknesses? Is our development process aligned with our strategic objectives? What improvements need to be made? Where do we start? What are our priorities given the resources that we have available? What benefits can we expect? How can we figure this out quickly so that we can get started? No organization can approve all aspects of product development at once, (Carnall, 2013)

2.4 Critique of the Related Literature Review

A number of writers came up with definite spheres towards benchmarking SACCOs accomplishment, which includes institution prosperity in the function of appraising functioning. Some utilize aspectual quantification dimension encompassed in SACCOs market places take, impression towards clients, proceeds as well as universal association accomplishment, (Armstrong, 2008). Modification exists as all-pervading component within SACCOs existence, twofold towards functioning as well a pre meditated height. Conveniently ought to non-existence of reservation pertain benefits of tactical positioning towards structural because requirements aimed at setting are regularly unpredictable in

addition to being responsive also habitually prompted as a result of a few circumstances. Setting originates from each and every form, customs besides magnitudes in addition to impacting SACCOs across the board emanating from mutually inhouse as well as peripheral aspects.

According to David (2006), configuration can perhaps stand regarded as signal emanating from high-ranking supervision to the way management hoped the association to function. Configuration from the association ought to portray their partaking. Arrangements categorization can be the magnitude towards association's elasticity. Institutions come about meandering activities towards reshaping the conventional classified configurations fostered in the order of operating narrowing down besides integrated arrangements towards trimmer, compliment as well as additional receptive constitutes towards transformation, Thompson et al.(2008). Appraisee make a case on recent top executive on their habitually institution of transformations robustly resulting in antagonism from fellow workforces distressing the association. According to Simpkins (2009), transpiring very fast in action, team leader may bring about huge disturbance, subsequent governance abandonment as well as downhearted workforces upsetting depressingly establishment functioning. Additionally, association's guidelines work out as citation opinions in the course of hiring routines enhancements in addition resolutions making exist transpiring around individuals besides facilitating expression in the technique's mechanisms being implemented within the association. Gupta (2008) explained further that in the event emanating from execution of institution's procedures, establishments usually encounter antagonism because of alteration confrontation from conservative workforce opposed to modifications since circumstances will compel them to adjust as well as embracing the newly constituted routines as well as procedures.

According to Johnson and Scholes (2002), inadequacy of capabilities will outcome in execution of tactical setting narrows towards impracticability. It exists universal unanimity in implication of capabilities to be emanating from participants that authorize an organization to exonerate objectives towards delivery of amenities as well as products. Association's capabilities can perhaps be categorized as inhouse as well as exterior participants. According to Thompson et al. (2001), highlighting besides marshalling abundant capitals as well as workforces in the wake of strategic positioning implementation. The entire administrators are mandated in approach implementing within their jurisdiction in addition to workforces being accomplices during approach functioning progression. At the beginning of progression towards effecting as well as accomplishing modern strategic positioning, administrators must assess the capabilities desired thereafter contemplate that if existing finances within administrative constituents stand appropriate.

2.5 Research Gap in Literature Review

A number of local studies have been done on the positioning strategies but no studies that have focused on the effect of marketing practices on performance of SACCO's in Kenya. Nyakondo (2010) researched on the factors influencing banking industry to adopt strategic positioning on mobile banking. On the other hand, Kasyoka (2011) researched on the use of strategic positioning to achieve sustainable competitive advantage at Safaricom limited. Muriel, (2011), worked on positioning strategies and performance of commercial banks in Kenya and found out that positioning strategy positively and significantly enhance organizational performance through performance measurement. Nyakondo (2010) researched on the factors influencing banking industry to adopt positioning strategy on mobile banking while Munene (2013) studied positioning strategy and organizational performance of the top five oil companies in Kenya. Finally, Muriel (2011) worked on positioning strategies and performance of commercial banks in Kenya. From the above studies it's quite evident that there they are no studies that have focused on the effect of effect of marketing practices on performance of SACCO's in Kenya. In the absence of local empirical studies, it is often difficult to evaluate the marketing strategies in relation to organization performance in the local perspective. It is this knowledge gap that the researcher will seek to bridge by conducting a study on the effect of effect of marketing practices on performance of SACCO's in Kenya

3.0 RESEARCH METHODOLOGY

The study adopted descriptive case study design in order to carry out an in-depth fact finding of variables. The target population of this study was the all 5 SACCO's licensed by SASRA at end of 2023. These included Unison Sacco, 2NK Sacco Society LTD, Biashara Sacco Society LTD, Taifa Sacco Society LTD and Wananchi Saccos. The researcher will target 30 personnel from all three level of management from each Saccos that will include senior management, middle level management and junior staff giving a total of 150 respondents. The current study comprised of 5 the deposits taking Saccos in Nyeri County which is relatively small size population and hence no need of sampling. Therefore, a census was carried out for this study. The researcher used questionnaires and secondary data as the research instrument to gather the relevant information needed related to the study. Secondary data will be obtained from the Deposit taking SACCOs in Nyeri county. The study carried out a pilot test to test the validity and reliability of the questionnaires in gathering the data required for purposes of the study. The information gathered from the respondents was of a qualitative and quantitative nature. The data will be summarized and then analyzed by the use of descriptive statistics comprising of tables, graphs and percentages. The MS Excel, statistical software was used to analyze the collected information. This is because the MS Excel provides simplified analysis that is easy to interpret and present.

Model

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

Where,

Y= Organizational performance of Sacco's in Kenya.

X₁: Technological innovation

X₂: Brand equity

X₃: Strategic alliances

X₄: Product re-engineering

β₀ coexist as a steady or interrupt

β₁, β₂, β₃, as well as β₄, coexist as conforming figures for the respective variables which are autonomous

4.0 RESULTS AND DISCUSSIONS

4.1 Response Rate

The researcher issued out 138 questionnaires to the staff of Sacco's in Nyeri County after excluding the 12 correspondents that took part in the sphere of pilot analysis. Out of the 138 questionnaires, 107 questionnaires were properly complete then reverted. This presented the answer back frequency of 78%. Kothari (2004) and Mugenda (2008) mentioned that the answer back frequency exceeding 50% subsists satisfactory in lieu of illustrative investigation. Consequently, the answer back frequency is henceforth adequate for this study.

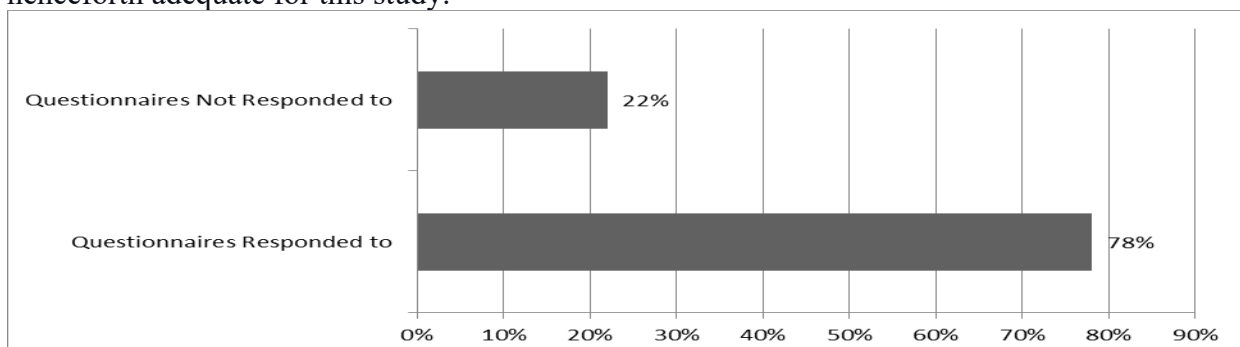


Figure 2 :Response Rate

4.2 Summary of Study Findings

Table: 1. Correlation Analysis

		Marketing equity	Brand equity	Strategic Alliance	Product Reengineering	Performance
Marketing innovation	Pearson Correlation	1				
Brand equity	Pearson Correlation	0.126	1			
Strategic Alliance	Pearson Correlation	0.079	.298**	1		
Product Reengineering	Pearson Correlation	.388**	0.13	.353**	1	
Performance	Pearson Correlation	.545**	.270**	.313**	.735**	1
	Sig. (2-tailed)	0.000	0.002	0.000	0.000	
	N	107	107	107	107	107

** The correlation remains substantial on 0.01 point (2-tailed).

The correlation results indicated that technological change hold an encouraging alongside substantial correlation with the performance of Deposit taking Saccos in Nyeri County ($r = .545$, $\text{Sig} = .000$). The findings imply that an improvement in marketing innovation leads to a significant improvement in the performance of Deposit taking Saccos in Nyeri county. The findings are consistent with Armstrong, (2012) who argued that marketing innovation result from proficiencies of the institutions as well as the workforce comprising multifaceted which helps to improve performance.

The correlation results further indicated that brand equity grip an encouraging together with considerable correlation with functioning of Deposit taking Saccos in Nyeri County ($r = .270$, $\text{Sig} = .002$). The findings imply that an improvement in brand equity leads to a significant improvement in the performance of the Saccos in Nyeri County. The inferences concurred with the conclusions of a survey conducted by Keller (2013), establishing that brand equity is a very useful factor in the organization.

It was also established that strategic alliance has a positive and significant correlation with the performance of Deposit taking Saccos in Nyeri County ($r = .313$, $\text{Sig} = .002$). The findings imply that an improvement in strategic alliance leads to a significant improvement in the performance of Deposit taking Saccos in Nyeri county. The findings are consistent with Powell (2014) who argued that strategic alliances are a necessity for most institutions since they provide access to complementary resources and activities that may have an impact on the firm performance.

Lastly, the findings showed that product re-engineering partakes an encouraging with weighty correlation with functioning of Deposit taking Saccos in Nyeri County ($r = .270$, $\text{Sig} = .002$). The findings imply that an improvement in product reengineering leads to a significant improvement in the performance of Deposit taking Saccos in Nyeri county. The findings are consistent with the argument by Walter (2010) who argued that product re-engineering is important to any organization since it reduces discrepancy alongside depletion within activities in a bid to attain the desired outcome through enhanced capacities consumption.

4.3. Regression Results

4.3.1 Regression Analysis

A regression model stood utilized towards instituting the connection concerning variables of the investigation. The following tables indicate the findings of the regression model. Three categories of the findings are presented; coefficient of determination, ANOVA and Model coefficients.

4.3.1.1 Coefficient of Determination

This indicates the change in the dependent variable accounted for by the independent variables. Outcomes were portrayed inside Table: 2.

Table: 2. Model Summary

R	R-Square	Adjusted R-Square	Std. Error of the Estimate
.862	0.744	0.735	0.268

The findings indicate the R Square rate at 0.744 which indicated four strategic positioning strategies that are brand equity, strategic alliances, marketing practices and product re-engineering account for up to 74.4% of the changes in performance of Deposit taking SACCOs in Nyeri County. This implies that these variables are very important determinants of performance of Deposit taking SACCOs in Nyeri County. additional adjustable excluded within the model accounts for 25.6% which are outstanding.

4.3.1.2 Analysis of Variance (ANOVA)

The investigation steered the scrutiny towards discrepancy in a bid to bring about the model fitness and significance. The answers were shown inside Table:- 3.

Table:- 3 ANOVA (Model Significance)

	Squares	Summation	Diff	Mean Square	F	Significance
Regression	25.616		4	6.404	89.174	.000
Residual	8.833		102	0.072		
Total	34.449		106			

The findings presented reveal the prototype as significant into predicting performance of deposit taking SACCOs in Nyeri County. This is because the F statistic (4, 102) was significant at 5% level of significance (sig = .000, < 0.05).

4.3.1.3 Model Coefficients

The findings for the model coefficients indicate both the direction, magnitude and significance belonging to association amongst marketing practices variables along with performance on Deposit taking SACCOs in Nyeri County. Findings were shown within Table: 4.

Table:- 4 Model Coefficients

	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	t	Sig.
(Constant)	1.477	0.359		4.118	0.000
Marketing innovation	0.407	0.047	0.465	8.624	0.000
Brand Equity	0.169	0.024	0.374	7.150	0.000
Strategic Alliance	0.169	0.029	0.323	5.759	0.000
Product Reengineering	0.655	0.098	0.392	6.651	0.000

The findings indicated that marketing innovation hold an encouraging along with extensive effect towards functioning of Deposit taking SACCOs in Nyeri County (Beta = 0.407, Sig = 0.000). The findings implied that an element escalation in marketing innovation precedes towards 0.407 constituent intensification in performance of Deposit taking SACCOs in Nyeri county. The findings are consistent with Hofer and Schendel (2008) who argued that adoption of new technology enables organizations to minimize their operational costs, offer effective and highly efficient, tailor-made services thus improving the overall organizational performance.

The findings similarly revealed the brand equity having an optimistic besides meaningful effect towards functioning of Deposit taking SACCOs in Nyeri County (Beta = 0.169, Sig = 0.000). The findings imply that a unit increase in brand equity fronts toward 0.169 component escalation in

performance in lieu of Deposit taking SACCOs in Nyeri County. The findings are consistent with David (2010) who linked brand equity to changing market share and enhanced profit margins.

It was also established that strategic alliances gain an enthusiastic besides eloquent effect on the performance of Deposit taking SACCOs in Nyeri County (Beta = 0.169, Sig = 0.000). The findings imply that a unit increase in strategic alliances precedes towards 0.169 entity rise in performance of Deposit taking SACCOs in Nyeri County. The findings are consistent with the argument by Burnes (2014) that strategic alliances allow the parties to control own fundamental proficiencies through supplementing one another within various customs thus improving their performance.

Lastly, it was established that product re-engineering partakes an optimistic along with expressive effect on the performance of Deposit taking SACCOs in Nyeri County (Beta = 0.655, Sig = 0.000). The findings implied that a constituent growth in product reengineering herald towards 0.655 element growth in performance of Deposit taking SACCOs in Nyeri County. It reduces discrepancy along with depletion of progressions in a bid to attain the expected upshots through improved exploitation of means.

Conclusively, findings led to the following optimal regression model:

$$\text{Performance of SACCOs} = 1.477 + 0.407 (\text{Marketing innovation}) + 0.169 (\text{trade Equity}) + 0.655 (\text{Product Reengineering}) + 0.169 (\text{Strategic Alliance})$$

The most significant factor affecting the performance of Deposit taking SACCOs in Nyeri County is a marketing innovation strategic alliance, followed by brand equity then product re-engineering and lastly strategic alliance.

5.0 CONCLUSION AND RECOMMENDATIONS

Grounded on the analysis findings, the study concluded marketing innovation has a positive and significant effect on the organizational performance of Deposit taking saccos in Nyeri County. The study also concluded that brand equity has a positive and significant effect on the organization performance of Deposit taking saccos in Nyeri county. The study further concluded that strategic alliances have a positive and significant effect on the organizational performance of Deposit taking saccos in Nyeri county. The study finally concluded that product reengineering has a positive and significant effect on the organizational performance of Deposit taking saccos in Nyeri County. Based on the conclusion that marketing innovation improves organizational performance of Deposit taking saccos in Nyeri County Institutions significantly, the study recommends saccos should practice effective marketing innovation. Since the study concludes that strategic alliances improve organizational performance of saccos significantly, the study recommends Deposit taking saccos in Nyeri County should enhance their strategic alliances

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