

**RELATIONSHIP MARKETING AND SUSTAINABLE COMPETITIVE  
ADVANTAGE OF AMBULANCE SERVICE PROVIDERS IN KENYA: A CASE  
OF AMREF FLYING DOCTORS**

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**DECLARATION**

**STUDENT'S DECLARATION**

I declare that this applied research project is my original work and that it has not been presented in any other university for academic credit.

Signature: ----- Date: -----

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**SUPERVISOR'S DECLARATION**

This applied research project is submitted for examination with my approval as the university Supervisor.

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## **DEDICATION**

I wish to dedicate this work to my lovely husband, Robert Oyugi and kids Venessa and Valleryie Oyugi, for their commitment and unfailing support that have enabled me to come this far in my academic pursuit.

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## ABSTRACT

The ambulance services industry in the country is very competitive, and most of the companies in the industry are facing service delivery challenges. This study analyzed the association between relationship marketing and sustainable competitive advantage in AMREF Flying Doctors, Nairobi. The specific objectives of the study included; determining the effect of use of technology on attaining sustainable competitive advantage, establishing the effect of customer retention on achieving sustainable competitive advantage, finding out the effect of customer satisfaction on achieving sustainable competitive advantage and determining the effect of customer trust level on attaining sustainable competitive advantage. The study used descriptive research design. The population of the study was made up of all the 167 headquarter-based-staff of AMREF Flying Doctors who are at the various supervision levels including, Head of departments, managers and team leaders. The study sampled 118 respondents, through a simple stratified random sampling method. Questionnaires were then administered to these respondents, in collecting data. Both reliability and validity were carried out on the data collection instruments. A pilot study was conducted at AAR Healthcare Head Office where an average Cronbach's alpha reliability ( $\alpha$ ) value of 0.84 was recorded which implied acceptance of the instrument for use in data collection. Structured interview was used to collect additional data from customer relations manager. Data that is quantitative in nature was analyzed using SPSS while qualitative data was analyzed using summative content analysis and comparative methods. The results were then presented in figures and tables. The findings indicated that customer retention, customer satisfaction and customer trust have a strong positive relationship with sustainable competitive advantage; 0.733, 0.745 and 0.696 respectively. The association between use of technology and competitive advantage was a weak positive association (0.541). On the other hand, the regression analysis revealed that the independent variables; customer retention, customer satisfaction, use of technology and customer trust level explain up to 45.6% change in sustainable competitive advantage within the organisation. The study therefore recommends that in seeking to attain and sustain competitive advantage, AMREF Flying Doctors should keenly look at aspects associated with relationship marketing. Additionally, the organisation should seek to ensure complete, successful and intentional integration of most of its internal processes technologically in order to improve on service delivery and customer satisfaction hence customer retention. The study further recommends a research on relationship marketing and sustainable competitive advantage on the entire ambulance services industry so as to improve the applicability and reliability of the findings and recommendations in the industry. Other relationship marketing variables such as brand strategy and customer segmentation can also be evaluated against sustainable competitive advantage. The findings contribute to increased profitability in the industry as whole through enhanced performance. They also benefit the marketing professionals, managers and policy makers in understanding and implementing strategies and policies on relationship marketing and competitive advantage in the industry. The study also aids further research on other aspects of relationship marketing implementation and competitive advantage.

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**LIST OF ABBREVIATIONS**

<b>AAR</b>	Africa Air Rescue
<b>AED</b>	Automated External Defibrillator
<b>AFD</b>	AMREF Flying Doctors
<b>ALS</b>	Advanced Life Support
<b>AMREF</b>	Africa Medical Research Foundation
<b>BLS</b>	Basic Life Support
<b>CRM</b>	Customer Relationship Management
<b>E-PLUS</b>	Emergency PLUS
<b>KCEMT</b>	Kenya Council of Emergency Medical Technicians
<b>KeAA</b>	Kenya Ambulance Association
<b>KED</b>	Kendrick Extrication Device
<b>MoH</b>	Ministry of Health
<b>NACOSTI</b>	National Commission for Science, Technology & Innovation
<b>NEMT</b>	Non-Emergency Medical Transfer
<b>WHO</b>	World Health Organisation

## OPERATIONAL DEFINITION OF TERMS

<b>Customer Retention</b>	Implies the extent of time a customer remains in relationship with a business organization.
<b>Customer Satisfaction</b>	This refers to a client's emotional reaction to their individual assessment of the difference between their earlier experiences and expectations of a specific product and the real experience recorded after associating with the.
<b>Customer Trust</b>	Refers to an aspect in business relationships between customers and firms that cannot be facilitated legally. It is fundamental in facilitating the establishment of relationship in the wake of uncertainty.
<b>Sustainable Competitive Advantage</b>	Refers to the edge that an organisation has over its competitors which makes the organization attain greater sales and retain more clients. This edge lasts for a good time and any intentions to duplicate it becomes impossible.
<b>Use of Technology</b>	The process of automating organisational internal processes in order to enhance their integration and effectiveness.

## **CHAPTER ONE: INTRODUCTION AND BACKGROUND OF THE STUDY**

### **1.1 Introduction**

Several studies have been undertaken that describe the type of association between relationship marketing and sustainable competitive advantage (Virginia, 2016; Wanjau, 2011; cook 2011). In this backdrop, this chapter covers background of the study while discussing relationship marketing, sustainable competitive advantage and ambulance services in Kenya; problem statement; purpose and objective of the research; questions to be researched; scope of study; limitations and delimitations of the study and the conceptual framework.

### **1.2 Background of the Study**

Palmer and Brookes (2004) argue that between 1950s and 1960s, organizations sought to fight the challenge of establishing methods of production so as to meet the growing demand from their customers and also applying marketing techniques that target new customers entering the potential markets. Today, however, product and services providers compete in a completely different business environment which utilizes transaction marketing that considers type of product, product price, selling point and promotion only is considered as being insufficient (Virginia, 2016). The researcher further argues that relationship marketing is therefore used to build and enhance relationships with customers hence adding value to goods and services, an aspect that is impossible through the application of transaction marketing. According to Wanjau (2011), all company revenue is achieved from two categories of clients; new and repeat clients. It is substantially more cost effective to retain already existing customers compared to the attraction of new clients. Besides,

customers that a business has interacted with have the knowledge of the needs previously satisfied by the business products and/or services. A business may choose a marketing strategy that focuses on the portion of its customers that are profitable thus improving its revenue while increasing its market share without necessarily putting additional capital to obtain new customers that may turn-out to be more expensive compared to maintaining old ones. These arguments imply that relationship marketing will determine the competitiveness of an organization.

With markets that are greatly globalized and competitive, businesses are forced to be innovative and agile so as to satisfy their customer demands. Organizations may achieve flexibility, product quality and efficiency through seeking competitiveness that is anchored on business capabilities and production strategies (Hohenschwert & Susi, 2015). Business organisations generally exist to make profit by offering services and/or products that add value to their customers. The relationship between a customer and the business is usually initiated and maintained by Marketing. This is in line with Kotler (2012) definition of marketing as a process that entails both social and managerial aspects through which businesses secure their business intentions by developing and transforming products and value with organizations or individuals. Kotler also argued that marketing helps to define a business' mission, as well as analyzing the environmental, competition and business situations. They all therefore operate in an open environment made up of stakeholders, including customers that impact their ability to do business either positively or negatively.

Business environment is organised in a series of layers comprising of the macro-environment, industry, competition and the organisation itself (Kotler, 2012). Therefore, business organizations must always strive to operate in a way that make them distinct from their competitors and define them clearly in the eyes and minds of customers. Globalization, growth of information technology and technological advancements are among the many factors that have made modern day customers very discerning. Innovation therefore is needed within organizations so as to keep up with the ever-changing customer tastes and preferences through product differentiation, service delivery, technological advancement or efficiency in operations. Kibeh (2013) views selective one-on-one marketing as a product of changing demands from customer and technology that has resulted to organizations integrating their marketing and communications.

One of the key drivers in relation to marketing technology is the Customer Relationship Management (CRM) systems. According to Wanjau (2011), it is vital for businesses to comprehend their main sources of competition in their industries so as to formulate the right strategies to respond. Kotler (2012) views strategy as an intentional search for a set of actions that seek to enhance an organization's competitive advantage. Generally, a business competitive advantage explains the differences between a firm and its competitors. In this undertaking this study the researcher set sustainable competitive advantage as the dependent variables and relationship marketing evaluated by customer satisfaction, use of technology, customer retention and customer trust level as the independent variable.

### **1.2.1 Relationship Marketing**

Relationship marketing is different from frequency marketing (Mangihut, 2014). Frequency marketing points to the number of customers while relationship marketing seeks to retain. Frequency marketing enhances the long-term returns from an organization's best customers whereas relationship marketing targets increasing an organization's customers loyalty (Cook, 2011). Mangihut added that relationship marketing promotes customer loyalty. According to Virginia (2016), important principles that make up relationship marketing include collecting, coordinating and analyzing precise data on customers that facilitate the development of marketing strategies that seek to individualize the relationship resulting to the firm reaping maximum benefits. On the other hand, Mecha et al. (2015) pointed out aspects of relationship marketing as including customer trust, retention and satisfaction.

#### **1.2.1.1 Customer Retention**

Enhancing longevity in a business' relationship with its clients is a vital condition for business survival of every organization (Hohenschwert & Susi, 2015). According to Mecha et al. (2015), customer retention refers to the extent of time a customer remains in relationship with a business organization. They add that customer retention in an organization can be brought about by communication, training and empowerment of staff, personalization of customers' needs, fees, ethical behaviour and technology.

#### **1.2.1.2 Customer Satisfaction**

Kotler (2012) asserted that there is a common thought that satisfaction is an individual's emotional demonstration of either pleasure or disappointment rising from a comparison of

a product's outcome with reference to their expectations on the same. Therefore, if a client's expectations are perfectly met with product outcome, the client is left at a position of indifference hence may make a decision against or for the product. An argument by Kamunde (2012) pointed that that customer satisfaction is a key determinant of repeat business. Kamunde adds that effective communication positively impacts customer satisfaction that further enhances customer loyalty.

### **1.2.1.3 Use of Technology**

Technological developments have in the recent past impacted the manner in which organisations undertake most of their operations including marketing of its products and services. For instance, current developments as far as internet technology is concerned gives the internet a fresh role to enhance the connection between loyalty of customers and relationship marketing (Mangihut, 2014). Technologies such as Customer Relationship Management (CRM) systems provide firms with a platform to enhance customer relationships (Virginia, 2016). This therefore implies that organizations are compelled to integrate information technology so as to enhance the organisational abilities of understanding customer behavior, develop models to facilitate prediction of customer behaviour, building efficient communications with clients and respond them accurately and timely (Leong & Qing, 2006).

### **1.2.1.4 Customer Trust Level**

Trust is a critical aspect in business relations since most of the relationships between customers and firms cannot be facilitated legally. According to Iglesias, Sauquet and Montana (2011), trust has three key aspects namely: knowledge, dependability and

expectations. Trust is fundamental in facilitating the establishment of relationship in the wake of uncertainty (Yu & Tung, 2013). Hong-Youl Ha et al. (2010) pointed out that trust importantly moderates the interactions between organizations which further enhance commercial transactions. Relationship marketing stresses on close interactions between businesses and their clients so as to enhance bonding and trust among them (Laksamana et al., 2013).

### **1.2.2 Sustainable Competitive Advantage**

Sustainable competitive advantage refers to an edge within an organization that lasts for a good time and any intentions to duplicate it becomes impossible (Kotler, 2012). Kotler further asserted that there are many types of competitive advantages that a firm can attain which include efficient cost structures, product advantages, enhanced distribution network and customer support. In support of this view, Liqin, Guangya and Koos (2010) argued that organizations ought to utilize their resources to achieve a competitive edge. Generally, for an organization to be rated as having attained a competitive advantage its profitability should be greater compared to the average industry profitability (Peng & Weng, 2010).

### **1.2.3 Ambulance Services in Kenya**

The history of ambulances dates back with the use of carts to transport patients. Ambulances were first used for emergency transport in 1487 by the Spanish. During the World War I, with more than enough aircrafts, addition uses for the aircrafts were introduced including conversion of planes to air ambulances (Virginia, 2016). She added that currently ambulances are used on the ground, air and water. Ambulance services are classified as pre-hospital services. Criticality of pre-hospital ambulance care is increasing

as the health system targets to attain a reduction in the number of hospital admissions. Hanefield et al. (2014), defined pre-hospital care as the first medical care given to a patient by a medical emergency expert such as a paramedic or a first responder. They add that the pre-hospital care given to patients as they are transferred to hospitals, has increasingly become vital.

Besides the staff manning the ambulances, the ambulance categories are mainly determined with the kind of medical equipment they contain (Virginia, 2016). The Advanced Life Support (ALS) ambulances are equipped with the following medical equipment: Advanced airway and ventilation management capability, Portable and piped oxygen cylinder, Electrical suction machine, Pulse oxymeter, Cardiac Monitor, Cervical collars, Automated External Defibrillators (AED), Mechanical Ventilator, Glucometer, Kendrick Extrication Device (KED), Sager Splint, Spinal board/scoop, Emergency drugs such as cardiac drugs, Trauma Bag, Electrical suction machine, Kendrick Extrication Device (KED), Cervical collars, Spinal board/scoop and Emergency drugs such as Cardiac drugs. The Basic Life Support (BLS) ambulances contain the following medical equipment: Airway and ventilation management capability, Glucometer, Manual bagging (ambu bug), Portable Oxygen system, Automated External Defibrillators (AED), Pulse Oxymeter, Electrical suction machine, Kendrick Extrication Device (KED), Cervical collars, Splint, Spinal board/scoop, Emergency drugs and Trauma Bag (Eplus, 2017).

On the other hand, the Non-Emergency Medical Transportation (NEMT) vehicles mostly have a Trauma bag and Emergency drugs. Ambulances are essentially designed to respond to and manage medical emergencies within “golden hour”. Several aspects are considered in order to achieve an appropriate standard response time. The aspects directly influence

the distribution and/or allocation of ambulances and related resources. They include, but not limited to; morbidity rates, population density and aging demographics, geographical aspect such as terrain and availability of infrastructures (hospitals and roads) and exposure to risks such accidents. Most developing economies especially in Africa grapple with the in-availability of qualified and well trained staff to man ambulances. Several categories of ambulance services providers exist depending on the level of qualification; first/advanced responder, Emergency Medical Technician (EMT), Paramedic and Advanced Life Support Officer (Eburn, 2012).

In August 2010, Kenya adopted a new constitution that embraced the devolved system of governance. The former centralized form governance had been blamed for political and economic disempowerment and unequal distribution of resources (World Bank, 2012). Ndavi et al. (2009) add that the centralized system of governance gave rise to health services in the country that were not efficient and equitably distributed. The devolved system was therefore expected to resolve these issues and enhance accountability while stimulating health innovations. In their assessment of the health infrastructure after devolution, Catherine et al. (2014) identified that the number of ambulances per hospital ranged from 0.06 to 3.63, where one ambulance unit was allocated to more than 200,000 people. This was far beyond the recommended World Health Organisation standards. According to these standards, an ambulance should cater for a population of between 70,000 to 100,000 depending on aspects such sickness rate, terrain and availability of infrastructure.

According to the Businesslist (2018), many of the country's ambulance services providers are legally registered. The services offered by the providers range from inter hospital

patient transfer, ambulance rescue services, ambulance standby services at events and mining projects and ambulance membership enrollment. Virginia (2016) also asserted that with these categories of income sources from ambulance services, the industry has in the last decade seen a quick growth in the number of ambulance services providing companies hence an increase in competition in the industry. Some of the registered ambulance service providers include AMREF Flying Doctors, AAR Health services, E-PLUS Limited, Nairobi Hospital, Medics 24, Alliance Hospital, and St. John's Ambulance among others. Most of these companies only offer road ambulance services and own less than 5 ambulance vehicles with an exception of EPLUS that owns the largest fleet of ambulances with over 130 units within the country (Eplus, 2018). E-CARE limited is the only registered NEMT services provider in the country. On the other hand, AAR, E-Plus and AMREF Flying Doctors are the only companies known to offer air ambulance evacuation services in the country. On the other hand, little is however known on the water ambulance services in the country.

AMREF Flying Doctors is the Africa' leading air ambulance services provider with its head office based in Kenya. The company was established in 2011 under the ownership of a not-for-profit organization known as AMREF Health Africa and operates air ambulance services in East Africa, including Ethiopia and South Sudan. The Company also operates in other countries in Africa (Angola, Cameroon, Ivory Coast, Egypt, Nigeria, Senegal, Zambia, Zimbabwe) and other continents. AMREF Flying Doctors boasts of up to 41 employees who are employed to directly offer ambulance services to their clients. The organization has several categories of aircrafts including cessna caravan and bravo jets, and beechcraft king airs. In total, the organisation has 18 ambulances; 13 air and 5 ground

ambulances. AMREF Flying Doctors provides 24 hour services across the globe. Patients can be transferred privately or in a commercial airline but accompanied with a doctor. The aircrafts are equipped with advanced equipment such as ventilators, monitors and trauma equipment. This equipment is used to aid intensive care patient transport. Apart from air and ground ambulance evacuation services that include membership for individuals, schools and corporates, AMREF Flying Doctors also provides emergency first aid courses to organizations including tour operators and owns an engineering unit that services both its aircrafts as well as private aircrafts (Amref, 2018).

### **1.3 Statement of the Problem**

With each county in Kenya obligated to provide ambulance services to its residents (Barker et al., 2014; Constitution of Kenya, 2010) some counties purchased ambulances while very few opted to outsource the services for their residents with these services being provided at no cost. Additionally, more than 21 registered ambulance service providing companies are in Kenya (Businesslist, 2018) with major players being Eplus, AAR Healthcare, St. Johns Ambulance, Clinix, AMREF Flying Doctors, Avenue Rescue Services and Nairobi Hospital. This has resulted to an increased-supply of these services in Kenya hence resulting to a very competitive industry.

A number of researchers have highlighted how key relationship marketing is, as a strategy to any organization seeking to enhance competitiveness. For instance, Virginia (2016) sought to determine the effect of relationship marketing implementation on attaining and sustaining competitive advantage in the Kenyan pre-hospital industry. In her study, she measured four main variables namely; customer acquisition, customer trust, use of brand strategy and technology and concluded that these variables influence an organization'

ability to attain and sustain competitive advantage. On the other hand, Rootman, Tait and Sharp (2011) conducted a research on the association between relationship marketing and customer retention. This study was however linked to South African Banks. The duo concluded that relationship marketing affects an organisation's ability to retain customers. Similarly, a study by Kamran, Hamidreza and Mahdi (2014) on relation marketing and customer satisfaction in Melli bank established that the two aspects strongly relate. An assessment of use of technology, customer recognition, brand visibility and promotion done by Catherine (2011) on commercial banks in Kenya found out that customer relationship management as measured by the prior mentioned factors positively influence customer retention.

Although a number of previous studies have been carried out to examine the relationship between (a) relationship marketing and customer satisfaction (b) relationship marketing and customer retention (c) relationship marketing and use of technology, there is still inadequate documented research done on the ambulance services sector, specifically AMREF Flying Doctors, that seeks to investigate whether relationship marketing influences sustainable competitive advantage in the industry. This study therefore intended to address this knowledge gap by analyzing the effects of relationship marketing on sustainable competitive at AMREF Flying Doctors.

#### **1.4 Objectives of the Study**

To achieve the aim of the study, the researcher set general and specific objectives as discussed in the following section.

### **1.4.1 General Objective**

The general objective of the study was to establish the relationship marketing and sustainable competitive advantage in the Kenyan Ambulance services Industry.

### **1.4.2 Specific Objectives**

- i. To establish the effect of customer retention on achieving sustainable competitive advantage at AMREF Flying Doctors.
- ii. To assess the result of customer satisfaction on achieving sustainable competitive advantage at AMREF Flying Doctors
- iii. To determine the effect of use of technology on achieving sustainable competitive advantage at AMREF Flying Doctors.
- iv. To examine the effect of customer trust level on achieving sustainable competitive advantage at AMREF Flying Doctors.

### **1.5 Research Questions**

- i. What is the effect of customer retention on achieving sustainable competitive advantage at AMREF Flying Doctors?
- ii. What is the result of customer satisfaction on achieving sustainable competitive advantage at AMREF Flying Doctors?
- iii. Is there an effect of use of technology on achieving sustainable competitive advantage at AMREF Flying Doctors.?
- iv. Is there an effect of customer trust level on achieving sustainable competitive advantage at AMREF Flying Doctors?

## **1.6 Significance of the Study**

Ambulance services industry in Kenya is a significant industry coupled with health, social and economic benefits including reducing death rates as a result of medical related incidences, improvement of health standards among citizens, providing sustainable livelihood for thousands and source of revenue to the country. The Industry in the recent past has registered stiff competition among the registered ambulance services providing companies in the country which has resulted to both registered profits and losses. This study was therefore focused on analyzing relationship marketing implementation in the ambulance services industry. The findings from this study also sought to establish sustainable competitiveness in the pre-hospital services industry in Kenya hence contribute to increased profitability in the industry as whole. The findings and recommendations of this study could be useful to the marketing professionals and various level managers in understanding and implementing strategies on relationship marketing and their contribution towards a sustainable advantage in the industry. This further improves marketing decisions. The study could also aid further research on other aspects of relationship marketing implementation and competitive advantage

## **1.7 Scope of the Study**

In this study, focus was on AMREF Flying Doctors which is the largest air ambulance services provider in East Africa. In analyzing the association between relationship marketing and sustainable competitive advantage, the study was limited to four major variables; use of technology, customer retention, partnering with customers and customer satisfaction. The population of the study comprised of all full-time employees of AMREF

Flying Doctors who are at the supervisory levels. The research also relied on both primary and secondary data for analysis.

### **1.8 Limitation of the Study**

The study subject of relationship marketing implementation as a tool of achieving competitive advantage in the Kenyan Ambulance Services industry is a pretty eminent area of study. Thus, scholarly articles on the subject matter in the country are still not sufficient. Therefore, the study relied on scholarly publications on relationship marketing vis a vis sustainable competitive advantage in the ambulance sector from other countries and regions so as to corroborate the first-hand narrations of the participants in the study. Due to the current stiff competition in the ambulance services industry in the country, the researcher encountered a lack of cooperation and enthusiasm from the participants. This was however tackled ethically by assuring the participants of confidentiality of all provided information.

### **1.9 Delimitation of the Study**

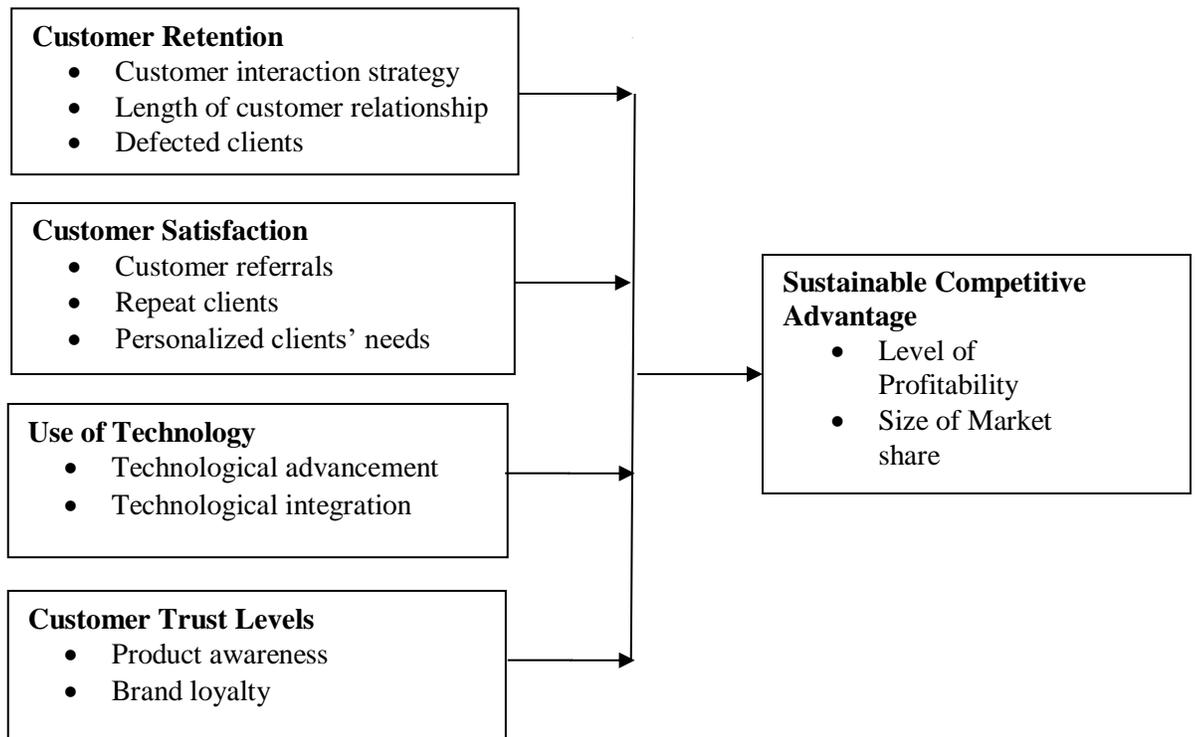
The research delimited its study population to different categories of team leaders including; head of departments and managers, who are viewed to be core contact persons in customer relationship management. These groups were deemed to bear all necessary information about the organizations' relationship marketing strategies. The study of this population ensured precision in information gathered and further reduced strain in both time and money as resources deployed in carrying out the study. Secondary data for the study was obtained from publications and policy documents done by the different stakeholders in the ambulance services sector including Ministry of Health (MoH), WHO,

KeAA (Kenya Ambulance Association), KCEMT (Kenya Council of Emergency Medical Technicians) and AMREF Flying Doctors website.

### **1.10 Conceptual Framework**

The conceptual framework presents the link between the research variables; independent and dependent. Customer satisfaction is counted as a prerequisite for an organization's ability to retain its customers and also gain their trust, hence improve its profitability and market share (Kamran, Hamidreza & Mahdi, 2014). Technology on the other hand facilitates the maintenance of a better relationship and interaction between a firm and its clients. In summary, customer retention, satisfaction and trust alongside use of technology directly affect an organization's ability to attaining competitive advantage.

Customer retention was measured using length of customer relationship, number of defected clients and the customer interaction strategies employed (Catherine, 2011). Similarly, customer satisfaction was determined by number of customer referrals and repeat clients (Kamran, Hamidreza & Mahdi, 2014). Level of technological advancement and integration were the proxies of measure for use of technology while product awareness and brand loyalty were used to determine the level of customer trust (Virginia, 2016). Sustainable competitive advantage was measured through establishing the degree of sustained profitability and market share (Mangihut, 2014).

**Independent variable****Dependent variable**

**Figure 1.1 Conceptual framework**

**Source: Researcher (2019)**

## **CHAPTER TWO: LITERATURE REVIEW**

### **2.1 Introduction**

This chapter engages different discussions on relationship marketing implementation on achieving sustainable competitive advantage in the Kenyan ambulance services industry with a keen look at AMREF Flying Doctors Services. The research reviewed literature related to the current study, namely: use of technology as means of communication, customer retention, customer satisfaction and customer trust levels. It also discussed theoretical review, empirical literature, summary of the literature and knowledge gaps.

### **2.2 Theoretical Review**

The study's theoretical model was anchored on both the social exchange and commitment trust theories.

#### **2.2.1 Social Exchange Theory**

Social exchange theory states that all relationships, with reference to man, are established by the application of a cost-benefit analysis and comparisons of other existing alternatives to the relationship (Homans, 1958). Homans further suggested that when the negative gains are perceived to be more to the positive gains in a relationship, a person may opt to abandon the relationship. The social exchange also argues that that an individual that dispenses much to others will in turn try to obtain an equal measure from his recipients, and the individual that obtains much from others is obliged to give much too. Relationships between two entities under social exchange are developed through a sequence of exchanges that result to benefits for both parties as it defines roles for each of the party. The theory depicts that people are willing to sustain a relationship if there is an expectation of a reward

in it. Thibaut and Kelly (1959) adding to this argument stated that for an individual to retain a relationship with another they rely on several factors including the comparison of the existing, previous experiences and possible existing and attainable alternatives. Miller (2005) critiques the theory stating that it assumes that the ultimate goal of a relationship is intimacy and that human relationships are structurally linear which may not necessarily be the case always.

The social exchange theory is relevant to this study since service provision can be categorized as social exchanges as the interaction among providers of ambulance services and their customers turning out to be a vital aspect of satisfaction hence offering an arguable reason for keeping the relationship (Barnes & Chen, 2007). People, organization and businesses assess the existing reward to cost ratio when faced with a task of resolving whether to keep a relationship or not. The benefits and costs can be categorized into interpersonal benefits such as familiarity and influence; personal benefits that include personal gratification connected to self-esteem, personality and ego and situational benefits that entails psychological environment where a relationship may be formed in order to fulfill some tasks. In relation to services, taking into account the extent of interpersonal contact required to result into services, there is a scope of aspects to be taken into account including psychological and financial that may act as disincentive for outcomes between a sequence of interactions within partners and existing alternatives which affects the extent of a person' commitment towards the existing relationship.

### **2.2.2 Commitment Trust Theory**

The Commitment-Trust Theory of relationship marketing argues that for a successful relationship between an organisation and its clients, the parties must establish two key aspects between them; trust and commitment (Morgan & Hunt, 1994). The two researchers added that relationship marketing is grounded on establishing bonds with clients through honoring commitment rather than pursuing short-term profits. This further gives rise to trust towards the business from its customers hence both groups meet their needs. The theory is in synch with this study as it addresses commitment and trust that mainly relate to the objectives being undertaken in this research. Having based their research on the commitment trust theory, Moorman, Zaltman, and Deshpande (1992) in their study that measured organisational behaviour, they stated that relationship commitment is indicated in the desire to enhance a valued relationship, while trust implied confidence in a relational partner's dependability and integrity. Brink and Berndt (2008) however criticized the theory arguing that most businesses lack sufficient resources to establish a long-term relationship with all its clients hence it is vital to only prioritize the most valuable customers through enhancing business relationship with them.

In support of the theory by Morgan and Hunt (1994), Hibbard et al. (2001) stated that commitment and trust both indirectly and indirectly influence the outcome of a relationship. Palmatier et al. (2006) observed that in the recent years, the commitment-trust has gained popularity among researchers seeking to assess relationship in their studies. For instance, Hefferman, et al. (2008) while assessing relationship development between customers and staff in the banking sector, based their study on the commitment trust theory. The research assessed trust as one of its variables and concluded that there exists a

significant association between trust and financial performance for a banks relationship manager.

## **2.3 Empirical Review**

The study reviewed literature on the two key variables of interest in the research; relationship marketing and sustainable competitive advantage.

### **2.3.1 Relationship Marketing**

The first concept in developing relationship marketing can be linked to Macneil (1980) study of the effect of legal contracts that are long-term based on exchange relationships. In Berry (1983) presented the phrase “relationship marketing” to the literature on marketing and defined it as gaining, sustaining, and enhancing customer relationships. The difference between relationship marketing and frequency marketing can be linked to the number of customers relationship marketing seeks to retain. According to Cook (2011), frequency marketing enhances the long-term returns from an organization’ best customers whereas relationship marketing targets increasing an organization’s customers loyalty. In support of a study by Lluís and Cabré in 2005, Virginia (2016) pointed that the keys to success in implementing a strategy in relationship marketing include; defining the company’s mission, vision and culture; designing a relationship strategy and allocating the necessary resources such as staff and IT. Although they clearly state that there is no definitive relationship marketing strategy, they further cite seven keys to a successful relationship marketing plan that include ensuring the basic transactional model works effectively, gradual implementation of a developed strategy, make sure that the relationship is two way and more customer focused, overcome customer’s reluctance in maintaining a relationship, enhance virtuous circles, gain support from top management.

Important principles that make up relationship marketing include collecting, coordinating and analyzing precise data on customers that facilitate the development of marketing strategies that seek to individualize the relationship resulting to the firm reaping maximum benefits (Virginia, 2016). Cook (2011) states that the main reason that businesses seek to establish relationships with customers is majorly economic and also ensure the organization's sustenance in the market. Relationship marketing promotes customer loyalty (Mangihut, 2014). Current developments as far as internet technology is concerned gives the internet a fresh role to enhance the connection between loyalty of customers and relationship marketing (Mangihut, 2014). The Customer Relationship Management (CRM) technological systems provide the organization with the opportunity to gather and analyze data on customers' behaviour (in real time) in relation to purchases, enhance operations and in the long-run, success as a result of improved customer relationships (Virginia, 2016).

### **2.3.1.1 Customer Retention and Sustainable Competitive Advantage of Ambulance Service Providers**

Mecha et al. (2015) refer retention of customers as the extent of time a customer remains in relationship with a business organization. Several researchers argue that correct relationship marketing may give rise to reduced marketing costs, improve level of customer satisfaction and loyalty hence probably enhance customer retention (Aduor, 2011; Kipkenda, 2011). Gregory, Xiuli and Izak (2016) conducted a study on acquisition versus Retention: Competitive Customer Relationship Management. They applied a descriptive research design where they established that firms spend more on acquisition when their customer base is low, and vice versa. The study however did not assess how the two

variables; acquisition and retention influence sustainable competitive advantage. Similarly, Aggarwal and Arora (2013) applied a descriptive design in their study that was limited to global brands' impact of relationship marketing on customer loyalty hence their retention. The study concluded that there is a significant impact of relationship marketing strategy of global brands on their customer loyalty as each satisfied customers refer other.

Enhancing longevity in a business' relationship with its clients is a vital condition for business survival of every organization (Hohenschwert & Susi, 2015). Customer retention in an organization can be brought about by communication, training and empowerment of staff, personalization of customers' needs, fees, ethical behaviour and technology. Among the greatest benefits of a strong relationship between a customer and a business is customer retention (Gronroos & Helle, 2012). Nowadays, significant innovations are no longer emerging and as a result, most companies are able to produce similar products therefore mass marketing is not the most appropriate technique to stay competitive anymore (Greenberg, 2010). Relationship marketing has proved an important strategy deployed by firms to initiate, sustain and enhance relationships that are deemed profitable with their customers, while both parties mutually benefit (Gronroos & Helle, 2012).

### **2.3.1.2 Customer Satisfaction and Sustainable Competitive Advantage of Ambulance Service Providers**

Customer satisfaction is termed as a client's emotional reaction to their individual assessment of the difference between their earlier experiences and expectations of a specific product and the real experience recorded after associating with the product (Minh, 2016). In support, Kotler (2012) reported that there is a common thought that satisfaction

is an individual's emotional demonstration of either pleasure or disappointment rising from a comparison of a product's outcome with reference to their expectations on the same. Therefore, if the viewed performance turns out short compared to the expectation of the customer, they get dissatisfied and if the viewed performance surpasses the client's expectations, it results to satisfaction. Alternatively, if the client's expectations are perfectly met with product outcome, the client is left at a position of indifference hence may make a decision against or for the product. Kamunde (2012) asserts that customer satisfaction is a key determinant of repeat business. Matagne and Gerard (2013) in their study aimed to explain how service provision organization can utilize relationship marketing in enhancing their customer satisfaction strategies found out that four key customer relationship aspects play a major role towards ensuring customer trust and satisfaction, including; human resources, quality of service, product brand image and product price.

As a result of intense business competition throughout the world and the unpredictability of customer needs, organizations are being forced to comprehend their client's wide range of needs therefore adapt in relation to their mode of responding to them (Haas et al., 2012). Several studies reveal varying findings relating to customer satisfaction. An argument floated by Al-Hersh, et al. (2014), who concluded that Arab banks should utilize aspects of customer relationship marketing if they intend to sustain their market share. The study was conducted on Arab Banks linking relationship marketing to customer satisfaction. They also added that customer satisfaction was dependent on several other aspects such as level of education, sex and age.

On the other hand, Helgesen (2007) sought to identify the greatest influencers of customer satisfaction. In this study, they deployed a market survey. They concluded that prices have not been counted as satisfiers. They add that competitive prices are vital and could be viewed as “hygiene”, targeting more on what is vital in relation to customer loyalty. Arturo et al.’s (2007) studied retail banking while assessing the impact of relational benefits and customer satisfaction, found out that giving both social and special treatment benefits to customers did not have a significant impact on customer satisfaction as far as retail banking is concerned and that a significant positive relationship exists between customer satisfaction and confidence benefits. They however do not show if the satisfaction leads to customer loyalty. Kamunda (2012) adds that improved services is a result of communication and positively impacts customer satisfaction whereas customer satisfaction positively influences customer loyalty.

### **2.3.1.3 Use of Technology and Sustainable Competitive Advantage of Ambulance Service Providers**

Technological developments impact any established organization and the marketing of its products and services. Communication has proved a vital strategy in establishing connectivity with new clients and increasing the link levels with the current customers (Virginia, 2016). Leong and Qing (2006) support the notion that an efficient communication is crucial in the success of any relationship. They also explain that the marketing communication is especially a composite of a mass marketing strategy and it is a vital process in the relationship marketing. Integration technologies allow organizations to develop a better relationship with customers by providing a wider view of customer behavior (Mecha et al., 2015). Building relationships with customers requires data on the

customer. This therefore implies that organizations are compelled to integrate information technology so as to enhance the organisational abilities of understanding customer behavior, develop models to facilitate prediction of customer behaviour, building efficient communications with clients and respond them accurately and timely (Leong & Qing, 2006).

The findings in a study conducted by Ganguli (2012) and titled generic technology-based service quality dimensions in banking: impact on customer satisfaction and loyalty, revealed that technology has positive impact on the satisfaction of an organization's customers hence improves its overall performance. Virginia (2016) studied relationship marketing and sustainable competitive advantage in the Kenyan pre-hospital industry. The study applied a descriptive analysis method and was anchored on both social exchange commitment-trust theories. The research measured use of technology as one of the determinant variables in relationship marketing and established that enhanced technological set up results to improved customer-organisation relationship hence the business' competitive advantage.

The essence of IT and particularly, the internet is the opportunity to establish beneficial relationships with customers contrary to how it was when the world was offline. By combining the abilities to respond directly to customer requests and to provide the customer with a highly interactive, customized experience, companies have a greater ability today to establish, nurture, and sustain long-term customer relationships. The ultimate goal is to transform these relationships into greater profitability by increasing repeat purchase rates and reducing customer acquisition costs. With reference to a study by Fitzsimmons and Fitzsimmons conducted in 2008, Virginia (2016) asserted that with a better technological

management strategy such as the use of database, organizations are positioned to better manage their client relationships. Utilization of IT in building of relationships has improved with time. Several businesses use the term e-CRM while referring to technological improvements which impact interactions with their clients (Kipkenda, 2011).

#### **2.3.1.4 Customer Trust Levels and Sustainable Competitive Advantage of Ambulance Service Providers**

Trust is anchored on an entity's processes and systems or individuals' reputation and personality. Trust is a critical aspect in business of relations since most of the relationships between customers and firms cannot be facilitated legally; instead, these relationships are founded on mutual trust. Facilitators of trust include past experiences, previous satisfaction and empathy. According to Yu and Tung (2013) trust is fundamental in facilitating the establishment of relationship in the wake of uncertainty. They add that it is an important factor for developing strong customer relations that further lead to an increased market share as it is also a prerequisite of customer satisfaction.

The higher the trust level, the greater the likelihood of enhancing a more positive attitude, that further increase the degree of customer empathy. On the other hand, low customer trust impacts trust conversely (Haas et al., 2012). In the study conducted by Hefferman et al. (2008), that explored the establishment of trust in the relationships between bank staff and their clients and also looked into possible connections between emotional stability and trust of relationship managers and performance. The researchers applied a descriptive research design and an internet survey in data collection. The data obtained was interlinked with the bank financial performance. The research found out that trust has three aspects including:

knowledge, dependability and expectations. Additionally, they concluded that, a significant relationship exists between performance of the relationship managers and emotional stability alongside these aspects of trust. The study failed to address aspect that determine customer trust such as product awareness and duration of relationship.

On the other hand, Ndubisi's (2007) measured four important aspects of relationship marketing; conflict management, trust, communication and commitment). He found out that these parameters significantly influence the degree of customer loyalty and to a good extent depend on each other. This study deployed the use of questionnaires and multiple regression model to collect data and ascertain the nature of relationships. According to the study by Hong-Youl Ha et al. (2010), trust importantly moderates the interactions between organizations which enhance commercial transactions. Hohenschwert and Susi (2015) add that customer satisfaction acts as the forerunner to trust. Relationship marketing stresses on close interactions between businesses and their clients so as to enhance bonding and trust among them (Laksamana et al., 2013).

### **2.3.2 Sustainable Competitive Advantage**

According to Virginia (2016), competitive advantage refers to the advantage that an organization has over its competitors which makes the organization attain greater sales and retain more clients compared to its competitors. A firm's competitors entail the current businesses in operation and other potential businesses that seek to be a part of the market in future (Peng & Weng, 2010). A sustainable advantage implies that the competitiveness of the organization lasts for a good time and any intentions to duplicate it becomes impossible (Kotler, 2012). Virginia (2016) adds that for an organization's resource to result

to a sustainable competitive advantage, the resource should be unique, increase the value of the organization, should be completely imitable and not easily substituted by other competing businesses. For an organization to be rated as having attained a competitive advantage its profitability should be greater compared to the average industry profitability. There are many types of competitive advantages that a firm can attain including efficient cost structures, product advantages, enhanced distribution network and customer support.

Marketing responses are based on the marketing elements such as product, price, place and promotion and market research. Kotler (2012) discuss environmental scanning that enable decision makers identify possible developments that could transform an industry existing conditions resulting to the rise of new business opportunities and threats. This also help the manager to establish right strategies given the industry competition situation. Competitiveness of an organization defines its business success. An organization's internal business environment that embodies its strategies in value addition and its resource capabilities account for the organization' core competencies (Christopher & Russell, 2008). A rightfully-designed competition strategy facilitates an organization in gaining competitive advantage.

According to Virginia (2016), several aspects form the sources where organizations can derive competitive advantage such as differentiation that facilitates an organization in providing goods and services that competitors are yet to offer or are not possible imitate. The second strategy includes the use of low cost which is anchored on effective cost coupled with efficient tight cost control. Another strategy involves a firms' ability to shape up its resources in a manner that results into it being a leader in the market largely defines its competitive advantage. This perception submits an argument of how an organization

can utilize its resources to achieve a competitive edge (Liqin, Guangya & Koos, 2010). The fourth strategy is positive reputation that addresses how a business is viewed by outsiders in relation to its reputation can be linked to the organization's sustainable competitive advantage. Lastly, Virginia argues that organisations can align themselves as learning organizations where they commit themselves to applying all forms of feedback to establish a strategy. Such motivate their members to enhance their individual skills and qualities, so as to learn and develop.

#### **2.4 Summary of the Reviewed Literature**

Social exchange and commitment trust theories. The social exchange theory asserts that cost-benefit analysis and comparisons of other existing alternatives to the relationship form the basis of human relationships (Homans, 1958) while the Commitment-Trust theory according to Morgan & Hunt (1994) asserts that an organisation's relationship with its client is based on trust and commitment. Minh (2016) defined retention of customers as the extent of time a customer remains in relationship with a business organization. Retention facilitates the reduction of marketing costs and can be enhanced through communication, training and empowerment of staff, personalization of customers' needs, fees, ethical behaviour and technology.

Customer satisfaction defines an individual's emotional demonstration of either pleasure or disappointment rising from a comparison of a product's outcome with reference to their expectations on the same (Kotler, 2012). Matagne and Gerard (2013) argue that customer satisfaction is a key determinant of repeat business. Technological developments usually affect any established organization and the marketing of its products and services through facilitating communication and interactions hence relationship with its customers (Leong

& Qing, 2006). Trust is critical in business of relations since they cannot be facilitated on legal grounds. Yu and Tung (2013) assert that trust is an important factor for developing strong customer relations that further lead to an increased market share hence organisational competitiveness as it is also a prerequisite of customer satisfaction.

## **2.5 Knowledge Gap**

From the studies conducted, there is scattered evidence about relationship marketing implementation on building sustainable competitive advantage in a firm offering ambulance services. This therefore results to a knowledge gap in the concept of relationship marketing especially in the Kenyan ambulance industry. Most of the studies were also based on the financial sector (Virginia, 2016) and limited their scope to variables other than the ones this study seeks to measure. For instance, Gregory, Xiuli and Izak (2016) studied customer acquisition versus retention. They however do not assess the relationship between the two aspects; acquisition and retention and sustainable competitive advantage. Al-Hersh, et al. (2014), limited their study on Arab Banks linking relationship marketing to customer satisfaction and only measured employee aspects such as education, sex and age and their influence on customer satisfaction.

On the hand, Hefferman, et al. (2008) analyzed the development of trust in the banking sector for relationships between staff and customers. The study however failed to address aspect that determine customer trust such as customer satisfaction and the effect of trust on sustainable competitiveness. Aggarwal and Arora (2013) did not explain whether a good global brand strategy impacts the competitiveness of the organization in their study that was limited to only global brands' impact of relationship marketing on customer loyalty, hence retention. Mohamad et al. (2014) and Wanjau (2013), in their studies on relationship

marketing in the Arab bank services and KCB Limited respectively restrict their study on customer satisfaction and retention. However, none of the researches connect relationship marketing to competitive advantage. The study therefore seeks to fill this knowledge gap through providing systematic analysis of the different aspects of relationship marketing on establishing sustainable competitive advantage in AMREF Flying Doctors.

## **CHAPTER THREE: RESEARCH DESIGN AND METHODOLOGY**

### **3.1 Introduction**

This chapter gives a comprehensive blueprint of the procedures to be followed right from sampling to data analysis; it summarizes how the research was executed. This section is subdivided into the following subsections; Research Design, Population, Sampling frame and techniques, Data collection instruments and procedures, Pilot test and Data processing and analysis.

### **3.2 Research Design**

According to Thornhill et al. (2003), a research design is a general plan on how the researcher plans to answer the research question. They further stated that the design should consider the source from which the researcher intends to collect data and the constraints the researcher has to go through such as time, money, access to data and ethical issues. The study adopted a descriptive design that was used to describe the variables such as length of customer relationship, number of repeat and defected clients, number of referred customers, level of technological advancement and integration and degree of brand loyalty and product awareness. The design was also applied in explaining the nature of relationship between the dependent and independent variables. A descriptive study design seeks to explain a subject, mostly through developing a profile or a set of problems, people, or events, through data collection and analysis (Cooper & Schindler, 2006).

### **3.3 Research Site and Rationale**

The study was conducted at the AMREF Flying Doctors head office located at Wilson Airport, Nairobi. The research site was mostly advised by the fact that most decisions on

the various aspects affecting relationship marketing are made and first implemented at the head office. This also sought to achieve accuracy in the responses obtained hence improve reliability of data collected and analyzed.

### **3.4 Target Population**

Mugenda and Mugenda (2009) define population as a group of individuals, elements or objects under observation that bear an observable characteristic. They further argue that population studies allow every object under study have the same likelihood of making it to the final sample. The population of the study comprised of all the employees of AMREF Flying Doctors. In particular, the study's target population comprised of 167 full time employees who are at the supervisory levels in the various departments; finance, human resource, operations, information and technology and sales and marketing. The study' focus was on the sections of staff who directly deal with decision making since they are conversant with the organization's relationship marketing strategies, cumulative customers' needs and manage the customers' relationships aspects.

### **3.5 Sampling Procedures**

Mugenda and Mugenda (2009) argued that it is not necessary to study the entire population in order to be accurate and reliable in describing a population characteristic. In a sample study, the sample is termed as being sufficient if it well represents the population under study through bearing similar characteristics in relation to the study population (Zikmund, 2003). The study's sample frame entailed a list of all the staff in the supervisory level at the head office which included the heads of departments, managers and team leaders. The organization's departments were grouped into strata; the finance, operations, human resources, information technology and sales & marketing departments. Samples from the

population strata were obtained through a simple stratified random sampling method. This methodology of sample selection was utilized as it allows the creation of proportionate samples and also comparisons between the various sub-groups bearing similar characteristics.

### 3.6 Sample Size

The research adopted the Yamane' (1967) formula for calculating representative random sample size for a known population. This formula was applied since the study' population size was known. The formula applied was as;

$$n = \frac{N}{1 + N(e)^2}$$

Where;

n = The sample size

N = Population size

e = The desired level of precision

In the current study  $e = 0.05$ . (Choosing 5% provided the most conservative estimate of sample size). The sample size was determined as:

$$n = \frac{167}{1 + 167 * 0.05^2}$$

$$n \cong 118$$

**Table 3.1 Sample Distribution per stratum**

<b>Department</b>	<b>Population</b>	<b>Sample</b>	<b>Proportion</b>
Finance	24	17	14%
Human Resource	14	10	8%
Operations	93	66	56%
Information and Technology	13	9	8%
Sales and Marketing	23	16	14%
<b>TOTAL</b>	<b>167</b>	<b>118</b>	<b>100%</b>

**Source: AMREF, HR Department (2019)**

### **3.7 Data Collection Procedures**

The research embraced quantitative methodologies in obtaining both secondary and primary data that sought to enhance the findings hence understanding of the concept of relationship marketing and sustainable competitive advantage. According to Nicholas (2011), primary data involves data that has been observed or recorded with proximity to the event while secondary sources are written sources and interpret primary data.

The secondary information collection and review preceded the collection of primary data. This sought to provide background information about, and more insights into the aspect of relationship marketing implementation. Secondary data was obtained from publications and policy documents done by the Ministry of Health (MoH), WHO, KeAA (Kenya Ambulance Association), KCEMT (Kenya Council of Emergency Medical Technicians) and AMREF Flying Doctors website. The information obtained from these documents were necessary for the purpose of socio-demographic profiling of the study population, and ensured that sampling was representative of the different categories of team leaders at

AMREF Flying Doctors. Socio-demographic profiling of the employees was necessary because it helped identify the current general strengths and challenges faced by the ambulance services industry in implementing relationship marketing strategies hence enable the research find the link between these aspects and the resultant competitive advantage. Secondary information on theoretical issues on relationship marketing from documents such as journals, newspapers and books were also analyzed so as to obtain an elaborate understanding of the implementation standards for the aspects of relationship marketing and their impact, including perception, to various stakeholders.

Primary data was obtained through use of questionnaire and interviews with the head of customer relations at the organisation. The questionnaires were dropped to the various respondents with the facilitation of two well trained research assistants who then picked the questionnaires 2 days later. This allowed the respondents time to fill them up as well as avoid mishandling and their loss.

### **3.8 Research Instruments**

The research only utilized primary data. The main instruments of collecting data were questionnaires and interview guides. Primary data was obtained from questionnaires that had both open and close ended questions. Questionnaires as instruments of data collection were most appropriate for the research since they were practical and facilitate the gathering of empirical data from the respondents. The data obtained from the questionnaires were easily quantified for analysis. The questionnaires captured each research objective and were administered by trained researchers within a specified time period. Interviews were used to seek information that is detailed and cannot fit into questionnaires and also address sensitive issues that could easily drift the confidence of the respondents.

### **3.8.1 Piloting of Research Instruments**

An informal pilot study was conducted at the AAR Healthcare Limited head office that is located in Nairobi. This provided the researcher with an opportunity to ask the participants for suggestive response on the survey while facilitating the elimination of bias, therefore determine reliability and validity of the data collection instrument to ensure that it was able to obtain information relevant to the purposes of the study. The feedback obtained was then used to modify the tools.

### **3.8.2 Validity of Findings**

In order for the instruments to accurately measure what they were intended to measure as per the objectives of this research, content validity was applied to establish the extent to which different items in the instruments measured the trait or phenomenon they were meant to. To check validity of the instruments, the researcher prepared the first trial instruments and sought opinion on format, content and other related issues from supervisor and other statistics experts. Their views were then incorporated in the revised trial instruments before being administered to the participants: AAR healthcare, being also an ambulance service providing company, is a population with similar characteristics to the study sample but was not to participate in the actual study.

### **3.8.3 Reliability of Research Instruments**

According to Joppe (2000), reliability describes the extent of consistency of results over time and accurately representing the study population. The research used data captured from the trial instruments administered to participants at AAR healthcare head office. Although there are several methods of determining the reliability of research instruments,

the current research adopted the item-total correlation method. This is because it is designed to assess characteristics such as attitude. The method divided the items into halves, and scores for each of the halves compared. A correlation between the two halves was then determined by Cronbach's alpha reliability co-efficient formula;

$$\text{Alpha} = rk/[1 + (k - 1)r]$$

Where; k = number of items considered, and

r = mean of the inter-item correlations.

The below rule, according to George and Mallery (2003) will then be applied:

“> .9 – Excellent, > .8 – Good, > .7 – Acceptable, > .6 – Questionable, > .5 – Poor, and  
< .5 – Unacceptable

The results on reliability of the data instruments were established as being sufficient as composite reliability. A high alpha value indicates that the examination is likely to correlate with alternate forms. The study recorded an average  $\alpha$  value of 0.84 which implied acceptance of the instrument for use in data collection.

### **3.9 Data Analysis and Presentation**

The perspective that was taken by the study was a mixed method approach since the objectives of the study covered both quantitative and qualitative data approaches. The study used descriptive statistics including mean, mode, variance and standard deviation, to explain various aspects of the target population. The results were then presented using tables, charts and graphs. In determining the effects use of technology, customer retention and customer satisfaction on sustainable competitive advantage at AMREF Flying doctors,

the research employed a descriptive analysis method. Besides, to establish the nature of relationship between each independent variable and the dependent variable, correlation analysis was conducted. Simple multiple regression analysis was then applied in describing the overall association between the independent variables on the dependent variable.

Multiple regression model as shown below was used;

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

Where; Y – Sustainable competitive advantage

$\beta_0$  - Constant

$\beta_1, \beta_2, \beta_3, \beta_4$  - Regression coefficients

$X_1$  – Customer retention

$X_2$  – Customer satisfaction

$X_3$  – Use of technology

$X_4$  – Customer trust levels

$\varepsilon$  - Error term

Qualitative approach which is explanatory in nature also covered customer satisfaction and partnering with customers which is considered personal and subjective. The obtained data from interviews and content documents was ordered, grouped and quantified before being analyzed using the content analysis and constant comparative methods

### **3.10 Ethical Considerations**

Ethical considerations were undertaken by the researcher specifically during the data collection process. The researcher obtained a research permit from NACOSTI so as to boost confidence from the respondents. Information collected from the respondents was not in a solicited manner but rather on the respondent's own volition. The researcher also did not compel the respondents to participate in the study and neither were they exposed to circumstances which ended up in physical or mental harm. Finally, the study remained objective and the researcher's views, expectations, assumptions and biases were not intrusive to the study.

## **CHAPTER FOUR: DATA ANALYSIS AND PRESENTATION OF FINDINGS**

### **4.1 Introduction**

The overall objective of the study was to assess relationship marketing and sustainable competitive advantage in AMREF Flying Doctors; Nairobi, Kenya. This chapter presents the summary of the findings of the research and analysis on the same. The findings were summarized and presented using pie charts, graphs and frequency tables while the analyzed data was summarized mainly in percentages, frequencies, mean and standard deviations.

### **4.2 Response Rate**

The researcher distributed a total of 118 questionnaires to AMREF Flying Doctors' employees who had been marked as respondents. A total of 103 questionnaires were returned; this indicated a response rate of approximately 87%. The study however analyzed data from 102 questionnaires since one of the returned questionnaires was not duly completed hence not utilizable in analysis. The research also conducted an interview with head of customer relations at the organisation.

### **4.3 Background Information**

The study sought to obtain the background information on the demography of the respondents and general information of the organization. The findings were summarized in the subsequent sections below.

#### **4.3.1 Gender of the Respondents**

The study sought to establish the gender of the respondents. Table 4.1 summarizes findings on the gender of the respondents.

**Table 4.1 Gender of respondents**

<b>Gender</b>	<b>Frequency</b>	<b>Percentage</b>
Male	58	57%
Female	44	43%
<b>Total</b>	<b>102</b>	<b>100%</b>

Source: Researcher (2019)

The results indicated that 57% of the respondents, representing 58 employees, were male while only 43%, representing 44 respondents, were female. This signifies that AMREF Flying Doctors had employed more male than female employees at its headquarters. However, the results do not depict gender biasedness since no more than two-thirds of the respondents are of the same gender.

#### **4.3.2 Age of the Respondents**

The researcher sought to determine the age of the respondents. Table 4.2 presents the summary of findings for the age distribution of the respondents.

**Table 4.2 Age of the Respondents**

<b>Age</b>	<b>Frequency</b>	<b>Percentage</b>
18 - 35years	44	43.2%
36 - 50years	39	38.2%
> 50years	19	18.6%
<b>Total</b>	<b>102</b>	<b>100%</b>

Source: Researcher (2019)

The results depict that a majority (44) of the respondents were of the age 18-35 years, representing 43.2%; 39 respondents, depicting 38.2% of the

respondents were in the age bracket of 36-50 years, while only 19 of the respondents, representing 18.6% were more than 50 years in age. This depicted that more than three-quarters (81.4%, 83) of the employees at AMREF Flying Doctors had less than 50 years in age. These results improve the conclusions made from the findings in that the responses obtained cut across the various age groups thus reducing age bias.

### 4.3.3 Education Level

The study collected and analyzed data on the education level of the respondents. The findings on the level of education of the respondents were summarized in Table 4.3.

**Table 4.3 Education Level**

<b>Age</b>	<b>Frequency</b>	<b>Percentage</b>
Undergraduate	71	69.6%
Masters	29	28.4%
PhD	2	2.0%
Others	-	-
<b>Total</b>	<b>102</b>	<b>100%</b>

Source: Researcher (2019)

From the findings, 71 (69.6%) of the respondents had an undergraduate degree while 29 representing 28.4% of the respondents had a master's degree. On the other hand, respondents with a PhD were only 2 representing 2% of the entire respondents' base while none had attained a level of education lower than an undergraduate degree. These results imply that AMREF Flying Doctors empathizes on quality education among its employees especially within the supervisory level. The findings further enhance the reliability of the

responses obtained since most of the respondents proved to have attained a degree thus placing them in a position of being conversant with the current study.

#### **4.3.4 Professional Qualification**

The findings in Table 4.4 below summarize the findings on professional qualification of the respondents.

**Table 4.4 Professional Qualification**

<b>Professional Qualification</b>	<b>Frequency</b>	<b>Percentage</b>
Yes	65	63.7%
No	37	36.3%
<b>Total</b>	<b>102</b>	<b>100%</b>

Source: Researcher (2019)

The findings revealed that most (65, 63.7%) of the respondents had a professional qualification apart from their respective degrees while only 37, representing 36.3% of the respondents, had no any professional qualification. This further improves the confidence in the responses obtained since most of the respondents were well qualified in their respective fields.

#### **4.3.5 Department and Length of Service**

Table 4.5 present the summary of findings of the employee details in relation to the department they work in and the length of continuous service at AMREF.

**Table 4.5 Department and Length of Service**

<b>Aspect</b>	<b>Frequency</b>	<b>Valid %</b>	<b>Cumulative %</b>
<b>Length of Service</b>			
0 – 5years	28	27.5	27.5
6 – 10years	61	52.9	80.4
11 – 20years	14	13.7	94.1
Above 20years	8	5.9	100
Total	102	100	
<b>Department</b>			
Finance	19	18.6	18.6
Human Resources	11	10.8	29.4
Operations	47	46.1	75.5
Information & Technology	8	7.8	83.3
Sales & Marketing	17	16.7	100
Total	102	100	

Source: Researcher (2019)

The results indicate that 27.5% (28) of the respondents had worked for AMREF Flying Doctors for not more than 5years. Similarly, slightly above two-thirds (66.6%, 75) of the respondents had worked at AMREF Flying Doctors for between 6 to 20 years while only 5.9% (8) had continuously worked at AMREF Flying Doctors for more than 20 years. On the other hand, most (46.1%, 47) of the respondents were from the operations departments who daily implement the relationship management strategies of the organisation. Only 17 respondents representing 16.7% of the respondents were from the sales and marketing

department. Slightly less than one-third (29.4%, 30) of the respondents were cumulatively from the finance and human resources department while only 8 (7.8%) of the respondents were from the IT department. This allowed for a holistic perspective on the feedback relating to the current study since the researcher considered all the department within the organisation.

#### 4.3.6 Job Category

The study sought to establish the job category for the respondents. The findings were summarized in Table 4.6 below.

**Table 4.6 Job Category**

<b>Job Category</b>	<b>Frequency</b>	<b>Percentage</b>
HoD	3	2.9%
Manager	38	37.3%
Supervisor	61	59.8%
<b>Total</b>	<b>102</b>	<b>100%</b>

Source: Researcher (2019)

The findings revealed that the only 3 (2.9%) of the respondents were heads of departments. Up to 37.3% (38) of all the respondents in the study were managers while more than one-half (59.8%) of the respondents indicated that they were serving as supervisors in their various departments. These results imply that the study relied on feedback from a category of respondents that are perceived to be versed with the information relating to the current research thus enhancing the confidence of the findings.

### 4.3.7 Internal Organisational Capability

Results on the clarity of the organisation' mission and vision to its clients, how well its relationship marketing plan is stipulated, organisational competitiveness and frequency of collection, analysis and storage of data on clients was summarized in table 4.7 below.

**Table 4.7 Internal Organisational Capabilities**

<b>Aspect</b>	<b>Frequency</b>	<b>Percentage</b>	<b>Cumulative %</b>
<b>Mission and Vision</b>			
Yes	63	61.80%	61.80%
No	39	38.20%	100.00%
Total	102	100.00%	
<b>Relationship marketing plan</b>			
Yes	57	55.90%	55.90%
No	45	44.10%	100.00%
Total	102	100.00%	
<b>Competiveness of AMREF</b>			
Very Competitive	28	27.50%	27.50%
Competitive	47	46.10%	73.50%
Not Sure	8	7.80%	81.40%
Not Competitive	17	16.70%	98.00%
Very Uncompetitive	2	2.00%	100.00%
Total	102	100.00%	
<b>Client Data Collection &amp; Analysis</b>			
Yes	81	79%	79%
No	21	21%	100%
Total	102	100%	
<b>If yes, how often?</b>			
Very often	12	15%	15%
Often	25	31%	46%
Not sure	19	23%	69%
Not often	25	31%	100%
Not at all	0	0%	100%
Total	81	100%	

Source: Researcher (2019)

The finding indicated that 61.8% (63) of the respondents confirmed that the organisation had clearly spelt its mission and vision to its clients while only 38.2% (39) argued otherwise. On the other hand, more than one-half (55.9%, 57) of the respondents revealed that the organisation has well stipulated relationship marketing plan while more than a third (44.1%, 45) indicated that AMREF' relationship marketing plan is not well stipulated. These results are in line with the arguments asserted by Virginia (2016) who stated that relationship marketing is still under established in most organisations within the country.

Less than a third (27.5%, 28) of the respondents indicated that the organisation is very competitive while only 2 (2%) confirmed that the organisation is very uncompetitive. In addition, 47 (46.1%) of the respondents asserted that the organisation is competitive while only 17 (16.7%) revealed that it was not competitive. These findings are near similar to the assertions by a 2017 report of the organisation. Only 8 of the respondents, representing 7.8% indicated that they were not sure of the organization's level of competitiveness. In relation to the organisation collecting, analyzing and storing data on their clients, only 21% representing 21 of the respondents asserted that the organisation does not collect, analyze or store data on its clients. Of the 81 respondents who indicated that AMREF collects and analyses data on its clients, 12 (15%) of them revealed that this was carried out very often, 25 (31%) confirmed that the organisation collects and analyses data on its clients often. A similar number also indicated that the analysis is not often done. On the other hand, 19 (23%) of the respondents were indifferent as none confirmed that data analysis is not conducted at all.

From the findings of the interview, the head of customer relations at AMREF Flying Doctors revealed that the organisation boasts of having served more than 50,000 clients

since inception most of whom are from the major towns in the country; Kisumu, Nairobi, Mombasa, Malindi and Eldoret. The HoD further asserted that the organisation boasts of more than 90% of the air evacuation market share in the country with approximately 25% of the clients being repeat clients. These findings are in line with the organisation's report of 2017.

#### **4.4 Customer Satisfaction**

The study collected and analyzed information on various aspects of customer satisfaction. This included how satisfactory the customer satisfaction strategies are, how true some aspects relating to customer satisfaction in the organisation are and the degree of satisfaction of the respondents on statements relating to customer satisfaction strategies. The findings were summarized in table 4.8 to 4.10 below.

##### **4.4.1 Success of Customer Satisfaction Strategies**

The researcher asked the respondents to give the feedback on the level of success of the customer satisfaction strategies within the organisation. The feedback from the respondents was collected analyzed and summarized in table 4.8 below.

**Table 4.8 Success of Customer Satisfaction Strategies**

<b>Aspect</b>	<b>Frequency</b>	<b>Percentage</b>	<b>Cumulative %</b>
<b>Success of customer satisfaction strategy</b>			
Yes	73	71.60%	71.60%
No	29	28.40%	100.00%
Total	102	100.00%	
<b>If yes, how successful?</b>			
Very Successful	8	11.00%	11.00%
Successful	28	38.40%	49.30%
Not sure	16	21.90%	71.20%
Not Successful	21	28.80%	100.00%
Very Un-successful	0	0.00%	100.00%
Total	73	100%	

Source: Researcher (2017)

The results in the table indicated that 73 (71.6%) of the respondents confirmed that the strategies towards customer satisfaction within the organisation have been successful as less than a third (29, 28.4%) asserted otherwise. Of the 73 who confirmed that the strategies are successful, 8 (11.0%) indicated that the strategies are very successful, slightly above a third (28, 38.4%) of the respondents revealed that the strategies are successful, 21 (28.8%) confirmed that the customer satisfaction strategies are not successful while only 16 (21.9%) were indifferent on the matter. These findings on the success of the organisation's customer

satisfaction strategies agree with the 2017 report of the organisation' performance. These findings also align to the assertions by Kotler (2012).

#### 4.4.2 Aspects of Customer Satisfaction

The study sought to evaluate various aspects of customer satisfaction in the organisation. The respondents were to give their feedback indicating either Yes or No. The results were then summarized in table 4.9.

**Table 4.9 Aspects of Customer Satisfaction**

Aspect	Yes	No	Total
AMREF has a clear laid down procedure of labelling its customers	70(68.6%)	32(31.4%)	102
AMREF registers a huge volume of its clients as repeat clients	88(86.3%)	14(13.7%)	102
Customer referrals at AMREF contribute significantly to the clientele base.	74(72.5%)	28(27.5%)	102
Products offered by AMREF to its clients are personalized depending on the customer's needs.	67(65.7%)	35(34.3%)	102

Source: Researcher (2019)

The findings on the first assessed aspect relating to customer satisfaction indicated that out of the 102 respondents, more than two-thirds (70, 68.6%) confirmed that AMREF has a clear laid down procedure of labelling its customers while 32(31.4%) asserted otherwise. On the second aspect, most (88, 86.3%) of the respondents confirmed that AMREF registers a huge volume of its clients as repeat clients. Besides, 74(72.5%) of the 102

respondents agreed that customer referrals at AMREF contribute significantly to the clientele base whereas 28(27.5%) bore a contrary opinion. Results on the fourth aspect pointed out that most of the respondents (67, 65.7%) asserted that products offered by AMREF to its clients are personalized depending on the customer's needs. On this aspect, slightly above one-third (35, 34.3%) of the respondents held a contrary opinion.

The results from the interview conducted on the HoD - customer relations, indicated that the organisation had recorded high customer satisfaction rates. The response from the HoD was;

*“...Most of our customers have confirmed to us that our services are quite satisfactory hence the high number of repeat clients, keeping in mind that our services are health based therefore only demanded when the client falls sick...”*

The HoD also stated that;

*“...As an organisation, we believe in product flexibility, our services are therefore easily customized to meet our clientele needs. We also conduct frequent market intelligence so as to enhance our customer satisfaction rates...”*

#### **4.4.3 Customer Satisfaction Strategies**

The findings on the customer satisfaction strategies employed in achieving sustainable competitive advantage within the organisation were summarized in table 4.10. The respondents were to give their feedback using the likert scale; 1=Strongly Disagree, 2=Disagree, 3=Neutral, 4=Agree, 5=Strongly Agree.

**Table 4.10 Customer Satisfaction Strategies**

Statements	SD	D	N	A	SA	Mean	SD
AMREF implements new customer satisfaction strategies gradually	2(2.0)	25(24.5)	23(22.5)	43(42.2)	9(8.8)	3.31	1.00
AMREF conducts continuous market intelligence that has enabled the organization satisfy its customers' needs.	4(3.9)	16(15.7)	14(13.7)	46(45.1)	22(21.6)	3.65	1.10
The customer satisfaction strategies developed by AMREF are customer oriented.	0	31(30.4)	17(16.7)	41(40.2)	13(12.7)	3.35	1.05
The implemented customer satisfaction strategies have top management support.	2(2.0)	17(16.7)	29(28.4)	41(40.2)	13(12.7)	3.45	0.98
All developed customer satisfaction plans are based on analyzed data from customers.	27(26.5)	46(45.1)	17(16.7)	7(6.9)	5(4.9)	2.19	1.06
Composite mean and standard deviation						3.19	1.16

Source: Researcher (2019)

Five statements were developed to assess the degree to which customer satisfaction strategies employed influence the achieving of sustainable competitive advantage within the organisation. The results on statement (1) that AMREF implements new customer satisfaction strategies gradually indicated that out of 102 respondents who participated in the study, 9(8.8%) of respondents strongly agreed with the statement, 43(42.2%) agreed, 25(24.5%) disagreed, 2(2.0%), strongly disagreed while 23(22.5%) were neutral. This finding attest that 51(51.0%) respondents agreed with the statement, 27(26.5%) disagreed with the statement while 23(22.5%) were unsure. This item had a mean of 3.31 and a standard deviation of 1.00 which was greater than composite mean of 3.19 with standard

deviation of 1.16 which further implied that the statement does positively influence sustainable competitive advantage within the organisation. This result agreed with the results made in the study by Kotler (2012) who asserted that new customer satisfaction strategies influence sustainable competitive advantage and also supports the study's knowledge gap on customer satisfaction strategies in the pre-hospital industry in Kenya.

In addition, the findings on statement (2) indicated that out of 102 respondents who participated in the study, 22(21.6%) of respondents strongly agreed with the statement that AMREF conducts continuous market intelligence that has enabled the organization satisfy its customers' needs, 46(45.1%) agreed with the same statement, 16(15.7%) disagreed, 4(3.9%) strongly disagreed while 14(13.7%) were neutral. The summary of the finding point that 68(66.7%) respondents agreed with the statement, 20(19.6%) disagreed with the statement while 23(22.5%) were neutral. This item had a mean of 3.65 and a standard deviation of 1.10 which was higher than composite mean of 3.19 with standard deviation of 1.16. This implied that the statement positively affect sustainable competitive advantage within the organisation. This result agreed with the assertions made by Kotler (2012) who pointed out that carrying out market intelligence is a prerequisite towards satisfying customers' needs thus attaining sustainable competitive advantage. The results also supports the study's knowledge gap on customer satisfaction strategies in the pre-hospital industry in Kenya.

The results on statement (3) that the customer satisfaction strategies developed by AMREF are customer oriented indicated that out of 102 respondents who participated in the study 13(12.7%) strongly agreed with the statement, 41(40.2%) agreed, 31(30.4%) disagreed, none strongly disagreed while 17(16.7%) were neutral. This finding attest that more than

one-half (54, 52.9%) respondents agreed with the statement, nearly one-third (31, 30.4%) disagreed with the statement while 17(16.7%) were unsure. This item had a mean of 3.35 and a standard deviation of 1.05 which was greater than composite mean of 3.19 with standard deviation of 1.16 therefore further implying that the statement does positively influence sustainable competitive advantage within the organisation. This result agreed with the findings of Kotler (2012) who argued that customer satisfaction strategies ought to be customer oriented in order to attain competitive advantage. The results also support the study's knowledge gap on customer satisfaction strategies in the pre-hospital industry in Kenya.

Besides, findings on statement (4) indicated that out of 102 respondents who participated in the study, 54(52.7%) either agreed/strongly agreed with the statement that the implemented customer satisfaction strategies within the organisation have top management support, 19(18.7%) either disagreed/strongly disagreed with the same statement, while 29(28.4%) were neutral. This statement had a mean of 3.45 and a standard deviation of 0.98 which was higher than composite mean of 3.19 with standard deviation of 1.16. This implied that the statement positively affect sustainable competitive advantage within the organisation. On the other hand, findings on statement (5) indicated that out of 102 respondents who participated in the study, 12(11.8%) either agreed/strongly agreed with the statement that all the developed customer satisfaction plans are based on analyzed data from customers, 73(71.6%) either disagreed/strongly disagreed with the same statement, while 17(16.7%) were neutral. This statement had a mean of 2.19 and a standard deviation of 1.06 which was lower than the composite mean of 3.19 with standard deviation of 1.16. This implied that the statement does not positively affect sustainable competitive advantage

within the organisation. This result was contrary to the Helgesen (2014) findings that confirmed that these customer satisfaction strategies should be anchored on customer survey. In addition, they support the study's knowledge gap on customer satisfaction strategies in the pre-hospital industry in Kenya.

#### **4.5 Use of Technology**

The study obtained information on the use of CRM and the extent to which CRM has influenced customer relationship strategies within the organisation alongside use of technology in attaining sustainable competitive advantage. The results were presented in table 4.11 and 4.12 below.

##### **4.5.1 Use of CRM**

The study sought to establish the extent of adoption of CRM in the organisation. The findings summarized in table 4.11 below.

**Table 4.11 Use of CRM**

<b>Aspect</b>	<b>Frequency</b>	<b>Percentage</b>	<b>Cumulative %</b>
<b>Use of CRM at AMREF</b>			
Yes	91	89.20%	89.20%
No	11	10.80%	100.00%
	Total	102	100.00%
<b>If yes, how great has it influenced customer relationship strategies?</b>			
Very Great	17	18.70%	18.70%
Great	40	44.00%	62.60%
Not sure	16	17.60%	80.20%
Mildly	13	14.30%	94.50%
Not at all	5	5.50%	100.00%
	Total	91	100%

Source: Researcher (2019)

The results indicate that only 11 (10.85%) respondents argued that the organisation has not adopted the use of CRM technology in managing its customer relationships. Additionally, of the 89.2% (91) of the respondents who indicated that the organisation has adopted the use of CRM, 62.6% (57) asserted that the CRM technology has either very greatly or greatly influenced customer relationship strategies. 13 (14.3%) of the respondents argued that the influence has been mild while only 5 (5.5%) indicated that the technology had not at all influenced the customer relationship strategies. These results closely related to the

conclusions made by Ganguli (2012). Contrary to the findings by Virginia (2016), 16 (17.6%) of the respondents revealed that they were not sure if the technology had impacted the customer relationship strategies within the organisation.

The HoD stated that;

*“The implementation of CRM at AMREF was a game changer! Our interaction including feedback collection has greatly improved.” She also added that, “...we are however yet to fully implement technologies throughout our internal processes.”*

#### **4.5.2 Aspects of Use of Technology**

Table 4.12 presents the summary of responses on the opinion of the respondents pertaining aspects relating to use of technology within the organisation. The responses were presented in a five point scale that ranged from ‘Strongly agree (5)’ to ‘Strongly Disagree’ (1). The standard deviation was used to describe the difference in the responses obtained.

**Table 4.12 Aspects of use of Technology**

Statements	SD	D	N	A	SA	Mean	SD
AMREF leverages on technology to gain competitive advantage	2(2.0)	21(20.6)	23(22.5)	47(46.1)	9(8.8)	3.39	0.98
Technology is treated as one of the main riders in the organization' processes hence its success.	15(14.7)	35(34.3)	29(28.4)	21(20.6)	2(2.0)	2.61	1.04
There is a strong relationship between customer partnership with the organization and use of technology.	34(33.3)	36(35.3)	17(16.7)	11(10.8)	4(3.9)	2.17	1.13
AMREF has successfully and intentionally integrated most of its processes technologically in-order to remain competitive.	0	7(6.9)	9(8.8)	57(55.9)	29(28.4)	4.06	0.81
High costs involved in technological advancements is the main factor limiting a complete integration of processes at AMREF.	14(13.7)	28(27.5)	33(32.4)	19(18.6)	8(7.8)	2.79	1.14
Composite mean and standard deviation						3.00	1.21

Source: Researcher (2019)

Five statements were developed to assess the degree to which use of technology influence the achieving of sustainable competitive advantage within the organisation. The results on statement (1) that AMREF leverages on technology to gain competitive advantage indicated that out of 102 respondents who participated in the study, 9(8.8%) of respondents strongly agreed with the statement, 47(46.1%) agreed, 21(20.6%) disagreed, 2(2.0%) strongly disagreed while 23(22.5%) were neutral. This finding attest that 56(54.9%) respondents agreed with the statement, 23(22.5%) disagreed with the statement while

23(22.5%) were unsure. This item had a mean of 3.39 and a standard deviation of 0.98 which was greater than composite mean of 3.00 with standard deviation of 1.21 which further implied that the statement positively influence sustainable competitive advantage within the organisation. This result agreed with the results made in the study by Leong and Qing (2006) who linked used of technology to sustainable competitive advantage. Besides, it supports the study's knowledge gap on use of technology in relation to competitive advantage in the pre-hospital industry in Kenya.

In addition, the findings on statement (2) indicated that out of 102 respondents who participated in the study, 23(22.5%) either agreed/strongly agreed with the statement that technology is treated as one of the main riders in the organization' processes hence its success, 50(49.0%) either disagreed/strongly disagreed with the same statement, while 29(28.4%) were neutral. This statement had a mean of 2.61 and a standard deviation of 1.04 which was lower than the composite mean of 3.00 with standard deviation of 1.21. This implied that the statement does not positively affect sustainable competitive advantage within the organisation. On the other hand, findings on statement (3) indicated that out of 102 respondents who participated in the study, 15(14.7%) either agreed/strongly agreed with the statement that there is a strong relationship between customer partnership with the organization and use of technology, 70(68.6%) either disagreed/strongly disagreed with the same statement, while 17(16.7%) were neutral. This statement had a mean of 2.17 and a standard deviation of 1.13 which was lower than the composite mean of 3.19 with standard deviation of 1.16. This implied that the statement does not positively affect sustainable competitive advantage within the organisation. These results were contrary to the assertions by Virginia (2016) who argued that technology is one of the main riders in

an organization's processes while seeking to attain competitiveness and that there is a strong relationship between customer partnership with the organization and use of technology. In addition, they support the study's knowledge gap on use of technology and its impact on the achieving sustainable competitive advantage in the pre-hospital industry in Kenya.

The results on statement (4) that AMREF has successfully and intentionally integrated most of its processes technologically in-order to remain competitive indicated that out of 102 respondents who participated in the study 29(28.4%) strongly agreed with the statement, 57(55.9%) agreed, 7(6.9%) disagreed, none strongly disagreed while 9(8.8%) were neutral. This finding attests that more than three-quarters (86, 84.3%) of the respondents agreed with the statement, only 7(6.9%) disagreed with the statement while 9(8.8%) were unsure. This item had a mean of 4.04 and a standard deviation of 0.81 which was greater than composite mean of 3.00 with standard deviation of 1.21 therefore further implying that the statement does positively influence sustainable competitive advantage within the organisation. This result agreed with the findings of Virginia (2016) who argued that in the current age, organisations need to technologically integrate most of their activities in order to attain competitive advantage. The results also support the study's knowledge gap on use of technology and its impact on the achieving sustainable competitive advantage in the pre-hospital industry in Kenya.

The results on the fifth and final statement that High costs involved in technological advancements is the main factor limiting a complete integration of processes at AMREF indicated that out of 102 respondents who participated in the study 8(7.8%) strongly agreed with the statement, 19(18.6%) agreed, 28(27.5%) disagreed, 14(13.7%) strongly disagreed

while 33(32.4%) were neutral. These results revealed that less than one-third (27, 26.5%) of the respondents agreed with the statement whereas more than one-third 42(41.2%) disagreed with the statement while 33(32.4%) were undecided. This item had a mean of 2.79 and a standard deviation of 1.14 which was lower than the composite mean of 3.00 with standard deviation of 1.21 therefore further implying that the statement does not positively influence sustainable competitive advantage within the organisation. Mecha et al. (2015) confirmed a contrary argument where he asserted that high costs involved in technological advancements is one of the main factor limiting technological integration of organisational processes. The results further support the study's knowledge gap on use of technology and its impact on the achieving sustainable competitive advantage in the pre-hospital industry in Kenya.

The interview findings also indicated that a number of the organisation' processes are automated as the organisation strongly believes in the power of technology in seeking to attain competitive advantage. The HoD also asserted that;

*“...however, the main challenge in automating our processes include issues such as huge initial cash outlay that is required to purchase the technology and partly a lack of appealing technological solutions currently in the market.”*

#### **4.6 Customer Retention**

The study sought to establish the organization's strategy in relation to customer retention and the extent to which respondents agree in relationship to various aspects of customer retention. The findings were summarized in table 4.13 to 4.15 below.

#### 4.6.1 Customer Retention Strategies

The researcher sought to determine the various customer retention strategies employed by the organisation. The findings were as summarized in table 4.13 below.

**Table 4.13 Customer Retention Strategies**

Strategy	Yes		No	
	Number	Percentage	Number	Percentage
Commitment to customers	98	96.1%	4	3.9%
Social bonding	65	63.7%	37	36.3%
Promise fulfillment	90	88.2%	12	11.8%
Communication	79	77.5%	23	22.5%
Sales promotion	57	55.9%	45	44.1%

Source: researcher (2019)

The findings as presented in the table indicate that the organisation has implemented several customer retention strategies, to different degrees, that include commitment towards its customers as depicted by 98 (96.1%) respondents who indicated that the organisation has implemented the strategy in retaining its customers followed by promise fulfillment as evidenced by 90 (88.2%) of the respondents then the use of communication as indicated by more than three-quarters 79 (77.5%) of the respondents which is then followed by use of social bonding strategy that is asserted by nearly two-thirds 65 (63.7%) of the respondents and finally sales promotions (57, 55.9%). These findings are similar to those established by Greenberg (2010) who confirmed that most organisations employ strategies that allow them be commitment to their customers and also fulfill their promises.

#### 4.6.2 Involvement in CSR

The study sought to determine the likelihood of impact of the organisation being involved in CSR activities towards its customer retention strategies. The findings as summarized in table 4.14.

**Table 4.14 Involvement in CSR**

<b>Involvement in CSR</b>	<b>Frequency</b>	<b>Percentage</b>
Very Unlikely	9	8.8%
Unlikely	23	22.5%
Not Sure	18	17.6%
Likely	39	38.2%
Very Likely	13	12.7%
<b>Total</b>	<b>102</b>	<b>100%</b>

Source: researcher (2019)

The results depicted that more than one-half (52, 51.0%) of the respondents indicated that the organisation' involvement in CSR activities is likely or very likely to impact customer retention strategies. On the other hand, less than a third (32, 31.4%) revealed that the organisation is unlikely or very unlikely to have its customer retention strategies affected by being involved in CSR activities. However, 17.6% of the respondents were indifferent. These results correlated with the conclusion made by Kipkenda (2011) who confirmed the effect of CSR on customer retention.

### 4.6.3 Aspects of Customer Retention

The study sought to find out the extent to which respondents agree in relationship to various aspects of customer retention in the organisation. The findings were as indicated in table 4.15.

**Table 4.15 Aspects of Customer Retention**

Statements	SD	D	N	A	SA	Mean	SD
AMREF' high reputation enhances customer retention.	1(1.0)	9(8.8)	4(3.9)	61(59.8)	27(26.5)	4.02	0.87
The organization' timely response to customers' queries, complains and requests results to their retention.	3(2.9)	7(6.9)	14(13.7)	48(47.1)	30(29.4)	3.93	0.99
The length of customer' relationship with AMREF is the main parameter considered in measuring the success of retention strategies.	5(4.9)	16(15.7)	18(17.6)	34(33.3)	29(28.4)	3.65	1.19
Customer defects at AMREF are treated with great concern.	16(15.7)	24(23.5)	13(12.7)	35(34.3)	14(13.7)	3.07	1.33
Composite mean and standard deviation						3.67	1.17

Source: Researcher (2019)

The researcher developed four statements to evaluate the influence of various aspects of customer retention in the organisation on sustainable competitive advantage. The first statement (1) was set as AMREF's high reputation enhances customer retention. The results on this revealed that out of 102 respondents, more than three-quarters (88, 86.3%) agreed with the statement, 10(9.8%) disagreed with the same statement while only 4(3.8%) were neutral. This statement had a mean of 4.02 and a standard deviation of 0.87 which was higher than the composite mean of 3.67 with standard deviation of 1.17. This implied

that the statement positively affects sustainable competitive advantage within the organisation. These findings were in line with arguments made by Kipkenda (2011) who confirmed that an organisation's high reputation positively impacts customer retention.

On the other hand, findings on statement (2) indicated that out of 102 respondents who participated in the study, 78(76.5%) either agreed/strongly agreed with the statement that the organization's timely response to customers' queries, complains and requests result to their retention, 10(9.8%) either disagreed/strongly disagreed with the same statement, while 14(13.7%) were neutral. This statement had a mean of 3.93 and a standard deviation of 0.99 which was higher than the composite mean of 3.67 with standard deviation of 1.17. This further indicated that the statement positively affects sustainable competitive advantage within the organisation. These results were supported by the assertions made by Virginia (2016). In addition, the findings anchor the study's knowledge gap on customer retention and its impact on the achieving sustainable competitive advantage in the pre-hospital industry in Kenya.

The results on statement (3) that the length of customer's relationship with AMREF is the main parameter considered in measuring the success of retention strategies indicated that out of 102 respondents who participated in the study 29(28.4%) strongly agreed with the statement, 34(33.3%) agreed, 16(15.7%) disagreed, 5(4.9%) strongly disagreed while 18(17.6%) were neutral. This finding attest that 63(61.8%) of the respondents agreed with the statement, 21(20.6%) disagreed with the statement while 18(17.6%) were undecided. This item had a mean of 3.65 and a standard deviation of 1.19 which was lower than composite mean of 3.67 with standard deviation of 1.17 therefore further implying that the

statement does not positively influence sustainable competitive advantage within the organisation. In her study, Greenberg (2010) also pointed out the length of customer's relationship with an organisation as a key measure of the success of retention strategies employed. The results further support the study's knowledge gap on customer retention and its impact on achieving of sustainable competitive advantage in the pre-hospital industry in Kenya.

The results on the fourth and final statement that Customer defects at AMREF are treated with great concern indicated that out of 102 respondents who participated in the study 14(13.7%) strongly agreed with the statement, 35(34.3%) agreed, 24(23.5%) disagreed, 16(15.7%) strongly disagreed while 13(12.7%) were neutral. These results revealed that near one-half (49, 48.0%) of the respondents agreed with the statement whereas more than one-third 40(39.2%) disagreed with the statement while 13(12.7%) were undecided. This item had a mean of 3.07 and a standard deviation of 1.33 which was lower than the composite mean of 3.67 with standard deviation of 1.17 therefore further implying that the statement does not positively influence sustainable competitive advantage within the organisation. Virginia (2016) also asserted that treating customer defect with great concern enhance their retention. These results further support the study's knowledge gap on customer retention and its impact on the achieving sustainable competitive advantage in the pre-hospital industry in Kenya.

The interview results evidenced that the organisation embraces organisational reputation and timely response to clients as the main strategies employed in achieving customer retention. In her response, the HoD stated that;

*“...attaining a high and positive organisational reputation has to a great extent improved the organisation’ ability to retain its customers. Besides, we are intent in sustaining a culture of timely response to our clients as this increases their confidence towards us as their service providers.”*

## 4.7 Customer Trust

The researcher collected information on various aspects relating to customer trust and summarized the results in table 4.16 and 4.17.

### 4.7.1 Customer Trust Strategies

The study asked the respondents to give feedback on whether the organisation has clearly spelt customer trust strategies and if it employs some specific strategies in enhancing customer trust levels. The results were summarised in table 4.16 below.

**Table 4.16 Customer Trust Strategies**

Aspect	Frequency	Percentage %
<b>Strategies towards customer trust</b>		
Yes	79	77.5%
No	23	22.5%
Total	102	100.0%
<b>Customer trust strategies</b>		
Product innovation		
Yes	55	53.9%
No	47	46.1%
Client education		
Yes	63	61.8%
No	39	38.2%
Positive reputation		
Yes	95	93.1%
No	7	6.9%

Source: Reseacher (2019)

The findings depicted that most (79, 77.5%) of the respondents agreed that the organisation has a clear strategy towards customer trust. It was also evident that the organisation's most common customer trust strategy was customer reputation which was argued for by 95 of the respondents who represented 93.1% of the respondents. Client education was the second most utilised strategy by the organisation as evidenced by more than a half (63, 61.8%) of the respondents. The respondents also confirmed that the organisation averagely uses product innovation to enhance trust of its customers (55, 53.9%). Near similar assertions were made by Hefferman et al. (2008) and Ndubisi (2007) who confirmed customer reputation and education as being the most common customer trust strategies employed by organisations. A similar argument in relation to customer trust strategies employed by the organisation were indicated in the interview findings from the HoD, customer relations.

#### **4.7.2 Aspects of Customer Trust Levels**

Table 4.17 summarises the results in relation to customer trust levels in attaining sustainable competitive advantage. The respondents were to give their opinions on several aspects relating to customer trust levels in the following scale; [1=Strongly Disagree, 2=Disagree, 3=Neutral, 4=Agree, 5=Strongly Agree].

**Table 4.17 Aspects of Customer Trust Levels**

Statements	SD	D	N	A	SA	Mean	SD
Resources that are difficult to imitate have enabled AMREF gain trust from their clients as unique in its services.	21(20.6)	43(42.2)	12(11.8)	19(18.6)	7(6.9)	2.49	1.21
AMREF efficiently manages and develops its people hence been able to attain and maintain trust from its clients.	5(4.9)	50(49.0)	20(19.6)	18(17.6)	9(8.8)	2.76	1.08
Customer behaviour towards new products can assist the organization measure their level of trust.	9(8.8)	51(15.7)	17(16.7)	19(18.6)	6(5.9)	2.63	1.07
Continuous product advertisement has enabled AMREF gain trust from its potential clients.	1(1.0)	5(4.9)	11(10.8)	62(60.8)	23(22.5)	3.99	0.79
With a clear knowledge of AMREF' pricing policy, customers can develop trust towards the organization	19(18.6)	56(54.9)	13(12.7)	8(7.8)	6(5.9)	2.27	1.05
Composite mean and standard deviation						2.83	1.21

Source: Researcher (2019)

The researcher developed four statements to evaluate the influence of various aspects of customer retention in the organisation on sustainable competitive advantage. The results on statement (1) that resources that are difficult to imitate have enabled AMREF gain trust from their clients as unique in its services indicated that out of 102 respondents who participated in the study 7(6.9%) strongly agreed with the statement, 19(18.6%) agreed, 43(42.2%) disagreed, 21(20.6%) strongly disagreed while 12(11.8%) were neutral. This finding attest that 26(25.5%) of the respondents agreed with the statement, 64(62.7%) disagreed with the statement while 12(11.8%) were undecided. This item had a mean of

2.49 and a standard deviation of 1.21 which was lower than composite mean of 2.83 with standard deviation of 1.21 therefore further implying that the statement does not positively influence sustainable competitive advantage within the organisation. The findings agreed with those in the study conducted by Hohenschwert and Susi (2015). In addition, the results support the study's knowledge gap on customer trust and its impact on achieving of sustainable competitive advantage in the pre-hospital industry in Kenya.

The second statement was set as AMREF efficiently manages and develops its people hence been able to attain and maintain trust from its clients. The results on this revealed that out of 102 respondents, less than one-third (27, 26.5%) agreed with the statement, 55(53.9%) disagreed with the same statement while only 20(19.6%) were neutral. This statement had a mean of 2.76 and a standard deviation of 1.08 which was lower than the composite mean of 2.83 with standard deviation of 1.21. This therefore implied that the statement does not positively affect sustainable competitive advantage within the organisation. These findings were contrary to the arguments made by Hefferman et al. (2008) and Ndubisi (2007) who confirmed that when an organisation develops its people it enhances trust from its clients. This finding supports the study's knowledge gap on customer trust and its impact on achieving of sustainable competitive advantage in the pre-hospital industry in Kenya.

On the other hand, findings on statement (3) indicated that out of 102 respondents who participated in the study, 25(24.5%) agreed with the statement that customer behaviour towards new products can assist the organization measure their level of trust, 60(58.8%) either disagreed with the same statement, while 17(16.7%) were neutral. This statement

had a mean of 2.63 and a standard deviation of 1.07 which was lower than the composite mean of 2.83 with standard deviation of 1.21. This further indicated that the statement does not positively affect sustainable competitive advantage within the organisation. Similar assertions were made by Greenberg (2010) who argued that customer behaviour towards new products may not be a good indicator to their trust since this is heavily influenced by product awareness among other factors. In addition, the findings anchor the study's knowledge gap on customer trust and its impact on the achieving sustainable competitive advantage in the pre-hospital industry in Kenya.

The results on the fourth statement that continuous product advertisement has enabled AMREF gain trust from its potential clients indicated that out of 102 respondents who participated in the study 23(22.5%) strongly agreed with the statement, 62(60.8%) agreed, 5(4.9%) disagreed, 1(1.0%) strongly disagreed while 11(10.8%) were neutral. These results revealed that more than three-quarters (85, 83.3%) of the respondents agreed with the statement whereas only 6(5.9%) disagreed with the statement while 11(10.8%) were undecided. This item had a mean of 3.99 and a standard deviation of 0.79 which was greater than the composite mean of 2.83 with standard deviation of 1.21 therefore further implying that the statement positively influences sustainable competitive advantage within the organisation. Hefferman et al. (2008) also agreed with this findings in their study. These results further support the study's knowledge gap on customer trust and its impact on the achieving sustainable competitive advantage in the pre-hospital industry in Kenya.

Lastly, findings on statement (5) indicated that out of 102 respondents who participated in the study, 14(13.7%) agreed with the statement that with a clear knowledge of AMREF'

pricing policy, customers can develop trust towards the organization, 75(73.5%) disagreed with the same statement, while 13(12.7%) were neutral. This statement had a mean of 2.27 and a standard deviation of 1.05 which was lower than the composite mean of 2.83 with standard deviation of 1.21 thus further indicated that the statement does not positively affect sustainable competitive advantage within the organisation. Contrary assertions were made by Greenberg (2010) who argued that a clear pricing policy enhances client trust. Besides, the findings anchor the study's knowledge gap on customer trust and its impact on the achieving sustainable competitive advantage in the pre-hospital industry in Kenya.

#### **4.8 Competitive Advantage**

The study collected and analyzed information on how competitive advantage associates with the independent variables (customer retention, customer satisfaction, use of technology and customer trust level) and on other aspects of competitive advantage. The findings were summarized in table 4.18 and 4.19 as presented below.

##### **4.8.1 Competitive Advantage and the Independent Variables**

The respondents were to use the likert scale; 1=Very Unlikely, 2=Unlikely, 3=Neutral, 4=Likely, 5=Very Likely, to give their feedback on how likely the independent variables influence competitive advantage. The findings were presented in table 4.18.

**Table 4.18 Competitive Advantage and the Independent Variables**

Statements	SD	D	N	A	SA	Mean	SD
Customer retention	0(0.0)	7(6.9)	9(8.8)	56(54.9)	30(29.4)	4.07	0.81
Customer satisfaction	0(0.0)	0(0.0)	8(7.8)	73(71.6)	21(20.6)	4.13	0.52
Use of technology	2(2.0)	10(9.8)	16(15.7)	55(53.9)	19(18.6)	3.77	0.93
Customer trust level	0(0.0)	0(0.0)	2(2.0)	71(69.6)	29(28.4)	4.26	0.49
Composite mean and standard deviation						4.06	0.73

Source: Researcher (2019)

The researcher evaluated the impact of the four independent variables on sustainable competitive advantage. The first variable was customer retention and the results revealed that out of the 102 respondents, 30(29.4%) strongly agreed that it likely impacts sustainable competitive advantage, 56(54.9%) agreed with the same statement, 7(6.9%) disagreed, none strongly disagreed while 9(8.8%) were indifferent. This variable had a mean of 4.07 and a standard deviation of 0.81 which was greater than the composite mean of 4.06 with standard deviation of 0.73 therefore implying that the variable is likely to positively influence sustainable competitive advantage within the organisation. This result is in line with the arguments established in the studies conducted by Yu and Tung (2013) and Kotler (2012).

The second variable was customer satisfaction and the findings evidenced that out of the 102 respondents, 21(20.6%) strongly agreed that it likely impacts sustainable competitive advantage, 73(71.6%) agreed with the same statement, none either disagreed or strongly disagreed with the statement while 8(7.8%) were unsure. This variable had a mean of 4.13

and a standard deviation of 0.52 which was greater than the composite mean of 4.06 with standard deviation of 0.73 therefore further implying that the variable is likely to positively influence sustainable competitive advantage within the organisation. This finding is in line with the arguments established in the studies conducted by Yu and Tung (2013) and Kotler (2012).

In addition, the assessment of the third variables affirmed that 19(18.6%) of the 102 respondents strongly agreed that use of technology likely impacts sustainable competitive advantage, 55(53.9%) agreed that the variable affects sustainable competitive advantage, 10(9.8%) disagreed, 2(2.0%) strongly disagreed while 16(15.7%) were not sure. This variable had a mean of 3.77 and a standard deviation of 0.93 which was lower than the composite mean of 4.06 with standard deviation of 0.73 therefore further implying that the variable is not likely to positively influence sustainable competitive advantage within the organisation. These results conform to the findings by Ganguli (2012) and Virginia (2016).

The last variable was customer trust level and the findings evidenced that out of the 102 respondents, 29(28.4%) strongly agreed that it likely impacts sustainable competitive advantage, 73(69.6%) agreed with the same statement, none either disagreed or strongly disagreed with the statement while 2(2.0%) were unsure. This variable had a mean of 4.26 and a standard deviation of 0.49 which was greater than the composite mean of 4.06 with standard deviation of 0.73 therefore further implying that the variable is likely to positively influence sustainable competitive advantage within the organisation. This result aligns itself with the arguments established in the studies conducted by Yu and Tung (2013) and Kotler (2012).

#### 4.8.2 Aspects of Sustainable Competitive Advantage

Table 4.19 presents the findings in relation to sustainable competitive advantage, the respondents were to indicate their level of agreement with each of the provides statement using the likert scale; 1 = Strongly Disagree; 2 = Disagree; 3 = Neutral; 4 = Agree; 5 = Strongly Agree.

**Table 4.19 Aspects of Sustainable Competitive Advantage**

Statements	SD	D	N	A	SA	Mean	SD
Customer acquisition, market share and profitability are the main measures of competitive advantage at AMREF.	0(0.0)	0(0.0)	1(1.0)	71(69.6)	30(29.4)	4.28	0.47
The current deployed relationship marketing strategy have resulted to the organisation gaining competitive advantage.	0(0.0)	0(0.0)	8(7.8)	73(71.6)	21(20.6)	4.13	0.52
Market share greatly influences the organization's profitability.	0(0.0)	0(0.0)	0(0.0)	62(60.8)	40(39.2)	4.39	0.49
Composite mean and standard deviation						4.27	0.51

Source: Researcher (2019)

The researcher developed three statements to assess the various aspects relating to sustainable competitive advantage in the organisation. The results on statement (1) that customer acquisition, market share and profitability are the main measures of competitive advantage at AMREF indicated that out of 102 respondents who participated in the study 30(29.4%) strongly agreed with the statement, 71(69.6%) agreed while only 1(1.0%) was neutral. None of the respondents disagreed with this statement. This item had a mean of 4.28 and a standard deviation of 0.47 which was greater than composite mean of 4.27 with

standard deviation of 0.51 implying that customer acquisition, market share and profitability are the main measures of competitive advantage at AMREF. Similar assertions were made by Kotler (2012) who pointed out that customer acquisition, market share and profitability are key aspects of measuring competitive advantage.

The second statement was set as the current deployed relationship marketing strategies have resulted to the organisation gaining competitive advantage. The results on this revealed that out of 102 respondents, 21(20.6%) strongly agreed with the statement, 73(71.6%) agreed while only 8(7.8%) were neutral. None of the respondents disagreed with this statement. This statement had a mean of 4.13 and a standard deviation of 0.52 which was lower than the composite mean of 4.27 with standard deviation of 0.51. This therefore implied that the deployed relationship marketing strategies at AMREF have not fully resulted to the organisation gaining competitive advantage.

On the other hand, findings on statement (3) indicated that all the respondents agreed with the statement that market share greatly influences the organization's profitability. Out of the 102 participants in the study, 40(39.2%) strongly agreed with the same statement while 62(60.8%) simply agreed. This statement had a mean of 4.39 and a standard deviation of 0.49 which was higher than the composite mean of 4.27 with standard deviation of 0.51. This further indicated that that market share greatly influences the organization's profitability thus competitive advantage. Similar assertions were made by Wanjau (2013) and Kotler (2012) who argued that market share greatly influences the profitability of any firm.

When asked of the challenges relating to achieving sustainable competitive advantage in the organisation while employing relationship marketing strategies, the HoD confirmed that AMREF experiences a number of challenges including emerging competition especially on their road ambulance transfer services, high costs involved towards relationship marketing strategy implementation and sometimes tough and seemingly unattainable demands from our clients.

#### **4.9 Inferential Analysis**

The study conducted inferential analysis that intended to explain the nature of relationship between the independent and dependent variables; both correlation and regression analyses were carried out. The research also sought to determine the validity of the study model applied through conducting a multicollinearity test, heteroscedasticity Test and normality test on the study model.

##### **4.9.1 Multicollinearity Test**

The researcher carried out a multicollinearity test on the independent variables. The results were presented in table 4.20.

**Table 4.20 Multicollinearity Test**

	Tolerance	VIF
Customer retention	0.667	4.597
Customer satisfaction	0.554	5.221
Use of technology	0.768	0.857
Customer trust	0.529	1.208

Source: researcher (2019)

According to Gujarati (2003), there exists multicollinearity between two independent variables if the variables are perfectly correlated. The researcher adds that a detection tolerance values of less than 0.1 or a VIF value that exceeds 10 imply the existence of multicollinearity. From the results, the values for tolerance were greater than 0.1 while the VIF values were less than 10. The researcher therefore concluded that there was no multicollinearity in the model employed.

#### 4.9.2 Heteroscedasticity Test

To test the level of heteroscedasticity, the study adopted the Lagrange Multiplier (LM) Test. The results were as indicated in table 4.21.

**Table 4.21 Heteroscedasticity Test**

$R^2N$	Test Statistic: $X^2(m)$
43.47	57.36

Source: Researcher (2019)

The linear regression model works on the assumption that the error-term variance should be constant. Therefore, if the test statistic:  $X^2$ , is greater than the corresponding value from the statistical table, we accept the null hypothesis; there is no heteroscedasticity. From the findings in table 4.21, the results depicted that  $R^2N < X^2$  ( $43.47 < 57.36$ ). The study therefore accepted the null hypothesis and concludes that there was no heteroscedasticity.

#### 4.9.3 Normality Test

The study used a Shapiro-Wilk test in numerically determining the normality of the data. The findings were presented in table 4.22.

**Table 4.22 Normality Test**

	Significance level
Customer retention	0.617
Customer satisfaction	0.773
Use of technology	0.701
Customer trust	0.693

Source: Researcher (2019)

With the significance value of the Shapiro-Wilk test greater than 0.05, we conclude that the data is normal and if below 0.05, the data depicts a significant deviation from a normal distribution. Based on the results, the researcher concluded that customer retention, customer satisfaction, use of technology and customer trust (.617, .773, .701 and .693 > .05).

#### **4.9.4 Correlation Analysis**

Correlation analysis was carried out to determine the strength and nature of relationship between the independent variables; customer retention, customer satisfaction, use of technology and customer trust levels, and the dependent variable; sustainable competitive advantage. The results were summarized in table 4.23 below.

**Table 4.23 Correlation Analysis**

Variable	Measures	Customer retention	Customer satisfaction	Use of technology	Customer trust	Sustainable competitive advantage
Customer retention	Pearson Correlation Sig. (1-tailed)	1				
Customer satisfaction	Pearson Correlation Sig. (1-tailed)	0.028	1			
Use of technology	Pearson Correlation Sig. (1-tailed)	0.082	0.132	1		
Customer trust	Pearson Correlation Sig. (1-tailed)	0.084	0.245	0.323	1	
Sustainable competitive advantage	Pearson Correlation Sig. (1-tailed)	0.733	0.745	0.541	0.696	1

Source: Researcher (2019)

\*5% Significance Level

From the results in table 4.23, the value of R= 0.733 depicted that customer retention strategies had a strong positive relationship with sustainable competitive advantage. This implied that an improvement in the customer retention strategies employed resulted to an improvement in the degree of sustainable competitive advantage attained by the

organisation. Besides, the p-value of 0.042 ( $<0.05$ ) implied that the relationship was statistically significant. The correlation value between customer satisfaction strategy and sustainable competitive advantage was 0.745. This depicted a strong relationship between the two variables hence improved customer satisfaction strategies results to a greatly enhanced sustainable competitive advantage attained by the organisation. However, the p value of 0.044 ( $<0.05$ ) implied that the relationship was statistically significant.

Both use of technology and level of customer trust had a positive correlation value with sustainable competitive advantage; 0.541 and 0.696 respectively. This signified a weak positive relation between use technology and sustainable competitive advantage and a strong positive relation between customer trust level and the dependent variable. Therefore, enhanced usage of technology results to a slight increase in the level of sustainable competitive advantage attained whereas improved customer trust results to a great improvement in the level of sustainable competitive advantage attained within the organisation. In addition, the p-values indicated that the relationship between the dependent variable and use of technology was statistically insignificant; 0.107 ( $>0.05$ ) whereas the relationship between the dependent variable and customer trust was statistically significant; 0.025 ( $<0.05$ ).

#### **4.9.5 Regression Analysis**

To establish the overall effect of customer retention, customer satisfaction, use of technology and customer trust level on sustainable competitive advantage, a simple multiple regression analysis was carried out. The findings were summarised in tables 4.24 and 4.25.

**Table 4.24 Summary of Regression Model**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Sig.
1	.675a	.456	.435	.632	.001

a. Predictors: Customer retention, customer satisfaction, use of technology & customer trust

Source: Researcher (2019)

The results in table 4.24 established that the coefficient-of-determination which explains the percentage variation in the dependent variable (sustainable competitive advantage) that is explained by the changes in the predictor variables  $R^2$  equals 0.456, signifying that customer retention, customer satisfaction, use of technology and customer trust level explain up to 45.6% change in sustainable competitive advantage leaving up to 54.4% unexplained. The significance value of 0.001 which is less than 0.05 depicted that the cumulative impact of customer retention, customer satisfaction, use of technology and customer trust level on sustainable competitive advantage was statistically significant.

On the other hand, table 4.25 presents the coefficients of the predictor variables; customer retention, customer satisfaction, use of technology and customer trust level in the regression model employed by the researcher. The regression model is therefore derived from the table as;

$$Y = 2.154 + 0.187X_1 + 0.211X_2 + 0.094X_3 + 0.114X_4 + \varepsilon$$

**Table 4.25 Regression Coefficients**

Model		Unstandardized		Standardized		T	Sig.
		Coefficients		Coefficients			
		Beta	Std. Error	Beta			
1	(Constant)	2.154	0.373			1.442	0.001
	Customer retention	0.187	0.049	0.076		1.509	0.001
	Customer satisfaction	0.211	0.055	0.113		2.675	0.000
	Use of technology	0.094	0.064	0.018		2.121	0.225
	Customer trust	0.114	0.067	1.256		0.632	0.001

Source: Researcher (2019)

The findings in table 4.25, indicates a constant value of 2.154 which depicted that if all the predictor variables (customer retention, customer satisfaction, use of technology and customer trust level) were set as zero, sustainable competitive advantage would be 2.154. The findings also depicted that with the other independent variables set as constants, a unit increase or decrease in customer retention, customer satisfaction, use of technology and customer trust level results to 0.187, 0.211, 0.094 and 0.114 units increase or decrease in sustainable competitive advantage in the organisation respectively. Besides, the significance values of 0.001, 0.000 and 0.001 ( $<0.05$ ) depicted that the effect of customer retention, customer satisfaction and customer trust on sustainable competitive advantage was statistically significant. On the other hand, the significance value of 0.225 ( $>0.05$ ) revealed that the effect of use of technology on sustainable competitive advantage was statistically significant.

## **CHAPTER FIVE: SUMMARY OF FINDINGS, DISCUSSION, CONCLUSION AND RECOMMENDATIONS**

### **5.1 Introduction**

The general objective of the study was to assess relationship marketing and sustainable competitive advantage in AMREF flying doctors. The study however concentrated at the organisation' head office based in Nairobi and measured four specific objectives that include customer retention, customer satisfaction, use of technology and customer trust. This section therefore presents summary of the findings from the previous chapter, discussions of the findings, conclusions and recommendation made by the researcher.

### **5.2 Summary of Major Findings**

The findings on the background information relating to both the respondents and the organisation' capabilities revealed that most of the AMREF employees were male with a majority of the respondents being of the age 18-35 years. However, more than three-quarters of the employees at AMREF Flying Doctors had less than 50 years in age. It was evident that a majority of the respondents were educated with all of the respondents having at least an undergraduate degree and a majority of them having attained a professional qualification in addition to their respective degrees. In relation to the length of period of continuous service at AMREF, the findings revealed that a huge majority had worked at AMREF Flying Doctors for between 6 to 20 years with very few respondents having a continuous service at the organisation that was more than 20 years.

On the other hand, a majority of the sampled respondents were from the operations department followed by sales, then human resources and lastly IT departments. Similarly,

it was clear that a majority of the respondents were departmental supervisors, followed by departmental managers and lastly heads of departments. In relation to organisational capabilities, the results indicated that most of the respondents indicated that the organisation has well spelt its mission and vision to its clients and a well stipulated relationship marketing plan. On the other hand, it was also clear that the organisation is competitive or very competitive as indicated by a huge number of the respondents. Similarly, most of the respondents asserted that the organisation does frequently collect and analyses data from its clients.

In relation to customer satisfaction, the study revealed that the organisation has successful customer satisfaction strategies. The results also indicated that the organisation does not have a clearly laid down procedure of labelling its customers. Similarly, it was not clear whether the products offered by AMREF to its clients are personalized depending on the customer's needs. However, the organisation registers a huge volume of its clients as repeat clients and customer referrals contribute significantly to the clientele base. The respondents also indicated that AMREF implements new customer satisfaction strategies that are customer oriented, gradually whereas continuous market intelligence by the organisation has enabled the organization satisfy its customers. These customer satisfaction strategies have the organisation' top management support. However, it is not clear if the customer satisfaction plans within the organisation informed by data collected from the clients.

Majority of the respondents indicated that the organisation has implemented the use of CRM technology with a huge number of them revealing that the technology has had a significant relationship on the organisation' customer relationship strategies. The

respondents revealed that AMREF leverages on technology to gain competitive advantage and that AMREF has to a very great extent successfully and intentionally integrated most of its processes technologically in-order to remain competitive. It was however not clearly evidenced whether technology is treated as one of the main riders in the organization's processes hence resulting to its success and if high costs involved in technological advancements is the main factor limiting a complete integration of processes at AMREF.

The findings on customer retention depicted that the organisation has mostly implemented commitment to its customers as its biggest strategy towards retaining its customers, followed by promise fulfillment, followed by communication, social bonding and lastly sales promotions. On the other hand, a majority of the respondents asserted that the organisation's involvement in CSR activities is at least to impact its customer retention strategies. Similarly, according to the results, the organisation's high reputation and timely response to customers' queries, complains and requests enhance its customer retention. However, the respondents were indifferent as to whether AMREF uses length of customer's relationship as the main parameter in measuring the success of retention strategies while most indicated that the organisation treats customer defect with no great concern.

An assessment of customer trust strategies in the organisation revealed that most of the respondents agree that the organisation has clear strategy towards customer trust with positive reputation being the most employed strategy followed by client education and lastly product innovation. The respondents were not sure whether AMREF's resources that are difficult to imitate have enabled the organisation gain trust from their clients and if the organisation efficiently manages and develops its people. The respondents also depicted

that continuous product advertisement has enabled the organisation gain trust from its potential clients and that customer behaviour towards new products can to an average extent assist the organization measure their level of trust. Lastly, the respondents asserted that clear knowledge of the organisation' pricing policy does necessarily enhance trust towards the organization.

The results also revealed that there was no multicollinearity in the model employed by the study since the values for tolerance were greater than 0.1 (.667, .554, .768 and .529) while the VIF values were less than 10 (4.597, 5.221, .857 and 1.208). Besides, the LM value of 43.47 (<57.36) and the Shapiro-Wilk test values of .617, .773, .701 and .693 (>.05) revealed that there was no heteroscedasticity and that the independent variables were normally distributed respectively. An analysis of the relationship between the variables, both independent and dependent variables, revealed that customer retention ( $r = .633$ ), customer satisfaction ( $r = .745$ ) and customer trust ( $r = .626$ ) have a strong positive relationship with sustainable competitive advantage while the association between use of technology and competitive advantage was a weak positive association ( $r = .341$ ). The regression analysis indicated that customer retention, customer satisfaction, use of technology and customer trust level explain up to 45.6% change in sustainable competitive advantage within the organisation.

### **5.3 Discussion**

A determination of the association between customer retention strategies and sustainable competitive advantage depicted a strong positive relationship ( $R= 0.633$  and  $p= 0.472$ ) between the independent and the dependent variable. This signifies that customer retention

significantly impact sustainable competitive advantage hence an enhancement in the customer retention strategies employed results to an improvement in the level of sustainable competitive advantage attained by the organisation. A similar conclusion is arrived at by Aduor (2011) who argued that customer retention significantly relates to an organisation' competitive advantage through the establishment of correct relationship marketing strategies that may give rise to reduced marketing costs, improve level of customer satisfaction and loyalty.

The assessment of the relationship between customer satisfaction strategy and sustainable competitive revealed a correlation value of 0.745 at a p-value of 0.294. This indicates the existence of a strong relationship between the two variables therefore implying that an improved customer satisfaction strategies results to a greatly enhanced sustainable competitive advantage attained by the organisation. A similar argument is raised by Kamunde (2012) who asserts that customer satisfaction is a key determinant of repeat business which in turn results to an organisation attaining and sustaining its competitiveness. Describing the association between the two variables, Al-Hersh, et al. (2014) in her study on Arabs Banks concluded that the banks should utilize aspects of customer relationship marketing including customer satisfaction if they intend to sustain their market share.

Similarly, use of technology and level of customer trust had both positive correlation value with sustainable competitive advantage; 0.341 ( $p=0.387$ ) and 0.626 ( $p=0.246$ ) respectively. These depicted a weak positive relation between use technology and sustainable competitive advantage and a strong positive relation between customer trust level and the

dependent variable. The results further implied that enhanced usage of technology results to a slight increase in the level of sustainable competitive advantage attained whereas an improved customer trust level results to a great improvement in the level of sustainable competitive advantage attained. Besides, the commitment and trust theory by Morgan and Hunt (1994) adds that a successful relationship between an organisation and its clients must be established on two key aspects; trust and commitment.

Integrating Information Technology with an aim of enhancing an organisation's abilities of understanding customer behavior, developing models to facilitate prediction of customer behaviour, building efficient communications with clients and responding them accurately and timely results to an organisation attaining a competitive advantage against its peers (Leong and Qing, 2006). On the other hand, Virginia (2016) also established that enhanced technological set up and improved customer trust results to enhance and/or improved customer-organisation relationship hence the business' competitive advantage. Similarly, in a study by Haas et.al (2012) on creating value in business relationship: the role of sales in industrial marketing management, low customer trust impacts performance conversely. Hence an organisation's competitive performance is hampered by a reduction in the trust levels of its clients.

The results also signified that no any of the two explanatory variables were perfectly correlated hence there was no multicollinearity in the variables while no heteroscedasticity was identified in the data hence improving the inferences made on the model by the study. In addition, the value of the coefficient-of-determination established depicts that cumulatively, customer retention, customer satisfaction, use of technology and customer trust level explain up to 45.6% of the variation in the dependent variable (sustainable

competitive advantage) hence these variables should not be ignored by the organisation while seeking to enhance its competitive advantage strategies. For instance, Kipkenda (2011) argued that correct relationship marketing strategies may enhance competitiveness through reduced marketing costs, improve level of customer satisfaction and loyalty.

#### **5.4 Conclusion**

The findings of the study provide direct evidence that customer retention is a contributory factor towards an organisation achieving and sustaining competitive advantage. From the study findings, enough evidence exists to conclude improved customer retention strategies of associated with improved levels of the organisation' sustainable competitive advantage. Similarly, the research also provides sufficient preliminary evidence that customer satisfaction plays a key role towards improving the level of sustained competitive advantage attained by the organisation. Specifically, for an organisation with well-established and executed customer satisfaction strategies, sustained competitive advantage is likely to improve.

The study findings also inferred that an organisation' use of technology in its relationship marketing strategies has a significant effect on sustainability of competitive advantage attained. This is because technology allows for an enhanced interaction between an organisation and its customers through building efficient communications with clients, responding them accurately and timely and establishing interactive models. Finally, the study concludes that customer trust levels has a significant effect on the level of the organisation' sustainable competitive advantage. It is therefore prudent for the organisation to seek to enhance trust among its customers as this also impacts the organisation' retention ability hence competitiveness.

## **5.5 Recommendations**

Based on the findings, the study set recommendations in relation to practice and policy as discussed below.

### **5.5.1 Policy**

The researcher recommends that while seeking to attain and sustain competitive advantage in the industry that the organisation operates in, AMREF Flying Doctors should keenly look at and develop policies in relation to aspects associated with relationship marketing such customer satisfaction, customer retention, use of technology and customer trust levels.

### **5.5.2 Practice**

The study recommends that AMREF Flying Doctor should conduct continuous and often analysis on their industry competitor's so as to grasp sufficient information on the competitive edge attained by these organizations. This additionally facilitates them in filling the gap in the services they offer from an informed platform.

## **5.6 Areas for Further Studies**

In relation to future studies, the researcher recommends that additional studies can be conducted on relationship marketing and sustainable competitive advantage on the entire ambulance services industry while measuring the study' variables so as to improve the applicability and reliability of the findings and recommendations in the industry. Other studies can also be carried out on other sectors of the economy other than the ambulance sector or additional variables relating to relationship marketing such brand strategy and customer segmentation can also be measured against sustainable competitive advantage.

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## APPENDICES

### APPENDIX I: INTRODUCTORY LETTER TO AMREF

Nazarene University  
School Of Business Studies  
P. O. Box  
Nairobi, Kenya  
May 20, 2016

Dear Participant,

The undersigned is a researcher carrying out a study on **analysis of relationship marketing implementation on achieving sustainable competitive advantage in the Kenyan Ambulance Services industry**. The study aims at assessing the use of technology, customer retention and customer satisfaction and their effects on achieving sustainable competitive advantage at AMREF. You have been selected as a participant in this study by supplying information that will be useful for this research.

Your sincere responses will be highly appreciated, treated with confidence and used only for the purpose of the study.

Thank you in advance for your participation.

Yours faithfully,

**Catherine Ochola**

## APPENDIX II: QUESTIONNAIRE FOR STAFF IN SUPERVISORY LEVEL

Questionnaire Number: \_\_\_\_\_

Interview Date: \_\_\_\_\_

Branch Location (County) \_\_\_\_\_

### Instructions

- a) Please do not write your name on the questionnaire.
- b) The information you give will be treated with confidentiality
- c) Kindly provide answers to the questions as honestly and precisely as possible.
- d) Indicate your choice by a tick (✓)

### Kindly answer the following;

#### A: GENERAL INFORMATION

1. Gender of Respondent:
 

i)	Female	[ ]
ii)	Male	[ ]
  
2. Age of Respondent:
 

i)	18 – 35 years	[ ]
ii)	36 – 50 years	[ ]
iii)	50+ years	[ ]
  
3. What is your academic qualification?
 

Primary [ ]	Secondary [ ]	Bachelor [ ]	Master [ ]	PhD [ ]
-------------	---------------	--------------	------------	---------
  
4. Do you have any professional qualification? Yes [ ]                      No [ ]
  
5. How long have you been in working for AMREF Flying Doctors?

0 – 5years [ ]    6 – 10years [ ]    11 – 20years [ ]    Above 20years [ ]

6. Which department do you serve in?

Finance [ ]    Human Resources [ ]    Operations [ ]    Information Technology [ ]

Sales & marketing [ ]

7. What is your job category?

Head of Department [ ]    Manager [ ]    Supervisor [ ]

8. In your opinion, has the organization clearly defined its mission and vision to its customers?

Yes [ ]    No [ ]

9. Does the company have a well stipulated relationship marketing plan?

Yes [ ]    No [ ]

10. How do you rate the competitiveness of AMREF as an organisation?

Very competitive [ ]    Competitive [ ]    Not sure [ ]    Not competitive [ ]

Very uncompetitive [ ]

11. Does AMREF regularly collect, analyse and store data on feedback pertaining their services from their clients?

Yes [ ]    No [ ]

If yes, how often?

Very often [ ]    Often [ ]    Not sure [ ]    Not often [ ]    Not at all [ ]

## **B: CUSTOMER SATISFACTION**

12. In your opinion, are the implemented customer satisfaction strategies at AMREF successful?

Yes [ ]      No [ ]

If yes, how successful are they?

Very successful [ ]      successful [ ]      Not sure [ ]      Not successful [ ]

Very un-successful [ ]

13. Below statements relate to aspects on customer satisfaction. Please indicate in your opinion on the following dimensions [Y = Yes, N = No].

Aspect	Y	N
a) AMREF has a clear laid down procedure of labelling its customers		
b) AMREF registers a huge volume of its clients as repeat clients		
c) Customer referrals at AMREF contribute significantly to the clientele base.		
d) Products offered by AMREF to its clients are personalized depending on the customer's needs.		

14. The following statements relate to customer satisfaction strategies at AMREF. Please indicate your opinion on the following dimensions [1=Strongly Disagree, 2=Disagree, 3=Neutral, 4=Agree, 5=Strongly Agree].

Statement	1	2	3	4	5
a) AMREF implements new customer satisfaction strategies gradually					
b) AMREF conducts continuous market intelligence that has enabled the organization satisfy its customers' needs					
c) The customer satisfaction strategies developed by AMREF are customer oriented					
d) The implemented customer satisfaction strategies have top management support					
e) All developed customer satisfaction plans are based on analyzed data from customers.					

15. What are the other implementations in line with customer satisfaction that AMREF has employed?

.....

.....

**C: USE OF TECHNOLOGY**

16. Has AMREF adopted the use of CRM (Customer Relationship Management) technological concept?

Yes [ ]      No [ ]

If yes, how greatly has it affected its customer relationship strategies?

Very Great [ ]      Great [ ]      Not Sure [ ]      Mildly [ ]      Not All [ ]

17. Below statements relate to use of technology as a relationship marketing tool in achieving sustainable competitive advantage. Please indicate your opinion on the following dimensions [1=Strongly Disagree, 2=Disagree, 3=Neutral, 4=Agree, 5=Strongly Agree].

Statements	1	2	3	4	5
a) AMREF leverages on technology to gain competitive advantage					
b) Technology is treated as one of the main riders in the organization' processes hence its success					
c) There is a strong relationship between customer partnership with the organization and use of technology					
d) AMREF has successfully and intentionally integrated most of its processes technologically in-order to remain competitive					
e) High costs involved in technological advancements is the main factor limiting a complete integration of processes at AMREF					

#### **D: CUSTOMER RETENTION**

18. Below are some strategies of customer retention. Please tick appropriately the methods employed by the organization in retaining its customers;

- i. Commitment to customers      Yes [ ]      No [ ]
- ii. Social bonding                      Yes [ ]      No [ ]
- iii. Promise fulfillment              Yes [ ]      No [ ]
- iv. Communication                      Yes [ ]      No [ ]

v. Sales promotions Yes [ ] No [ ]

19. In your view, how likely does AMREF' involvement in Corporate Social Responsibility affect customer retention?

Very likely [ ] Likely [ ] Not sure [ ] Unlikely [ ] Very Unlikely [ ]

20. Below statements relate to customer retention, trust and satisfaction. Please indicate your opinion on the following dimensions [1=Strongly Disagree, 2=Disagree, 3=Neutral, 4=Agree, 5=Strongly Agree].

Statement	1	2	3	4	5
a) AMREF' high reputation enhances customer retention					
b) The organization' timely response to customers' queries, complains and requests results to their retention					
c) The length of customer' relationship with AMREF is the main parameter considered in measuring the success of retention strategies?					
d) Customer defects at AMREF are treated with great concern					

#### **E: CUSTOMER TRUST LEVEL**

21. Does the organization have a clear strategy towards enhancing customer trust?

Yes [ ] No [ ]

22. Below are some employable ways towards enhancing customer trust levels. Please tick appropriately the strategies used by AMREF to achieve this.



## F. COMPETITIVE ADVANTAGE

24. Below aspects relate to competitive advantage. Please indicate using the scale provided how likely they are to affect AMREF's competitive advantage. [1=Very Unlikely, 2=Unlikely, 3=Neutral, 4=Likely, 5=Very Likely].

Aspect	1	2	3	4	5
a)Customer retention					
b) Customer Satisfaction					
c) Use of Technology					
d) Customer Trust Level					

25. The following statements relate to Competitive advantage. Please indicate your opinion on the following dimensions [1=Strongly Disagree, 2=Disagree, 3=Neutral, 4=Agree, 5=Strongly Agree].

Statement	1	2	3	4	5
a) Customer acquisition, market share and profitability are the main measures of competitive advantage at AMREF					
b) The current deployed relations marketing strategy have resulted to customer acquisition					
c) Market share greatly influences the organization's profitability					

26. According to your knowledge, what other ways does AMREF use to gain competitive advantage?

.....

.....

**THANK YOU**

**APPENDIX III: INTERVIEW GUIDE FOR HEAD OF CUSTOMER RELATIONS**

1. How many customers does AMREF have in general? What is this proportion in relation to the entire market?
2. From which regions of the country does AMREF have most of the customers and what is the source of this difference?
3. What is the current rate of customer turn-over at AMREF?
4. What are the main customer retention and satisfaction methodologies employed by AMREF?
5. Are the methodologies standardized throughout all AMREF departments? If not, what parameters are used to determine this differences?
6. Which technological features are used by AMREF to achieve competitive advantage?
7. In your opinion, how different are these methods from other ambulance services providers in the country?
8. How frequent and through what means does AMREF communicate to its customers?
9. What challenges are faced by the organisation in its efforts in achieving a sustainable competitive advantage?

**THANK YOU**

**APPENDIX IV: ANU LETTER OF RESEARCH AUTHORIZATION**

10<sup>th</sup>, July 2019

E-mail: [researchwriting.mba.anu@gmail.com](mailto:researchwriting.mba.anu@gmail.com)

Tel. 0202711213

*Our Ref:* 12M01DMBA033

The Director,  
National Commission for Science,  
Technology and Innovation (NACOSTI),  
P. O. Box 30623, 00100  
Nairobi. Kenya

Dear Sir/Madam:

**RE: RESEARCH AUTHORIZATION FOR: CATHERINE AYUMA OCHOLA**

Miss. Catherine is a postgraduate student of Africa Nazarene University in the Master of Business Administration (MBA) program.

In order to complete her program, Miss. Catherine is conducting a research entitled: **“Relationship Marketing and Sustainable Competitive Advantage of Ambulance Service Providers in Kenya: A Case of Amref Flying Doctors ”**

Any assistance offered to her will be highly appreciated.

Yours Faithfully,

**For DR. Kimani Gichuhi,  
MBA, Coordinator,  
School of Business,  
Africa Nazarene University.**

## APPENDIX V: NACOSTI LETTER OF RESEARCH AUTHORIZATION



### NATIONAL COMMISSION FOR SCIENCE, TECHNOLOGY AND INNOVATION

Telephone: +254-20-2213471,  
2241349,3310571,2219420  
Fax: +254-20-318245,318249  
Email: dg@nacosti.go.ke  
Website: www.nacosti.go.ke  
When replying please quote

NACOSTI, Upper Kabete  
Off Waiyaki Way  
P.O. Box 30623-00100  
NAIROBI-KENYA

Ref. No. **NACOSTI/P/18/99947/25742**

Date: **5<sup>th</sup> December, 2018**

Catherine Ayuma Ochola  
Africa Nazarene University  
P.O. Box 53067-00200  
**NAIROBI.**

#### **RE: RESEARCH AUTHORIZATION**

Following your application for authority to carry out research on “*Relationship marketing and sustainable competitive advantage in AMREF flying doctors; Nairobi, Kenya*” I am pleased to inform you that you have been authorized to undertake research in **Nairobi County** for the period ending **3<sup>rd</sup> December, 2019**.

You are advised to report to **the County Commissioner and the County Director of Education, Nairobi County** before embarking on the research project.

Kindly note that, as an applicant who has been licensed under the Science, Technology and Innovation Act, 2013 to conduct research in Kenya, you shall deposit **a copy** of the final research report to the Commission within **one year** of completion. The soft copy of the same should be submitted through the Online Research Information System.

  
**GODFREY P. KALERWA MSc., MBA, MKIM**  
**FOR: DIRECTOR-GENERAL/CEO**

Copy to:

The County Commissioner  
Nairobi County.

The County Director of Education  
Nairobi County.

**APPENDIX VI: NACOSTI PERMIT**

**THIS IS TO CERTIFY THAT:**  
**MS. CATHERINE AYUMA OCHOLA**  
**of AFRICA NAZARENE, 18617-500**  
**Nairobi, has been permitted to conduct**  
**research in Nairobi County**

**on the topic: RELATIONSHIP**  
**MARKETING AND SUSTAINABLE**  
**COMPETITIVE ADVANTAGE IN AMREF**  
**FLYING DOCTORS; NAIROBI, KENYA**

**for the period ending:**  
**3rd December, 2019**

**Permit No : NACOSTI/P/18/99947/25742**  
**Date Of Issue : 5th December, 2018**  
**Fee Received :Ksh 1000**



*[Signature]*  
**Applicant's Signature**

*[Signature]*  
**Director General**  
**National Commission for Science, Technology & Innovation**

**THE SCIENCE, TECHNOLOGY AND INNOVATION ACT, 2013**

**The Grant of Research Licenses is guided by the Science, Technology and Innovation (Research Licensing) Regulations, 2014.**

**CONDITIONS**

- 1. The License is valid for the proposed research, location and specified period.**
- 2. The License and any rights thereunder are non-transferable.**
- 3. The Licensee shall inform the County Governor before commencement of the research.**
- 4. Excavation, filming and collection of specimens are subject to further necessary clearance from relevant Government Agencies.**
- 5. The License does not give authority to transfer research materials.**
- 6. NACOSTI may monitor and evaluate the licensed research project.**
- 7. The Licensee shall submit one hard copy and upload a soft copy of their final report within one year of completion of the research.**
- 8. NACOSTI reserves the right to modify the conditions of the License including cancellation without prior notice.**

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### APPENDIX VII: STUDY AREA

