

**EFFECTS OF MARKETING STRATEGIES ON PERFORMANCE OF  
RECRUITMENT AGENCIES IN NAIROBI COUNTY; A CASE OF STAREHE  
SUB-COUNTY**

**STELLAH WANJIKU GUCHU**

**A Research Project Proposal Submitted In Partial Fulfilment Of The Requirements  
For The Award Of Master Of Business Administration Degree In The School Of  
Business Of Africa Nazarene University**

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## DECLARATION

### Student's Declaration

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

Signature: -----  ----- Date: ----15/06/2022-----

**Stellah Wanjiku Guchu**

### Supervisor's Declaration

This research project is submitted for examination with my/our approval as the university supervisor.

Signature: -----  ----- Date: ---15/6/2022

**Dr. Kimani Gichuhi**

**Africa Nazarene University,**

**Nairobi, Kenya**

## **DEDICATION**

I wish to dedicate this research proposal first and foremost to my Almighty Heavenly Father for creating me as a unique being. Secondly to my husband Kaime, without whom none of my dreams would have been a possibility. Thirdly, to my children Chantal, Chanel and Charlene who have been my inspiration to succeed. Also to my loving parents, for persuading me to achieve my potential. And finally to my siblings and family, for constantly motivating me.

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## ABSTRACT

In the present day business environment that is characterized by the increased competition among local and international companies, the emergence of more demanding customers and great technological advances has resulted in a complex market in the recruitment agencies. In this complex market environment, the marketing strategy of the firm can be a competitive advantage versus other firms provided that they deliver services and values that not only meet the customer demands, but surpass them. Therefore, the firms' strategies should be characterized by a responsive work organization, based on co-operative relations not only within the firm but also in its relations with external partners such as customers, suppliers and competitors. The specific objectives of the study is to determine the effect of marketing penetration strategy on performance, to establish the effect marketing development on performance and to determine the effect of diversification strategy on performance. The study will be guided by Igor Ansoff's Theory and Resource Based Theory. The study adopted descriptive research design. The study target population was 117 which constituted of top level management, middle level management and support staff. The study sample population was 90 respondents. Data collection was primary and therefore the researcher administered questionnaires, which was considered as an effective tool for the respondents. A pilot test of the questionnaire will be undertaken before administration of the questionnaire. Reliability and validity test was carried out on the data collection instruments. Data will be analyzed using descriptive statistics version 21 of the SPSS program. Findings of the data was in the form of percentages, means and standard deviation. Analysis of data was presented in the form of tables and figures. The main beneficiaries of the study were the recruitment agencies in general. The findings revealed that there is an existing relationship between marketing strategies on performance of recruitment agencies, pooled correlation and regression analysis. There is a positive correlation between market penetration strategy and performance of recruitment agencies,  $r(54)=0.462$ ,  $p<0.001$ , a strong positive correlation between market development strategy and performance of recruitment agencies  $r(54)=0.561$ ,  $p<0.001$ , and a positive correlation between market diversification strategy and performance of recruitment agencies  $r(54)=0.465$ ,  $p<0.001$ . Based on the findings, the researcher recommends the significance of conducting background check of all candidates before forwarding suitable names to various employers. Moreover, they should properly utilize the marketing strategies so as to be in a position of selling their brands and be known by their employers.

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**LIST OF ABBREVIATIONS**

<b>ANU</b>	Africa Nazarene University
<b>CBD</b>	Central Business District
<b>PESTEL</b>	Political, Economic, Social, Technological, Environmental and Legal
<b>SPSS</b>	Statistical Package for Social Sciences
<b>TCG</b>	Theatre Communications Group
<b>UK</b>	United Kingdom
<b>UON</b>	University of Nairobi

## OPERATIONAL DEFINITION OF TERMS

**Strategy:** It is high plan aimed at achieving one or more goals under conditions of uncertainty that is the plan of action that directs how organizational policies as well as practices are framed and executed to effectively assign the structure and manage corporate scarce resources to achieve organizational goals.

**Performance:** it refers to the actual output or the results of the organization as measured against the intended outputs and the outputs can be looked in three specific areas that is financial performance, product market performance and the shareholder returns.

**Market Penetration:** It refers to the successful selling of the service or product in an intended market and can be measured in terms of sales volume of the existing good or service in respect to the total target market for the product or service.

**Diversification strategy:** Diversification strategy refers to the strategy that a company adopts for the development of its business which involves widening the scope of the company across various products and market sectors.

## CHAPTER ONE

### INTRODUCTION AND BACKGROUND OF THE STUDY

#### 1.1 Introduction

This chapter contains the background of the study, statement of the problem, purpose of the study, objectives of the study, research questions, significance of the study, scope of the study, delimitations of the study, limitations of the study, assumptions of the study, theoretical framework and finally the conceptual framework.

#### 1.2 Background of the Study

##### 1.2.1 Performance of Recruitment Agencies

Performance includes multiple activities that help in establishing the goals of the organization, and monitors the progress towards the target (Johnson *et al.*, 2016). It is used to make adjustments to accomplish goals more efficiently and effectively. Organization performance is what business executives and owners are usually frustrated about. This is because even though the employees of the company are hard-working and are busy doing their tasks, their companies are unable to achieve the planned results. Results are achieved more due to unexpected events and good fortune rather than the efforts made by the employees. However, for any business to be successful, functions must be defined and accomplished. It is important for an organization to develop strategies that are designed around the skills that would enhance the performance of the organization. Performance is affected by myriad factors including: the lines of communication and command connecting these individuals (organizational authority structure and the degree of centralization), the resources and information to which the individuals have access, the nature of the task faced by the individuals, and the type and severity of the crisis under which the individuals operate (Richard *et al.*, 2014).

Thus, performance refers to ability of an enterprise to achieve such objectives as high profit, quality product, large market share, good financial results, and survival at predetermined time using relevant strategy for action (Koontz & Donnell, 2018). Performance provides the basis for an organization to assess how well it is progressing towards predetermined objectives, identify areas of strength and weakness and decide on the future initiatives with the goal of how to initiate performance improvement (Vanweele, 2016). Rowley (2016) used both financial and non-financial indicators. The financial indicators were a percentage growth in sales, labeled as sales growth and percentage profit margin labeled as profitability. They used public image and goodwill, quality of services and efficiency of operations as the non-financial indicator.



Firms need to be competitive to serve chosen segments effectively in a meaningful and sustainable manner through development of appropriate marketing strategies. In the present day business environment, market competitiveness is a function of how well firms can develop and implement strategies, but competitiveness also can impact the nature of chosen strategy by the firm (Hugh & Elizabeth, 2016). A strategy is an organization's commitment to particular products, markets, customers, competitive approaches, and method of business operation and that firms that strategically respond to competition improve their business performance and are able to remain competitive than those that do not (Bernard & Koerte, 2015). The firms' strategies should be characterized by a responsive work organization, based on co-operative relations not only within the firm but also in its relations with external partners such as customers, suppliers and competitors. Flexibility and adaptability are also considered as key management concepts to develop a sustainable competitive advantage, and successful firms apply them in new organizational strategies.

Pholphirul, Rukumnuaykit, Charoenrat, Kwenyou, and Srijamdee, (2021) examined a study on marketing strategies and performance of tourism and hospitality enterprises in Thailand. The focus of the study determined the extent in which service marketing strategies tend to affect enterprises in the tourism and hospitality industry, especially, operators in small numbers of tourists. The application of the 4P strategy implementation on the potential and profitability of service operators in Nong Khai Province, Thailand was of significance. Asgarnezhad Nouri, Zarei, Bashirkhodaparasti, Saebnia, and Nazer Asl, (2020) examining the impact of marketing capabilities and marketing strategies on business performance of export firms in Tabriz, Iran. Further, they claimed that in the current times, it is difficult to maintain customer satisfaction and loyalty due to expanding of globalization process, increase competition, entry of different domestic and foreign firms, diversified products and technology advancement. Therefore, utilizing marketing capabilities and strategies to service The in the competitive markets seems necessary as these factors can provide a good basis for improving the business performance of the firm.

In a study that was examined by Amin, (2021) highlighted the significance of marketing strategy has been an operational focus and a method for achieving an all inclusive business success. Further claimed that

promotional marketing strategy, price marketing strategy, place marketing strategy and product marketing strategy were considered to be the main aspects that positively influence the of SMEs in Abuja. (Akanji & Ogunsiji, 2020). Uwamariya and Gitahi, (2021) existence of marketing strategies and performance of commercial banks in Rwanda. Moreover, examined the objective of research was to examine the influence of consumer retention strategies on the performance of Equity Bank in Rwanda. Evidently, the performance of the Equity Bank is determined by adoption on the various marketing strategies.

In Kenya, recruitment firms are particularly faced by fierce market forces in the local market originating from both local and foreign entrants to the market that have continuously reduced their profit margins and with this change, there is need to employ appropriate responsive marketing strategies since reliance of the old marketing strategies might not give desired results due to the changing consumer demands (Wilburn, 2016). To enhance performance and to survive from competition, the recruitment agencies have had to come up with new marketing concept to maintain their market shares. The large recruitment agencies has over the years operated with strategies that ensured that they remain successful, however the uncertain business environment have increased the level of competitiveness, which is putting increasingly greater pressure to the recruitment agencies to acquire and to increase their competitive advantages through the adoption of appropriate marketing strategies. Therefore, to survive and thrive, the recruitment agencies have to make greater efforts to acquire or improve constantly their strategies, and as a result, their level of competitiveness can provide them a higher level of growth and performance.

### **1.2.2 Marketing Strategies**

Marketing strategy is a procedure by which companies react to situations of competitive market and forces of market or react to environment forces and internal forces to enable the firms to achieve its objective in the target market (Slater, Hult, & Olson, 2015). The traditional marketing strategy is a plan for pursuing the firm's objective or how the company is going to obtain its marketing goals within a specific market segment (Walker, 2016). This implies that a firms marketing strategy is a crucial determinant of successful firm performance and it can be considered to be a set of accurate, consistent, complete, realistic, specified, and valid actions designed to attain chosen firm objectives. This position will be consistent with the thinking in the marketing literature,

to the extent that a more accurate and more complete data, with respect to the internal and external environments, helps facilitate the development of effective marketing strategy (Taghian, 2015).

According to Slater and Narver (2016) market penetration strategy involves organizations products and services are sold in existing markets. Therefore, the goal of the strategy for market penetration is to concentrate on increasing the current product or service market share on the existing market. According to Levay, Drossinos and Thiel (2017) organizations adopt market penetration strategy to increase income from sales without altering the products or services. Therefore, it is argued that the after assessing the multiple alternatives and their intrinsic hazards, the selection of penetration mode is made at company level and is therefore a strategic decision for the company.

Ansoff (2017) defines market development as taking current products and finding new markets achieved through opening up previously excluded market segments, new marketing and distribution channels and entering new geographic markets. McCarthy (2015) developed two possible methods of implementing market development strategy as moving the present product into new geographical areas and expanding sales by attracting new markets. Market orientation enables firms to produce offerings, which, relative to offerings by competitors, are perceived by markets to offer better value (Day, 2014).

Diversification has been a key strategy employed by organizations in an attempt to improve their attractiveness and performance (Chen & Ho, 2014; Rogers, 2016). Teo (2017) observed that when opportunity for success is limited in a firm's product offerings and market, diversification into an area with opportunity is inevitable. Thus, generally, firms diversify to minimize risks as well as attain organizational goals through increased return on investment (Li & Jin, 2016).

### **1.2.2.1 Marketing Penetration Strategy**

Putri and Hermawan, (2021) argued that marketing strategy is considered to be an effective tool that constitute to viewing of promotional and advertising strategies, even though not giving maximum profits as in pre-pandemic. Moreover, organization tend to adopt creative consultant needs to use a market penetration strategy aimed at improving the business performance. In competitive markets, a firm has to constantly adapt, update its offering and improve its market share to maintain or improve its positions (Auma & Waithaka, 2020). It

was evident that market penetration growth strategy tend to have a positive influence on the performance of any organization.

### **1.2.2.2 Marketing Development Strategy**

Van Hong and Nguyen, (2020) emphasized on the fact that marketing development strategy is considered to be a critical contribution towards the business success that constitute of logistics service sector. The essence of marketing strategies existed and thus driven by work in logistics enterprises which constitute to increase of a company's general performance. On the other hand, Temchenko, Astafieva, and Bondarchuk, (2020) that marketing strategy management is the necessary components of improving the efficiency and production competitiveness, creation, development and realization of competitive advantage of enterprises in the market conditions. In order to exist, organizations must clearly define and perform its mission. Moreover, competition encourages the enterprise to think of effective means to accomplish its mission and its competitive status.

### **1.2.2.3 Diversification Strategy**

In today's dynamic and turbulent business environment, diversification is deduced as a catalyst for achieving competitive advantage and the creation of synergy in market operations (Oladimeji & Udosen, 2019). Therefore, organizations tend to operate in a highly competitive environment, especially among firms that produce the same or similar goods. Product diversification is considered to be a commonly seen as an expansion strategy that firms tend to adopt within their life cycles which determines the performance of the organization (Mendoza-Abarca & Gras, 2019)

## **1.3 Statement of the Problem**

In the present day business environment that is characterized by the increased competition among local and international companies, the emergence of more demanding customers and great technological advances has resulted in a complex market in the recruitment business. In this complex market environment, the marketing strategy of the company could be a competitive advantage versus other companies provided that they deliver services and values that not only meet the customer demands, but surpass them (Gattiker, 2017). Therefore, it goes without saying that companies need to investigate and apply a differentiated strategy versus others to stand out in the crowd. This can be interpreted to mean that sustained competitive advantage results from strategic assets.

Several studies have been undertaken both internationally and nationally on the need of marketing strategies by a firm. Covin, Green and Slevin, (2016) found that marketing strategies are more likely to be emergent and not explicitly intended than deliberate. Elbana and Child (2017) found that uncertainty is a crucial constituent that influences the marketing strategy making process since the uncertainty constituents play a significant role in the strategy making process. In the local scene, Masika (2017) did marketing strategies adopted by commercial banks in Kenya and found out that commercial banks in Kenya pursue marketing segmentation, product strategies, distribution, pricing, marketing relationship and promotions strategies.

Hassan (2018) carried a study on the effects of strategic organizational practices on the performance of manufacturing industry in Kenya and established that strategic management practices were major drivers of performance in the manufacturing industry. Nevertheless, none of these studies has covered the effects of marketing strategies namely market penetration, market development and diversification on business performance of recruitment agencies in Kenya. There exists a research gap that needs to be addressed, therefore, this study seek to determine the effects of marketing strategies on the performance of recruitment agencies in Nairobi Central Business District Kenya.

#### **1.4 Purpose of the Study**

The purpose of the study was to determine the effects of marketing strategies on the performance of recruitment agencies in recruitment agencies in Nairobi County; a case of Starehe Sub-County.

#### **1.5 Objective of the Study**

This study was guided by general and specific objectives.

##### **1.5.1 General Objective**

The general objective of the study is to determine the effects of marketing strategies on the performance of recruitment agencies in Nairobi County; a case of Starehe Sub-County.

##### **1.5.2 Specific Objectives**

- i. To determine the effect of market penetration strategy on the performance of recruitment agencies in Nairobi County.

- ii. To establish the effect of market development strategy on the performance of recruitment agencies in Nairobi County.
- iii. To determine the effect of diversification strategy on the performance of recruitment agencies in Nairobi County.

### **1.6 Research Hypothesis**

The study will test the following hypothesis

H<sub>01</sub> : There is no significant relationship between market penetration and performance of recruitment agencies in Nairobi County.

H<sub>02</sub>: There is no significant relationship between market development strategy and performance of recruitment agencies in Nairobi County.

H<sub>03</sub>: There is no significant relationship between diversification strategy and performance of recruitment agencies in Nairobi County.

### **1.7 Significance of the Study**

The study analyzed the effects of marketing strategies on the performance of recruitment agencies in Nairobi County, Kenya; the result of the study was useful to the following groups:

The board of enrollment organizations in Kenya profited from the investigation, it help the enlistment offices survey the inner development methodologies and set up the best measures in order to guarantee that presentation of enlistment offices is upgraded and improved along these lines expanding on efficiency and better administrations to customers.

Government profited broadly from this examination. It's significant for development as far as income that administration organizations stayed productive in light of the fact that this is the place where the public authority procures its income by means of charges and through workers making good on their duties, this objective was effectively met.

Work market controllers, for example, the National Employment Authority of Kenya extraordinarily profited by the examination since they are mindful in guaranteeing that the recruitment agencies work inside the law

and they offered quality help which are reasonable for all clients hence it was profitable to the controller as in they had option to oversee uprightness in all viewpoint and guarantee nature of administration is advertised. Through this examination, the specialist might have the option to share a more profound and more extensive comprehension of the investigation of impacts of inward development procedures on the presentation of enrollment offices in Nairobi CBD, Kenya. Accordingly acquiring information in a zone, which the scientist may not be acquainted with and the data was applicable to the analyst's future profession ties.

### **1.8 Scope of the Study**

The extent of the investigation is perpetually wide since there are numerous in Kenya offering enlistment and preparing administrations. The examination is bound to in Nairobi. The examination fundamental spotlight is on investigation of impacts of inward development techniques on the exhibition of recruitment agencies in Nairobi County, Kenya. It targeted high level directors, center level chiefs, and care staff. The investigation was completed during the long stretch of April, 2021 to July, 2021.

### **1.9 Delimitations of the Study**

The scientists in Nairobi County as the focal point of the examination for it was helpful in information assortment. Additionally, the examination theme is because of the need to appreciate and have more information and advancements in the work business to be more serious.

### **1.10 Limitations of the Study**

Despite the fact that this examination was specialist may likewise confront a test of uncooperative and threatening respondents. However, this was diminished by propelling the respondents and by circling back to the surveys. The scientist may likewise be confronted with the test of absence of information, that is, inadequate information. However, this was diminished by utilizing the web and by counseling the applicable specialists and experts inside the enlistment offices who are knowledgeable with data concerning the impact of interior development procedures on execution of enrollment organizations to reveal more insight in this field. Another test might be that a portion of the respondents may either fill equivocal answers or leave clear inquiries (that is, neglect to compose their reaction to certain inquiries) in the surveys. This will be decreased

via returning to a similar office whose respondents the specialist will have seen that their polls might be having either equivocal answers or leave clear inquiries.

### **1.11 Assumptions of the Study**

The examination expects that the impact on execution of enrollment offices and that the respondents have a reasonable comprehension about the factors influencing the organizations execution. It is additionally expected that the respondents who framed the objective populace and test size gave verifiable data. That is, the respondents gave precise data, which empowered the specialist to concoct dependable and solid investigation ends and suggestions. Additionally, that there was collaboration and generosity from the objective respondents.

### **1.12 Theoretical Framework**

For organization to successfully build its exhibition it needs to embrace item and market development systems that can be effortlessly upheld and made do with the accessible assets inside the organization and the limits of the mechanical design. Thusly, the examination was moored by the Igor Ansoff's hypothesis of item and market advancement, and asset based hypothesis.

#### **1.12.1 Igor Ansoff's Theory**

Igor (1957) posited that for an organization to increase its performance, it needs to achieve products and market growth through four different strategies which depends on whether or not a company or product is already present in the market. He considered two dimensions; one dimension is based on the product being either new or existing while the other dimension consider market as new or existing. The four main growth strategies include market penetration, market development, and diversification. The internal growth strategies pose different levels of risks and need for investment. Market penetration which involves selling more of existing products in already exiting market possess the lowest risk (Shroder, 2015), this strategy is aimed at achieving market dominance through gaining competitor's customers, attracting non-users and having the current users buy more (Gardetti, 2015). Organization could also opt to introduce new products in an already existing market by developing products that are closely related to the existing products, developing totally new products to match existing needs of customers or a product that rejuvenates the usage of existing product (Free-Management-e-Books, 2016) as a strategy, this strategy was described by Igor (1957) as product development



strategy. Diversification strategy proposed by Igor (1957) involves developing a totally new product and selling it in a new market that the organization was not operating in, while market development entails selling the existing product into a new market. Both diversification and product development pose the highest risk and are the least employed growth strategies (Shroder, 2015).

These theory is very important to the study because the management of the recruitment companies will get to evaluate the products that they offer and decide whether to sell their old products or even create new ones as long as they market them in a good way which will attract more customers. The theory supports market penetration strategy, market development strategy and diversification strategy.

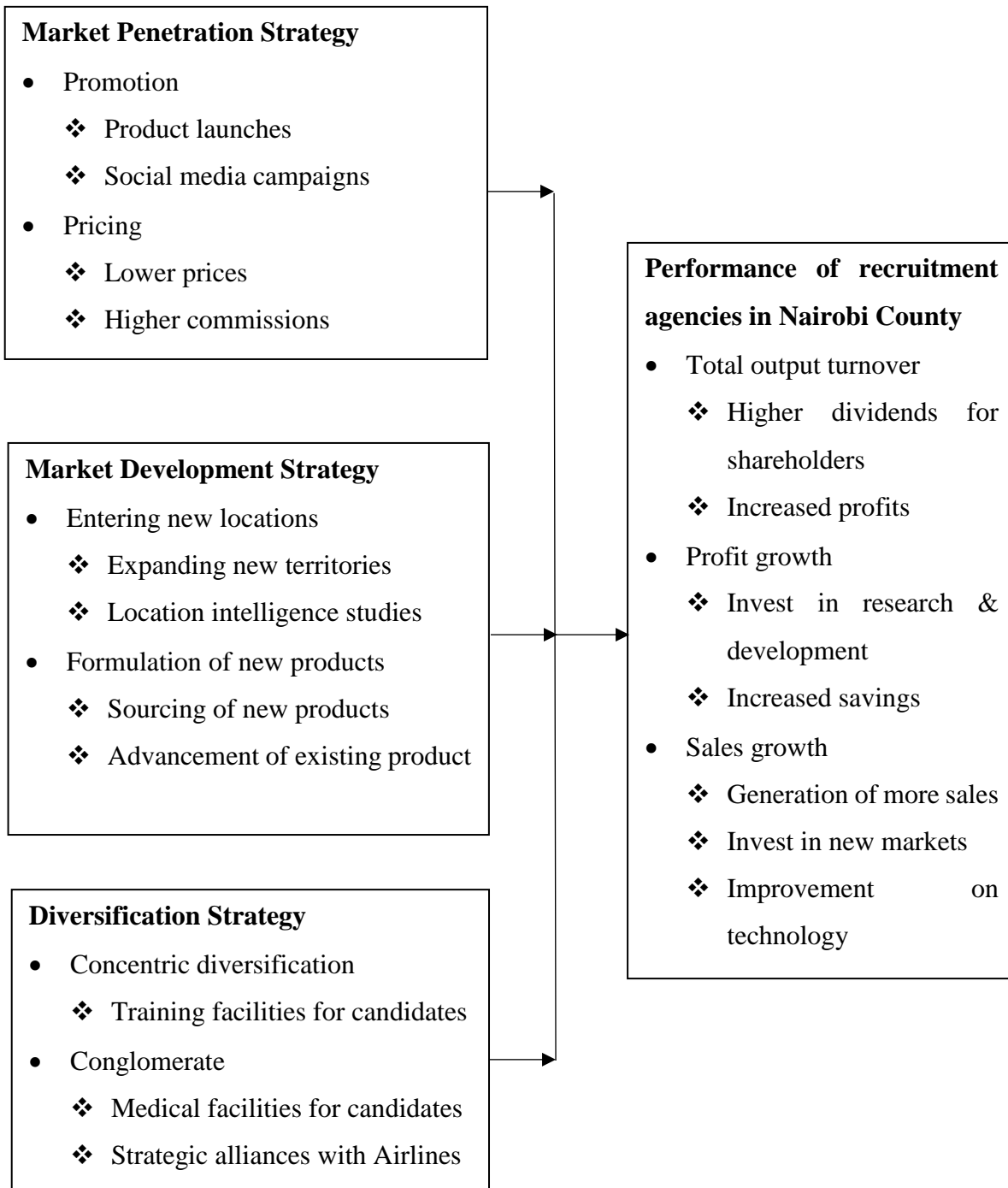
### **1.12.2 Resource Based Theory**

Wernerfelt (1984) characterized organization's asset as both substantial and immaterial resources which are tied semi-forever to the firm. The capacity of an organization to misuse the assets that the business has upgrades its upper hand (Wernerfelt, 1984). As indicated by Petaraf and Barney (2013) organizations in a comparable industry have diverse measure of assets suggesting that some organization are more gifted to accomplish certain targets and capacities than others since they have one of a kind assets, moreover in the event that different organizations can't copy these assets, at that point the controlling organization is bound to create more upper hand over others in the business (Petaraf & Barney, 2013). Organizations market based assets identifies with those resource and abilities that are either utilized in building brands, connections, advancement or information. These resources structure basic base in affecting an organization's presentation (Srivastava et al., 2018). Resource based theory is therefore relevant to this study as it helps in understanding the importance of identifying rare, non-imitable and non-substitutable marketing resources, competencies and capabilities relevant to the recruitment agencies and the effect on their performance.

**1.13 Conceptual Framework**

**Independent Variables**

**Dependent Variable**



**Figure 1.1 Conceptual Framework**

**Source: Author (2021)**

## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.1 Introduction**

This chapter presented the empirical literature reviewed. In empirical literature the relationship between independent and dependent variable was discussed. Knowledge gaps in each study was identified and the relevance of the current study in bridging the research gap presented at the end of this chapter.

#### **2.2 Review of Literature**

##### **2.2.1 Market Penetration Strategy on Performance**

Armstrong (2018) explains that market penetration is the mode in which a particular product gains a market share in a particular market. It can also refer to the way in which a particular product or brand shares a recognition in a particular market segment. All the modes of market penetrations are as a result of how effective the marketing strategy is effective. Thiam (2017), indicates that market penetration majorly focuses on gaining more and more customers in a market niche. It is majorly about harvesting customers in a market segment to try products by the organization. Market development however focuses on developing customer relations. Market development is in essence trying to cement a deeper relationship with the customer in order to win the customer's loyalty in the long run.

Njomo and Margaret (2016) study explored the impact of strategies for market entrance and authoritative turn of events: a soda case. The delineated irregular examining procedure has been utilized. The exploration haphazardly picked an example of 160 soda pop organizations. Information were gathered and broke down utilizing both unmistakable and inferential factual devices. Connection examination was utilized to distinguish the position and bearing of the two factors direct relationship. The discoveries demonstrated an organization between entrance strategies and authoritative turn of events. Estimating technique for entrance has been negative and has no amazing impact on improvement of organization. Notwithstanding, the examination setting was a Case of Soft Drink.

Ekwulugo (2018), reported that a way of also trying to dominate a particular market in order to rip from its full benefit is trying the different market penetration strategies. Also in another study by Ardyan (2018) found

out that the majority of organizations in the United States used market penetration strategies in order to gain a foothold in the markets they wished to control. He further points out that market penetration can take various forms. Each form is dependent on the kind of marketing strategy that the firm will choose to adopt into their grand plan of market penetration. Market penetrations that assume a pricing strategy tend to control the prices of their products in the market. The prices can be low in order to try and have the advantage of attracting more customers, dominate the market with their products and also discourage new investments by other organizations into the market in which they are trying to be dominant.

According to Bonaglia and Goldstein (2016), studied on how effective the organization achieves its well down laid goals and strategies. It is how the organization employs its different strategies towards making sure that it has a good grip or footing in the market segment in which it selects. Organization performance is a measure success by the organization. A well ranked performance score by the organization is an indication that all the adopted strategies are working in the right way for the company. Organization performance encompasses three basic elements in the organization. The elements include the market performance, financial performance and the shareholder return. A good market performance is an indication of a proper grip in the market segment and thus the ability of the organization to have better financial records and thus offer good return on shareholder investments (Blackburn, Hart, & Wainwright, 2018).

Agyemang and Ryan (2018), found in order to achieve a market penetration success, there is the need for the organization to invest in a proper marketing strategy. A good marketing strategy makes the difference if the organization is to receive a proper market penetration in whichever segment it chooses to diversify in. There ought to be a comprehensive guide to marketing that is deeply embedded to every other strategy adopted by the organization. A marketing strategy is important in that it provides a guide into how the different aspect of production will take place. A good marketing strategy is the ultimate edge of an organization to its competitors. Tsiotsou and Vlachopoulou (2016), indicates that in trying to adapt to the strategy of pricing in order to gain a market penetration, it is always prudent to take in stock of the performance of the products in the market. It

is not obvious that a low pricing strategy will work for any organization that seeks to make use of it. There are mixes of other factors that try to influence how successful the product will be in the market despite the pricing strategy that the organization will use in order to have a market advantage.

Pleshko, Heiens and Peev (2014), study on the impact of pricing strategy on organizational performance in India found out there exist a strong correlation between the pricing strategy of a product and the organization performance. Organizations are seen to perform better in a market segment when it has its pricing strategy to its focus. Pricing and quality of product seem to share a strong correlation. They found out that better quality products with a higher price seem to enjoy a better market domination than poor quality products with a low pricing strategy. In his study on the Apple Company, Dolata, (2017), found out that the reason for better performance of Apple products in the market was due to the quality of products from their production line. Despite the high pricing strategy, apple has been able to dominate the Smartphone market and the reason for this was a better quality of products.

In a study in the export market by organization, West, Ford, and Ibrahim (2015), notes that there are different elements that do affect the prices of products in the international market. The reasons for the different pricing strategy was out of the PESTEL model that mostly focused on political factors, economic factors, social factors, technological factors, environmental forces and legal forces. All these forces combined have a direct effect on the final price of the product. West, Ford, and Ibrahim (2015), states that market pricing works to enable the product gain a foot hold in the market. Penetration pricing helps the organization in trying to gain acceptance in the market. The penetration pricing strategy should be such that it offers the feeling to customers that the products are of better advantage compared to the competitors' products. Penetration pricing strategy can be used to launch a new product portfolio effectively or gain a market share in a new market segment.

### **2.2.2 Market Development Strategy on Performance**

As indicated by Ansoff (2017), market improvement includes selling an all-around existing item into a market that was not accepting the item previously; the technique can include offering the item to various client portion,

selling the item in another territory or districts in which the item was not being sold or even in business sectors out of the country. The procedures every organization set up to enter and work in the new market assumes significant part in the capacity of the organization to keep up its predominance on the lookout. A portion of the techniques utilized by organization to support the primary mover advantage incorporate making of high exchanging costs. With presence of one item on the lookout, a client embraces to the attributes of the item and the pioneer organization thinking that it's hard to change to different brands that later come into the market, this can be accomplished by offering excellent items that address the issues of clients (Park, 2015). Organizations entering a market that had not been investigated requirements to make fitting dispersion channel, proper item bundling, evaluating.

An investigation on essential direction and firm execution in an imaginative climate expanding available direction research was investigated by (Voss & Voss, 2015). The examination analyzed the effect of three option vital directions client direction, contender direction and item direction on an assortment of emotional and target proportions of execution in the charitable expert theater industry. The investigation established a two-stage research plan related to Theater Communications Group (TCG), a public assistance organization for the charitable expert venue field. To test the speculations, the examination led a progression of relapse investigations that subbed the different exhibition measures as needy factors. For every exhibition measure, the examination directed a various leveled, directed relapse investigation that tests for free and communication impacts for the theorized mediator. The outcomes showed that the relationship between essential direction and execution changes relying upon the sort of execution measure utilized (Voss & Voss, 2015). In any case, the most unambiguous outcome was that a client direction displays a negative relationship with endorser ticket deals, complete pay, and net excess/deficiency. The investigation's emphasis on a solitary aesthetic industry restricted the generalizability of the discoveries.

Product development is part of a major focus and an approach by companies that seek to have a strong aspect or presence and domination in the market (Saban, Lackman, & Peace, 2015). It is part of a scheme to attain uniqueness in the products that it tries to channel out into the market. Product development aims at offering

additional advantages to the customers by offering newer or additional characteristics to the products (Revilla & Knoppen, 2017). Often, the effort towards product development is aimed towards addition of different characteristics to the products, making it unique thus offering an advantage to the customer. Zack, McKeen and Singh (2018), in their writing on product development indicate that product development can take the form of modification of the products in terms of its general presentation or still creation of an entirely new product in order to cover the interest of the targeted market thus having the direct benefit on the consumers of the product.

Product development is an interchange term with innovation of the product. Both processes assume the conversion of a product into an entirely new product or the modification for the sole purpose of fitting into the interest of the consumers (Farrell & Gallagher, 2014). Martinsuo, Suomala and Kannianen (2018), indicate that product development is often a strategy towards combating competition or trying to be ahead of the pack in the market segment. In today's business environment, competition has become rife and part of a growth strategy and market strategy is the adoption of product development and innovation. According to Blackburn *et al.*, (2018), the major expectation by consumers from the producers of products and services (organizations) is meeting the expectation of producing products and services that are satisfying to the consumers. An organization stands to lose both in market performance and other aspects such as revenue turnover when the products and services that they channel out to the market do not meet the general expectations of the consumers.

According to Linzalone (2013), that product development is as a result of globalization that has seemed to affect world market. In his argument he indicates that globalization has enabled companies reach newer markets and consequently offers competition to the dominant companies in those markets. In order to survive the market turbulence brought about by globalization, there is the need for companies to engage in product development. In his study on the performance of new products. Park (2015), observes that best performing companies generate their revenues from the new products they launch in the market. Therefore, there is the

need for firms to constantly engage in the new product development in order to register impressive sales figures.

In the study by Healy, Ledwith and O'Dweyer (2014) they state that there are fundamental reasons and a number of factors that lead a company to setting up its own approaches to new product development. Such factors can be listed as the size of the industry, type of products and the number of products that it channels out. The factors dictate how the organization is going to conduct the process of product development. Some industries actually focus their product development to putting additional technical specification to their products (Arthur & Mensah, 2016). Others focus their development towards easing the time of development of the product that is reducing the amount of time it takes to produce a product and consequently focusing on the mass production of the product.

Reddi and Moon (2017), reveal in their writings posit that for a smooth product development process, there are two basic factors that come into play. These are the processes towards the production of the product and the personnel that will be entrusted to handle the process towards production. Mahmoud and Hinson (2017), observe that the personnel aspect of product development involves the management of the organization, the persons that handle the product right from the production line to the market level and the feedback from the consumers of the product. These three stakeholders interact and try to look at the many ways in which to develop a new product or make improvements to the products. Fantasy and Salem (2016), also contribute to the common agreement among scholars that product development is out of an intensive market research by the organization.

Investigating the mediating effects of an affiliation's not kidding strategy in the market course execution relationship, Ge and Ding (2015) used entrancing estimations, organization coefficients and reliabilities of the forms alongside mean scores on the three genuine methods. Considering an illustration of 371 gathering firms in China, evidence found that the three segments of market bearing apply different ramifications for genuine



philosophy and execution. Among them, customer bearing has the most grounded relationship with genuine framework and market execution. The outcomes of essential condition examinations demonstrated that the mediating effect of genuine approach is overwhelmingly uncovered being developed strategy, the most imperative factor in making unmatched motivation for the organization in the creating industry area (Ge and Ding, 2015). Yet this assessment gave entrancing pieces of information into the perception of the market course execution relationship in China, it relied overwhelmingly upon the single key source approach for data combination, which may cause a brilliance effect or typical technique variance. Besides this assessment relied mainly upon unique extents of execution and thirdly this examination didn't investigate the normal impacts of environment accessible bearing execution relationship.

### **2.2.3 Diversification Strategy on Performance**

Sharma and Anand (2018) diversification is a risk strategy that organizations employ through having a different range of products in its portfolio. They further explain that diversification aims at increasing the market share by the organization and consequently increasing profitability in the organization. According to Weiss (2016) diversification is a dictate of the market risk. After the risk levels have been worked out, it is prudent for the organization to work out a proper exit strategy in an event that a particular portfolio does not perform as expected or when the outcomes in the long run may not be favorable to the organization. Burkirwa (2017), indicates that diversification can also be seen as a strategy of penetrating into the new market segments by the organization. In diversification, organizations try to explore new market segments in order to reap maximum benefits and increase on its market base.

According to Hassan (2018), diversification and market performance stand to be the most researched concepts in the business circles today. However, the relationship between diversification and market performance seem to be blurry in the outcomes. This is for the reason that the different methodologies that are used to measure the two parameters. Chen (2016), argues that the blurriness in the two aspects, diversification and market performance is out of the factors such as the negligence of various market strategies. This is because the dynamics of the different industries in which these organizations are placed affect the organizations in different

ways. Diversification can also be looked at as the tool of domination in a market. Domination in diversification can be used as a tool in which the organization can give various choices and options in the market therefore overriding the consumers with its products in the market. Mensah (2014), observes that in large firms and more established markets, business managers have used diversification as a tool for market domination in that there is always an option from the same organization in the market.

In the study of the effect of diversification in the organizations in North America, Hashai (2015), reveal there are mixed results from diversification by firms. His comparison of firms that choose diversification versus the firms that chose to focus on a particular market and develop it to the best interest of the consumer, he found out that firms that chose to diversify performed rather poorly than the non-diversified firms. He concludes that diversification did not work out properly for firms in north America owing to the complex nature of markets the firms found themselves in and the strain in terms of resources both financial and personnel wise that were required. In a study by Dhandapani and Upadhyayula (2015), on the acquisition made by top 100 firms in the United states, he notes that more than twenty years down the line, the firms have already disengaged from the acquisitions or there is low business profitability from the acquisitions. He notes that the firms came to a sudden realization that the rush to acquire new markets and competitors was in futility as there was not a good business sense in making the acquisitions.

Delbufalo, Poggesi and Borra (2016), tried to examine the impact of diversification on the firms In Italy. He noted that there is an increased tendency of firms to invest in regions outside china such as Australia and other eastern pacific countries. They noted that the reason that advised the corporates to conduct the diversification was the need to reach newer markets before the competitors and the need to raise extra revenues. In their study, they noted that markets in china are very competitive and had a negative effect on the revenues that were being generated.

Goryni, Nowak and Walniak (2014), on the effect of diversification in the pharmaceutical industry in Germany, he conclude the pharmaceutical industry is becoming less and less profitable in Germany. He notes that diversification in the pharmaceutical industry has to incorporate the element of technology as more and more health care treatments are moving towards integrating the aspect of technology in a bid to reach newer markets. the business model of these businesses have be pegged towards technology as it is of little or no meaning for a business to adopt technology whereas its core model does not make use of technology (Bresciani, Vrontis, & Thrassou, 2015).

In the investigation of diversification in insurance industries in Kenya, Ngandu (2014), notes that diversification has been of much value to the insurance sector in Kenya. Insurance firms that are found to diversify their markets and products are registered as better performers compared to the industry players who choose to operate on their core products. He notes that with the increase in wealth and incomes by citizens of the country, there is a rise of uptake in other insurance product such as health, education and insurance. Inoti, Onyuma and Muiru, (2014), in their study further points out that telecommunication industry especially in the emerging markets is under fierce increase in competition. There is a rise in investments by firms that are more established into the emerging markets. This has led to the diversification by firms into other technological products such as mobile data in a bid to retain their profitability and market share.

### **2.3 Summary of the Literature Review and Knowledge Gap**

The Resource-Based theory which determines the strategic resources available to a firm. These resources can be exploited by the firm in order to improve the performance of the firm to increase in profits which lead to increased market share which leads to a firm's growth. The theory was introduced by Werner felt (1984) with

the idea of resource position barriers being roughly analogous to entry barriers in the positioning. The empirical review shows previous studies, which have been conducted, therefore these study will be current and address current problems in the industry.

Njomo and Margaret (2016) study explored the impact of strategies for market entrance and authoritative turn of events which was a case study of soda. Pleshko, Heiens and Peev (2014), study on the impact of pricing strategy on organizational performance in India found out there exist a strong correlation between the pricing strategy of a product and the organization performance. In his study on the Apple Company, Dolata, (2017), found out that the reason for better performance of Apple products in the market was due to the quality of products from their production line. The studies reviewed above are from soda companies, Apple manufacture and most are based in developed countries which are not in the same cluster with Kenya. Therefore, these study will be specific to the recruitment agencies specifically in Kenya and will aim to fill the research gap on the effect of market penetration strategy on the performance of recruitment agencies in Nairobi CBD in Kenya. As indicated by Ansoff (2017), market improvement includes selling an all-around existing item into a market that was not accepting the item previously; the technique can include offering the item to various client portion, selling the item in another territory or districts in which the item was not being sold or even in business sectors out of the country. Product development aims at offering additional advantages to the customers by offering newer or additional characteristics to the products (Revilla & Knoppen, 2017). Investigating the mediating effects of an affiliation's not kidding strategy in the market course execution relationship, Ge and Ding (2015) used entrancing estimations, organization coefficients and reliabilities of the forms alongside mean scores on the three genuine methods. These studies have been carried out in countries like China whose GDP is way bigger than that of Kenya, also they have not focused on recruitment agencies which is our aim. Therefore, there exist a research gap on the effect of market development strategy on the performance of recruitment agencies in Nairobi CBD in Kenya.

Diversification strategies are very crucial for an organization due to its financial intermediary nature. The benefits obtained from diversifying risks are key in organizations as management of risks is part of the financial firm's business. The literature reviewed has indicated that product diversification and organization

performance is related positively and negatively with product diversification negatively respectively (Burkirwa, 2017). Further, a study done on Italian organizations showed that income diversification increased risk-adjusted revenues and indicated limitations in the diversification gains when the organizations expanded (Delbufalo, Poggesi & Borra, 2016). The studies reviewed above are mainly done in the developed countries whose institutions diversification strategies effects on performance are different from that of organizations in Kenya. Therefore, there exist a research gap on the effect of diversification strategy on the performance of recruitment agencies in Nairobi CBD in Kenya. The next chapter presented the research methodology that was adopted in carrying out this study followed by results and findings in chapter four, with the summary, discussion, conclusion and recommendations provided in chapter five.

## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

#### **3.1 Introduction**

This chapter sought to give an overview of the methods and procedures that was adapted by the study in order to establish the effects of marketing strategies on performance of recruitment agencies in Nairobi County; a case of Starehe Sub-County. This section comprised of research design, research site, target population, determination of the study sample data, data collection measures, data processing, and analysis, and legal and ethical consideration.

#### **3.2 Research Design**

The study adopted descriptive survey approach to make sure that the research on the effects of marketing strategies on the performance of recruitment agencies in Nairobi County; a case of Starehe Sub-County. Descriptive survey approach according to Kothari (2014) is concerned with finding out; Where? What? and the How? of a phenomenon. As per this study, descriptive design is deemed good because the main aim of the study is to establish the effects of marketing strategies on the performance of recruitment agencies and to analyze the outlined matters of the research. Descriptive research design was good in enabling the researcher generalize to a larger population, thus the research was deem the method best for the study.

Using data is very important where subjects are observed in their natural set up without the manipulation of the environment (Mugenda & Mugenda, 2012). When collecting information about people's opinions and attitudes, descriptive research design is applicable. This is a very efficient way of obtaining information that is needed to describe opinions, views and attitudes of the management staff in the organizations on the effects of marketing strategies on the performance of recruitment agencies in Nairobi Central Business District.

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

According to Kombe and Trompe (2006) noted that a research site is references to the place where the research design testing of the research sample will be targeted. They further noted that they offer a better explanation on the area of research that was targeted. Moreover, the research focused on the effects of marketing strategies on performance of recruitment agencies in Nairobi County; a case of Starehe Sub-County.

### 3.4 Target Population

A study population is a specific or a well-defined group of people, households, set of things, firms, events, services, elements which are investigated (Mugenda & Mugenda, 2008). Thus, a research study population should be able to fit a certain specification, which the researcher is studying and the population should be homogenous. This study targeted recruitment agencies with operations in Nairobi County; a case of Starehe Sub-County. The researcher specifically targeted the top level management, middle level management and the support staff working for the recruitment agencies in Nairobi County. The study population provided a significant representation of recruitment agencies in Nairobi County, Kenya.

**Table 3.1 Target Population**

Category	Target Population	Percentage
Top Level Management	10	9%
Middle Level Management	31	26%
Support Staff	76	65%
<b>TOTAL</b>	<b>117</b>	<b>100</b>

**Source: National Employment Authority (2022)**

### 3.5 Study Sample Size

This research surveyed and therefore the researcher studied the recruitment agencies in Nairobi County; a case of Starehe Sub-County. However, from the possible 117 target population, stratified random sampling was employed to select respondents from each of these recruitment agencies and obtain a sample population. Kothari (2014) argues that if well chosen, samples of about 30% of a population can often give good reliability findings. In addition, Mugenda and Mugenda (2012) states that in stratified sampling where population within each strata is known, a sample of about 66% is adequate representation for data collection. The management and employees are deemed suitable for the study as they have better knowledge and awareness on the issue at stake and provided specific information from a personal perspective. This study adopted Yamane's recipe to register the example as illustrated:

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

Where n = sample size

N = population of the study

e = level of significance (5% level of significance)

N = target population = 210

Applying the formula, 
$$n = \frac{117}{1 + 117 (0.05)^2}$$

$$n = 90$$

Sample Size = 90

**Table 3.2 Sample Size**

Category	Target Population	Sample Size	Percentage
Top Level Management	10	8	9%
Middle Level Management	31	24	26%
Support Staff	76	58	65%
<b>TOTAL</b>	<b>117</b>	<b>90</b>	<b>100</b>

**Source: Author (2022)**

### 3.5.1 Sampling Procedure

A sampling procedure refers to a series of methods and systematic processes of data collection from a smaller group out of a larger one (Orodho,2008). The study used simple random sampling design to select the objects that represented the population. There are often factors, which divide the population into sub-populations. This was accounted for when selecting a sample from the population. In order to obtain a sample that was a clear representative of the population stratified method of sampling was used. A population with several strata, required to have the proportion of each stratum in the sample, this was the same as in the population. Using this method, the sample was divided into different strata's at the organizations hereby the divisions was according to their working positions. Its advantages are that; the cost per observation in the survey was reduced, and that estimates of the parameters was used for each sub-population. A stratified sample was obtained by taking samples from each stratum or sub-group of a population. In addition to that, the sampling method ensured that all members of the population are included in the study. A random sample was preferred because it is free from bias and therefore each unit has a chance to be included in the sample.



### **3.6 Data Collection**

#### **3.6.1 Data Collection Instruments**

The choice of a tool and instrument depends mainly on the attributes of the subjects, research topic, problem question, objectives, design, expected data and results. This is because each tool and instrument collect specific data. According to Cox (2012) there are many methods of data collection. Primary data was gathered directly from respondents and for this study the researcher used questionnaire. The questionnaires consisted of close ended questions. The research instruments was organized based on the objectives of the study. The researcher administered a survey instrument (questionnaire) to each member of the sample population. The questionnaire consisted of two sections, where the first part was mainly containing information on personal background which included gender, age, and level of education. This enabled the researcher to know the nature of the respondents, while the second part focused on the influence of the effects of marketing strategies on the performance of recruitment agencies in Nairobi County; a case of Starehe Sub-County. This enabled the researcher to be in a position to analyze the effects of marketing strategies on the performance of recruitment agencies in Nairobi County and any other factors not mentioned in the study.

Uma (2016) believes that questionnaires are especially valuable because they are efficient in terms of researcher time, researcher effort, and financial resources. Although, he also examines the major drawbacks of questionnaires: the simplicity of answers yielded, the problem of respondents who are unmotivated or unreliable, the famous halo effect, the acquiescence and prestige biases, issues concerning self-deception and respondent literacy, and the effect of fatigue in cases where the questionnaire is long. In order to meet the research objectives, the research used both structured and semi structured questionnaires. The closed ended questionnaire items was included in order to limit irrelevance to the questionnaire objectives. According to Bailey *et al.*, (2013) questionnaires make each respondent respond to the set of questions and provide efficient way of collecting responses from a large sample prior to the quantitative analysis. Accordingly, in applying descriptive design, primary data was essential for the study.

#### **3.6.2 Piloting of Research Instruments**

The aim of the pilot study is to test the reliability of the questionnaires. According to Fisher (2014), a pilot test is necessary for testing the reliability of data collection instruments. Cox (2012), explains reliability of research

as determining whether the research truly measures that which it is intended to measure or how truthful the research results are. Pilot study was conducted to detect weakness in design and instrumentation and to provide proxy data for selection of a sample. The researcher selected a pilot group of 14 individuals from the target population to test the reliability of the research instrument. The pilot data was not included in the actual study. The pilot study allowed for pre-testing of the research instrument. The clarity of the research instruments to the respondents was established so as to enhance the instrument's validity and reliability. The pilot study enabled the researcher to be familiar with research and its administration procedure as well as identifying items that require modification. The results helped the researcher to correct inconsistencies that were seen to arise from the instruments, which ensured they measure what is intended.

The significance of conducting a pilot testing to the study suggests the extent of scrutinizing the study instruments, which provided accuracy and consistency in the findings as per the study objectives. As a matter of fact, the research instruments were considered to be effective, a pilot test study was performed on at least 10% to 20% of the target population but should not be the real population of the study (Mugenda & Mugenda, 2008). The researcher conducted a pilot study on the questionnaire to test their validity.

### **3.6.3 Instruments of Reliability**

Cooper and Schindler (2015) defines reliability as the extent to which results are consistent over time and an accurate representation of the total population under study is referred to as reliability and if the results of a study can be reproduced under a similar methodology, then the research instrument was considered to be reliable. Kirk and Miller (2016) identified three types of reliability referred to in quantitative research, which related to the degree to which a measurement, given repeatedly, remains the same, the stability of a measurement over time; and the similarity of measurements within a given time period. Chandran (2014) adhered to the notions that consistency with which questionnaire test items are answered or individual's scores, remain relatively the same and can be determined through the test-retest method at two different times. Kothari (2014) states that validity determines whether the research truly measures that which it is intended to measure or how truthful the research results are. The interviewer explained to the respondents the intentions of the research study before administering the same and follow up with phone calls to ensure success of the study.

Reliability is the capacity of the information that was collected from the data collection instrument tend to create consistency in outcomes in several attempts. A reliable tool ought to be powerful in giving out reliable outcomes regardless of whether the instrument is utilized in an alternate time with the point of responding to investigate inquiries of a comparative report after some time. All things considered, Cronbach's alpha reliability test was utilized to decide the consistency of the study questionnaire. A reliable study instrument ought to have a coefficient of 0.7 or more. While those with less than 0.7 are viewed as inconsistent in estimating the study questions and delivering consistency in outcomes. The reliability results in Table 3.3 revealed that market penetration strategy consisted of 8 items ( $\alpha = .933$ ), market development strategy consisted of 8 items ( $\alpha = .923$ ), market diversification strategy consisted of 8 items ( $\alpha = .923$ ), and performance of recruitment agencies consisted of 5 items ( $\alpha = .848$ ). Generally, the established alpha coefficients were above ( $\alpha = .7$ ) indicating that all measurements were highly reliable for use in this study.

**Table 3.3: Reliability Results**

Variables	Cronbach's alpha	No. of items	Decision
Market penetration strategy	.933	8	Reliable
Market development strategy	.923	8	Reliable
Market diversification strategy	.923	8	Reliable
Performance of marketing agencies	.848	5	Reliable
Average alpha coefficient	.875		Reliable

**Source: Author (2022)**

### 3.6.4 Instruments of Validity

The validity of the study refers the accuracy of the study tool which estimated the objectives of the study without any form of deviation. Moreover, content validity was effective for this study. It takes into account the need for surveying the inquiries in the tool to guarantee that each questions really quantifies what they should quantify. As a matter of fact, the need for examining the inquiries in the questionnaires. In case of any form of changes which was identified, the researcher highlighted in accordance to the proposals of the supervisors.

### 3.6.5 Data Collection Procedures

The researcher came up with a questionnaire and administered the research instruments on a physical one on one basis to a sample of 117 respondents currently working in the recruitment agencies in Nairobi County. The researcher therefore seek permission from the university so as to be allowed to carry out the data collection

and upon approval, be issued with an introduction letter to allow the data collection exercise, adhering to research guidelines while conducting the research. The researcher exercised care and control to ensure all questionnaires are issued to the respondents and to achieve this, the researcher maintained a register of questionnaires which was administered and those which was received.

### 3.7 Data Processing and Analysis

Quantitative data collected using questionnaires was analyzed by the use of descriptive statistics using SPSS (Statistical Package for Social Sciences) version 21 and was presented through percentages, means and frequencies. The information was displayed by use of frequency tables and figures. Content analysis was used to analyze data collected from the open-ended questions. According to Kirk and Miller (2016), content analysis uses a set of categorizations for making valid and replicable inferences from data to their context. This offered a systematic and qualitative description of the objectives of the study. In addition, the researcher conducted a multiple regression analysis so as to determine the relationship between performance of recruitment agencies and the variables of the study. The regression equation guided the study was ( $Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \varepsilon$ ):

Whereby  $Y =$  Performance

$X_1 =$  Market Penetration Strategy

$X_2 =$  Market Development Strategy

$X_3 =$  Diversification Strategy

$B_0 =$  constant of regression

$\varepsilon =$  error term

$\beta_0$   $\beta_1$   $\beta_2$  and  $\beta_3$  are the regression equation coefficients for each of the variables discussed.

### 3.8 Ethical Consideration

Ethics in research is about the appropriateness of the researcher's behavior in relation to the rights of those who become the subject of a research project, or who are affected by it and protecting them from harm (Saunders *et al.*, 2017). Research misconduct includes fabrication, falsification or plagiarism in proposing, performing or reviewing research (Christensen *et al.*, 2014). The study observed both the beneficence and no

maleficence principles, which stand for doing good and doing no harm, respectively (Zikmund *et al.*, 2013).

Research ethics in this study was guided by standards of ethical behavior widely accepted in the research community, namely voluntary participation, informed consent, and confidentiality. Specifically, due care and attention was paid in order to protect the identity of everyone giving information. The objective of the study was made clear to all respondents and confidentiality assured in their responses. The questionnaire did not require personal details of the respondents but only the information about the study objectives.

This investigation was solely for academic purposes of a Master's degree and can be shared with the recruitment agencies in Kenya. The research will carefully ensure full adherence to the regulations governing research work. The research approached all participants with respect. The researcher ensured that all respondents enlightened on the nature and purpose of the research and no one was forced to respond to questions. Security to the respondents, this research ensured that the respondents are safeguarded from any harm that may result from this research and make sure no one regretted their participation in the study. The data kept for a period of 5 years after-which the collected data was disposed through shredding. A participant was allowed to leave the study at any time.

## CHAPTER FOUR

### DATA ANALYSIS AND PRESENTATION OF FINDINGS

#### 4.1 Introduction

This chapter outlines a comprehensive analysis of the information collected from the respondents for the purposes of testing the hypothesis of the study. For descriptive analysis, the data was analyzed and presented according to the research objectives. The study then conducted inferential analysis to test the hypotheses of the study independently under each research objective. This aimed to determine the consistency and flow of presenting research findings for each variable of the study. In summary, this chapter details the study response rate, general information findings, and descriptive and testing of the hypotheses findings.

#### 4.2 Response Rate

The designed questionnaire survey link was sent to a total of 90 individuals. A total of 70 individuals filled and submitted back their survey. This translated to a response rate of 59.8%. However, while going through the data to ensure that all questions were successfully filled, the researcher realized about 12 survey feedback had some blank questions. Thus, were omitted from the analysis. This left only 58 (42%) online questionnaire survey feedback adequate for analysis. While this number/percentage may appear low, Fosnacht et al. (2017) indicated that low response rate for online surveys, especially above 30% do not necessarily bias the findings. And so, the final cleaned data of 58 (49.6%) response rate was adequate for making study conclusions.

**Table 4.1 Response Rate**

Online questionnaire survey	Frequency, %
Filled and submitted for analysis (cleaned)	58 (49.6)
Submitted with blank questions (omitted)	12 (10.3)
Neither filled nor submitted for analysis	47 (40.1)
Total	117 (100)

### 4.3 General Information

This study collected data regarding participants' information like gender, age, level of experience, and education. The goal was to establish whether the participants involved in this research are a representative sample of the target population for generalization purposes. The findings were presented in Table 4.2 of the study.

**Table 4.2 General Information of the Respondents**

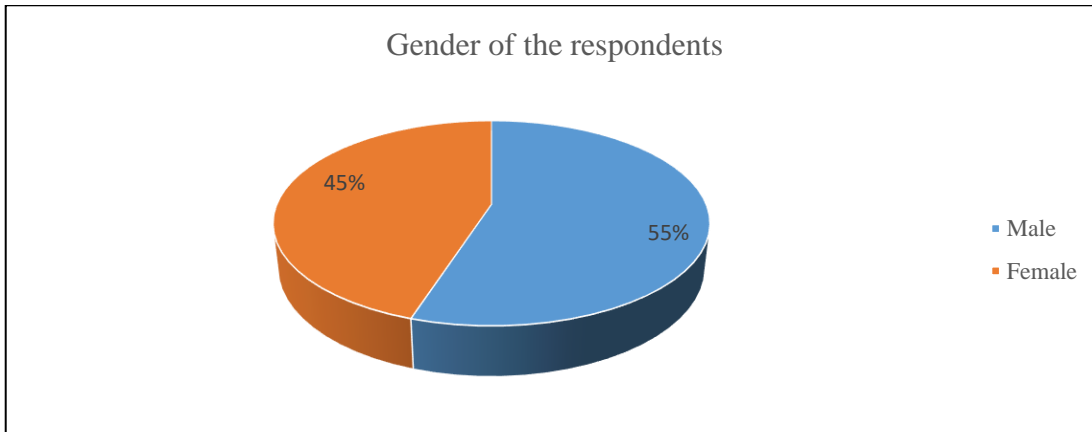
General information	Category	Frequency, %
Gender	Male	32 (55)
	Female	26 (45)
	N	58 (100)
Age	Below 20 years	8 (14)
	21 – 30 years	13 (22)
	31 – 40 years	20 (35)
	41 – 50 years	11 (19)
	Above 50 years	6 (10)
	N	58 (100)
Level of experience	Less than 10 years	24 (41)
	10 – 15 years	21 (36)
	16 – 20 years	8 (14)
	Over 20 years	5 (9)
	N	58 (100)
Level of education	Doctorate holder	6 (10)
	Masters holder	16 (28)
	Undergraduate	25 (43)
	Diploma	11 (19)
	N	58 (100)

N denotes total participants

#### 4.3.1 Gender of the Respondents

With regards to gender factor, this study sought to understand distribution of participants in terms of gender and what participants' gender means to the development of marketing strategies in recruitment agencies. The results presented in Table 4.2 and Figure 4.1 indicated that there were 55% of male participants compared to

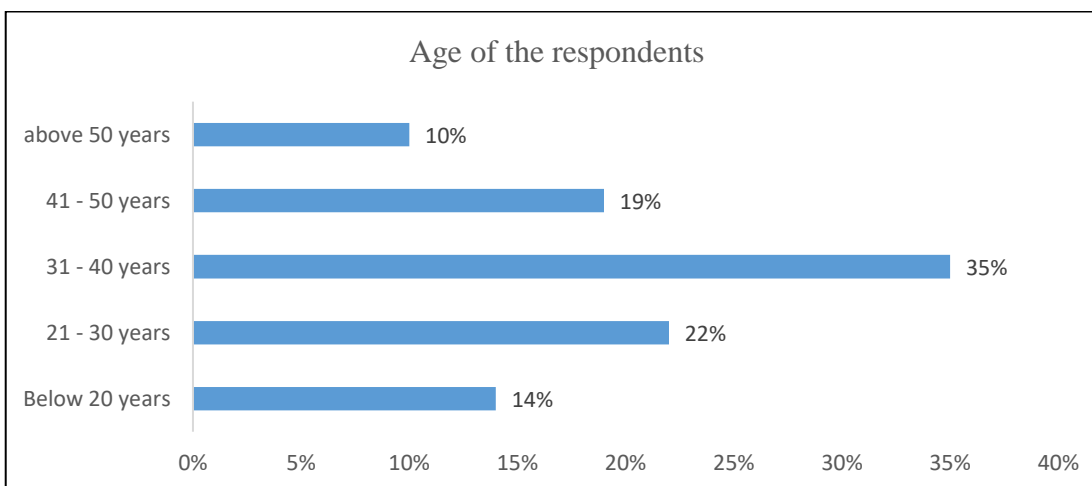
45% of female participants. The results indicated that the development of most marketing strategies in recruitment agencies are conducted by male marketers. However, results further indicated that the established minimal gender difference suggest that women are increasingly gaining access to once a male dominated recruitment agency, which is good for sustainable performance.



**Figure 4.1 Gender of the Respondents**

#### 4.3.2 Age of the Respondents

The study further sought to illustrate age distribution of the study participants and what it means to the development of marketing strategies in various recruitment agencies. The results demonstrated that 14% of the participants were aged below 20, twenty-two percent were in the category of 21 – 30 years, and about 35% belonged to the category of 31 – 40 years. Also, nineteen percent of the respondents were aged 41 – 50 years while only 10% of the respondents were aged above 50 years (see Table 4.2 and Figure 4.2). The results suggest that there is fairly distribution of young and old generations in the development of adequate marketing strategies to improve agencies' performance.

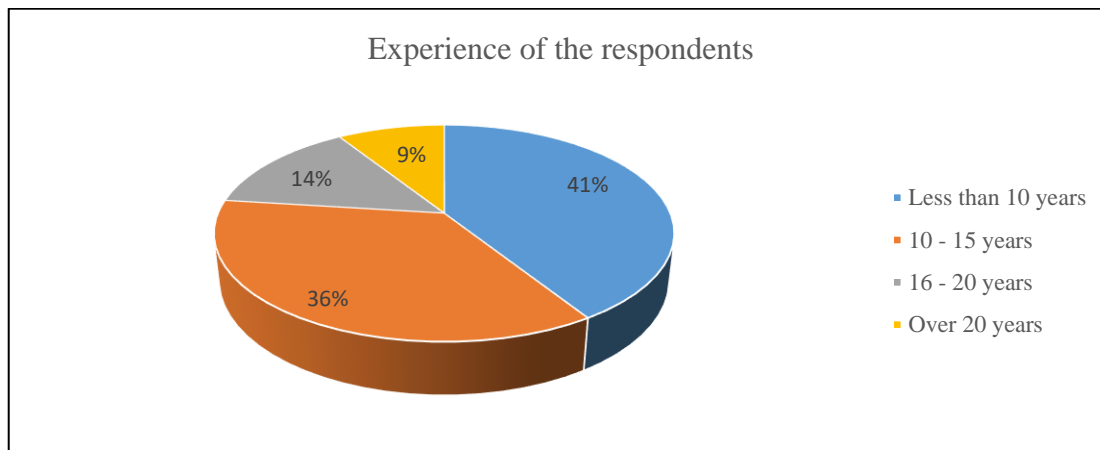




## Figure 4.2 Age of the Respondents

### 4.3.3 Experience of the Respondents

Similarly, this study demonstrated the distribution of the study participants in terms of their level experience with regards to marketing strategies. The results outlined in Table 4.2 and Figure 4.3 showed that majority (41%) of the respondents have less than 10 years of experience, about 36% have 10 – 15 years of experience, and 14% of the respondents have 16 – 20 years of experience.

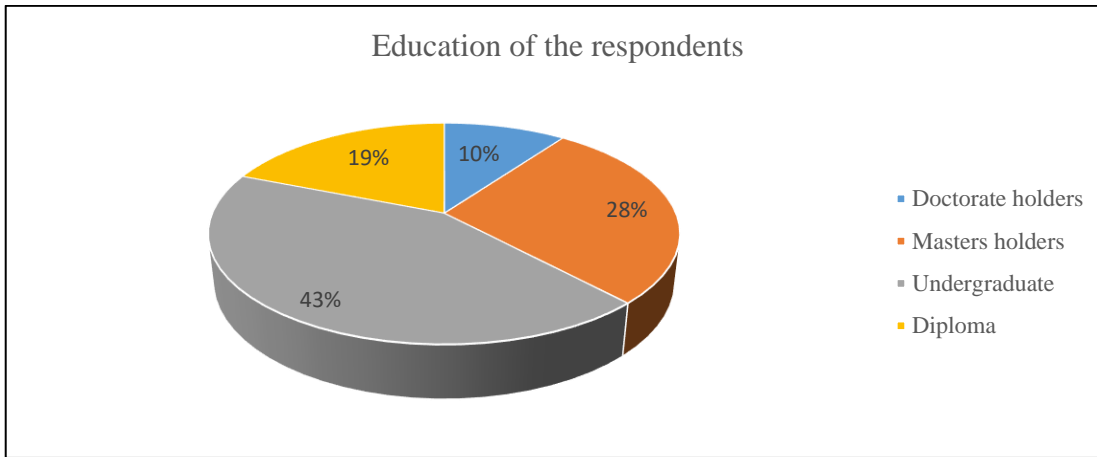


### Figure 4.3 Experience of the Respondents

Only 9% of the respondents indicated they have over 20 years of experience (see Figure 4.3). The findings, thus, confirms that majority of the respondents have less than 15 years of experience. Moreover, the availability of individuals with more than 15 years of experience emphasizes expertise that recruitment agencies aims to achieve through successful development of marketing strategies to improve performance.

### 4.3.4 Education of the Respondents

Finally, under the demographic descriptive analysis, the study presented findings on education of the respondents as indicated in Table 4.2 and Figure 4.4. The objective of determining education of the respondents was to illustrate participants' knowledge regarding development of marketing strategies in the company. As the study established, results showed that nearly all respondents are well learned in the agencies. That is, about 10% holds doctorate education level, twenty-eight percent have master's level of education, and forty-three percent have undergraduate level of education, while only 19% have diploma level of education. The findings suggest that participants have vast theoretical experience with regards to development of marketing strategies which are vital for improving performance.



**Figure 4.4 Education of the Respondents**

#### 4.4 Effects of Market Penetration Strategy on Performance of Recruitment Agencies

The descriptive results to establish the effects of market penetration strategy on performance of recruitment agencies in Table 4.3 indicated a mean range between 3.91 and 4.21 and a standard deviation range of .554 and .960. For instance, as opposed to 7% of the participants who were neutral and 28% of the respondents who strongly agreed, approximately 66% agreed that pricing strategy influences a firm's ability to penetrate the market ( $M = 4.21, SD = .554$ ). Precisely 60% of the respondents agreed that market penetration enables a firm to dictate pricing strategy compared to 16%, 12%, and 2% of the respondents who strongly agreed, remained neutral, and disagreed respectively ( $M = 4.10, SD = .667$ ). Fifty-five percent of the respondents further agreed that having a clear penetration strategy enabled a firm to match the prices with the desired market share they attract as opposed to 29% of the respondents who strongly agree and 9% as well as 7% of the respondents who either remained neutral or disagreed respectively ( $M = 4.07, SD = 8.14$ ).

Regarding promotion as an aspect of market penetration strategy, compared to 12% and 5% of the respondents who were neutral and disagreed respectively, approximately 55% and 28% of the respondents agreed and strongly agreed respectively that market penetration enhances agencies' essentials for competitive advantage ( $M = 4.05, SD = .782$ ). Also, around 28% and 53% of the respondents strongly agreed and agreed respectively that market penetration offer a platform for improved promotional strategies contrasted to 10%, 7%, and 2% of the respondents who remained neutral, disagreed, and strongly disagreed respectively ( $M = 3.98, SD = .908$ ). Additionally, the results indicated that 53% and 26% of the respondents agreed and strongly agreed respectively that market penetration enhances the search for new product distribution

**Table 4.3 Descriptive Results of Effects of Market Penetration Strategy on Performance of Recruitment Agencies**

Market Penetration Strategy	SA N; %	A N; %	N N; %	D N; %	SD N; %	Mean	Std. Dev
<b>Pricing</b>							
Pricing strategy influences a firm's ability to penetrate the market.	16 (28)	38 (66)	4 (7)	-	-	4.21	.554
Market penetration enables the firm to dictate pricing strategy.	15 (26)	35 (60)	7 (12)	1 (2)	-	4.10	.667
Having a clear penetration strategy enables the firm to match the prices with the desired market share they attract.	17 (29)	32 (55)	5 (9)	4 (7)	-	4.07	.814
A clear market penetration does match the performance of the business.	15 (26)	32 (55)	8 (14)	3 (5)	-	4.00	.838
<b>Promotion</b>							
Market penetration offer a platform for improved promotional strategies.	16 (28)	31 (53)	6 (10)	5 (9)	2 (3)	3.98	.908
Market penetration enhances marketing activities that focus in attracting more customers to business' products.	14 (24)	33 (57)	5 (9)	4 (7)	2 (3)	3.91	.960
Market penetration enhances the search for new product distribution channels.							
Market penetration enhances agencies' essentials for competitive advantage.	15 (26)	31 (53)	7 (13)	3 (5)	-	3.93	.953
Average Mean	16 (28)	32 (55)	7 (12)	3 (5)	-	4.05	.782
						4.03	.810

F – Frequency, % - Percentage in brackets, SA – Strongly Agree, A – Agree, N – Neutral, D – Disagree, SD – Strongly Disagree channels as opposed to 12%, 5%, and 3% of the respondents who were neutral, disagreed, and strongly disagreed respectively ( $M = 3.93$ ,  $SD = .953$ ). Together with a composite mean and standard deviation of 4.03 and .810 respectively as shown in Table 4.3, the results showed that respondents highly agreed with various constructs related to market penetration strategy in enhancing organization performance. The findings corroborated with the findings of Bonaglia and Goldstein (2016) who held similar views that market penetration is effective in improving the performance of an organisation. Similarly, the results agreed with Ardyan (2018) that marketing penetration through pricing and promotional

#### 4.5 Effect of Market Development Strategy on Performance of Recruitment Agencies

The second descriptive findings of the study focused on the second research objective; to determine the effects of market development strategy on performance of marketing agencies as shown in Table 4.4. The results established a mean range of 3.95 and 4.21 and a standard deviation range of .522 and .867 with a composite mean 4.04 and composite standard deviation of .765. The results suggest that almost all participants highly agreed that market development strategy is important for the performance of marketing strategies. The results were backed up by item-by-item analysis where 69% and 26% of the participants agreed and strongly agreed that a good market development strategy incorporates alignment of individual performance and organisational goals compared to 5% of participants who remained neutral ( $M = 4.21, SD = .522$ ).

Again, Table 4.4 indicated that sixty percent of the respondents together with 24% of the participants agreed and strongly agreed respectively that proper supervision by those in senior authority enables a firm to come up with an effective market development strategy compared to 14% and 2% of the respondents who were neutral and disagreed respectively ( $M = 4.07, SD = .672$ ). On the part of nature of the work to be done by members, sixty-four percent and 24% of the respondents agreed and strongly agreed respectively that level of complexity and nature of the job determines market development strategy as opposed to 7%, 3%, and 2% of the respondents who were neutral, disagreed, and strongly disagreed respectively ( $M = 4.05, SD = .782$ ).

**Table 4.4 Descriptive Results of Effect of Market Development Strategy on Performance of Marketing Agencies**

Market Development Strategy	SA F; %	A F; %	N F; %	D F; %	SD F; %	Mean	Std. Dev
<b>Supervisor interaction with the team</b>							
A good market development strategy incorporates alignment of individual performance and organizational goals.	15 (26)	40 (69)	3 (5)	-	-	4.21	.522
Proper supervision by those in senior authority enables a firm to come up with an effective market development strategy.	14 (24)	35 (60)	8 (14)	1 (2)	-	4.07	.672
Market development strategy is backed by need for fair, constructive, and timely feedback towards performance expectations and goals.	14 (24)	34 (59)	7 (12)	3 (5)	-	3.98	.868
<b>Nature of the work to be done by members</b>							

Evaluation of every individual's work performance constitute to improved strategy development.	13 (22)	34 (59)	8 (14)	3 (5)	-	3.95	.867
<b>Leadership</b>							
Having a good leader is what constitute to the development of strategy.	14 (24)	37 (64)	4 (7)	2 (3)	1 (2)	4.05	.782
Leadership qualities such as self-efficacy determines strategy development.	14 (24)	36 (62)	5 (9)	1 (2)	2 (3)	4.02	.848
Leadership is a key foundation in determining market development strategy.	12 (21)	38 (66)	5 (9)	3 (5)	-	4.02	.713
Composite Mean	13 (22)	36 (62)	6 (10)	1 (2)	2 (3)	3.98	.848
						4.04	.765

F – Frequency, % - Percentage in brackets, SA – Strongly Agree, A – Agree, N – Neutral, D – Disagree, SD – Strongly Disagree

Similarly, the results in Table 4.4 revealed that 59% and 22% of the respondents agreed and strongly agreed respectively that evaluation of every individual's work performance constitute to improved strategy development as opposed to 14%, 2%, and 3% of the respondents who remained neutral, disagreed, and strongly disagreed respectively ( $M = 3.95$ ,  $SD = .867$ ). Moreover, on the part of leadership, about 62% and 24% of the respondents agreed and strongly agreed respectively that that having a good leader is what constitute to the development of a good market strategy contrasted to 9%, 2%, and 3% of the respondents who were either neutral, disagreed, or strongly disagreed respectively ( $M = 4.02$ ,  $SD = .848$ ). Likewise, sixty-six percent and 22% of the respondents compared to 9% and 5% of the respondents who either remained neutral or disagreed respectively, agreed and strongly agreed respectively that leadership qualities such as self-efficacy determines market development strategy, thus, enhancing performance ( $M = 4.02$ ,  $SD = .713$ ). The findings, therefore, imply that respondents agreed that good market development strategy is important in enhancing performance of marketing agencies, and it must involve good leadership strategy. The results are in agreement with previous findings by Park (2015) as well as Mahmoud and Hinson (2017) whose study findings stressed the significant need for market development strategy as a driver of good organisational performance.

#### 4.6 Effects of Market Diversification Strategy on Performance of Recruitment Agencies

The third objective of the study established effects of market diversification strategy on performance of recruitment agencies. The descriptive results in Table 4.5 exhibited a mean range of 3.97 and 4.19 together with a standard deviation range of .576 and .837. The reported composite mean of 4.04 and composite standard deviation of .731 demonstrated that respondents highly agreed that market diversification strategy can improve performance of recruitment strategies. Supported by the inter-item analysis, results showed that 69% and 26% of the respondents agreed and strongly agreed respectively that concentric diversification significantly enhances the performance of business as opposed to 3% and 2% of the respondents who remained neutral and disagreed respectively ( $M = 4.19, SD = .576$ ). About 67% and 21% of the respondents as opposed to 9% and 3% of the respondents who either remained neutral or disagreed respectively, agreed and strongly agreed respectively that concentric diversification always influences decision making ( $M = 4.02, SD = .783$ ). Also, sixty-two percent and 21% of the respondents agreed and strongly agreed respectively compared to 16% who remained neutral and 2% who disagreed, that indeed, concentric diversification is a risk minimization technique, especially in a huge investment that aims to improve performance ( $M = 4.02, SD = .662$ ). Results also showed that 53% of the respondents agreed that concentric diversification is what makes individual leverage on resources effectively as opposed to 26% of the respondents who strongly agreed and 19% of the respondents who remained neutral as well as 2% of the respondents who strongly disagreed ( $M = 4.02, SD = .783$ ).

On the aspect of conglomerate diversification, approximately 64% and 26% of the respondents agreed and strongly agreed respectively that conglomerate diversification presents business opportunities to leverage on compared to 9% and 2% of the participants who remained neutral and disagreed respectively ( $M = 4.14, SD = .634$ ). Likewise, about 64% and 21% of the respondents in contrast with 10%, 2%, and 3% of the respondents who were neutral, disagreed, and strongly disagreed respectively, agreed and strongly agreed respectively that conglomerate diversification enhances new services and product development in the organisation ( $M = 3.97, SD = .837$ ).

**Table 4.5 Descriptive Results of Effects of Market Diversification Strategy on Performance of Recruitment Agencies**

Market diversification strategy	SA F; %	A F; %	N F; %	D F; %	SD F; %	Mean	Std. Dev
<b>Concentric diversification</b>							
Concentric diversification significantly enhances the performance of business.	15 (26)	40 (69)	2 (3)	1 (2)	-	4.19	.576
Concentric diversification is what makes individuals to leverage on resources effectively.	15 (26)	31 (53)	11 (19)	-	1 (2)	4.02	.783
Indeed, concentric diversification is a risk minimization technique especially in a huge investment.	12 (21)	36 (62)	9 (16)	1 (2)	-	4.02	.662
Concentric diversification always influences decision making.	12 (21)	39 (67)	5 (9)	-	2 (3)	4.02	.783
<b>Conglomerate diversification</b>							
Conglomerate diversification presents business opportunities to leverage on.	15 (26)	37 (64)	5 (9)	1 (2)	-	4.14	.634
Conglomerate diversification enhances new product and service features that enhances customers' loyalty.	13 (22)	35 (60)	8 (14)	-	2 (3)	3.98	.827
Conglomerate diversification enhances new services and product development in the organization.	12 (21)	35 (60)	8 (14)	3 (5)	-	3.97	.748
Composite Mean	12 (21)	37 (64)	6 (10)	1 (2)	2 (3)	3.97	.837
						4.04	.731

F – Frequency, % - Percentage in brackets, SA – Strongly Agree, A – Agree, N – Neutral, D – Disagree, SD – Strongly Disagree

On the same note, sixty percent and 22% of the respondents in comparison to 14% and 3% of the respondents who remained neutral and strongly disagreed respectively, agreed and strongly agreed respectively that conglomerate diversification is a priority for new customers' acquisition ( $M = 3.98$ ,  $SD = .827$ ) (see Table 4.5). The findings, thus, confirms participants' agreed position that market diversification strategy is essential for marketing agencies in improving their performance to gain competitive advantage in the market. The results validated earlier findings by Weiss (2016) whose study demonstrated the significant role that market diversification play on organisation's performance. Additionally, the results are in agreement with Burkirwa (2017) who established that market diversification as a strategy, assist organisations to minimise risks and grow sales, thus, improving performance.

#### 4.7 Performance of Recruitment Agencies

The dependent variable of this study was performance of recruitment agencies. The study conducted a descriptive analysis to illustrate participants' level of agreement with various performance constructs as shown in Table 4.6. The descriptive results showed the mean and standard deviation ranges of 3.69 and 3.91 as well as .571 and .733 respectively. The established composite mean of 3.81 further exhibited that participants agreed that performance has been better in recruitment agencies. This was supported by inter-item analysis of the performance constructs. For example, eighty-seven percent of the respondents in comparison to 10% and 3% of the respondents who remained neutral and disagreed respectively, agreed that there has been increase in profit in the past three years as a result of good marketing strategies ( $M = 3.91$ ,  $SD = .571$ ). Eighty-eight of the respondents compared to 5% who remained neutral and 7% who disagreed, agreed that increased sales signifies that the company has developed better good performance working policy ( $M = 3.86$ ,  $SD = .760$ ). Also, about 83% of the respondents as opposed to 10% and 7% of the respondents who remained neutral and disagreed respectively, agreed that the agency has managed to earn return on investment in the past three years ( $M = 3.83$ ,  $SD = .653$ ). Similarly, seventy-nine percent of the respondents agreed that the revenue or turnover of the business has increased in the past three years in contrast with 16% of the respondents who remained neutral and 5% of the respondents who disagreed ( $M = 3.76$ ,  $SD = .733$ ). Lastly, the results confirmed that 72% of the respondents agreed that sales' growth of the agency have increased in the past three years as opposed to 21% of the respondents who remained neutral and 7% who disagreed ( $M = 3.69$ ,  $SD = .730$ ). The results, therefore, could imply that the better performance of recruitment agencies could be as a result of better market strategies that the management has put in place to grow performance.

**Table 4.6 Descriptive Results of Performance of Recruitment Agencies**

Performance of recruitment agencies	SA F; %	A F; %	N F; %	D F; %	SD F; %	Mean	Std. Dev
The sales' growth of the agency have increased in the past 3 years	3 (5)	39 (67)	12 (21)	3 (5)	1 (2)	3.69	.730
Increased sales signifies that the company has developed better good performance working policy.	5 (9)	46 (10)	3 (5)	2 (3)	2 (3)	3.86	.760
There has been increase in profit in the past three years as a result of good marketing strategies	5 (9)	45 (78)	6 (10)	2 (3)	-	3.91	.571
The agency has managed to earn return on investment in the past three years.							



The revenue or turnover of the business have increased in the past 3 years.	4 (7)	44 (76)	6 (10)	4 (7)	-	3.83	.653
Average Mean	3 (5)	43 (74)	9 (16)	1 (2)	2 (3)	3.76	.733
						3.81	.689

F – Frequency, % - Percentage in brackets, SA – Strongly Agree, A – Agree, N – Neutral, D – Disagree, SD – Strongly Disagree

#### 4.8 Diagnostic Tests

Prior to performing inferential analysis (correlation and regression), this study performed diagnostics tests to ensure that linear regression assumptions are met including the assumption data is normally distributed and no relationship between independent variables. This is to ensure that the model is fit to make study inferences.

The two diagnostics tests conducted include serial auto correlation and multicollinearity tests.

With the application of Durbin-Watson test, the study tested whether residuals of the study are auto correlated.

The results provided in Table 4.7 demonstrated that Durbin-Watson was 1.861 which falls in the category of autocorrelation rule of thumb value of 1.5 and 2.5. The results imply that there is no problem of serial autocorrelation in the residuals of the study model.

#### Table 4.7 Serial Autocorrelation Test

Model	Std. Error of the Estimate	Durbin-Watson
1	.4206	1.861

a. Predictors: (Constant): Market penetration strategy, Market development strategy, Market diversification strategy

b. Dependent Variable: Performance of recruitment agencies

The study used Variance Inflation Factor (VIF) to test for multicollinearity, which aimed to determine whether there is correlation among independent variables of the study. The assumption is that the independent variables should not be highly correlated among them if the VIF is below 4. The results in Table 4.8 revealed that all the independent variables had VIF below 4 with market penetration strategy, market development strategy, and market diversification strategy having 1.423, 1.249, and 1.352 respectively. This shows that there was no correlation between independent variables, thus, is not a problem to the estimation of regression coefficients.

#### Table 4.8 Multicollinearity Test

Model	Collinearity Statistics	
	Tolerance	VIF
1 Market penetration strategy	.816	1.423
Market develop strategy	.802	1.249
Market diversification strategy	.907	1.352

## 4.9 Inferential Analysis

This study conducted inferential analysis of predictor variables and outcome variable independently to test the hypothesis of the study and the findings are discussed herein.

### 4.9.1 Hypothesis Testing of Market Penetration Strategy and Performance of Recruitment Agencies

*H<sub>01</sub>: There is no significant relationship between market penetration strategy and performance of Recruitment Agencies*

This study conducted a correlation and regression analysis to test the first hypothesis of the study. Correlation analysis results in Table 4.9 demonstrated a strong correlation (linear relationship) between market penetration strategy and performance of recruitment agencies,  $r(57) = .462, p < .001$ . The findings suggested that there is a strong linear relationship between the two variables.

**Table 4.9 Correlation Analysis of Market Penetration Strategy and Performance of Recruitment Agencies**

#### Correlation

Variables		Performance of recruitment agencies
Market penetration strategy	Pearson correlation	.462**
	Sig. (2-tailed)	.000
	N	58

\*\* . Correlation is significant at the .001 level (2-tailed)

The regression analysis output provided a model summary that illustrated the extent of variances in performance of recruitment agencies as a result of changes in market penetration strategy. The regression model summary results in Table 4.10 showed  $R = .462$  which showed coefficient of determination. The established  $R^2 = .213$  suggest that market penetration strategy causes 21.3% variances in performance of recruitment agencies ( $R^2 = .213, F(1, 56) = 15.191, p < .001$ ).

**Table 4.10 Regression Model Summary of Market Penetration Strategy and Performance of Recruitment Agencies**

#### Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.462 <sup>a</sup>	.213	.199	.48858

a. Predictors: (Constant), market penetration strategy

The regression ANOVA results in Table 4.11 demonstrated the significant or goodness of fit of the model in testing the relationship between market penetration strategy and performance of recruitment agencies. The results indicated that the model significantly tested the changes in performance of recruitment agencies as a result of changes in market penetration strategy,  $F(1, 56) = 15.191, p < .001$ .

**Table 4.11 Regression ANOVA of Market Penetration Strategy and Performance of Recruitment Agencies**

ANOVA <sup>a</sup>					
Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	3.626	1	3.626	15.191	.000 <sup>b</sup>
Residual	13.368	56	.239		
Total	16.994	57			

a. Dependent Variable: Performance of recruitment agencies

b. Predictors: (Constant), Market penetration strategies

Finally, regression coefficients was used to test the first hypothesis of the study. From Table 4.12 results, the study reported a significant positive relationship between market penetration strategy and performance of recruitment agencies ( $\beta = .373, p < .001$ ). The study, therefore, rejected the null hypothesis and concluded that there is a significant positive relationship (effect) between market penetration strategy and performance of recruitment agencies.

**Table 4.12 Regression Coefficients of Market Penetration and Performance of Recruitment Agencies**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	beta		
1 (Constant)	2.308	.391		5.904	.000
Market penetration strategy	.373	.096	.462	3.898	.000

a. Dependent Variable: Performance of recruitment agencies

#### 4.9.2 Hypothesis Testing of Market Development Strategy and Performance of Recruitment Agencies

*H<sub>02</sub>: There is no significant relationship between market development strategy and performance of recruitment agencies*

Additionally, the study conducted correlation and regression analysis to test the second hypothesis of the study.

Correlation analysis which predicted the strength of linear relationship (see Table 4.13), showed that market

development strategy and performance of recruitment agencies are positively and strongly correlated,  $r(56) = .561, p < .001$ .

**Table 4.13 Correlation Analysis of Market Development Strategy and Performance of Recruitment Agencies**

		Correlation
Variables		Performance of marketing agencies
Market development strategy	Pearson Correlation	.561**
	Sig. (2-tailed)	.000
	N	58

\*\*Correlation is significant at the .001 (tailed)

The first output of regression analysis was model summary which explained likelihood of changes in performance of recruitment agencies as a result of changes in market development strategy. The results in Table 4.14 showed that market development strategy predicted 31.5% changes in performance of recruitment agencies ( $R^2 = .315, F(1,56) = 25.738, p < .001$ ).

**Table 4.14 Regression Model Summary of Market Development Strategy and Performance of Recruitment Agencies**

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.561 <sup>a</sup>	.315	.303	45597

a. Predictors: (Constant), Market development strategy

The regression analysis also provided ANOVA which described the fitness of the model in explaining the relationship between market development strategy and performance of recruitment agencies. The results in Table 4.15 revealed a significant positive changes on performance of recruitment agencies,  $F(1,56) = 25.738, p < .001$ . The results indicated that the model significantly explained the relationship between the variables.

**Table 4.15 Regression ANOVA of Market Development Strategy and Performance of Recruitment Agencies**

ANOVA <sup>a</sup>					
Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	5.351	1	5.351	25.738	.000 <sup>b</sup>
Residual	11.643	56	.208		
Total	16.994	57			

a. Dependent Variable: Performance of marketing agencies

b. Predictors: (Constant), Market development strategy

Regarding the regression coefficients analysis to make decision whether to reject or accept the second hypothesis of the study, the results in Table 4.16 established a significant positive relationship between market development strategy and performance of recruitment agencies ( $B = .492, p < .001$ ). The findings confirmed that the study rejected the null hypothesis and concluded that there is a significant positive relationship (effect) between the variables. That is, a unit increase in market development strategy increases performance of recruitment agencies by .492.

**Table 4.16 Regression Coefficients of Market Development Strategy and Performance of Recruitment Agencies**

Model	Unstandardized		Standardized	t	Sig.
	Coefficients		Coefficients		
	B	Std. Error	Beta		
1 (Constant)	1.826	.396		4.614	.000
Market development strategy	.492	.097	.561	5.073	.000

a. Dependent Variable: Performance of marketing agencies

### 4.9.3 Hypothesis Testing of Market Diversification Strategy and Performance of Recruitment Agencies

*H<sub>03</sub>: There is no significant relationship between market diversification strategy and performance of recruitment agencies*

The study also conducted inferential analysis (correlation and regression) to test the third hypothesis of the study as outlined herein. A correlation analysis which demonstrated the strength of linear relationship between the two variables as shown in Table 4.17, revealed a significant and strong positive correlation between market diversification strategy and performance of recruitment agencies,  $r(57) = .465, p < .001$ .

**Table 4.17 Correlation Analysis of Market Diversification Strategy and Performance of Recruitment Strategy**

Variables	Correlation	
	Performance of marketing agencies	
Market diversification strategy	Pearson correlation	.465**
	Sig. (2-tailed)	.000
	N	58

\*\* . Correlation is significant at the .001 (2-tailed)

The regression model summary Table 4.18 indicated  $R = .465$  and  $R^2 = .216$ . While the reported  $R$  explained the coefficient determination (correlation) between the variables, the  $R$  – Square revealed that 21.6% of variances in performance of recruitment agencies are explained by changes in market diversification strategy ( $R^2 = .216$ ,  $F(1, 56) = 15.435$ ,  $p < .001$ ).

**Table 4.18 Regression Model Summary of Market Diversification Strategy and Performance of Recruitment Agencies**

**Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.465 <sup>a</sup>	.216	.202	.48774

a. Predictors: (Constant), Market diversification strategy

The regression ANOVA was also conducted to indicate the fitness of the model in explaining the changes on performance of recruitment agencies as a result of changes in market diversification strategy. The findings in Table 4.19 revealed that the model was fit in explaining positive changes in performance of recruitment agencies as a result of changes in market diversification strategy,  $F(1, 56) = 15.435$ ,  $p < .001$ .

**Table 4.19 Regression ANOVA of Market Diversification Strategy and Performance of Recruitment Agencies**

**ANOVA<sup>a</sup>**

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	3.672	1	3.672	15.435	.000 <sup>b</sup>
Residual	13.322	56	.238		
Total	16.994	57			

a. Dependent Variable: Performance of marketing agencies

b. Predictors: (Constant), Market diversification strategy

The regression analysis further provided regression coefficients for making the decision concerning whether to reject or accept the stated third hypothesis of the study. The results in Table 4.120 exhibited a significant and positive relationship between market diversification strategy and performance of recruitment agencies ( $\beta = .427, p < .001$ ). The study, therefore, rejected the null hypothesis and concluded that there is a significant positive relationship (effect) between the two variables. The findings suggest that a unit increase in market diversification strategy increases performance of recruitment agencies by .427.

**Table 4.120 Regression Coefficients of Market Diversification Strategy and Performance of Recruitment Agencies**

**Coefficients<sup>a</sup>**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	2.087	.443		4.710	.000
Market diversification strategy	.427	.109	.465	3.929	.000

a. Dependent Variable: Performance of marketing agencies

#### 4.9.4 Pooled Inferential Analysis of Marketing Strategies and Performance of Recruitment Agencies

To make a combined decision on the relationship or effect of marketing strategies on performance of recruitment agencies, this study conducted a pooled correlation and regression analysis. From the correlation analysis Table 4.21, the results indicated that the pooled correlation (linear relationship) were similar to independent correlation results. That is, there was a positive correlation between market penetration strategy and performance of recruitment agencies,  $r(54) = .462, p < .001$ , a strong positive

**Table 4.21 Joint Correlation Results of Marketing Strategies on Performance of Recruitment Agencies**  
**Correlation**

Variables		Market penetration strategy	Market development strategy	Market diversification strategy	Performance of recruitment agencies
Market penetration strategy	Correlation	1			
	Sig. (2-tailed)				
	N	58			
Market development strategy	Correlation	.462**	1		
	Sig. (2-tailed)	.000			
	N	58	58		
Market diversification strategy	Correlation	.561**	.786**	1	
	Sig. (2-tailed)	.000	.000		
	N	58	58	58	
Performance of recruitment agencies	Correlation	.465**	.650**	.870**	1
	Sig. (2-tailed)	.000	.000	.000	
	N	58	58	58	58

\*\*Correlation is significant at the .001 level (2-tailed)

correlation market development strategy and performance of recruitment agencies,  $r(54) = .561, p < .001$ , and a positive correlation between market diversification strategy and performance of recruitment agencies,  $r(54) = .465, p < .001$ . The results, therefore, imply that market strategies and performance of recruitment agencies are positively correlated.

The regression analysis conducted established a model summary which illustrated the combined changes on performances of recruitment agencies caused by marketing strategies as shown in Table 4.22. The findings displayed an R of .564 which represented a coefficient of determination (correlation) and  $R^2$  of .318. As such,



the reported R-Square meant that marketing strategies jointly predict 31.8% changes in performance of recruitment agencies ( $R^2 = .318, F(3, 54) = 8.390, p < .001$ ).

**Table 4.22 Pooled Regression Model Summary of Marketing Strategies and Performance of Recruitment Agencies**

**Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.564 <sup>a</sup>	.318	.280	.46330

a. Predictors: (Constant), Market penetration strategy, Market development strategy, Market diversification strategy

The joint regression ANOVA was conducted to demonstrate the goodness of fit of the joint model in explaining changes in performance of recruitment agencies. The findings in Table 4.23 revealed that the joint model of the study was fit for explaining significant positive changes in performance of recruitment agencies caused by joint marketing strategies included in the study,  $F(3, 54) = 8.390, p < .001$ .

**Table 4.23 Joint Regression ANOVA Results Marketing Strategies and Performance of Recruitment Agencies**

**ANOVA<sup>a</sup>**

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	5.403	3	1.801	8.390	.000 <sup>b</sup>
Residual	11.591	54	.215		
Total	16.994	57			

a. Dependent Variable: Performance of recruitment agencies

b. Predictors: (Constant), Market penetration strategy, Market development strategy, Market diversification strategy

The final joint regression output was regression coefficients which the study used to make conclusion regarding the joint relationship or effects of marketing strategies on performance of recruitment agencies. As shown in Table 4.24, the study established that market penetration strategy, market development strategy, and market diversification strategy all had positive coefficients and p-values below a 5% significance level. Thus, the study rejected all the null hypothesis and concluded that there is a significant positive relationship between marketing strategies and performance of recruitment agencies.

**Table 4.24 Joint Regression Coefficients of Marketing Strategies and Performance of Recruitment Agencies**

**Coefficients<sup>a</sup>**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	1.860	.439		4.236	.000
Market penetration strategy	.391	.148	.047	2.641	.003
Market development strategy	.527	.247	.602	2.137	.001
Market diversification strategy	.402	.210	.381	1.914	.013

a. Dependent Variable: Performance of recruitment agencies

The established regression that  $Y = 1.860 + .391X_1 + .527X_2 + .402X_3$  where  $X_1$  is market penetration strategy,  $X_2$  is market development strategy, and  $X_3$  is market diversification strategy indicated that when all factors are held constant, the performance or recruitment agencies would be 1.860. However, when different factors/strategies comes into practice, the performance of recruitment agencies would grow spontaneously with .391, .527, and .402 for market penetration, market development, and market diversification strategies respectively.



## **CHAPTER FIVE: SUMMARY OF FINDINGS, DISCUSSIONS, CONCLUSIONS, AND RECOMMENDATIONS**

### **5.1 Introduction**

This is the last chapter of this research work. The chapter provided a detailed discussion of the research findings as outlined in chapter four and compared the findings with existing studies discussed in the literature review – chapter two. The chapter aims to make a position in the management literature by either agreeing or disagreeing with existing position taken by previous researchers on the effects of marketing strategies on performance of recruitment agencies. The breakdown of the chapter is summary of the findings, discussions, conclusions, and recommendations for improvement and areas for further research.

### **5.2 Summary of the Findings**

This descriptive questionnaire survey design study investigated the effects of marketing strategies on performance of recruitment agencies in Nairobi, Kenya. The three specific objectives of the study were: to determine the effect of market penetration strategy on the performance of recruitment agencies, to establish the effect of market development strategy on performance of recruitment agencies, and to determine the effect of market diversification strategy on the performance of recruitment agencies. The study was guided by Ansoff's theory that posits that for an organisation to increase its performance, it needs to achieve products and market growth through different strategies. These strategies include market penetration, market development, and market diversification, which all formed the study's independent variables.

The sample size for the study was 138 respondents, which was determined using stratified sampling procedure with the aid of Yamane's sampling formula. Using Cronbach's alpha, the study established that the questionnaire tool had an average  $\alpha = .875$  which implied that all constructs in the tool was reliable for giving consistent findings. Data was collected using an online questionnaire survey with the help of Google Forms. Though the study established a response rate of 51%, the researcher figured that 12 questionnaires had missing information, thus, were omitted from analysis. This left only 42% of the questionnaires for making study conclusions. Generally, the findings indicated that there were more male than female respondents and most of the participants were aged 31 – 40 years. In terms of level of experience and level of education, majority of the respondents less than 10 years and undergraduate education respectively.

Regarding the main findings on the three hypotheses of the study, the results indicated all have positive coefficient values and accepted significance levels. This suggest that the study rejected the stated null hypothesis and concluded that marketing strategies and performance of recruitment agencies have a significant and positive relationship. Independently, the study rejected the first hypothesis and concluded that there is a significant and positive relationship between market penetration and performance of recruitment agencies. The study also rejected the null hypothesis and concluded that there is a significant and positive relationship between market development strategy and performance of recruitment agencies. Finally, the study accepted the alternative hypothesis that there is a positive relationship between market diversification and performance of recruitment agencies.

### **5.3 Discussions**

A comprehensive discussion of the study findings and compared to existing literature provided in the previous chapter two of the study follows the specific research objectives as outlined herein.

#### **5.3.1 Effect of Market Penetration Strategy on the Performance of Recruitment Agencies**

This study sought to establish the effect of market penetration strategy on the performance of recruitment agencies. Both descriptive and inferential analysis provided useful findings for testing the first hypothesis of the study. Precisely, the regression analysis indicated that there is a statistical significant positive effect of market penetration strategy on performance of recruitment agencies. The results implied that the study rejected the stated null hypothesis and concluded that there is a significant positive relationship between market penetration strategy and performance of recruitment agencies. Similarly, a pooled regression analysis provided the same results, indicating that market penetration is significant in improving performance of these companies. The results make similar premise like previous studies in the empirical literature.

For instance, the findings agree with Bonaglia and Goldstein (2016) who postulated that organisation can achieve its goals through effective strategies, especially market penetration which seeks to increase the market share. The authors continued that organisation employs such a strategy towards making sure that it has a good grip of footing in the market segment in which it selects. The findings are also in agreement with Ardyan (2018) whose position demonstrated that most organisations in the US use market penetration strategies to gain foothold in the markets they wish to control. The findings of these studies together with the current study,

therefore, agree that market penetration strategies can take different forms including pricing and promotion.

The pricing can be low to try and penetrate the market by attracting multiple customers or discourage entry of new competitors.

Similarly, the findings support Ekwulugo's (2018) argument that organisations tend to dominate the market through market penetration strategy. In a study on the impact of strategies for market entrance and penetration, Njomo and Margaret (2016) opined that market penetration does not have significant impact on improvement of the organisation. This unfolding results are not agreement with the current study which reported that market penetration significantly improves performance recruitment agencies. The result of this study, however, confirms Armstrong (2018) findings that market penetration strategy assist organisation's product or services to gain a market share. The findings are in agreement that market penetration strategy is effective in harvesting new customers and making the product accessible in the market.

The findings of this study signifies the importance of marketing strategy as a way to reach consumers, grow sales, and improve performance of the company. And one of the effective strategies that a company can use is market penetration strategy. As Agyemag and Ryan (2018) puts out, and corroborated the findings of the current study, market penetration strategy can be the difference in a company gaining access to market or remaining with no market to access. It is the ultimate guide to building competitive product that targets a specific market. Previously, Pleshko et al. (2014) found a significant impact or pricing as a market penetration strategy on performance of organisations in India. The findings confirms the findings of the current study that market penetration strategy and performance are positively correlated.

The outcome this study also concur with previous findings by West et al. (2015) who stated that market penetration pricing strategy works to enable a company's product penetrate the market. It helps the organisation to try and gain acceptance in a highly competitive market with higher intention to buy among consumers. The ideal goal of pricing penetration approach as a marketing strategy is to offer a positive feeling to the consumers that the product are of better advantage to compared to competitors' products. Likewise, the study agree with Dolata (2017) that pricing as a penetration strategy to a certain extent, communicates quality if done in a winning way. The authors add that despite companies like Apple having expensive products, their

pricing strategy assisted highly in penetrating a specific market, thus, dominating the market share across the globe.

### **5.3.2 Effect of Market Development Strategy on the Performance of Recruitment Agencies**

The second objective of the study established the effect of market development strategy on the performance of agencies in Nairobi, Kenya. Major constructs of the market development strategy under this investigation fell under supervisor interaction with the team, nature of the work to be done by members, and leadership which signifies the transformation to improve marketing of products or services. A regression conducted to test the second hypothesis of the study reported appealing results. The findings reported a significant relationship between market development strategy and performance. And so, the study rejected the stated hypothesis and concluded that there is a significant positive effect of market development strategy as a marketing strategy on performance of recruitment agencies. The results are supported by several existing studies that held similar assertions in the literature.

The findings agree with Park (2015) that market development is about improvement either the employees to gain necessary skills aimed to produce quality products or services, or to improve aspects of products or services to meet consumer needs and preferences. Besides, it can also mean developing better approaches to reach existing market. The results confirm Mahmoud and Hinson's (2017) position that market development involve evaluation of every individuals' contribution towards improving the product. It entails leadership qualities that focuses on innovation and skills as the best effective way to achieve market development goals. Also, the results agree with Voss and Voss (2015) who found that essential leadership execution is a catalysts to better market development strategy that improve organisation's performance.

The results concur with Saban et al. (2015) whose study outcome revealed that part of a scheme to improve performance is through market development strategy. Specifically, market development incorporates uniqueness applied on products that make them appealing to the consumers like quality and accessibility. The findings are also in agreement with Revilla and Knoppen (2017) who demonstrated that market development as a marketing strategy is important for organisation's performance. It offers additional benefits to consumers by improving existing or new features to the products or services that makes the demand to increase. The results, therefore, highlights that market development is an essential marketing strategy that aims to meet

consumer needs. It improves the product according to consumer demands, needs, and preferences which gives the company a competitive edge in the market. This can improve performance significantly.

Zack et al. (2018) pointed out that the essence of market development strategy, especially those aimed towards product improvement, is to add more attributes to the product, make it appealing to the consumers, unique, thus, improving the needs of the customers. The authors argued that product development include modification of the product so that it covers the target market. The findings of the current study, therefore, agrees with Zack et al. that market development strategy when done properly, can improves product acceptance in the market, thus, improving a company's performance. Similar assertions were given by Farrell and Gallagher (2014) who postulated that market development suggests innovations, knowledge, and technology to improve product features. This strategy can significantly improves the performance of a company.

The results further support Martinsuo et al. (2018) who reported that product development as a market strategy is often aimed at combating competition. It is a strategy that an organisation uses to try and stay ahead of the pack in the market segment. Correspondingly, the findings support Blackburn et al.'s (2018) views that today's environment require effective market development strategy among organisations to meet consumer expectations. It is about a strategy that understands the internal feelings of the consumers in terms of wants and needs and using specialisation to modify products in a way that meet the specific needs of a given market segment. These findings confirms that organisations stand to gain more if they effectively develop market development strategies that improves sales, attract customers, and improves performance in the market.

### **5.3.3 Effect of Market Diversification Strategy on the Performance of Recruitment Agencies**

The final objective of the study determined the effects of market diversification strategy on performance of recruitment agencies in Nairobi, Kenya. Diversification in the context of this study, involved a strategy that an organisation uses to differentiate product or market. It implied having different range of products or services in an organisation's portfolio to sell to consumers. The marketing strategy in focus included concentric diversification and conglomerate diversification marketing strategy. The findings of this study, both independent and pooled regression analysis openly showed that there is a significant positive effect of market diversification strategy on performance. In particular, the results demonstrated that the study rejected the third



stated null hypothesis of the study and concluded that there is significant positive relationship between market diversification strategy and performance of recruitment agencies.

The findings of the study corresponds to the findings of previous studies provided in the literature. For example, the outcome of this study corroborated with Weiss (2016) whose study outcome revealed that diversification as a marketing strategy aims to reduce risk. It is a prudent strategy for an organisation to market more than one product to the consumers at the expense of gaining market share while reducing or sharing risks. The author pointed out that this market strategy can significantly grow performance if done effectively. Besides, the findings are in agreement with Burkirwa (2017) that diversification as a marketing strategy assist an organisation to access the market rather than just focusing on one market. Diversification of a market increases market access through exploration of new markets, thus, reaping maximum benefits to the organisation in question.

The results further agree with previous findings by Mensah (2014) that market diversification strategy is a tool for an organisation to dominate the market. It gives an organisation an opportunity to develop different marketing strategies for different products or services, and uses these strategies differently to market the product or services in the market. It gives an organisation different choice marketing strategies to employ differently on different occasions based on the level of competition in the market. Likewise, Delbufalo et al. (2016) affirmed that increased tendency of organisations to invest in different regions or countries require organisations to develop different marketing strategies. This denotes diversification which is necessary to assist organisations to reach newer markets ahead of their competitors, thus, positively enhancing performance of such organisation.

Goryni et al. (2014) supported the need for diversification for organisations. The authors noted that diversification incorporates broad approaches to business management techniques that if applied well, can significantly grow performance. This include use of technology to integrate products and marketing of these products to the people. Similarly, Ngandu (2014) found that diversification is effective businesses in service industry like insurance business. The author indicated that service businesses that diversify their services increasingly grow their performance compared to businesses that only focus on one service. In the context of

marketing, diversification allow businesses to use different marketing strategies including technology and traditional media channels to market products to consumers in different market segments.

There are, however, some studies that found different results to this current study. For instance, Hashai (2015) while investigating the effects of diversification in organisations in North America, reported that to some extent, diversification does not really improve the performance of an organisation. According to Hashai, organisations that choose to diversify perform poorly compared to the non-diversified organisations. The current study, however, note that this difference in results could be because the previous study by Hashai focused on product diversification while this current study focused on diversification as a marketing strategy. Dhandapani and Upadhyayula (2015) also held similar views to Hashai that diversification is not good for an organisation as it lowers business profitability. Also, the findings of this study were based on acquisition of companies to diversify. Whereas the study provided useful results, the study was rather not on diversification of marketing strategies as the current study focuses on.

#### **5.4 Conclusions**

The changing business environment demands for organisations to change ways of reaching the customers, especially in the areas of marketing of services and products. Following the results of the first objective of the study; to determine the effect of market penetration strategy on performance, the study conclude that accessing existing or new markets through market penetration strategy can be done through pricing or promotion. More and more organisations are today crafting winning pricing strategies to penetrate the market, thus, making marketing activities easy. Additionally, the study conclude that promotion as a market penetration strategy is imperative in introducing new or existing products to a volume of consumers in the market. Thus, this marketing approach provides organisations with access to make, hence, better performance for recruitment agencies.

This findings of this study reported that development suggest improvement of new or existing features of a product. That market development strategy is concerned with developing new channels, new products, using emerging technologies to reach the market. With regards to this assertion, the study conclude that a good market development strategy incorporates alignment of consumer needs and preferences on product or services to the market. It seeks to ensure that the organisation specializes on services or products with features that

products want and the use of technology to bring consumers together, cause interaction, and get reviews for improving services or products to the market. As organisations continue to find better ways to gain competitive edge in the market and grow performance, the findings of this study conclude that one such strategy to achieve all these is market development strategy.

The population is changing at a higher rate and young people in the current business environment constitutes the largest share of consumers that organisations are grappling to control. This suggest the need for organisations to find different ways to reach this market even if it means using combination of different channels. This calls for diversification as a marketing strategy. Based on this reality in the current business environment, this study conclude that market diversification strategy is a must for nearly all organisations in the current business environment. Organisations need to employ several or different marketing techniques to reach out to both young and old consumer generations. This can include combination use of traditional marketing and modern marketing channels to achieve effective marketing diversification strategy that grow sales and improve performance of recruitment agencies.

## **5.5 Recommendations**

Today, many organisations are turning to recruitment agencies to help them with talent acquisition. Recruitment agencies conduct background check of all candidates before forwarding suitable names to various employers. Based on this important role of recruitment agencies, this study recommends the agencies to make good use of marketing strategies to sell their brands and be known to many employers. This is possible when such organisations different marketing strategies like market penetration, market development, and market diversification to access new markets, improve services, and use different channels respectively to improve performance.

### **5.5.1 The Government of Kenya**

To the government, the study commends for the need to consider the important role of recruitment agencies in building the economy. Recruitment agencies are not only useful to private organisations that seek to employee different candidates, but can also be useful in government institution employment services. Recruitment agencies can act on behalf of the government to employee different individuals for different government institutions. The study also recommends the government to pay more emphasis on developing institutions that

trains recruitment agencies like Human Resource Training Centres. This will improve capacity development among individuals working in recruitment agencies, hence, develop good marketing strategies that improve performance.

### **5.5.2 Other Recruitment Agencies**

Other recruitment agencies can also benefit from the findings of the study. The results presents these institutions with ability to understand the significant need for developing effecting marketing strategies that focuses on improving marketing of their recruitment services to the people or other institutions. As such, the study recommends for implementation of these marketing practices including market penetration strategy, market development strategy, and market diversification strategy to improve performance.

### **5.6 Recommendations for Areas for Further Research**

Due several limitations to the study including focusing on selected recruitment agencies in Nairobi and not entire region, use of quantitative approach and not qualitative, and use of a small sample size which may not necessarily make adequate generalization of the finding, there is need for further research. In particular, this study recommends further research to use different methodology like qualitative approach to see if search studies can yield similar results. Additionally, future research can also use bigger sample size so as to generalize the findings. Finally, there is need for further research to consider using other marketing strategies and not necessarily the three used in this study.

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**APPENDICES**

**APPENDIX I: INTRODUCTION LETTER**

30/08/2021

Africa Nazarene University,

P.O Box 53067-00200,

Nairobi.

Dear Respondents,

**REF: REQUEST FOR QUESTIONNAIRE COMPLETION**

I am a student of Master in Business Administration at Africa Nazarene University. I am conducting research on the effects of marketing strategies on performance of recruitment agencies in Nairobi Central Business Centre. The study will be conducted in recruitment agencies at CBD. Your feedback in filling the questionnaire will be of significance, since it is important for my passing the degree requirements. Kindly help me achieve this goal by completing the questionnaire given the best of your knowledge following the researcher. Your cooperation and assistance in this study is highly appreciated.

Stellah Wanjiku Guchu

Signature: -----  ----- Date: -----15/06/2022-----

## APPENDIX II: QUESTIONNAIRE FOR BENEFICIARIES

I am a postgraduate student at the University of Africa Nazarene University, pursuing a master's Degree in Business Administration (MBA). I am undertaking the research on the effect of marketing strategies on performance of recruitment agencies in Nairobi Central Business Centre. I would be very grateful if you could answer the questions in the questionnaires provided as honestly as possible.

**Instructions: Tick where appropriate ( )**

### Section A: Background Information

1 Gender Male Female

2 Age Below 20 21- 30 31-40 41-50 Above 50

3 For how long have you benefited in the project?

- a) Less than 10 years
- b) 10- 15 years
- c) 16-20 years
- d) Over 21 years

4 Level of education

- a) Degree holder ( )
- b) Diploma holder ( )
- c) Secondary ( )
- d) Primary ( )

### Section B: Measurements of Study Variables

**Instructions; Tick where appropriate**

#### Measurement of Independent variables

Market Penetration	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
<b>Pricing Strategy</b> <ul style="list-style-type: none"> <li>• The pricing strategy normally influences market penetration</li> </ul>					

<ul style="list-style-type: none"> <li>● Market penetration enables the company to come up with a pricing strategy</li> <li>● Market Penetration enables the company to match its price with a desired market share they attract.</li> <li>● Market penetration is crucial for business performance.</li> </ul>					
<p><b>Promotion</b></p> <ul style="list-style-type: none"> <li>● Market penetration is essential for promotion strategies</li> <li>● Market penetration enhances marketing activities that focus on attracting more customers to the product.</li> <li>● Market penetration enhances search for new product distribution channels</li> <li>● Market penetration enables access to new customers in the market</li> <li>● Market penetration is essential for enhancing competitive advantage over competitors</li> </ul>					
<p><b>Market Development Strategy</b></p>	<p><b>Strongly Agree</b></p>	<p><b>Agree</b></p>	<p><b>Neutral</b></p>	<p><b>Disagree</b></p>	<p><b>Strongly Disagree</b></p>
<p><b>Supervisor Interaction with Team</b></p> <ul style="list-style-type: none"> <li>● It enhances alignment of individual performance</li> </ul>					

<p>expectations with organizational goals.</p> <ul style="list-style-type: none"> <li>● Supervisory activities enhances development in performance goals collaboratively with direct reports</li> <li>● Provision of fair, constructive and timely feedback towards performance expectations and goals</li> </ul>					
<p><b>Nature of the work to be done by members</b></p> <ul style="list-style-type: none"> <li>● Need for evaluation of employee's work that determines performance</li> <li>● Level of complexity and nature of the job determines performance</li> <li>● Members should team up with the need of achieving a general objective</li> </ul>					
<p><b>Leadership</b></p> <ul style="list-style-type: none"> <li>● Do you think leadership skills and self-efficacy perception enhances performance</li> <li>● Self-leadership skills and self-efficacy perception enhances performance</li> <li>● Leadership is a key foundation of empowering and enhancing performance</li> </ul>					

<b>Diversification Strategy</b>	<b>Strongly Agree</b>	<b>Agree</b>	<b>Neutral</b>	<b>Disagree</b>	<b>Strongly Disagree</b>
<p><b>Concentric Diversification</b></p> <ul style="list-style-type: none"> <li>● Concentric diversification is significant in enhancing business performance</li> <li>● Concentric diversification enables the recruitment agencies to leverage its resources effectively</li> <li>● Concentric diversification enables risk minimization especially in the investment</li> <li>● Concentric diversification influences good decision making on profitable investment</li> </ul>					
<p><b>Conglomerate Diversification</b></p> <ul style="list-style-type: none"> <li>● Risk mitigation strategies are reinforced through conglomerate diversification in the company.</li> <li>● Conglomerate diversification presents business opportunities to leverage on.</li> <li>● Conglomerate diversification is a priority for new customer acquisition strategies</li> <li>● Conglomerate diversification enhances new product and services</li> </ul>					

<p>features to enhance customers loyalty</p> <ul style="list-style-type: none"> <li>● Conglomerate diversification enhances new service and product development in the organization.</li> </ul>					
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### Measurement of Dependent variable

<b>Performance of Recruitment Agencies</b>	<b>Strongly Agree</b>	<b>Agree</b>	<b>Neutral</b>	<b>Disagree</b>	<b>Strongly Disagree</b>
<p><b>Sales Growth</b></p> <ul style="list-style-type: none"> <li>● It is a significant and essential parameter for survival and financial growth of a firm</li> <li>● It is an indicator of correct and working policies</li> </ul>					
<p><b>Market Share</b></p> <ul style="list-style-type: none"> <li>● It shows the organization progress compared to the competitors</li> <li>● It shows level of organization competitiveness</li> </ul>					

<p><b>Increases Turnover</b></p> <ul style="list-style-type: none"> <li>● It is significance in establishing the financial performance of an organization</li> <li>● It gives a measure of every shilling income earned on every asset</li> </ul>					
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**End**

**Thank you for your response**

**APPENDIX III: LIST OF RECRUITMENT AGENCIES IN NAIROBI CENTRAL BUSINESS DISTRICT**

	<b>NAME</b>	<b>LOCATION</b>	<b>BUILDING</b>
1.	Sheer Logic Management	Nairobi CBD	View Park Towers
2.	Flexi Personnel Ltd	Nairobi CBD	China Centre
3.	Shamrah Recruitment Agency	Tom Mboya Street, Nairobi CBD	Braidwood House
4.	Everhope Recruitment Agency	River Road, Nairobi CBD	Kampala Business Centre
5.	Shalin Agencies Ltd	Tom Mboya Street, Nairobi CBD	Braidwood House
6.	Derimel Recruiting Agency	Luthuri Avenue, Nairobi CBD	Skymall Plaza
7.	Jeshruna Recruitment Agency	Moi avenue, Nairobi CBD	Imenti House
8.	Shanawa International Agency	Koinange Street, Nairobi CBD	Uniafric House
9.	Brites Management Services	Utalii Street, Nairobi CBD	View Park Towers
10.	Samoa Agencies	Naivasha Road, Nairobi CBD	KCB Block
11.	Gulf Manpower Recruitment Agency	Tubman Road, Nairobi CBD	Watersys Annex



12.	Annjoy Employment Bureau	Mfangano Street, Nairobi CBD	Rahu House
13.	Windsor Recruitment Africa	Moi Avenue, Nairobi CBD	Commerce House
14.	Universal Employment Solution Provider	Mpaka Road, Nairobi CBD	Emmaak Court
15.	Al-Yusra Agencies	Kenyatta Avenue, Nairobi CBD	Gilfillan House
16.	Jebetko Enterprise	Luthuli Avenue, Nairobi CBD	Samima House
17.	Saone Recruitment Agency	Accra Road, Nairobi CBD	Superior Arcade Building
18.	Simple Recruitment Agencies	Kenyatta Avenue, Nairobi CBD	Caxton House
19.	Crystal Recruitment Ltd	Moi Avenue, Nairobi CBD	Twiga Towers
20.	Peoplelink Consultants Ltd	Kimathi Street, Nairobi CBD	Corner House
21.	Link Recruitment Agencies	Kaunda Street, Nairobi CBD	Town House
22.	Azania Talents Recruitment Agency Ltd	Moi Avenue, Nairobi CBD	Hazina Towers
23.	Alhabib Agency	Utalii Street, Nairobi CBD	View Park Towers
24.	Overseas Placements Kenya (OPK) Ltd	Tom Mboya, Nairobi CBD	Philadelphia House
25.	Nanny House Services	Tom Mboya, Nairobi CBD	Philadelphia House
26.	Khobesha Agencies	Moktar Daddah Street, Nairobi CBD	Ruprani House
27.	Loivin Agency	Kaunda Street, Nairobi CBD	Queensway House
28.	Premiersure Insurance Agency	Kenyatta Avenue, Nairobi CBD	Caxton House
29.	Jechri Enterprises Ltd	Mfangano Street, Nairobi CBD	Information House
30.	Sue Manpower Ltd	Moi Avenue, Nairobi CBD	Commerce House

**APPENDIX IV: UNIVERSITY INTRODUCTION LETTER**

*11<sup>th</sup>, November, 2021*

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

Tel. 0202711213

*Our Ref:* 18S03DMBA001

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

Dear Sir/Madam:

**RE: RESEARCH AUTHORIZATION FOR: STELLAH WANJIKU GUCHU**

Miss. Stellah is a postgraduate student of Africa Nazarene University in the Master of Business Administration (MBA) program. In order to complete her program, Miss. Stellah is conducting a research entitled: “**Effects of Marketing Strategies on Performance of Recruitment Agencies in Nairobi County; A Case of Starehe Sub-County.**”

Any assistance offered to her will be highly appreciated.

Yours Faithfully,

**DR. Kimani Gichuhi, MBA,**

**Coordinator, School of Business,**

**Africa Nazarene University.**



**APPENDIX V: NACOSTI PERMIT**

**NATIONAL COMMISSION  
FOR SCIENCE, TECHNOLOGY &  
INNOVATION**



Ref No: **481542**

Date of Issue: **09/December/2021**

**RESEARCH LICENSE**

**This is to Certify that Ms.. Stellah Wanjiku Guchu of Africa Nazarene University, has been licensed to conduct research in Nairobi on the topic: Effects of marketing strategies on performance of recruitment agencies in Nairobi; a case of Starehe Sub-County for the period ending : 09/December/2022.**

License No: NACOSTI/P/21/14698



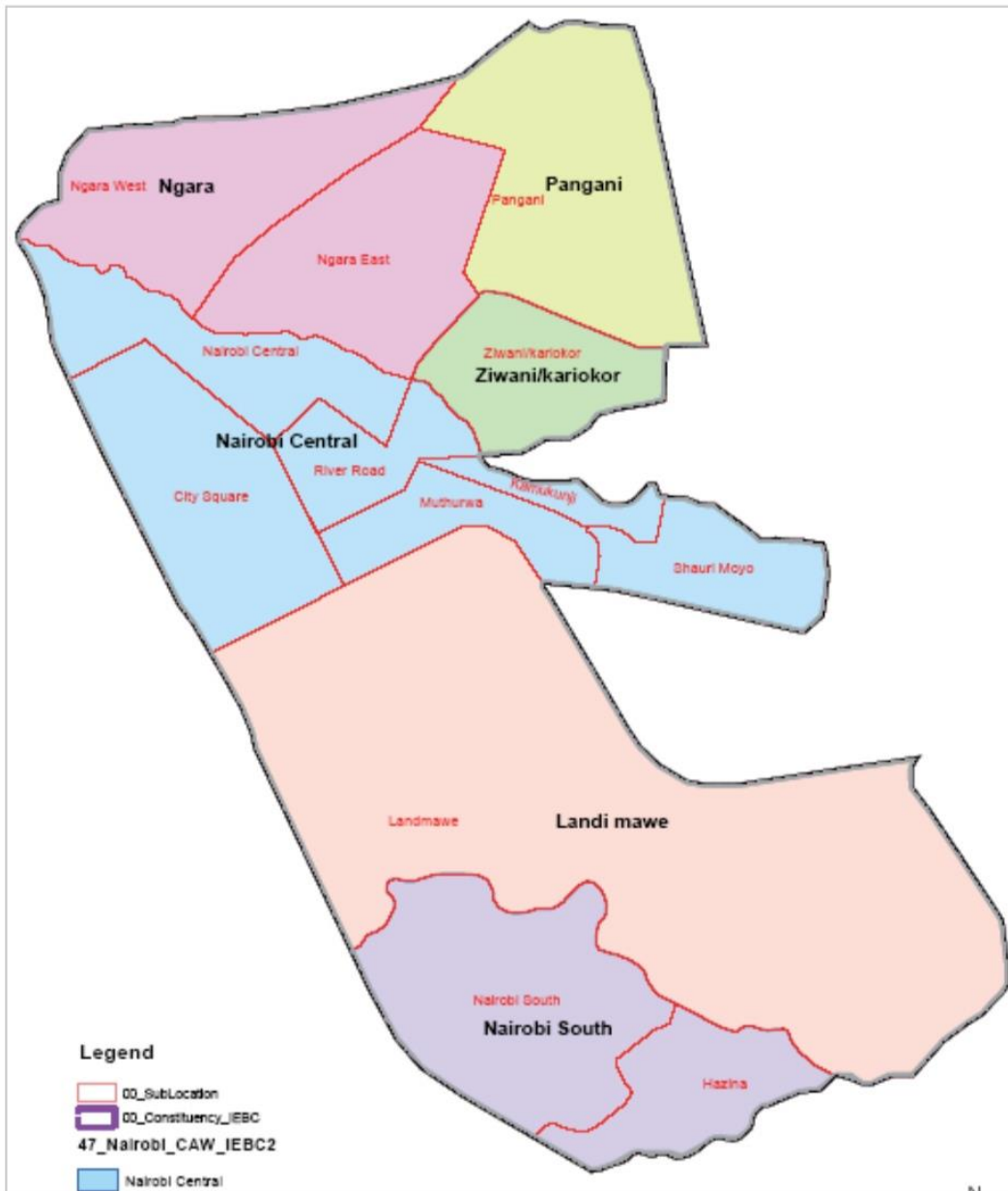
**481542**

Applicant Identification Number

Director General  
NATIONAL COMMISSION FOR  
SCIENCE, TECHNOLOGY &  
INNOVATION

Verification QR Code

# Starehe Constituency Map



Starehe Constituency Map

