

ASSESSMENT OF ADOPTION OF MARKETING INNOVATIONS ON SERVICE DELIVERY AT NATIONAL HOSPITAL INSURANCE FUND, KENYA

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Abstract

Innovative firms embrace innovations routinely in their activities, processes, business models, structures, and systems to capitalize on emerging opportunities. Such organizations adopt among other innovations, marketing innovation at all institutional levels in pursuit of their objectives. Marketing being an important organizational function, this study seeks to assess some innovations related to marketing adopted by National Hospital Insurance Fund (NHIF) in Kenya. Some of the contemporary innovations influencing customer choices and organization's performance outlined in this study include outpatient-based service marketing, competency mapping, stakeholder engagement and use of strategic relationship marketing. This study drew from two capability-based theory and resource-based theory. The study used a descriptive research design with a survey method. Before survey, the researcher did a pilot test at NHIF Naivasha branch test the reliability and validity of the measuring instrument. The empirical results revealed positive and significant correlations between marketing innovation adoption and service delivery by NHIF, Kenya. The study revealed strong and significant positive correlation between strategic relationship management and stakeholder engagement with service delivery. Competency mapping was also observed to enhance the quality of service delivery. The

regression results yielded a model $Y = 5.071 + 0.259C1 + 0.235C2 + 0.207C3 + 0.111C4$. It recommended more investment in customer relationship management technology and other infrastructure to enhance operational effectiveness and innovativeness for better service delivery and performance; secondly, stakeholder engagement should focus more on the customer value and satisfaction. In addition, the employer and other key stakeholders should also develop each employee's expertise, capabilities and potential to enhance better performance. The study findings were crucial to the corporate managers, marketing managers, marketers and strategists in providing evidence-based information on the appropriateness of contemporary marketing innovations to the undertakings of NHIF activities.

Keywords: Strategic Relationship Marketing, Stakeholder Engagement, Competency Mapping, Outpatient Service Marketing

INTRODUCTION

In dynamic business environments characterized by intense competition and rapid globalization, innovative firms find good opportunities to redefine the rules and nature of competition to the detriment of the less innovative or non-innovative entities. The innovative firms embrace innovations in their routine activities, processes, business models, organizational structures, and systems to capitalize on emerging opportunities (Claude-Gaudillat, & Quelin, 2010). As such, successful organizations adopt among other innovations, marketing innovation at all institutional levels in pursuit of their objectives. According to Utkun & Atilgan (2010) marketing innovation involves creation of applications, novelties and changes that enrich products through marketing activities such as product packaging, placement, promotion, pricing and application of new marketing methods. Marketing being an important function, this study seeks to assess some marketing-related innovations adopted by NHIF in Kenya.

The Concept of Marketing Innovation

Marketing innovation is a determinant factor of organizational success (Moreira, Silva, Simoes, & Sousa, 2012). According to Lambe (2003), marketing innovations draw from the principles and concepts of creativity and innovation in any organization's pursuit of efficient and effective marketing. Adoption of marketing innovations is necessary for the realization of the organization's desired outcomes through properly structured marketing programs and initiatives. The adoption of marketing innovation thus enables the innovative institutions to enhance their competitiveness (O'dwyer, Gilmore, & Carson, 2009). On the contrary, the non-innovative

organizations risk higher chances of market displacement and obsolescence. As Claude-Gaudillat, & Quelin (2010) opine, it is necessary for organizations to understand various marketing innovations that present opportunities and challenges and further decide how to respond appropriately. There are various marketing innovations that influence customer choices as well as organizational performance. Some of the contemporary marketing innovations in this paper relate to outpatient-based service marketing, competency mapping and use of innovative marketing strategies.

Outpatient services refer to the care given to patients without being admitted into the hospital or healthcare facility (Gopal & Bedi, 2014). The National Hospital Insurance Fund is a national healthcare scheme that caters for basic out-patient and in-patient healthcare needs of civil servants, private sector employees, self-employed persons as well as members of the public who subscribe voluntarily. The fund also provides a healthcare cover for members suffering from chronic illness (NHIF, 2016). Just like any other customer, the patients for whom the outpatient services are intended have perceptions and expectations regarding the quality of medical care and services delivered to them. As such, marketers have to device appropriate marketing strategies that focus not only on the terminal benefits to the organization, but also the value and satisfaction given to the customers. According to Gopal & Bedi (2014) institutions that increase the value of care and patient satisfaction entice their customers to revisit and increase their revenues by taking appropriate customer-centric measures.

Marketers in such institutions should, therefore, understand the processes involved in providing favourable overall experience for the patients considering the competence of the medical care service providers, behavior of paramedical staff, hygiene and ambience of the facilities. The second marketing innovation is the marketing based on efficient stakeholder engagement in all organizational activities and initiatives. Manetti (2011) opines that stakeholder engagement is fundamental to every organization as it determines the level of satisfaction with each organization's corporate social responsibility. By definition, stakeholders are all persons, within and without the organization, who can affect or be affected by the pursuit of an organization's purpose. These persons have a stake, a claim, or an interest in an organization with sufficient power to affect the organization's performance (Jeffery, 2009). The NHIF stakeholders in Kenya include customers, employers, government, non-governmental organizations and workers' unions such as the Central Organization of Trade unions (COTU). Stakeholder engagement in an organization is a process that necessitates the creation of a dynamic context of interaction, mutual respect, dialogue and change based on the moral assumption that an organization has a moral obligation to its stakeholders who are also expected to reciprocate (Manetti, 2011). In Kenya, then NHIF stakeholders are often times

engaged through trainings, workshops, shows and trade fairs (NHIF, 2016). Effective stakeholder engagement precedes the process of addressing or reviewing strategic objectives in pursuit of common goals for mutual gains.

Stakeholders can be engaged in an organization's endeavours either directly or through their representatives. However, there are instances when some organizations fail to actively engage their stakeholders in their day-to-day activities, only to be forced by adverse societal circumstances. Meaningful stakeholder engagement can be achieved by first understanding the changes taking place in the society in relation to their possible effect on the organization's performance and establishing lasting relationships with all the stakeholders (Jeffery, 2009). In addition, organizations can capitalize on competency mapping as an innovative way of understanding the key competencies of each and every stakeholder involved in marketing activities. It is through competency mapping that an organization can easily identify exceptional employees with good marketing skills and capabilities who can then be utilized to achieve the organization's marketing goals under favourable working conditions.

According to Anisha (2012) an organization's competencies into three categories namely; behavioural competencies, threshold competencies and differentiating competencies. Behavioural competencies are those qualities and skills exhibited by the employees' behavior. Threshold competencies entail the characteristics required by a jobholder to perform effectively in undertaking their roles and duties while differentiating competencies distinguish superior performers from average performers. Thus, competency mapping is perceived as an innovative way of understanding the workforce for purposes of bettering service delivery (Kibui, 2015). Another marketing innovation considered in this study involves the use of strategic relationship marketing methods including cause-related marketing and social media marketing (Luo & Bhattacharya, 2006). Strategic relationship marketing as entrenched in Customer Relationship Management (CRM) has found application in various business models. It is an innovation many organizations use as a strategy for winning, growing and keeping the right customers (Knox, Maklan, Payne, Peppard, & Ryals, 2008) as it enables organizations to enhance their relationships with customers for efficient value creation. According to Bronn and Vrioni (2001) explain cause-related marketing as the process of formulating and implementing marketing activities characterized by making contributions to designated non-profit efforts that ultimately lure more customers to contribute to an organization's revenue streams. This innovation enables marketers to stay in tune with the public integrating non-commercial, socially redeeming system into an organization's operations and strategy.

Besides, many marketers place very high value on social media and have resorted to using mainstream media, social media platforms and social networks to persuade consumers

that their company, products and services are worthwhile (Neti, 2011). Some of the social media platforms used include Facebook, LinkedIn, Twitter, Google+, Pintrest and Intro3. According to Stelzner (2014) a significant 92% of marketers indicate that social media is important to their businesses as it enables them engage both potential and returning customers via social media in pursuit of their corporate objectives. The institution also uses innovative payment systems such as M-Pesa, Jambo pay, e-wallet and USSD codes provided by money transfer service operators and institutions.

The concept of Service Delivery

The service delivery concept is a common term in the contemporary business environment and has been defined variously by different scholars (Goldstein, Johnston, & Rao, 2002; Walsh, & Gordon, 2010). According to Goldstein, Johnston, & Rao (2002) the concept of service delivery refers to the way in which an organization would like to have its services perceived by its customers, employees and other stakeholders. It entails a description of the customer needs, how they are to be satisfied, what to offer the customer, and how it is to be achieved. Service delivery involves processes and interactions between participants and physical elements meant to deliver value and satisfaction in a system that focuses on creating value and engaging the employees to deliver the best customer experience. Innovative service delivery makes an organization reliable in providing customer satisfaction. However, the quality of services depends on the efficiency and effectiveness of the service delivery system (Walsh, & Gordon, 2010).

Statement of the Problem

Organizations driven by profit motive have core objectives they pursue and thus they seek to achieve various performance metrics they set for themselves. Successful pursuit of the profit objective is contingent upon the effectiveness and efficiency of the organization's marketing effort. In every organizational setup, the corporate managers, marketers and relationship managers devise various strategies that suit their respective organizations in terms of delivering on their mandate. However, not all the organizations effectively realize their set objectives. Porter (2001) observes from a global viewpoint that about 80% of organizations fail to execute their marketing strategies while 70% of them fail because of poor marketing strategy execution. Also, failure of such organizations is partly attributed to their inability to cope with change and the dynamic environments within which they exist and operate in. In Kenya, the rate of business start-up and failure are equally high since many entities are established yet over 50% of them fail to see their first birthday in active business operations. To avert the situation, organizations

have resorted to leveraging their operational systems with marketing innovations. There are myriad innovations that are applied to marketing in different organizational environments. In fact, studies indicate that a significant 92% of marketers attach great importance to the use of such marketing innovations as social media marketing, green marketing and Customer Relationship Management (CRM) innovations. However, these innovations are not widely used yet some organizations that adopt these marketing innovations have performed extremely well while others have not seen any difference in their business endeavours. There is very little literature relating adoption of marketing innovations and performance of non-profit seeking organizations, hence the need for the present study. This study, therefore, seeks to assess the influence of adoption of various marketing innovations on service delivery by the government-owned organizations in Kenya using the National Hospital Insurance Fund (NHIF) as a case.

General Research Objective

To assess the influence of adoption of Marketing Innovations on service delivery at National Hospital Insurance Fund, Kenya.

Specific Research Objectives

- i. To determine the influence of adoption of strategic relationship marketing on service delivery at National Hospital Insurance Fund, Kenya.
- ii. To establish the influence of stakeholder engagement on service delivery at National Hospital Insurance Fund, Kenya.
- iii. To assess the adoption of competency mapping on service delivery at National Hospital Insurance Fund, Kenya.
- iv. To find out the influence of adoption of outpatient services marketing on service delivery at National Hospital Insurance Fund, Kenya.

Research Hypotheses

H₀₁: Strategic relationship marketing has no significant influence on service delivery at National Hospital Insurance Fund, Kenya.

H₀₂: Stakeholder engagement has no significant influence on service delivery at National Hospital Insurance Fund, Kenya.

H₀₃: Competency mapping has no significant influence on service delivery at National Hospital Insurance Fund, Kenya.

H₀₄: Adoption of outpatient service marketing has no significant influence on service delivery at National Hospital Insurance Fund, Kenya.

Significance of the study

Because of the turbulent environment within which organizations operate, no organization can adopt and retain a particular innovation for the rest of its perpetual business life. Technology changes systems, processes and related costs also change and so organizations adopt innovations to outperform or stay abreast with the competition. As such, the manner in which organizations manage their respective innovations also changes. This study detailed the adoption of marketing innovations in provision of healthcare services. The study was crucial to the corporate managers, marketing managers, marketers and strategists in providing evidence-based information on the appropriateness of marketing innovations to the undertakings of the NHIF. NHIF will be a principal beneficiary of this study as it will enable the organization to understand the need for adopting marketing innovations in Kenya. It also provided relevant literature to management scholars, marketing managers, marketers and other managers. It also enabled the employees understand the rationale of efficiency in marketing endeavours, customer retention and management of customer relationships.

Scope of the Study

The study was undertaken at NHIF branches in Nairobi County and involved a population of 110 NHIF employees including marketing managers as well as Public Relations and Marketing officers representing each branch. These individuals were deemed fit to provide the required information. The required data was collected using structured questionnaires relating to outpatient-based service marketing, competency mapping, stakeholder engagement and use of strategic relationship marketing with service delivery. The study was done over a period of four months beginning January-April, 2017 with a budget estimate of Kshs. 111,800.

LITERATURE REVIEW

Theoretical Review

This study was based on two theories: Resource Based Theory and Capability-based Theory. These theories are most preferred for this study as they sought to link the effective adoption of marketing innovations with service delivery at NHIF in Kenya.

The Resource Based Theory

The key proponent of the Resource Based Theory (RBT) is Penrose (1959) who attaches more importance to the resources possessed, deployed and used by an organization in pursuit of its vision and core objectives. However, various scholars have since then made successful attempts to improve the theory (Ansoff, 1965; Chandler, 1962; and Wernerfelt, 1984). Ansoff

(1965) and Chandler (1962) made developments on the theory initially coined by Penrose (1959) drawing attention to the firm's internal environment as a driver for competitive advantage. The theory was further improved much later by Wernerfelt (1984), who viewed the firm as a bundle of assets or resources which are tied semi-permanently to the firm. In relation to the present study, the adoption of marketing innovations draws attention to an organization's critical capabilities that are requisite for effective adoption of key innovations that enhance organizational performance. According to Kozlenkova, Samaha, & Palmatier (2013) the RBT provides an important framework for explaining and predicting an organization's competitiveness and performance.

In their study of the RBT, Kozlenkova, Samaha, and Palmatier (2013) argue that the resources of a firm are its primary source of competitive advantage and that the RBT has been applied to marketing strategy, international marketing and marketing innovation. The Theory, thus, holds that organizations develop and capitalize on innovations using their unique resources to gain competitive edge and perform better. In fact the RBT applies to this study as centered on marketing innovation as it provides a compelling framework for integrating multiple, dissimilar resources to explain synergistic, differential effects on performance and the related contingencies. This theory found application in this study since it explains how organizations use their resource-related competences to attain their performance targets.

Capability Based Theory

Capabilities refer to a firm's capacity to deploy a combination of its resources using organizational processes to yield a desired end. They are information-based, tangible or intangible processes that are firm-specific and developed over time through complex interactions among the firm's resources. Grant (2001) defines dynamic capabilities as the firm's ability to integrate, build, and reconfigure internal and external competencies to address rapidly changing environments. Grant (2001) further defines organizational capability as, a firm's ability to perform repeatedly a productive task which translates to creating value through effecting the transformation of inputs to outputs. Leiblein (2011) suggest that organizational capabilities implicitly and explicitly are part of any organizational strategy. Such capabilities entail a class of higher order skills that affect the rate at which organizations respond to environmental changes. On the same note, it is argued that the ability to learn and create new knowledge is essential for gaining competitive advantage (Leiblein, 2011; Walker, 2006 & Grant, 2001).

The Capability Based Theory, as applied to the present study, emphasizes the core ideas of capability and functioning within the aim of developing valued beings and doings to aid in achievement organizational goals (Walker, 2006). The theory also divides capability into four

categories: cross-functional capabilities, broad-functional capabilities, activity-related capabilities and specialized capabilities all of which are critical for creating an entity's competitive advantage over the competition. Besides, the theory identifies critical capabilities of managing internal and external knowledge to include inventive, absorptive, transformative, connective, and innovative capacity (Lichtenthaler, & Lichtenthaler, 2009). It is on this basis that the theory was used to explain how the capabilities leveraged with marketing innovation contribute to enhanced performance in terms service delivery.

Empirical Review

During difficult business cycles, innovation is sought for value creation in part because firms that implement innovations are often more prepared to rebound when times get better. However, as Robinson (2009) asserts, implementing innovations is not easy in good times or bad times except when an organization understands and capitalizes on its competitive capabilities in order to outsmart the competition. As a result, it is necessary to have an elaborate innovation strategy based on the firm's competitive capabilities. According to Enz's (2012) in his study of the strategies for implementing service innovations it is imperative for an organization seeking competitiveness to introduce novel ideas focusing on systems and process services that provide new sophisticated means for exceptional service delivery. This study was based on influencing service delivery by strategically focusing on marketing innovation adoption and examined the influence of outpatient service marketing, stakeholder engagement, competency mapping and strategic relationship marketing on service delivery.

Strategic Relationship Marketing

Due to the increasing global demand for better and affordable healthcare as well as the expansion of insurance sector to the effect of providing health and medical covers, health care organizations adopt various marketing strategies and innovations to achieve their objectives. Strategic relationship marketing is one such innovation and a strategy used in this respect in both private and public health sectors. Opuni, Opoku, and Oseku-Afful (2014) define relationship marketing as a marketing mechanism that concerns establishing, maintaining and enhancing relationships with customers and other partners in an effort to sustain and improve an organization's customer base and profitability.

According to Berry (1995) relationship marketing is critical to service marketing practice that emphasizes on the quality issues, increased recognition of the potential benefits that accrue from the use of a given service both to the organization and the customers. Strategic relationship marketing is pursued as a means of targeting profitable customers, using the

strongest possible strategies for customer bonding, marketing to the employees, and other stakeholders and building trust as a marketing tool. Strategic relationship marketing enables organizations to create satisfactory interactive links with the customers by providing avenues for service providers to listen and address the concerns and needs of the customers to promote value and satisfaction.

Strategic relationship marketing is founded on the principles of Customer Relationship Management (CRM) and has found application in various business models. It is an innovation many organizations use as a strategy for winning, growing and keeping the right customers (Knox, Maklan, Payne, Peppard, & Ryals, 2008) as it enables the organizations to enhance their relationships with customers for efficient value creation. It entails both cause-related marketing initiatives as well as the use of various emerging media platforms such as social media. Bronn & Vrioni (2001) explain cause-related marketing as the process of formulating and implementing marketing activities characterised by making contributions to designated non-profit efforts that ultimately lure more customers to contribute to an entity's revenue streams.

This innovation enables marketers to stay in tune with the mood of the public as it integrates a non-commercial, socially redeeming system into an organization's operations and strategy. Besides, many marketers place very high value on social media and have resorted to using mainstream media, social media platforms and social networks to persuade consumers that their company, products and services are worthwhile (Neti, 2011). Kanti & Dixit (2014) conducted a study on the effect of relationship marketing on the performance of service companies using a descriptive research design and a convenience sampling method. The data analyzed in the study was collected from a cross-section of service industries such as the insurance, telecom, healthcare, banking among others. The study findings indicate several measures of relationship marketing including quality, trust, price perceptions, complaint handling and customer satisfaction which determine the performance of the service companies. The study further concludes that that the performance and growth of service companies draws from the effectiveness of relationship marketing and the quality of service delivery.

Opuni, Opoku, and Oseku-Afful (2014) also did a study assessing the effect of relationship marketing on service quality and customer satisfaction from the moderating role of emotional intelligence in the hospitality sector with a sample of 384 respondents from the customers and hospitality attendants in Accra, Ghana. The findings revealed that emotional intelligence makes a strong positive effect on the relationship marketing at the 5% significance level, $r(2880) = 0.785$, $p = (0.000)$ which in turn makes a positive effect on service quality and customer satisfaction. The study further recommended that the service providers be equipped

with sufficient knowledge in emotional intelligence so as to maximize service quality and customer satisfaction.

In Kenya, Fozia, Shiamwama and Otiso (2014) studied the impact of customer relationship management as a strategy for competitive advantage in Kenyan public universities using Moi University as a case. The study findings indicated that the use of relationship management increased the customer confidence in the products offered, increased customer loyalty, enhanced customer confidence in the company and hence the organizational image. It was also noted that customer relationship management has a significant effect on service delivery as a strategy for gaining competitive advantage the organization.

Stakeholder Engagement

Stakeholders are individuals, groups and organizations who have an interest in the particular issue at hand including partners, providers, customers and other interested parties (Franke & Guidero, 2012). Stakeholder engagement critically looks into internal and external stakeholders of an organization. Successful stakeholder engagement requires a commitment to actively engage with stakeholders, listen to them, build respectful relationships and responding to their concerns in a mutually beneficial ways (Western & Pacific Child Welfare Implementation Center, 2013). It is founded on the organization's willingness to change what it aims to achieve in regards to staffing, training, communication, policies and organizational structure as a result of learning from the engagement with the stakeholders.

Stakeholder engagement can start as an activity to solve a problem but develops and becomes a mutually beneficial strategic function resulting into more effective policies, projects, programs and services (WPCWC, 2013). Organizations' stakeholders have better ideas on what they expect and the kind of services they need and thus are better placed to provide powerful ideas to improve the quality of outpatient care services and thus can aid in assessing the relevance of various programs and social health care initiatives designed for them. In this regard, stakeholder engagement also provides greater opportunities for the organizational members to have their issues heard and contribute directly to policy and program improvements. Through stakeholder engagement, it is possible for the members to participate in decision making process, and open or transparent communication. It also facilitates greater cooperation, collaboration, and mutual support among internal and external stakeholders in streamlining policy and program development processes. Besides, stakeholder engagement also increases the stakeholders' understanding of the institutional goals, service delivery standards and parameters hence improving their ability to positively improve conditions for patients and families in their communities.

According to a study done in Australia by (Suggett, 2012) focusing on customer and citizen participation and partnerships, the drivers, practices and challenges in stakeholder engagement in the public sector are explored. The study established that the drive for stakeholder and citizen engagement is more than 'having a say' and now embraces complex forces around greater transparency, accountability, tailored and personalized services. It requires very strong and enduring relationships between the healthcare provider and the people it serves. In fact, it is worth noting that effective stakeholder engagement involves building sustainable relationships with all the organization's stakeholders (Jaakkola & Alexander, 2007). Through training initiatives, it is possible to develop capacity and skills necessary to enhance stakeholder engagement for mutual benefits.

Competency Mapping

Competency mapping involves profiling the exact competencies required to perform a given job effectively. According to Shah (2012) competency mapping is a process used to identify and list out competencies that are most relevant and significant for an employee to carry out his job effectively. The quality of services rendered by an organization depends on the competencies of its staff. Some of the critical competencies organizations consider most include technical competencies, personal competencies, client orientation competencies, time management competencies, innovation, team player competencies, and presentation competencies which enhance effective service delivery. It is therefore important for employees engaged in marketing to acquire expertise in technical competency, client orientation competency, presentation competencies and personal competencies as they are perceived to be the most significant competency group (Shah, 2012). Organizations embrace competency mapping in order to understand the key competencies of every stakeholder involved in their routine activities to identify employees with exceptional marketing competencies, capabilities and skills who can then be relied upon to achieve their goals. Thus, competency mapping is perceived as an innovative way of understanding the workforce for purposes of bettering service delivery (Kibui, 2015). Anisha (2012) classifies an organization's competencies into behavioural competencies, threshold and differentiating competencies.

Behavioural competencies entail qualities and skills exhibited by the employees' behavior while threshold competencies are the characteristics required to perform effectively in undertaking assigned duties. Differentiating competencies on the other hand distinguish superior performers from average performers. Mulder (2007) studied the aspect of competence development among public and private organizations in the European Union member states with a critical focus on organizations that work with competence instruments. The study

analyzed the effects of working with competence instruments and the relationships that subsist between the effects so identified and the organizational orientation towards training and development, experience the organizations have with implementing the competency enhancement programs. As a result, it emerged that the organizations that were studied use competence instruments to enhance organizational development and employee development. In this regard, the organizations were observed to be defining their core competencies and then arranging facilities for learning with emphasis on organizational and personal development for mutual benefit.

According to a study by Nair (2012) relating competency mapping with talent management in India's Education sector, it is observed that competency mapping tailored to one's organization is necessary to train, define and retrain in a company. The study used a descriptive research design for faculties of education institutions in Baroda city and revealed that competency mapping can be a talent management strategy for effective recruitment and selection, training, career development, succession planning and organizational development. The study further indicated that the alignment of employee competencies with job description can be effective for better retention of employees. According to Nagaraju, & Gowda (2012) also studied employee competency mapping strategies at select organizations of Bangalore focusing on the linkage between employee competencies with business strategies, employee performance and the overall organizational performance. The study found out competency as a key behavior of employees in the sample organizations that enable the superior performance of the entire organization. Besides, the study also found out that the organizations achieve competitive advantage through developing and sustaining employee competencies in addition to the ability to innovate, ability to adopt new technologies, and further understand the customers and their needs.

Outpatient Service Marketing

According to Gopal and Bedi (2014) outpatient services refer to the care given to patients without being admitted into the healthcare facility. Just like any other customer, the patients for whom the outpatient services are intended have perceptions and expectations regarding the quality of medical care and services delivered to them. They have varying needs, expectations, desires and interests that the healthcare providers have to consider in order to satisfy the members with the value they get for their subscriptions (Arries, & Odette, 2008). As such, marketers adopt marketing innovation customized to outpatient healthcare services and device appropriate marketing strategies focusing not only on the terminal benefits to the organization, but also the value and satisfaction given to the customers. The outpatient department in every

healthcare facility is often the first point of contact with the patients and the community in general.

According to Mohd and Chakravarty (2014) the quality of outpatient care given to patients is reflected by the patients' satisfaction with the services being provided. Gopal and Bedi (2014) opine that institutions that work harder to increase the value of care and patient satisfaction entice customers to revisit and increase their revenues by taking appropriate customer-centric measures. Marketers in such institutions should, therefore, understand the processes involved in providing favourable overall experience for the patients seeking outpatient healthcare services considering the competence of the medical care service providers, behavior of paramedical staff, hygiene and ambience of the facilities. This, according to Jager, Plooy and Ayagi (2009), is because outpatient healthcare services increasingly become important elements of economies and their respective health sectors.

A study done in India by Mohd and Chakravarty (2014) on the level of patient satisfaction with the outpatient care services indicates a high degree of satisfaction in respect of staff courteousness, queuing time, consultation time and quick registration procedure among other components of outpatient care. Quite a number of the respondents in the study rated the outpatient services highly at 64%. This was due to easy accessibility, good signage system, adequate information provided at registration, shorter registration time, waiting time for consultation and time for collection of medicines.

In Nigeria, Ogunnowo, Olufunlayo, and Sule (2015) studied the client perception of quality service at the medical clinics using the Randle General Hospital Surulere in Lagos as a case. The hospital provides outpatient and in-patient services to the residents of Lagos with keen interest to deliver prompt and affordable healthcare services to all patients in a clean and healthy environment. Accordingly, the study indicated that the quality of healthcare given by the outpatient department reflects the quality of healthcare in then entire hospital considering that the outpatient services are the keys to health gains for the poor. However, looking at the study findings, the researchers observe some lapse in the quality of outpatient care owing to the long waiting hours and the relatively more consultation time despite the good outpatient services offered. In addition, Jager, Plooy, and Ayadi (2010) examined the state of out-patient service delivery in South Africa based on patients' expectations, perceptions and satisfaction with the responsiveness provided by the public healthcare. The study findings showed no excellent service achieved hence the patients' dissatisfaction in terms of the waiting time for medication and treatment.

NHIF ACT

The National Hospital Insurance Fund (NHIF) was first established in 1966 by an ACT of parliament after the attainment of independence as a primary provider of health insurance to the citizens of Kenya. The NHIF Act was enacted in 1998 to make the fund an autonomous institution governed by a Board of Directors with representatives from the civil society, employers, workers' unions and local governments. Accordingly, NHIF requires compulsory membership for all salaried employees with premium contributions automatically deducted through payroll. Unemployed members or individuals in the informal sector also are enabled to obtain membership into the fund and hence get entitlement to the health insurance benefits. For the employed lot, contributions are calculated on a graduated scale based on gross income, with a majority contributing between KES 150 to KES 1700 per month. In practice, however, while Kenya has achieved high levels of coverage of the formal sector, coverage of the informal sector has proved more challenging. In fact, the NHIF Act has since undergone several amendments over the years and such amendments have necessitated innovations and changes in the NHIF systems and thus influenced service delivery. For example, the NHIF amendment bill of 2015 outlines the relationship between the national and devolved governments in Kenya with regards to delivery of healthcare services. The bill affects the functions and powers of county governments, public organizations as well as the private sector organizations by influencing the running of various health facilities managed by the county governments including the County government of Nakuru among other devolved governments affected by the NHIF Amendments Bill of 2015 and other employers. The ACT also affects service delivery by defining the mandatory contribution per member and the extent to which the members get services.

Concept Service Delivery

Service delivery is a frequently used term and has been defined in a myriad of ways by different scholars and researchers (Goldstein, Johnston & Rao, 2002; Walsh & Gordon, 2010). The concept of service delivery refers to the way in which an organization would like to have its services perceived by its customers, employees, shareholders and other stakeholders. It entails a detailed description of the customer needs, how they are to be satisfied, what is to be done to the customer, and how it is to be achieved. Service delivery involves processes and interactions between participants and physical elements meant to deliver customer value and satisfaction. A good service delivery system focuses on creating value and engaging the employees in delivering the best customer experience. Innovative service delivery makes an organization reliable in providing customer satisfaction. However, the quality of service delivery is contingent upon the efficiency and effectiveness of the service delivery system in any given organization

(Walsh & Gordon, 2010). According to Kanti & Dixit (2014), brands can build and retain their customer base and satisfy customer requirements by offering exceptional services. Organizations can achieve these by identifying potential customers, determining their needs and lifetime value to the organization and interacting with them for better understanding in order to customize products, services and communication to the customers' individual needs. The study observes that service delivery is most effective when the service provider has good command of the emotional intelligence for purposes of managing various customers with varied needs.

In a study done by Nkrumah, Yeboah & Adiwokor (2015) in Ghana, service delivery in the healthcare sector is looked at in terms of communication with patients, competence of staff, the staff demeanor, quality of facilities and perceived costs. It is on this basis that the study assesses service quality in terms of customer satisfaction, customer expectation, customer perception and customer attitude. With regards to the service quality, the study examined how the customer perception of how well the healthcare services meet or surpasses their expectations and the findings revealed that for customer satisfaction to be achieved, service delivery standards should address factors such as convenience, access, waiting time, choice, quality of information, range of services, nature of patients' medical problems, patients' demographic backgrounds, a comfortable environment as well as courteous and caring staff.

METHODOLOGY

Research Design

According to Saunders, Lewis & Thornhill (2000) a research design shows how one purposes to go about answering the research questions. This study adopted a descriptive research design. The study involved NHIF employees to find out their views on the marketing innovations and service delivery. The descriptive research design was suitable for describing phenomena, events and situations as was the case in this study (Kothari, 2004).

Target Population

According to Weiers (2011) a population is a group of all possible elements, individuals or objects that could be observed or measured theoretically. The study targets a population comprising of 110 respondents involved in management and operations of the NHIF offices in Kenya.

Sample Size Determination

According to Cooper & Schindler (2000), a sample is a subset of the population to be studied. To ensure that the sample accurately represents the population, the researcher clearly defined

the characteristic of the population, determine the required sample size and choose the best method for selecting members of the sample from the larger population. In this study, the required sample was determined using Yamani (1964) formula as follows:

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

Where,

n = is the sample size, N = is the population

e = is the error limit (0.1 based on 90% confidence level).

Therefore,

$$n = \frac{110}{1+(110-1)0.05^2}$$

Thus $n = 52$

Sampling Technique

The researcher used a simple random sampling method to select respondents involved in marketing and field operations. In this regard, the sample size was 52. This method was convenient, economical and cost effective (Kothari, 2012).

Data Collection Instruments

Structured questionnaires were the data collection tools used in the study. Simple language was used to draft the questions to facilitate efficient collection of data on a five-point Likert scale. The said questionnaires were administered on the selected sample to get opinions based on the closed questions.

Pilot Study

The researcher carried out the pilot study at NHIF Naivasha office to test the research instruments and enhance the validity and reliability of the questionnaire. Eleven questionnaires were hand delivered to the NHIF employees selected randomly. The pilot data was not used in the actual study and was not used to influence the results of the study. Also, the participants in the pilot study were excluded from the main study.

Validity of Research Instruments

Validity refers to the ability of an instrument to measure what is intended to measure. To guarantee validity, the researcher conducted content and face validity tests using 15 questionnaires and subjected the tool to thorough review.

Reliability of Research Instrument

Reliability of a research instrument relates to the degree of precision and consistency of the measuring tool (Kimberlin & Winterstein, 2008). Fundamentally, reliability estimates are used to evaluate the stability of measure, and internal consistency. To ensure reliability of the instrument, careful wording, format and content was used. In this study the piloting was done using 15 questionnaires and relied on Cronbach's alpha (α) to measure the reliability of the instrument and a threshold of ($\alpha \geq 0.7$) was considered satisfactory. The researcher determined the extent to which the research instrument could be relied upon prior to conducting the actual study and the pilot results obtained were as shown in Table 1.

Table 1: Reliability Analysis Results

Construct	N of Items	Cronbach's Alpha
Strategic Relationship Marketing	5	.729
Stakeholder Engagement	7	.745
Competency Mapping	7	.762
Outpatient Services Marketing	8	.758
Service Delivery	6	.724

Data Collection Procedures

Prior to data collection, obligatory permission was obtained from the Jomo Kenyatta University of Agriculture and technology and the general manager of NHIF Nakuru where respondents will be drawn from. The questionnaire were administered directly to the selected respondents via a drop and pick method. The filled questionnaires were then collected from the respondents for data processing.

Data Processing and Analysis

The primary data collected using the questionnaires was cleaned, coded and analyzed using both descriptive and inferential statistics. The analysis used a combination of various techniques of data analysis to determine an overall picture of the variables in the population. The study data was analyzed using the Statistical Package for Social Sciences (SPSS) version 21. Pearson's correlation analysis was done to determine the existence and significance of the relationship between outpatient service marketing, competency mapping, stakeholder engagement, strategic relationship marketing and service delivery at NHIF branches. A linear regression analysis was done to determine the relationship between marketing innovations and service delivery at NHIF.

The following regression model was used to determine the relationship between the variables:

$$Y = \beta_0 + \beta_1 C_1 + \beta_2 C_2 + \beta_3 C_3 + \beta_4 C_4 + \epsilon$$

Where:

Y = Service Delivery

B₀ = Constant

B_i = Coefficients to be estimated ($\beta_1, \beta_2, \beta_3,$ and β_4)

C₁ = Strategic Relationship Management

C₂ = Stakeholder Engagement

C₃ = Competency Mapping

C₄ = Outpatient Service Marketing

ϵ = Error term

RESEARCH FINDINGS

Response Rate

Schwarz (2013) defines response rate as the number of units in the net sample expressed as a percentage of the units in the gross sample. In this study, all of the 52 questionnaires that were administered and were returned, cleaned for completeness and only 49 questionnaires were used in the study. Therefore all the used questionnaires represent a response rate of 94.23%.

Respondents by Gender

Table 2 shows the classification of study respondents by gender. According to the study findings, 65.3% of the respondents represent male staff members while their female counterparts are represented by 34.7%.

Table 2: Respondents' Gender

Gender	Frequency	Percent
Male	32	65.3
Female	17	34.7
Total	49	100.0

Respondents' Experience

Table 3 shows the classification of the staff by their experience in NHIF. According to the findings, 30.6% of the respondents have below five years experience, 18.4% of the employees have worked at NHIF for 5 to 10 years while 28.6% of the employees have up to 15 years experience and 22.4% have worked for over 15 years.

Table 3: Respondents' Experience in NHIF

Experience in NHIF	Frequency	Percent
Below 5 years	15	30.6
Between 5-10 years	9	18.4
Between 10-15 years	14	28.6
Over 15 years	11	22.4
Total	49	100.0

Most effective Innovation

Table 4 presents the respondents' perception about the innovation considered most effective in enhancing service delivery. According to the findings of the study, majority of the respondents believed that strategic relationship marketing is the most significant marketing innovation (36.7%) followed by stakeholder engagement (28.6%), outpatient service marketing (16.3%) and competency mapping (14.3%). However, the study revealed that social media marketing is least effective (4.1%) of all the innovations adopted implying a need to re-strategize the adoption of the less effective marketing innovations.

Table 4: Innovation adopted

Most Effective Innovation	Frequency	Percent
Outpatient-related marketing	8	16.3
Stakeholder Engagement	14	28.6
Strategic Relationship Marketing	18	36.7
Social Media Marketing	2	4.1
Competency Mapping	7	14.3
Total	49	100.0

Descriptive Statistics

The researcher assessed the influence of adoption of four indicators of Marketing Innovations on service delivery at NHIF Kenya. The selected marketing innovation indicators included strategic relationship marketing, stakeholder engagement, competency mapping and outpatient service marketing while the dependent variable was service delivery at the NHIF.

Descriptive Analysis of Strategic Relationship Marketing

The analysis in this section is in line with the first objective of the study. This study sought to establish the perceptions held by the respondents regarding the influence of adoption of

strategic relationship marketing on service delivery at National Hospital Insurance Fund, Kenya. Tables 5 show the detailed descriptive results.

Table 5: Strategic Relationship Marketing

	N	Min	Max	Mean	Std. Dev
The entity uses the strongest strategies for customer bonding and building trust as a marketing tool	49	1	5	4.24	.890
There is a satisfactory interactive link with the customers as it provides avenues for service providers to listen and address the customers' concerns and needs to offer value and satisfaction	49	1	5	4.29	.816
Marketers stay in tune with the moods of customers and publics	49	2	5	4.13	.964
Employees are trained in emotional intelligence to maximize service quality and customer satisfaction	49	1	5	3.84	1.161
NHIF uses relationship management to increase the customer confidence, increased customer loyalty, enhanced customer confidence in the company and hence the organizational image	49	1	5	4.20	1.020

According to the study, the respondents from the surveyed NHIF branches agreed (mean = 4.24; std dev = 0.890) that the organization uses the strongest strategies for customer bonding and building trust as a marketing tool and also agreed (mean = 4.29; std dev = 0.816) that there exist satisfactory interactive link with the customers as it provides avenues for service providers to listen and address the customers' concerns. The study findings also showed that the respondents agreed (mean=4.13; std dev=0.964) that NHIF marketers stay in tune with the mood of the customers and publics while they expressed mixed opinions (mean=3.84; std dev=1.161) as to whether employees are trained on emotional intelligence to maximize service quality and customer satisfaction. The respondents also confirmed that (mean=4.29; std dev=1.020) the organization uses relationship management to increase the customer confidence in the services offered, increased customer loyalty, enhanced customer confidence in the company and hence the organizational image.

Descriptive Analysis of Stakeholder Engagement

The analysis in this section is in line with the second objective of the study. This study sought to establish the perceptions held by the employees regarding the influence of stakeholder engagement on service delivery at National Hospital Insurance Fund, Kenya. The descriptive results are shown in table below.

Table 6: Descriptive Analysis of Stakeholder Engagement

	N	Min	Max	Mean	Std. Dev
The management is committed to actively engage with stakeholders, listen to them, build respectful relationships and respond to their concerns in a mutually beneficial ways	49	1	5	3.82	1.149
All stakeholders provide powerful ideas to improve the quality of healthcare insurance services	49	2	5	3.93	.840
The members participate in decision making process, and open and transparent communication	49	1	5	3.33	1.313
There is greater cooperation, collaboration, and mutual support among internal and external stakeholders in streamlining policy and program development processes	49	1	5	4.04	.865
There exists a very strong and enduring relationship between NHIF, the healthcare providers and the people it serves	49	1	5	3.84	1.048
The organization always builds sustainable relationships with all the organization's stakeholders	49	1	5	4.14	1.099
Through training initiatives the organization develops capacity and skills necessary to enhance engagement for mutual benefits	49	2	5	4.00	.764

From the study findings, it was observed that some of the respondents agreed while others expressed contrary opinion (mean=3.82; std dev=1.149) regarding management commitment to engaging with stakeholders, build respectful relationships and respond to their concerns in a mutually beneficial ways while agreeing (mean=3.93; std dev=0.840) that All stakeholders provide powerful ideas to improve the quality of healthcare insurance services. However, the respondents noted (mean=3.33; std dev=1.313) that some members participate in decision making process, and open and transparent communication on NHIF matters and that there is (mean=4.04; std dev=0.865) cooperation, collaboration, and mutual support among internal and external stakeholders in streamlining policy and program development processes. The respondents also agreed (mean=4.00; std dev=0.764) that through training initiatives, NHIF develops capacity and skills necessary to enhance engagement for mutual benefit.

Descriptive Analysis of Competency Mapping

The analysis in this section relates to the third objective of the study. This study sought to establish the perceptions held by the employees about the adoption of competency mapping on service delivery at National Hospital Insurance Fund, Kenya. Table below presents the findings of the study on the respondents' views on competency mapping exercise at NHIF.

Table 7: Descriptive Analysis Competency Mapping

	N	Min	Max	Mean	Std. Dev
Employees have expertise in technical, presentation and personal competencies	49	1	5	4.08	1.256
The organization identifies employees with exceptional marketing skills, competencies and capabilities who can be relied upon to achieve the organization's goals	49	1	5	4.02	.878
The organization uses competence instruments to enhance both organizational and staff development	49	2	5	4.16	.874
The management defines core competencies and arranges learning facilities for mutual benefit	49	2	5	3.37	1.185
The alignment of employee competencies with job description is effective for better retention of exceptional employees	49	2	5	3.90	.895
The organization achieves competitive advantage through developing and sustaining employee competencies, adopting new technologies, and always understanding the customers and their needs.	49	1	5	3.94	1.265

According to the study results, it was observed (mean=4.08; std dev=1.25) that the NHIF employees possess technical competencies, client orientation competencies, presentation competencies and personal competencies and that the respondents concurred (mean=3.90; std dev=0.895) that the organization aligns employee competencies effectively with the respective job descriptions to retain exceptional employees. The respondents further agreed (mean=4.02; std dev=0.878) that the organization identifies and develops employees with exceptional marketing skills, competencies and capabilities who can then be relied upon to achieve the organization's goals and also concurred (mean=3.94; std dev=1.265) that NHIF achieves competitive advantage through developing and sustaining employee competencies, adopting new technologies, and always understanding the customers and their needs.

Descriptive Analysis of Outpatient Service Marketing

The analysis in this section relates to the fourth objective of the study. This study sought to establish the perceptions held by the employees on the influence of adoption of outpatient services marketing on service delivery at National Hospital Insurance Fund, Kenya. The descriptive results in this regard are shown in table 8.

Table 8: Descriptive Analysis of Outpatient Service Marketing

Statements	N	Min	Max	Mean	Std. Dev
Marketers adopt innovations customized to outpatient healthcare	49	1	5	4.10	1.159
There are appropriate marketing strategies focusing on the mutual benefits to the organization and the customers	49	2	5	3.39	1.077
The customers are satisfied with the quality of care offered	49	1	5	3.31	1.194
The customer-centric outpatient services offered increase the value of care and patient satisfaction	49	1	5	4.09	1.109
Staff courteousness and timely procedures sufficiently enhance patient satisfaction	49	1	5	2.86	1.443
The outpatient services are easy to access, with good signage system, and shorter registration and waiting time	49	3	5	4.35	.522
The healthcare services are prompt, affordable and offered in clean and healthy environments	49	1	5	4.16	.943
Patients dissatisfaction with verification, approval process and waiting time for medication and treatment is minimized	49	1	5	4.33	.987

The study findings indicate that the respondents agreed (mean=4.10; std dev=1.159) that the NHIF marketing staff adopt innovations customized to outpatient healthcare and expressed divergent perceptions (mean=3.39; std dev=1.077) as to whether there are appropriate marketing strategies focusing on the mutual benefits to the organization and the customers. The results also indicate that the respondents agreed (mean=4.09; std dev=1.109) that the customer-centric outpatient services offered increase the value of care and patient satisfaction while some respondents expressed contrary opinion regarding the level of patient satisfaction (mean=3.31; std dev=1.194). The study also showed (mean=2.86; std dev=1.443) that staff courteousness and timely service alone do not significantly influence customer satisfaction. However, the respondents strongly agreed (mean=4.35; std dev=.522) that the NHIF services are easy to access, with good signage system, and shorter registration and waiting time and also strongly agreed (mean=4.33; std dev=0.987) that dissatisfaction with patient verification, approval process and waiting time for medication and treatment is greatly minimized.

Descriptive Analysis of Service Delivery

This section relates to the dependent variable of the study. This study sought to establish the perceptions held by the employees on the influences of service delivery at National Hospital Insurance Fund, Kenya. Table 9 details the descriptive results in this regard are shown.

Table 9: Descriptive Analysis of Service Delivery

Statements	N	Min	Max	Mean	Std. Dev
NHIF periodically evaluates the user needs and expectations for continuous service improvements.	49	2	5	4.44	.763
The NHIF systems link service development and delivery to the user needs; evaluating and monitoring performance.	49	1	5	3.80	0.136
NHIF provides facilities and equipment for knowledge sharing and application of best practices healthcare.	49	1	5	3.86	1.291
NHIF encourages learning and unlearning through benchmarking with the world's best healthcare insurers	49	1	5	3.73	1.238
The innovations fronted by NHIF help in serving the dynamic customers' needs, interests, and expectations.	49	1	5	4.31	.796
Adoption and implementation of service innovations enhance the level of customer satisfaction	49	1	5	4.12	.971

According to the findings of the study, the respondents strongly agreed (mean=4.44; std dev=0.763) that NHIF periodically evaluates the dynamic user needs and expectations for continuous service improvements and also agreed (mean=3.80; std dev=0.136) that the NHIF has systems linking service development and delivery to the user needs; evaluating and monitoring performance. The findings also showed that the respondents held the view (mean=3.73; std dev=1.238) that the organization encourages learning and unlearning through benchmarking with the world's best healthcare insurers. It was also strongly agreed (mean=4.12; std dev=0.971) that the adoption and implementation of service innovations by the organization enhances the level of customer satisfaction.

Inferential Analysis

This study focused on how various marketing innovations influence service delivery at NHIF, Kenya. The indicators of marketing innovations analyzed in this study included strategic relationship management, stakeholder engagement, competency mapping and outpatient service marketing. Correlating each of these marketing innovation indicators at NHIF, Kenya with service delivery enabled the researcher to determine the inherent relationships. Also a multiple regression analysis was done to assess the extent to which the marketing innovations relate with service delivery.

Correlation between Strategic Relationship Marketing and Service Delivery

This section presents the results of correlation analysis between strategic relationship marketing and service delivery (Table 10) with the findings interpreted and further discussed.

Table 10: Correlation between Strategic Relationship Marketing and Service Delivery

		Service Delivery
Strategic Relationship Marketing	Pearson Correlation	.631
	Sig. (2-tailed)	.011
	N	49

*. Correlation is significant at the 0.05 level (2-tailed).

The analysis indicated that strategic relationship marketing had a strong, positive and statistically significant correlation ($r = 0.631$; $p < 0.05$) with service delivery at NHIF, Kenya. This implied that better customer relationship management as well as healthy relations with all stakeholders enabled the organization to deliver better services based on thorough stakeholder understanding. This is in agreement with the Kanti and Dixit (2014) study conducted on the effect of relationship marketing on the performance of service companies which concludes that the performance and growth of service companies draws from the effectiveness of relationship marketing and the quality of service delivery.

Correlation between Stakeholder Engagement and Service Delivery

This section outlines the results of correlation analysis between stakeholder engagement and service delivery (Table 11) with the findings interpreted and hence discussed accordingly.

Table 11: Correlation between Stakeholder Engagement and Service Delivery

		Service Delivery
Stakeholder Engagement	Pearson Correlation	.543
	Sig. (2-tailed)	.016
	N	49

*. Correlation is significant at the 0.05 level (2-tailed).

It emerged that stakeholder engagement has a strong, positive and statistically significant ($r = 0.543$; $p < 0.05$) correlation with service delivery at NHIF, Kenya implying that the high-level stakeholder engagement enabled the organization to enhance the quality of service delivery. This is in tandem with the views expressed in a study by Jaakkola and Alexander (2007)

indicating that effective stakeholder engagement through building sustainable relationships with all the organization's stakeholders to enhance service delivery and customer satisfaction.

Correlation between Competency Mapping and Service Delivery

This section presents the results of correlation analysis between competency mapping and service delivery (Table 12) with the findings interpreted and further discussed.

Table 12: Correlation between Competency Mapping and Service Delivery

		Service Delivery
Competency Mapping	Pearson Correlation	.326
	Sig. (2-tailed)	.019
	N	49

*. Correlation is significant at the 0.05 level (2-tailed).

In addition, it was also observed that competency mapping for NHIF staff has a positive and statistically significant correlation ($r = 0.326$; $p < 0.05$) with service delivery in Kenya. In line with a study done by Nagaraju and Gowda (2012), the analysis noted that mapping of the employee competencies, talents and capabilities helps in enhancing the quality of services rendered to the members as employees are tasked to do what they can do best in serving the needs, interests and expectations of the customers at NHIF.

Correlation between Outpatient Service Marketing and Service Delivery

This section outlines the results of correlation analysis between outpatient service marketing innovation and service delivery (Table 13) with the findings interpreted and further discussed accordingly.

Table 13: Correlation between Outpatient Service Marketing and Service Delivery

		Service Delivery
Outpatient Service Marketing	Pearson Correlation	.294
	Sig. (2-tailed)	.040
	N	49

*. Correlation is significant at the 0.05 level (2-tailed).

The study indicated that the relationship between outpatient service marketing and service delivery was positive, weak and statistically significant ($r = 0.294$; $p < 0.05$). In agreement with

Ogunnowo, Olufunlayo, and Sule (2015) study on the client perception of quality service which identified some lapses in outpatient care, this analysis implied that the outpatient service marketing influences the level of service delivery to some extent.

Regression Analysis

This study further assessed how the adoption of marketing innovations influenced service delivery at NHIF.

Table 14: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.459 ^a	.211	.139	.51545

a. Predictors: (Constant), Strategic Relationship Marketing, Stakeholder Engagement Competency Mapping, Outpatient Service Marketing,

Table 14 outlines the results of coefficient of determination (r^2) and correlation coefficient (R). The results of ($r^2 = 0.211$) and ($R=0.459$) reflected a positive strong correlation between marketing innovation and service delivery at NHIF.

Table 15: ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
	Regression	3.123	4	.781	2.939	.031 ^b
1	Residual	11.690	44	.266		
	Total	14.814	48			

a. Dependent Variable: Service Delivery

b. Predictors: (Constant), Strategic Relationship Marketing, Stakeholder Engagement Competency Mapping, Outpatient Service Marketing

Table 15 presents the findings of the analysis of variance (ANOVA) which indicated that marketing innovations had significant effect on service delivery by NHIF ($F=2.939$; $p<0.05$ at 95% degree of confidence. These findings were based on marketing innovations adoption for service delivery enhancement at NHIF Kenya.

Table 16: Results of Regression Analysis

Model	Unstandardized		Standardized	t	Sig.
	Coefficients		Coefficients		
	B	Std. Error	Beta		
(Constant)	5.071	.980		5.174	.000
Strategic Relationship Marketing	.259	.151	.262	1.713	.044
Stakeholder Engagement	.235	.185	.210	1.265	.021
Competency Mapping	.207	.163	.205	1.270	.021
Outpatient Service Marketing	.111	.161	.109	.689	.494

a. Dependent Variable: Service Delivery

The outcomes of the regression analysis (Table 4.20) were interpreted using the following regression function:

$$Y = \beta_0 + \beta_1C_1 + \beta_2C_2 + \beta_3C_3 + \beta_4C_4 + e$$

Where Y, C₁, C₂ and C₃ represented Service delivery, Strategic Relationship Marketing, Stakeholder Engagement, Competency Mapping and outpatient service marketing. The results were interpreted as follows: $Y = 5.071 + 0.259C_1 + 0.235C_2 + 0.207C_3 + 0.111C_4$. Based on the regression analysis, the study findings thus indicated that service delivery by NHIF is significantly influenced by 0.259 Strategic Relationship Marketing, 0.235 stakeholder engagement, 0.207 competency mapping and 0.111 outpatient service marketing respectively.

SUMMARY OF FINDINGS

Strategic Relationship Management & Service Delivery

According to the study, the respondents from the surveyed NHIF branches concurred that the organization uses the strongest strategies for customer bonding and building trust as a marketing tool and also agreed that there exist satisfactory interactive link with the customers as it provides avenues for service providers to listen and address the customers' concerns. The study findings also showed that the respondents alluded to the fact that NHIF marketers stay in tune with the mood of the customers and publics while they expressed mixed opinions as to whether employees are trained on emotional intelligence to maximize service quality and customer satisfaction. In addition, the respondents also confirmed that the institution uses relationship management to increase the customer confidence in the services offered, increased customer loyalty, enhanced customer confidence in the company and hence the organizational image.

Stakeholder Engagement and Service Delivery

From the study findings, it was observed that while some of the respondents agreed, others expressed contrary opinion on management commitment to engaging with stakeholders, building respectful relationships and response to their concerns in a mutually beneficial ways. The respondents, however, agreed that all stakeholders provide powerful ideas to improve the quality of healthcare insurance services. Besides, the respondents noted that some members participate in decision making process and open and transparent communication on NHIF matters and that there is cooperation, collaboration, and mutual support among internal and external stakeholders in streamlining policy and program development processes. The respondents also concurred that through training initiatives, NHIF develops capacity and skills necessary to enhance engagement for mutual benefits

Competency Mapping and Service Delivery

According to the study results, it was noted that the NHIF employees possess technical competencies, client orientation competencies, presentation competencies and personal competencies and that the organization aligns employee competencies effectively with the respective job descriptions to retain exceptional employees and develop workforce productivity. The respondents further agreed that the organization identifies and develops employees with exceptional marketing skills, competencies and capabilities who can then be relied upon to achieve the organization's goals and also concurred that NHIF achieves competitive advantage through developing and sustaining employee competencies, adopting new technologies, and always understanding the customers and their needs

Outpatient Service Marketing and Service Delivery

The study findings indicate that the NHIF marketing staff adopt innovations customized to outpatient healthcare and expressed divergent perceptions as to whether there are appropriate marketing strategies focusing on the mutual benefits to the organization and the customers. The results also indicate that there are customer-centric outpatient services offered to increase the value of care and patient satisfaction while some respondents expressed contrary opinion regarding the level of patient satisfaction. The study also showed that staff courteousness and timely service alone do not significantly influence customer satisfaction. However, it was also noted that the NHIF services are easy to access, with good signage system, and shorter registration and waiting time and that dissatisfaction with patient verification, approval process and waiting time for medication and treatment is greatly minimized

Service Delivery

According to the findings of the study, it was revealed that the organization periodically evaluates the dynamic user needs and expectations for continuous service improvements. It was also noted that the NHIF has systems linking service development and delivery to the user needs; evaluating and monitoring performance. The findings also showed that the organization encourages learning and unlearning through benchmarking with the world's best healthcare insurers and that the adoption and implementation of service innovations by the organization enhances the level of customer satisfaction.

CONCLUSIONS

The conclusions made in this section were in context of the objectives of the study. In particular, the study revealed that the outpatient service marketing significantly and positively affects the level of service delivery. In addition, it emerged that stakeholder engagement has a strong, positive and statistically significant correlation with service delivery at NHIF, Kenya implying that the high-level stakeholder engagement enabled the organization to enhance the quality of service delivery. It was also observed that mapping of the employee competencies, talents and capabilities helps in enhancing the quality of services rendered to the members as employees are tasked to do what they can do best in serving the needs, interests and expectations of the customers at NHIF. The analysis also indicated that better customer relationship management as well as healthy relations with all stakeholders enabled the organization to deliver better services based on thorough stakeholder understanding.

RECOMMENDATIONS

The recommendations made in this research were based on the study findings in relation to the existing literature. According to the findings presented in the previous chapter, the following recommendations were imperative: first, the institution should invest more in customer relationship management technology and other infrastructure so as to enhance operational effectiveness and innovativeness for better service delivery and performance; secondly, stakeholder engagement should focus more on the customer value and satisfaction. In addition, marketers and other staff members should be encouraged and be facilitated to participate in service quality and other in-service trainings to enhance their competence at work. Lastly, the employer and other key health stakeholders should purpose to develop each employee's expertise, capabilities and potential to enhance better performance

SUGGESTIONS FOR FURTHER STUDIES

This study provided a detailed analysis of the influences of marketing innovation adoption on service delivery at NHIF, Kenya. The study only focused on strategic relationship marketing, stakeholder engagement, competency mapping and outpatient service marketing. It is important that further research is done to assess implications of the adoption of the marketing innovations on the competitive performance of private insurance companies in Kenya. It is also necessary to consider the implications of the dynamic technological environment on marketing innovations.

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