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MODERATION OF SERVICE QUALITY MANAGEMENT BETWEEN MARKET CHALLENGER STRATEGIES AND PERFORMANCE AMONG VERNACULAR RADIO BROADCASTING FIRMS IN WESTERN KENYA

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Abstract

Performance aids an organization to assess how well it is progressing towards predetermined objectives and goals. Therefore, organizational performance refers to the ability of an enterprise to achieve such objectives as high profit, quality product, large market share, good financial results, and survival. Multiple variables contribute to performance. Interaction of service quality management (SQM), market challenger strategies (MCS) and performance among firms particularly, broadcasting firms, has remained unclear with SQM's moderating role unexplored. This study investigated the moderation of SQM between MCS and performance. Explanatory design was adopted with a population of 186 and a sample of 125 management staff drawn proportionately from 16 firms. Questionnaires were used to collect data. Regression results revealed that SQM moderates the relationship between MCS and performance (R–square change = 0.010, $\Delta F=4.686$, $p<0.05$). Conclusion is that with change in SQM activities, the rate at which MCS drive performance these firms, changes. This rate of change in performance weakens with more of SQM, B (interaction term) = -237. $P<0.03$. It is advised to the firms that SQM activities be carefully assessed against any marketing strategies. Researchers can improve on this investigation by considering other study contexts and elaborate designs such as mixed methods.

Keywords: Market Challenger Strategies, Service Quality Management, Objectives, Goals, Organization Performance and Growth

INTRODUCTION

Firm performance refers to a firm's level of effectiveness and efficiency. It is defined as the ability of the firm to overcome and prevail (Jobber and Ellis-Chadwick, 2019)). Organizational performance is the key achievement of an organization in the realization of efficiency and effectiveness (Bamford, 2019) and remaining focused. This therefore means that organizational performance refers to the ability of an enterprise to achieve such objectives as high profit, quality product, large market share, good financial results, and survival at pre-determined time using relevant strategy for action (Kotler & Keller, 2021). Most of performance measures for firms are categorized as profitability, quality, productivity and growth and customer satisfaction (Palmatier, & Sridhar, 2017). Growth is yet another area of performance It is something for which most companies strive, regardless of their size. Small firms want to get big, big firms want to get bigger. Indeed, firms have to grow at least a bit every year in order to accommodate the increased expenses that develop over time. With the passage of time, salaries increase and the costs of employment benefits rise as well. Organizational growth, however, means different things to different organizations. There are many parameters a firm may use to measure its growth (Kingsnorth, 2022). Business owners may use one of the following criteria for assessing their growth: sales and market share, number of employees or physical expansion. Ultimately, success and growth will be gauged by how well a firm does relative to the goals it has set for itself. Lastly, customer satisfaction is another key indicator of performance and particularly for service oriented firms such as media firms. According to Palmatier, & Sridhar (2017), executives should assess performance by listening to customer complaints as a measure of level of satisfaction. However, they should tread with care as some customers are simply difficult to work with for a variety of reasons. Their complaints should not be construed to mean customer dissatisfaction.

Organizational performance result from multiple activities that help in establishing the goals of the organization, and monitor the progress towards the target (Wirtz & Lovelock, 2016)). However, executives are aware that results are achieved more due to unexpected events and good fortune rather than the organizations internal efforts. It is important for an organization to develop strategies and engage in activities that drive performance. Such strategies can be market focused such as market challenger strategies or customer driven such as service quality management.

For any organization to remain stronger in a competitive market, marketing strategy is an important tool globally. Marketing strategy is a vital prerequisite of Industry's ability to strengthen its market share and minimize the impact of the competition (Adewale, Adesola, & Oyewale, 2013). Owomoyela, Oyeniyi, and Ola, (2013) also see marketing strategy as a way of providing quality products that satisfy customer needs, offering affordable prices and engaging in wider distribution and back it up with effective promotion strategy (Adewale et al, 2013). Marketing strategy draws its strength from the overall corporate strategy. It may be defined as those marketing programs and tactics designed to achieve the objectives of an organization. A marketing strategy outlines the strategic direction and tactical plans that marketing teams must implement to support the company's overall objectives (Ebitu, 2015). Marketing strategy articulates the best uses of a business resources and tactics to achieve its marketing objectives. It states which opportunities are to be pursued by an organization, indicates the specific markets towards which activities are to be targeted, and identifies the types of competitive advantage that are to be developed and exploited (Wirtz and Lovelock, 2016)).

Market challengers are firms that have a good reputation in the market and enjoy a strong financial position. These firms target the market leader or the competitor at the same level with the objective to reach the first position in the market or become an industry leader (Kotler & Keller, 2021)). There are general strategies adopted by the market challengers with a view to becoming a market leader and increase the market share (Ebitu, 2015). These strategies are mainly attack in nature and include: frontal attack, flank attack, Encirclement Attack, Bypass Attack and Guerrilla Warfare. According to Bamford (2019), the frontal attack is the direct attack, wherein the market challenger matches with the competitor's product, price, advertising, and promotion activities. The flank attack means, attacking the competitor on its weak points. The encirclement attack means, attacking the market leader or a competitor from all the fronts simultaneously, it is the combination of both the frontal and the flank attack. The bypass attack is the indirect attack, wherein the market challenger does not attack the leader directly, but broaden its market share by attacking the easier markets. The Guerrilla warfare is the intermittent attacks imposed by the challenger to demoralize the competitor by adopting both the conventional and unconventional means of attack.

Market challengers are able to jockey for industry leadership in several ways: challenging the market leader on price (direct approach); increasing product differentiation or improving customer service (indirect approach); or launching an entirely new product or service in order to change the field (radical approach) (Adewale, Adesola, & Oyewale, 2013). Companies with low market share are generally not in a position to influence prices, and are often susceptible to the actions of larger firms. Market challengers, being in a position of becoming the dominant player, may face a high degree of risk because they must take potentially radical steps in order to draw away consumers from the market leader.

Service quality can be perceived as the result of customers' comparison of their expectations about a service and their perception of the way the service has been performed (Jobber and Ellis-Chadwick, 2019). Further, when all service quality features such as tangibility, responsiveness, empathy, assurance and reliability are effectively implemented; it may result in enhanced satisfaction of service clients (Kotler & Keller,2021)). Service quality is the extent to which a firm successfully serves the purpose of the customer (Palmatier, and Sridhar, 2017). The sum total of customer's expectations, service delivery process and service outcome will have an influence on service quality. Moreover, Jobber and Ellis-Chadwick (2019) note that service quality perception is formed in the process of production, delivery and service consumption.

Studies have been conducted on the subject marketing strategies and service quality management. Such studies include that by Ul Hassan, Qureshi, Sharif and Mukhtar (2013) who purposed to investigate the direct impact of marketing strategy creativity (MSC) and marketing strategy implementation effectiveness (MSIE) on performance and mediating role of marketing strategy implementation effectiveness on the relationship between strategy creativity and firm performance. The study also focused on examining the moderating role of environmental uncertainty (EU) on the relationship between MSC and MSIE and the impact of MSC and MSIE on the performance across different business strategies (i.e. prospectors, analyzers, differentiated defenders, low cost defenders and reactors). A survey questionnaire was used to collect the data from key sales and marketing personnel of business units in service and manufacturing companies of Pakistan. The results of regression analysis showed that performance is maximized when an organization develops a creative strategy and achieves effective implementation.

Additionally, Nguru, Ombui and Iravo (2016) purposed to examine the effects of marketing strategies on the performance of Equity Bank. The study adapted a descriptive research design which was exploratory in nature to obtain qualitative information. The target population was customers of two branches of Equity Bank Westlands, Nairobi County. For the study, a questionnaire was the preferred instrument for data collection and before the study was conducted, the questionnaire was pre-tested to gauge its validity and reliability. In addition, the data analysis illustrated the relationship between market strategies and performance of Equity bank. The findings revealed that marketing strategies considered in this study namely customer relationship management and customer satisfaction have a positive relationship with performance.

Chari, Katsikeas, Balabanis, Robson (2012) studied emergent marketing strategies and market performance consequences. Drawing on enactment and information-processing theories, this study viewed the external environment as a source of information and organizations as information-processing entities. The study proposed a conceptual framework of antecedents and market performance consequences of emergent marketing strategies and test it with a sample of 214 UK enterprises. The results suggest that dimensions of market uncertainty (i.e. dynamism and complexity) and strategic feedback systems influence the formation of emergent marketing strategy. Furthermore, the data reveal that market uncertainty aspects condition the association between emergent marketing strategies and market performance in different ways. These findings provide new insights into how emergent marketing strategies evolve and influence organizational outcomes.

Oke (2012) examined effect of marketing strategies on banks performance in the Nigeria consolidated industry using fifteen of the twenty consolidated banks in Nigeria. Qualitative data were sourced through the administration of structure questionnaire while the quantitative data were sourced from the Central Bank of Nigeria publications and the Nigerian Stock Exchange fact book. The quantitative data were transformed to quantitative data with the use of Likert scale. The Ordinary Least Square estimation technique was employed for analysis while the Marketing Efficiency Model Approach was adopted and modified to suit the Nigerian context. The findings in this study shows an overall significance of the marketing variables adopted, although not much effect is seen when a marketing variable is compared with bank performance in isolation of other variables.

Sifuna (2014) sought to establish the effect of competitive strategies on the performance of public universities in Kenya. This research problem was studied using a descriptive survey design. The target population was 162 respondents from which 54 were chosen as the sample size. Stratified disproportionate sampling technique was used to select the sample. The findings were that economies of scale to a very great extent affect performance of universities. It was further established that capacity utilization of resources, reducing operations time and costs, efficiency and cost control, mass production and mass distribution as aspects of cost leadership affected performance in the university to great extent, differentiation based on product/service, differentiation based on promotion/ advertising campaign and differentiation based on personnel affected performance of the university and market focus affected performance of the university. The study concluded that cost leadership affects performance of universities in Kenya through achieving economies of scale, capacity utilization of resources, reducing operations time and costs, efficiency and cost control, mass production, forming linkages with service providers, suppliers and other supplementary institutions and mass distribution and that differentiation affect performance of the university through product/service, promotion/ advertising campaign, personnel differentiation

Wambugu (2014) sought to establish influence of competitive strategies on performance of large supermarket chains in Nairobi City County as well as determine the challenges encountered by the large supermarket chains in implementing competitive strategies. The study used a descriptive research design. Primary data was collected from 5 large supermarket chains in Nairobi County using questionnaires. The drop and pick method was used to collect data from the respondents. Descriptive statistics was used to summarize the data. These include percentages, frequencies, pie charts, tabulations and narratives. The study concluded that most of large supermarket chains in Nairobi City County had already adopted competitive strategies to respond to ever changing customer needs and competitive marketing nature whereby differentiation strategy, cost leadership strategy were the key competitive strategies adopted by most large supermarket chains which were surveyed with practices such as pricing products below that of competitors, strategic location of supermarkets to customers, offering unique customer service which is not easily imitated, continuously cutting cost across retail value chain, outsourcing and increased automation. The other competitive strategy also employed to a little extent includes, focus strategy. Further the study concluded that there were various challenges faced by large supermarket chains in Nairobi County in applying the competitive strategies.

Mbatia (2015) studied effects of marketing strategies on performance of the Heineken Brand in Nairobi Central Business District (CBD). The study was guided by the resource based theory and the theory of planned behaviour. The study used a descriptive cross sectional survey research design. A cross sectional survey was undertaken in order to ascertain and be able to describe the characteristics of the variable of interest in the study. The population of interest was outlets selling premium beer within Nairobi CBD. The researcher randomly selected 15 outlets from the cluster. Data was collected using a semi structured questionnaire. The respondents were outlet managers within Nairobi CBD. Findings show that the most of the respondents were managers from all the outlets that the researcher visited for data collection. The study found out that majority of the respondents had at least a secondary education and hence understood the information sought by this study. The study concluded that most of the respondents have worked between 0-5 years in their respective outlets. The findings indicated that the majority of these organizations have been operating for long enough to understand the effects of marketing strategies on performance of the Heineken Brand. The results indicated that most of the beer selling organizations in Nairobi Central Business District are limited companies. The findings indicated that all the respondents represented by 100% indicated that they sell all the brands provided by the researcher. The findings indicated that performance of Heineken in Nairobi CBD is affected by rebates, digital space management, online campaigns and public relations to a greater extent. The findings of the study indicated that the most of the organizations enjoy less level of market competitive advantage. Findings indicated that the majority of the organizations have less market share. From the findings, the market share attribute to marketing strategies is less than 5% in many organizations. Findings indicated that the highest percentage will attribute less than 5% of their annual gross profits to implementation of marketing strategies implemented by Heineken.

Tangus and Omar (2017) sought to establish the effects of market expansion strategies on performance in Kenyan commercial banks. The study sought to establish the influence of market expansion strategies on performance of commercial banks considering three major strategies; Market challenger, market leader and market niche strategies. Market Expansion as a strategic growth option is particularly relevant in developing countries like Kenya because of very low product penetration and consumption levels. Respondents of the study were 3 senior managers in each commercial bank selected randomly. Descriptive research design was used and proportionate simple random sampling method was employed. Overall finding of the study revealed strong correlation coefficient between firm performance and the three market expansion strategies all with a significance of above 95%. Furthermore, the findings of this study substantiate the call for banking institutions to use market expansion strategies to enhance their performance. These strategies by commercial banks require firms to put necessary policies in place for the strategies to succeed. This will help in the formulation and implementation of such strategies. Staff and management commitment should be achieved so that full support of the strategy can lead to its success.

Amondi, Senaji and Thuo (2017) sought to assess the influence of marketing strategies on performance of the water and sewerage companies in Kenya (A case of Nairobi City Water and Sewerage Company). Since provision of water and sewerage services in Nairobi city and it's environ in Kenya has for a long time been characterized by poor service delivery, inefficient management and lack of sound strategic approach in addressing the demand for the services. The objectives of this study were to establish the influence of online marketing strategy, branding marketing strategy, relationship marketing strategy and market dominance strategy on the performance of water and sewerage companies in Kenya. The study adopted a descriptive research design which involved observing and describing the behavior of a subject without manipulation, the target population was 300 and a sample size of 171 respondents was used. The sampling design was random sample and the data collection method was questionnaires. The conclusions were that; online marketing strategy can significantly improve the performance of Nairobi City Water and Sewerage Company in Kenya, improvement of branding marketing strategy can increase the performance of NCWSC in Kenya, high levels of relationship marketing strategy increases the performance of NCWSC in Kenya, high levels of market dominance strategy improves the performance of NCWSC.

Maruta, Sularso and Susanti (2017) intended to examine and analyze the effect of market orientation, entrepreneurship orientation, and imitation strategy on the competitive advantage of SME of leather bags and suitcases in East Java. The study population was all members of 515 people of SME of leather bags and suitcases in East Java. The locations were spread in Sidoarjo, Mojokerto city, Magetan and Malang. The sample calculation used Slovin's formula with the calculation result of 180 samples. The data was analyzed by using the Structural Equation Modeling with the help of AMOS 20 software. The results show that market orientation, entrepreneurship orientation, and imitation strategy have a positive and significant impact on the competitive advantage of SME of leather bags and suitcases in East Java. The higher the market orientation is, the stronger the entrepreneurship orientation, and the better the imitation strategy are. Thus the competitive advantage of SME of leather bags and suitcases in East Java is also higher.

Ghorbaninia and Aligholi (2016) investigated the influence of dimensions of strategy orientation of organizational performance in companies which are active in food industries in Alborz province. The study was an applied research in terms of target and it is a descriptive study in terms of data gathering method and it is a correlation study in terms of data analysis. Research statistical population included all companies which were active in food industries in Alborz Province (152 companies in number). According to Morgan Table, 108 companies were selected randomly. Questionnaire was used for data gathering. Regression coefficient method was used for testing hypotheses. The results of analyses showed that except for risk taking, all other dimensions of strategy orientation (aggressive approach, defensive approach, analytical approach, futurism and pro-activeness) had positive impacts on organizational performance.

Mutuma (2013) purposed to investigate the effects of adopted expansion strategies on the performance at Commercial Banks in Kenya. This research problem was studied through the use of a descriptive research design. The target population of this study was the staff working at Commercial Banks in Kenya in Tier One. The study focused more on the section and particularly on the top, middle and lower level management staff who are directly dealing with the day to day management of the banks since they are the ones conversant with the subject matter of the study. A sample of staff drawn from the population of 232 management staff working in Commercial Banks in Kenya of the top, middle and low level management ranks was used. Stratified proportionate random sampling technique was used to select the sample. From each stratum, simple random sampling was used to select 70 respondents. Primary data was collected using a questionnaire while secondary data was obtained from annual reports of the companies. Data collected was purely quantitative and it was analyzed by descriptive analysis. In addition the study used Karl Pearson‟s product moment correlation analysis to assess the relationship between the variables. From the findings, the study concluded that product development has the highest effect on performance of commercial banks, followed by market penetration, then diversification while market development having the lowest effect on the performance of commercial banks.

Chukuemeka (2016) studied the influence of marketing strategies on the performance levels of ICFs in South-South Nigeria. The study questionnaire were purposively issued to CEOs and managers of ICFs (n=87) in the research area. Maintaining a pool of professionals to boost company image (=3.79) ranks highest among the identified marketing strategies. Kruskal-Wallis H test of difference in the opinions of the different firm groups showed that a significant difference exists in the frequency of use of the marketing strategies by the different firm groups.

Ishola, Adekonyin, Dangana (2017) studied impact of marketing strategies and performance of banks and its effects on Nigeria economy and aimed at identifying the various types of the marketing mix components employed by the banks, examine the effect of the marketing strategies on the performance of the banks and to determine if the marketing strategies employed by the Banks differ significantly from one another. Questionnaire was administered on two populations which are Management and staff of the banks and customers of the banks. 250 questionnaires was administered to Management and staff of the banks, and also 250 was administered to customers of the bank in Nigeria. Result of the analysis revealed four factors which were distribution network, quality of service, promotion and price with the percentage contribution of each factor being 51.9%, 73.6%, 31.2% and 38.5% respectively. Multiple regression analysis showed that $R^2 = 0.563$ which indicated that the four factors accounted for 56% variability in the performance of marketing strategies employed by the banks. The result of the analysis of variance indicated that the mean ratings for the banks were not significantly different at 0.05 level.

Sifuna (2014) establish the effect of competitive strategies on the performance of public universities in Kenya and revealed that cost leadership affects performance of universities in Kenya through achieving economies of scale, capacity utilization of resources, reducing operations time and costs, efficiency and cost control, mass production, forming linkages with service providers, suppliers and other supplementary institutions and mass distribution while differentiations affect performance of the university through product/service, promotion/ advertising campaign, personnel differentiation. The study by Mbatia (2015) disagreed. He studied effects of marketing strategies on performance of the Heineken Brand in Nairobi Central Business District (CBD) and found that implementation of marketing strategies did not contribute much to annual gross profits, instead contributed to a low of less than 5%. Quite apart from the study by Mbatia (2015), Tangus and Omar (2017) sought to establish the effects of market expansion strategies on performance in Kenyan commercial banks and revealed that a strong correlation coefficient between firm performance and the three market expansion strategies exist. Another close study was by Amondi, Senaji and Thuo (2017). They assessed the influence of marketing strategies on performance of the Nairobi City Water and Sewerage Company in Kenya and found that online marketing strategy and relationship marketing strategy increases the performance. Maruta, Sularso and Susanti (2017) also revealed mixed results. They examined the effect of market orientation, entrepreneurship orientation, and imitation strategy on the competitive advantage of SME of leather bags and suitcases in East Java and found that at higher levels of the three, competitive advantage is also high while at low levels there was no competitive advantage.

In another study, Ghorbaninia and Aligholi (2016) just like Maruta, Sularso and Susanti (2017) found inconsistency in their results. They investigated the influence of dimensions of strategy orientation of organizational performance in companies which are active in food industries in Alborz province and found that except for risk taking, all other dimensions of strategy orientation (aggressive approach, defensive approach, analytical approach, futurism and pro-activeness) had positive impacts on organizational performance. Mutuma (2013) purposed to investigate the effects of adopted expansion strategies on the performance at Commercial Banks in Kenya and found that product development has the highest effect on performance of commercial banks, followed by market penetration, then diversification while market development having the lowest effect on the performance of commercial banks. Mutuma (2013) concurs with Ishola, Adekonyin, Dangana (2017) who studied impact of marketing strategies and performance of banks and its effects on Nigeria economy. Results showed that the four factors distribution network, quality of service, promotion and price impacted on performance. Chukuemeka (2016) added a lone voice. He studied the influence of marketing strategies on the performance levels of ICFs in South-South Nigeria and found a significant difference exists in the frequency of use of the marketing strategies by the different firm groups. Ul Hassan, Qureshi, Sharif and Mukhtar (2013) investigated the direct impact of marketing strategy creativity (MSC) and marketing strategy implementation effectiveness (MSIE) on performance an found than an organization that develops a creative strategy and achieves effective implementation maximizes performance.

The literature presented reveals different scenarios on approaches and results of empirical studies. While Nguru, Ombui and Iravo (2016) purposed to examine the effects of marketing strategies on the performance of Equity Bank and found that the strategies of customer relationship management and customer satisfaction have a positive relationship with performance. Oke (2012) also revealed inconsistent results. The study examined effect of marketing strategies on banks performance in the Nigeria and found that not much effect is seen when a marketing variable is compared with bank performance in isolation of other variables. Chari, Katsikeas, Balabanis, Robson (2012) considered a moderator in their study and revealed that market uncertainty aspects condition the association between emergent marketing strategies and market performance in different ways.

The literature reveals inconsistent results. Effects of marketing strategies on the performance of Equity Bank customer relationship management and customer satisfaction have a positive relationship with performance while relationships between market orientation and outside-in capabilities, and business performance were found to be weak as opposed to the strong role of inside-out capabilities and innovation orientation. In Nigeria, not much effect was seen when a marketing variable is compared with bank performance in isolation of other variables. Studies on Heineken Brand in Nairobi Central Business District (CBD) found that implementation of marketing strategies did not contribute much to annual gross profits. In other studies a strong correlation coefficient was found to exist between firm performance and market expansion strategies. Elsewhere in East Java market orientation, entrepreneurship orientation, and imitation strategy at higher levels was found to contribute to competitive advantage while at low levels there was no competitive advantage. Similarly, risk taking, as a strategy was found to have negative influence on organizational performance while aggressive approach, defensive approach, analytical approach, futurism and pro-activeness had positive impacts on organizational performance. The inconsistency in the studies of marketing strategies has remained unresolved. Earlier attempts to resolve this introduced market uncertainty as a moderator but the inconsistency continued to be witnessed. The reason for the mixed results remains unclear. Further, despite service quality management predicting performance of organizations, it has not been considered as a moderator in the relationship between marketing strategies and performance of firms. What its effect would be as moderator in this relationship remains unclear.

Statement of the Problem

Radio leads the advertising market in Kenya leading to continuous exchange of value thereby contributing to economic development. The role the vernacular radio stations play cannot be overemphasized. In Kenya, the firms have played positive roles in the development of democracy. They have offered a platform for political and economic discourse encouraging a culture of inclusive socio-economic and political participation. However, the radio firms face a challenge in their performance. According to PricewaterhouseCoopers report of 2018, growth in performance of radio firms has continued to drop. This problem of declining performance may be attributed to the radio firms marketing strategies, particularly market challenger strategies yet empirical evidence on market challenger strategies is limited. Available evidence is on marketing strategies in general and this also indicates mixed results. Moderation has not been adequately tested. Attempts at moderation introduced market uncertainty and found it conditioning relationship of emergent strategies and market performance. The reason for the mixed results remains unclear. Service quality management, though having direct effect on performance has not been involved as a moderator. Knowledge on the effect of service quality management on the relationship between market challenger strategies and performance is lacking.

Objectives of the study

The objective of the study was investigate the moderating effect of service quality management on the relationship between market challenger strategies and performance of vernacular radio broadcasting firms in western Kenya

Research Hypotheses

H_0 Service quality management has no moderating effect on the relationship between market challenger strategies and performance of vernacular radio broadcasting firms in western Kenya

METHODOLOGY

The Study

The study applied explanatory research design with a sample of 125 drawn proportionately from population of 186 management staff of 16 vernacular radio broadcasting firms.

Data Collection

Self-completion questionnaires were used to collect primary data. The researcher undertook a pre-test of the questionnaire by carrying out a pilot study of the research instrument on vernacular radio broadcasting firms where a total of 15 questionnaires were administered to management staff. Results presented in Table 1 show that reliability coefficients of the seven measurement scales used to examine the effect of challenger strategies on performance of vernacular radio broadcasting firms under the moderation of service quality management were as follows: frontal attack (α=.894); flank attack (α=.849); encirclement (α=.857); Bypass attack (α=.826); guerilla warfare (α=.854); service quality management (α=.966); and firm performance (α=.900). This implies that the scales in question had a high degree of internal consistency among the measurement items.

Table 1: Scale Reliability

Variables	Number of items	Cronbach's Alpha
1. Frontal Attack	5	.894
2. Flank Attack	5	.899
3. Encirclement	5	.897
4. Bypass Attack	5	.886
5. Guerilla Warfare	5	.889
6. Service Quality Management	11	.966
7. Firm Performance	10	.900

Further, validity of data instrument was tested. The first form of validity tested was face validity. On the basis of suggestions by Neuman (2017), the researcher sought the expert opinion of supervisors on whether the questionnaire appeared suitable both in design and structure, from face value and whether they measured the required construct. On the other hand, validity of the content of the measurement scales was determined by discussing with research supervisors, the type, format, layout and sequencing of the research instrument in terms of their technical quality, sampling adequacy, relevance, and clarity of content and whether the content had justification with evidence from literature.

Data Analysis

The model for moderation of service quality management on the relationship between market challenger strategy and vernacular radio broadcasting firm performance is as illustrated below.

$$VRFP = \beta_0 + aCMCS + bCSQM + cCMCS * CSQM + \varepsilon$$

Where;

$VRFP \Longrightarrow$ Vernacular radio firm performance

$CMCS \Longrightarrow$Centered market challenger strategy variable

$CSQM \Longrightarrow$ Centered service quality management variable

$CMCS * CSQM \Longrightarrow$ Interaction between centered market challenger strategy variable and centered service quality management variable

$a \Longrightarrow$ Main effects of market challenger strategy on firm performance

$b \Longrightarrow$ Main effects of service quality management variable firm performance

$c \Longrightarrow$ Moderation effects of service quality management on the relationship between market challenger strategy and vernacular radio broadcasting firm performance

$\varepsilon \Longrightarrow$ Residuals

In order to test for the moderation effects of service quality management, the interaction between the centered market challenger strategies variable and the centered service quality management variable was tested. Hierarchical regression analysis was run by first entering the centered market challenger strategies variable and the centered service quality management variable in step 1 of the regression, and then entering the interaction variable in step 2. A significant change in the R-square value was used to confirm moderation.

RESULTS

The moderation model summary presented in Table 2 affirms that service quality management moderates the relationship between market challenger strategies and performance of vernacular radio broadcasting firms in Western Kenya (R–square change = 0.010, ΔF=4.646, p<0.05).

Table 2: Interactive Effects

					Change Statistics				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	R Square Change	F Change	df1	df2	Sig. F Change
1	.871[a]	.759	.755	.26172	.759	164.100	2	104	.000
2	.877[b]	.770	.763	.25720	.010	4.686	1	103	.033

a. Predictors: (Constant), Centered market challenger strategies, Centered Service Quality Management

b. Predictors: (Constant), Centered market challenger strategies, Centered Service Quality Management, Centered market challenger strategies*Centered Service Quality Management

The associated moderation plot (Figure 1) confirms that the slope and intercept of the regression of firm performance on market challenger strategies depends on the value of service quality management. A different line is produced for different values of service quality management, confirming that service quality management indeed moderates the relationship between the performance and market challenger strategies.

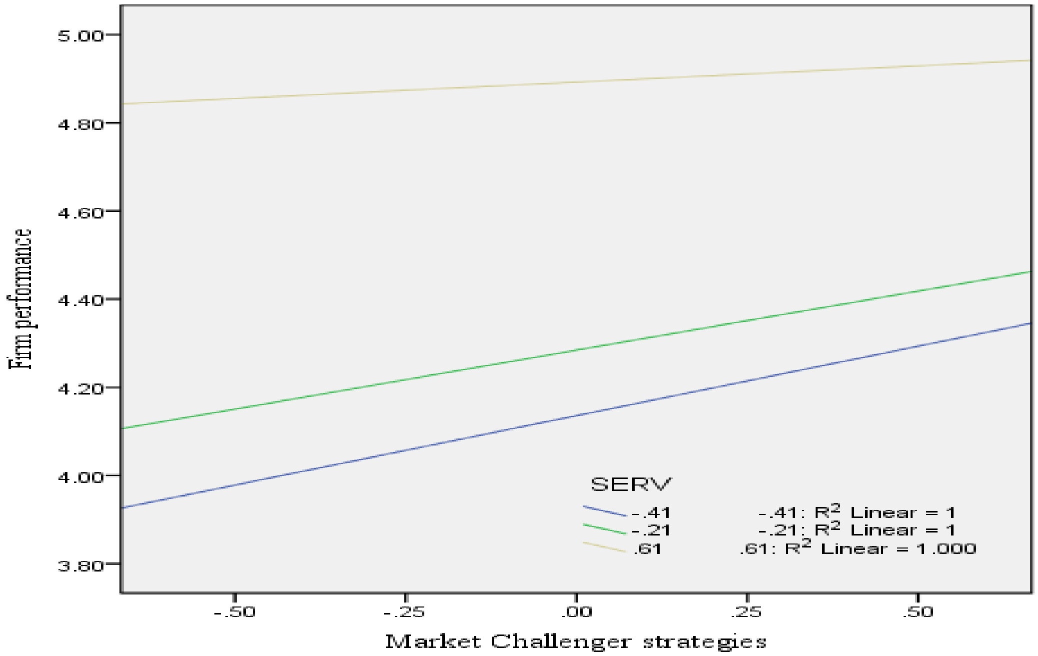

Figure 1: Moderation plot

The ANOVA results displayed in Table 3 further shows that the hypothesized moderation model was statistically adequate. The F value in model 2 revealed that at least one of the direct effects or moderation effect was different from zero ($F_{3\ 103}$=114.840, p<0.05).

Table 3: ANOVA for Moderation Model

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	22.481	2	11.240	164.100	.000[b]
	Residual	7.124	104	.068		
	Total	29.604	106			
2	Regression	22.791	3	7.597	114.840	.000[c]
	Residual	6.814	103	.066		
	Total	29.604	106			

a. Dependent Variable: Firm performance

b. Predictors: (Constant), Centered market challenger strategies, Centered Service Quality Management

c. Predictors: (Constant), Centered market challenger strategies, Centered Service Quality Management, Centered market challenger strategies*Centered Service Quality Management

Regression coefficients given in Table 4 further reveals that whereas the main effects of challenger strategies amounted to 0.217, the main effects of service quality management amounted to 0.743. The moderation effects amounted to -0.237 justifying existence of moderation. The negative interaction term implies that the effect of market challenger strategies on firm performance decreases as service quality management increases and vice versa.

Table 4: Moderation effect of Market Challenger Strategies on firm Performance

		Unstandardized Coefficients		Standardized Coefficients		
Model		B	Std. Error	Beta	**t**	**Sig.**
1	(Constant)	4.402	.025		173.974	.000
	cX	.251	.051	.286	4.895	.000
	cM	.703	.061	.676	11.556	.000
2	(Constant)	4.443	.031		142.395	.000
	cX	.217	.053	.248	4.111	.000
	cM	.743	.063	.714	11.877	.000
	cX*cM	-.237	.109	-.108	-2.165	.033

a. Dependent Variable: Firm Performance

The final moderation model could therefore be presented as;

Y = 4.402 + 0.217cX + 0.743cM - 0.237 cX*cM

DISCUSSION

The finding is that service quality management moderates the relationship between market challenger strategies and the performance of vernacular radio broadcasting firms is indeed a new dimension to existing literature. Previous literature has tended to examine moderation along individual quality management measures. Besides, the finding provides actors in the radio broadcasting industry with the awareness that market challenger strategies can only work well in an environment where quality of service is managed.

The finding supports other existing studies which however look at quality management practices. Yang (2012), for instance reports that innovation capability, an element of quality management moderates the effect of logistics service reliability capability on financial performance. Although Yang's study focuses on logistics service, it is the contention of the present study that radio broadcasts industry can be viewed from a logistics perspective. The moderation effects found in the present study are also consistent with findings by Ozsomer and

Simomin (2004) who, contend that standardized marketing activities often rely on some moderating effects to impact positively on performance.

The study examined the moderating effect of service quality management on the relationship between market challenger strategies and performance of vernacular radio broadcasting firms in western Kenya. Exploration of prevailing levels of performance among the sampled firms revealed that vernacular radio broadcasting firms in western Kenya enjoy a high share of performance in terms of customer satisfaction, growth and social performance.

CONCLUSION

The study established that service quality management significantly moderated the relationship between market challenger strategies and performance of vernacular radio broadcasting firms, the change in the coefficient of determination was significant. The moderation plot confirmed existence of moderation with different values of service quality management resulting in different lines with different slopes and intercepts. The moderation however is negative indicating weakening relationship between market challenger strategies and performance with increase in service quality management activities.

RECOMMENDATIONS

Recommendation for Practitioners

From the conclusion above, it is recommended that practitioners in radio broadcasting firms apply service quality management activities alongside market challenger strategies very carefully as their joint application results in undesirable outcome in performance. The results show that when activities of service quality management are enhanced alongside activities to maneuver the market, the former acts to weaken the efforts in the latter towards associated outcome. The vernacular radio broadcasting firms are therefore advised not to emphasize or to scale down activities of service quality management whenever they are aggressively involved in market challenger strategies. Efforts towards service quality management may be rerouted towards market challenger strategies to enhance the latter in the absence of the former. The radio broadcasting firms are advised to note this conflicting relationship between the two sets of efforts.

Recommendation for Further Research

Findings in this study could have been influenced by the context in which this study was conducted. The study, therefore, recommends that similar studies should be replicated in vernacular radio broadcasting firms and other industries in other regions of the world.

The present study relied only on quantitative data. For a more incisive understanding of the power of service quality management in the relationship between market challenger strategies and firm performance, future studies should seek to employ mixed methods designs that can allow for qualitative and quantitative approach to this problem. Such designs will complement the quantitative findings such as those in the present study with thematic findings thereby giving a stronger position.

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