

RELATIONSHIP MARKETING STRATEGIES AND COMPETITIVE ADVANTAGE IN SELECTED COMMERCIAL BANKS IN UASIN-GISHU COUNTY

Andrew W. Wetosi
Student, Kisii University, **KENYA**

Dr. Kimutai Geoffrey
Coordinator of School of Business and Economics, Kisii University, Eldoret Campus
P.O Box 408-40200, Eldoret, **KENYA**

&

Dr. Yusuf Kibet
School of Business and Economics, Moi University P.O Box 74-30100, Eldoret, **KENYA**

ABSTRACT

After decades of vigorous expansion and prosperity, many firms lost sight of competitive advantage in their scramble for growth and pursuit of diversification. Firms throughout the world have faced slower growth as well as global competitors are no longer expanding their customer relationships. Relationship marketing is heralded by some marketing academics and practitioners as the new paradigm of marketing. However, despite the intense growth in the adoption of Relationship marketing practices by organizations all over the world and the widely accepted conceptual underpinnings of Relationship marketing strategy, conflicting opinions and increased pessimism about the effectiveness of relationship marketing strategy abound the marketing literature. Also studies done in literature did not focus on relationship marketing especially in developing countries like Kenya. To this effect, scholars have called for more rigorous studies to establish the usefulness of Relationship marketing as a strategic orientation. The general objective of this study was to determine the effects of relationship on competitive advantage in selected commercial banks in Uasin-Gishu County, Kenya. The specific objectives of the study included, to find out the effect of customer focus on competitive advantage among selected commercial banks in Uasin-Gishu County, to determine the extent to which customer communication affect competitive advantage among selected commercial banks in Uasin-Gishu County, to establish whether customer events affect competitive advantage among selected commercial banks in Uasin-Gishu County and to assess whether customer rewards affect competitive advantage among selected commercial banks in Uasin-Gishu County. The study adopted descriptive survey research design and targeted 162 sales and 104 marketing employees. The study employed convenience sampling technique to help sample the subjects to participate in the study. Data was collected using a questionnaire and was analyzed using both descriptive and inferential statistics. Data was presented in tables and figures. It emerged from the study that customer focus played a role in marketing of the banks products, all scores were above average on the statements which supported the competitive advantage of the organization. On the influence of customers communication on Competitive advantage, the study pointed out that it was to a very large extent influencing the banks to gain their competitive advantage. It was also established that the bank staff greatly influence this by frequently communicating to its customers hence gaining a competitive base with other banks. In conclusion, the relationship marketing strategies under the study have indeed proved to influence the competitive advantage of organizations and specifically in banks. Customer Focus has been highlighted in a very great extent to influence the customers towards having a good relationship and positive attitudes towards the banks. It is also noted that the banks try their best to be honest to its customers

and therefore winning their behaviors and be influenced to purchase their products. This increases the loyalty of customers to the bank and hence achieving their competitive advantage. The study recommended that for those organizations which immensely depend on competitive environments to maintain its stand, they should focus on relational strategies which are customer centered in order to achieve their goals.

Keywords: Marketing Strategies, Customer Focus, and Competitive Advantage.