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Determinants of Firms Repositioning in the Financial Industry: A Survey of Selected Financial Institutions

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Abstract:

Competition within the banking sector is not a new phenomenon. The mainstream banks being key players in the financial sector have adopted different ways of repositioning themselves for instance through product and market differentiation, cost leadership, service diversification and market focus strategies to acquire strategic positioning in the financial industry hence growth. The general objective of this study was to establish the relationship between specific factors and their influence on repositioning of financial institutions. The specific objectives were: to determine the relationship between competition and repositioning of selected financial institutions; to establish the relationship between customer satisfaction and repositioning of selected financial institutions; to determine the relationship between business prospects and repositioning of selected financial institutions and to establish the relationship between customer acquisition costs and repositioning of selected financial institutions. Literature was reviewed using experts and past researchers' literature. The study used descriptive survey research design. The target population was the 17 large financial institutions in Kenya. The study used purposive sampling to select the respondents. In this case, all the branch managers and one marketing manager in every financial institution participated in the study making a total of 34 participants. Descriptive statistics were used to analyse the data. The results were presented in frequency tables and charts. Findings of the study showed that competition was a factor considered when repositioning by 53.1%, but the firms under study did not fully succeed in repositioning as it did not put many of them ahead of their competition as intended. Customers' satisfaction was found to be a consideration when repositioning (9.4%). Nevertheless, customer satisfaction was found to be low as indicated by complaints about long queues in the banking halls, delayed loans approval, poor customer services and poor products compared to competition. It was recommended that financial institutions should study their competition well before using a lot of money to reposition; financial institutions should stop neglecting the customers they already have, firms should diversify when looking for business prospects to get ahead of competition, financial institutions should consider the costs of acquiring new customers to enable them to choose the more affordable but effective channels and the firms which have not yet considered repositioning should do so to stay ahead of competition.

Keywords: *Competition, customer satisfaction, repositioning, financial institution, business prospects*

1. Introduction

The contemporary business market and global influence has heightened competition. This has forced organizations to review their business approaches and initiatives used to attract customers and fulfil their expectations so as to withstand competitive pressures and to strengthen its market position in the increasingly competitive world (Lamb, 2012). According to Trout and Rivkin (2009) firms all over the world have been repositioning as competition increases. Over time (say 10-20 years), there are changes in consumer needs and lifestyles (as the next generation moves through), which may result in the key benefits of a product no longer being as relevant to the target market.

As Mathews (2011) noted, the management may decide to reposition their firms for various reasons. For example, the firms' products may be challenged by new more relevant ones or stronger competitor in their positioning space, requiring the task of repositioning to a less competitive arena. A firm may have found their products with many points-of-parity and few points-of-differentiation, requiring a revised positioning in order to highlight their particular advantages, or significant changes in the macro environment may require products to be repositioned. Economic conditions, technological advances, and even legislative change may require the firm to change its product's positioning. Furthermore, sometimes alternate target markets may be more attractive. Therefore, a product may need to be repositioned to more directly appeal to the newly defined target market.

Pollack (2014) on a study in the U.S. noted that players in the financial sector had adopted innovative campaigns and other strategies to ensure greater consumer patronage. Banks were coming out with consumer-centric innovations as way of repositioning in order to win more customers. According to Pollack (2014) one factor determining the

repositioning of a firm's products is business prospects. Business-to-business prospects want to work with experts. If they recognize a firm's unique expertise or products, they will want to work with the firm. It can even be easier to negotiate the sales before others even know there is an opportunity. Competition is everywhere including Africa and some firms are fighting harder and harder for the same sales (Johns, 2012).

A firm may therefore reposition its products in order to meet the demands of the customers and acquire new ones. Pollack (2014) however added that when it comes to deciding when to reposition a brand, many businesses hesitate in a state of fluidity between extremes like the shoppers because they are uncertain about what constitutes a reason to reposition. Some change their brand positioning too often in reaction to changing market trends. This leaves buyers confused about who the company really is. Still others don't update their look, feel or messaging for 10 or more years, falling out of step with buyer wants and needs.

Firms in Kenya are also repositioning as Mwakio (2016) noted. Proper positioning can significantly reduce the average acquisition cost for new business. Proper positioning "sells" for the company. Companies should develop repositioning strategies that make it easier for prospects to find them and choose them. Proper repositioning ensures that a firm gets the business more often. That is because prospects recognize the firm's relevance to their needs and their differentiation in the marketplace. When the competitors have usurped a company's value proposition, this dilutes the effectiveness of such company's positioning causing market reaction to their primary brand benefit to shift.

When competitors start delivering a similar message to the company's, the positioning benefit morphs into a cost-of-entry benefit, instead of one that is uniquely a company's own. Mugure (2016) noted that with multinationals gaining entry in Kenya, this increases competition and changes the game. Change is inevitable and competitors keep every business on their toes. When new firms enter the industry and steal buyers with a superior value proposition it is time for management to rethink about their brand position to ensure that it is still relevant to their market. In such a scenario, repositioning may be the only effective survival strategy.

Kenya is serviced by several commercial banks including Equity, Barclays, Standard Chartered, National Bank, Consolidated Bank, Family Bank, Cooperative, Kenya Commercial Bank and Sidian Bank. There are several micro-finance institutions which include Faulu Kenya, Kenya Women Finance Trust and Saccos including Taifa Sacco, Wananchi Sacco, Biashara Sacco and PesaPoint. If financial institutions are to stay ahead of the competition, they need to develop a distinctive image by which consumers will be able to identify it and it must be able to provide a combination of features perceived to be desirable by the target market (Keter, 2016). Repositioning can help firms meet customer needs and encourage customers to use a whole range of banking products/services rather than just a few. It also helps to build loyalty by creating deeper and fuller customer relationships. Through repositioning different products and services, a commercial bank can become a leader in terms of deposit base, a leader in terms of loans outstanding base, a largest bank in terms of assets, and a niche leader bank.

1.1. Statement of the Problem

Competition within the banking sector is not a new phenomenon. The mainstream banks being key players in the financial sector have adopted different ways of repositioning themselves through product and market differentiation, cost leadership, service diversification and market focus strategies to acquire strategic positioning in the financial industry hence growth (Munene, 2013). However, there are many new entrants like Savings and Credit Co-operative Societies (SACCOs), Micro Finance Institutions (MFIs) and private companies offering financial services. Such financial institutions are more user-friendly having simpler procedures to open accounts, fewer requirements when customers need loans, and their loan interest rates are lower compared to commercial banks (Okungu, *et al.*, 2014). This has stiffened the competition and commercial banks need to reposition not only to survive but also to thrive.

Repositioning may be determined by the level of customer satisfaction, customer needs, cost of acquiring customers and business prospects and opportunities (Johns, 2012). Accordingly, the purpose of carrying out this study was to validate or falsify whether the theoretical factors that are said to determine repositioning of firms are valid. The main focus was the selected financial institutions in Kenya.

1.2. Objective of the Study

The general objective of this study was to establish the relationship between identified factors' influence on repositioning of selected financial institutions.

1.2.1. Specific Objectives

- To determine the relationship between competition and repositioning of selected financial institutions in Kenya.
- To establish the relationship between customer satisfaction and repositioning of selected financial institutions in Kenya.
- To determine the relationship between business prospects and repositioning of selected financial institutions in Kenya.
- To establish the relationship between customer acquisition costs and repositioning of selected financial institutions in Kenya.

2. Literature Review

2.1. Theoretical Review

The study was guided by the by five forces theory and the positioning theory.

2.1.1. The Five Forces Theory

According to Porter (2008) the Porter's Five Forces of Competitive Position Analysis were developed in 1979 as a simple framework for assessing and evaluating the competitive strength and position of a business organisation. This theory is based on the concept that there are five forces that determine the competitive intensity and attractiveness of a market. Porter's five forces help to identify where power lies in a business situation. This is useful both in understanding the strength of an organisation's current competitive position, and the strength of a position that an organisation may look to move into.

Strategic analysts often use Porter's five forces to understand whether new products or services are potentially profitable (Porter, 2008). By understanding where power lies, the theory can also be used to identify areas of strength, to improve weaknesses and to avoid mistakes. The first force is the supplier power. This is an assessment of how easy it is for suppliers to drive up prices. This is driven by the: number of suppliers of each essential input; uniqueness of their product or service; relative size and strength of the supplier; and cost of switching from one supplier to another. The second force is buyer power. This is an assessment of how easy it is for buyers to drive prices down. This is driven by the: number of buyers in the market; importance of each individual buyer to the organisation; and cost to the buyer of switching from one supplier to another. If a business has just a few powerful buyers, they are often able to dictate terms.

According to Porter (2008) the third force is competitive rivalry. The main driver is the number and capability of competitors in the market. Many competitors, offering undifferentiated products and services, will reduce market attractiveness. Fourth there is threat of substitution. Where close substitute products exist in a market, it increases the likelihood of customers switching to alternatives in response to price increases. This reduces both the power of suppliers and the attractiveness of the market. Finally, there is threat of new entry. Profitable markets attract new entrants, which erodes profitability. Unless incumbents have strong and durable barriers to entry, for example, patents, economies of scale, capital requirements or government policies, then profitability will decline to a competitive rate. Arguably, regulation, taxation and trade policies make government a sixth force for many industries.

Five forces model is applicable in this study because it helps organisations to understand the factors affecting profitability in their specific industry, and can help to inform decisions relating to: whether to enter a specific industry; whether to increase capacity in a specific industry and developing competitive strategies. All these are issues related to repositioning.

2.1.2. Positioning Theory

According to Rumelt (2011) positioning theory can be traced to several sources from within the disciplines of marketing, social psychology, and linguistics. Within the field of marketing, positioning refers to the strategic use of communication to position products in the marketplace. The concept of position and positioning was introduced by Davies and Harré (1990) and appears to have origins in marketing. In marketing, position refers to the communication strategies that allow certain products to be placed in a market among their competitors. Positioning Theory is the science of perceptual strategy. It is based on a theory that strategy can only be planned in the mind of the consumer, not the marketplace (Rumelt, 2011). The basic principles of positioning are not to create something new or different things, but to manipulate people's minds towards something. The essence of positioning is the hearts and minds; the hearts of consumers is the ultimate marketing battleground.

According to Besanko, Dranove, Schaefer and Shanley (2012) consumers can only receive limited information, they prefer simple, hate complex, lack a sense of security and consumers will not easily change the impression of the brand. It is therefore important to master the benefit of these features to help businesses occupying the position in the eyes of consumers. Positioning can be done through strengthening their existing position, analogies positioning, single location strategy, finding the gap strategy, category brand positioning and then positioning. Dissemination of information from various sources causes crowding and congestion and can be attributed to the era of information explosion. Technological progress and economic and social development have greatly contributed to the information explosion.

Therefore, positioning is very necessary (Besanko, Dranove, Schaefer & Shanley, 2012). The positioning theory is applicable in this study as it helps explain the point from which a firm should position and the reasons behind positioning. With customers accessing a lot of information, their needs and expectations continue to go high. Firms may not succeed by using the old methods of doing business; rather, they have to position themselves and their products strategically to the benefit of their customers.

2.2. Empirical Review

2.2.1. The Concept of Positioning

A new approach to communication is called "positioning" a concept that has changed the nature of advertising (Fortenberry, 2012). Positioning starts with a product- A piece of merchandise, a service, an institution, a company or a person. Positioning is what a firm does to the mind of the prospect; it does not involve change as changes in name, price and package are basically cosmetic changes (not changes in the product itself). Ries and Trout (2001) explain that while positioning begins with a product, the concept really is about positioning that product in the mind of the customer. This approach is needed because consumers are bombarded with a continuous stream of advertising, with advertisers spending several thousands of shillings annually per consumer all over the world. The consumer's mind reacts to this high volume of advertising by accepting only what is consistent with prior knowledge or experience. Ries and Trout (2001) added that positioning can be based on the product, a service company, an institution or even for a person.

The main purpose of positioning is to allow the brand to occupy in the consumer's mind the most favourable position to make the brand become the characteristics of a category or a representative of the brand. Positioning theory is applicable to this study because through understanding positioning, it is easier to understand repositioning and the factors determining repositioning in the financial industry. It is quite difficult to change a consumer's impression once it is formed (Ries & Trout, 2001). Consumers cope with information overload by oversimplifying and are likely to shut out anything inconsistent with their knowledge and experience. In an over-communicated environment, the advertiser should present a simplified message and make that message consistent with what the consumer already believes by focusing on the perceptions of the consumer rather than on the reality of the product. The easiest way of getting into someone's mind is to be first.

It is very easy to remember who is first, and much more difficult to remember who is second. Even if the second entrant offers a better product, the first mover has a large advantage that can make up for other shortcomings. However, all is not lost for products that are not the first. By being the first to claim a unique position in the mind the consumer, a firm effectively can cut through the noise level of other products. According to Ries and Trout (2001) positioning operates on four principles: a company must establish a position in the minds of its targeted customers; the position should be singular, providing one simple and consistent message; the position must set a company apart from its competitors and a company cannot be all things to all people—it must focus its efforts.

It is impossible to be good in everything and no single company can stand for everything for their clients. It is important to offer unique value by having foresight into demand, and that can only be done by focusing on a certain area. It must therefore be chosen per product group for a valuating strategy. Treacy and Wiersema's valuation strategies are convenient aid for this that can also be used in strategic marketing plan (Weinman, 2015). In practice, it seems that the unwise thing to do is to excel only in one area. It is unlikely that the market leader within a certain branch perform very well in one dimension and very badly in the others. Actually, all competing organisations perform in all three strategies. It is therefore wise to make a choice and be exceptional in it while also functioning in the other dimensions. If the model is conducted this way, it can be a convenient tool in forming a strategy.

2.2.2. Repositioning Concept

Sometimes there are no unique positions to carve out. In such cases, Ries and Trout (2001) suggest repositioning a competitor by convincing consumers to view the competitor in a different way. Repositioning involves changing the identity of a product relative to competing products. Many famous companies have saved failing products by repositioning them in the market. When a company initiates a repositioning strategy, it needs to change the expectations of stakeholders, including employees, stockholders and financial backers. Repositioning is how organizations adjust perceptions, whether those perceptions are about the competition or the organization itself. Consumers tend to perceive the origin of a product by its name rather than reading the label to find out where it really is made. This concept has evolved from positioning, as developed by Ries & Trout (1986). According to them a position is like the memory bank of a computer, the mind has a slot or position for each bit of information it has chosen to retain. A positioning is what you do to the mind of the prospect and positioning is an organized system for finding a window in the mind. It is based on the concept that communication can only take place at the right time and under the right circumstances.

They furthermore elaborate consumers have constructed a number of ladders in their mind, where each step on the ladder signifies a product or brand, which has been placed on that step accordingly to their preferences. The ladder signifies a specific product group. There are then certain positioning strategies a market leader, and a market follower, can pursue. As long as leading company owns a position in the mind of the prospect it should not be tampered with. The company should instead build capabilities to reinforce its position, and incorporate new functions once these have shown their value. A follower company should find a position not occupied by the leader, for example a low-price position, and then pursue this strategy. Interestingly, a repositioning strategy should be followed when there are so few non-occupied positions, a company must create one by repositioning the competitors that occupy the positions in the mind i.e. convincing the prospect to alter the perception rivals' brand. It should be pointed out here that positioning and repositioning are dealt with as an advertising campaign strategy, and is something to be avoided. A company should find a sustainable positioning and maintain it, but being ready to size new opportunities.

The concept of repositioning has since then been used to include everything from individual product/brand alterations to shifting corporate brand strategies. As the concept is used to cover such a large spectrum and there are numerous aspects of the concept including revitalization, rebranding brand renewal, refreshment, makeover, reinvention, and renaming. There appears to be two main schools of thought, those devoted to corporate rebranding, which "refers to the disjunction or change between an initially formulated corporate brand and a new formulation and those devoted to repositioning referring to any decision by a firm to alter the perceptual positioning of a brand.

2.2.3. Competition and Repositioning

Competition is the rivalry between companies selling similar products and services with the goal of achieving revenue, profit, and market-share growth (Stigler, 2008). Companies strive to increase sales volume by utilizing the 4 components of the marketing mix, also referred to as the 4P's: product, place, promotion, and place. Cowen and Tabarrok (2013) define competition as rivalry in which every seller tries to get what other sellers are seeking at the same time: sales, profit, and market share by offering the best practicable combination of price, quality, and service. Where the market information flows freely, competition plays a regulatory function in balancing demand and supply. According to Heyne, Boettke and Prychitko (2014) competition is the effort of two or more parties acting independently to secure the business of a third party by offering the most favourable terms.

In today's market, and when dealing with organizations on any level, it is so critical to understand how shifts in the economy might affect a business and the products offered, as well as how it might impact the firm's ability to plan into the future. 'Repositioning' discusses how to keep a product relevant in today's market, as well as moving forward into the future, and how to handle it if a firm is unable to plan long term (Wang & Shaver, 2014). It is important to understand the competition and remain flexible and are able to recognize opportunities by keeping an open mind and focusing on the ground floor of the business, a place many CEO's of larger organizations lose sight of. Competition is studied as an impetus for firms to reposition—to abandon their current positioning strategy and adopt a new one. As a strong firm moves closer, competition erodes the profitability of situated firms and prompts them to reposition (Wang & Shaver, 2014). This effect pronounces the greater difference in competitive strength. However, it is expected that countervailing forces exist such that the viability of alternative positions and the opportunity cost of abandoning a current position mitigate this effect.

According to Ries and Trout (2001) repositioning the competition is about hanging a 'negative perception on the competition as a way to setup a positive perception for a company, product, or service. Crucial to success of the strategy, the negative must come from a simple observation the public can verify themselves. A business cannot make up a negative. It has to have a basis in reality. Trout recommends that every repositioning exercise should start with the competition in the mind (Ries & Trout, 2001). Too many brands run repositioning exercises based on what they want to be – based on some new consumer insight, rather than on how they are different from the market leader. This is a mistake. Marsden (2010) noted that ultimately, successful repositioning should be about repositioning a company against the market leader – or if the company is the market leader – the product or service that they want their brand to replace. In other words, repositioning is about competitive differentiation. For example, "We Try Harder" or "Our Lines are Shorter." It might be 'wise' to think carefully about how far a firm wants to take this battle for the mind. Companies should be looking for a win/win, not a win/lose. When they make their competition lose, they might just inspire them to reposition the company in return.

2.2.4. Customer Satisfaction and Repositioning

Customer satisfaction is a "person's feeling of pleasure or disappointment which resulted from comparing a product's perceived performance or outcome against his/ her expectations (Kotler & Keller, 2006). Dudovskiy (2012) defines customer satisfaction as the degree of satisfaction provided by the goods or services of a company as measured by the number of repeat customers. According to Fornell, Rust and Dekimpe (2010) customer satisfaction is a state of mind in which the customer's needs, wants, and expectations throughout the product of service life haven been met or exceeded, resulting in future repurchase and loyalty. Customer satisfaction is directly linked to customer loyalty, and a loyal. Satisfied customers will want to give personal recommendations, effectively becoming a company's unpaid sales force and opening the doors to countless new potential customers. Customer should find a value in the product they purchase, so controlling the product value chain is an essential issue for reaching customer satisfaction, this mean that all steps that the product engage should be customer oriented, so reaching customer satisfaction is not only the role of marketing but also the other functions in the companies as the production, purchasing, human resources, finance and after sales service (Baker, 2008).

Companies nowadays are focusing to be customer oriented as they believe that survival will be through building customers relationship which cannot be attained unless customers are satisfied (Laermer & Punk, 2007). When companies meet customers' expectations they will be satisfied if they do not meet these expectations, this satisfaction will not be achieved while if the customer's experiences with the product is beyond their expectations, they will be greatly satisfied. Customer also will be satisfied when they find a value in the product that the customer purchases, this value has to exceed the cost that the customer pays for the products. All companies seek high profits but customer-oriented companies also seek customer satisfaction. To reach customer satisfaction companies may reposition by reducing its prices or paying additional costs to build a strong relationship with its customers. However, at times, achieving high customer satisfaction may be detrimental to reaching high profits Successful companies create a balance to achieve high customer satisfaction and also reach high profits. Marketing managers must first value subjects by setting up positioning tactics for their brands.

2.2.5. Business Prospects and Repositioning

Business prospects are potential customers who have been qualified on the basis of their willingness to buy and financial capacity (Rumelt, 2011). How a company is positioned in the marketplace largely determines its success. It determines how many sales opportunities they receive. It determines whether they can breeze through their prospect's qualifying rounds to the finals, or whether they will have to do battle just to get a seat at the table. Their position in the marketplace also determines the prices they can charge and the margins they realize. The rapid growth of communication methods has given people a new disease called information overload syndrome. In today's over-communicated society, to be successful, a business must touch base with reality. And the only reality that counts is what is already in the prospect's mind. In the communication jungle out there, there are just too many products, too many companies, and too much marketing noise. The mind, as a defence against the huge volume of today's communications, screens and rejects much of the information it offered.

The only hope to score big is to be selective, to concentrate on narrow targets, to practice segmentation; in a word, 'positioning'. This will increase the prospects for a business (Dacko, 2008). The basic approach of positioning is not to create something new and different, but to manipulate what is already up in the prospect's mind, to retie the connection that already exist. The advertising people spend their time and research money looking for positions, or holes, in the marketplace. The focus should be to change the prospects' mind to be in tune with their products or firm.

2.2.6. Customer Acquisition Costs and Repositioning

The cost of customer acquisition means the price a firm pays to acquire a new customer in its simplest form (Shimizu, 2014). It is the cost of convincing a potential customer to buy a product or service. Customer acquisition cost (CAC) is a metric that has been growing in use, along with the emergence of internet companies and web-based advertising campaigns that can be tracked. Traditionally, a company had to engage in shotgun style advertising and find methods to track consumers through the decision-making process. Today, many web-based companies can engage in highly targeted campaigns and track consumers as they progress from interested leads to long-lasting loyal customers.

Gotham (2014) noted that the cost of customer acquisition is one of the most important metrics for any business along with the lifetime value of a customer. This is because the business needs to make money which means that the firm needs to get a return on investment (ROI) from their marketing and sales campaigns. The important ratio to focus on, then, is one that tells the firm exactly how much value they are making from their customers in relation to how much it cost them to acquire the new customers. CAC helps firms optimize their marketing campaigns and channels. This is in terms of where to acquire the best customers from; the channels and campaigns have the best ROI. It is imperative to note that customer acquisition cost for different campaigns are not constant. They change all the time and the business must be vigilant of this - when it stops getting an ROI then the firm should stop the investment. Many marketers are rethinking their brand's positioning because competitive pressures, new channels, and changing customer needs have eroded their brands' positions of strength. However, increased marketing expenditures to reposition brands often fail to produce any improvements in either overall image or market share.

2.3. Conceptual Framework

A conceptual framework is an analytical tool with several variations and contexts. It is used to make conceptual distinctions and organize ideas (Shields & Rangarjan, 2013). It is an abstract representation, connected to the research project's goal that directs the collection and analysis of data. The proposed study can be conceptualized as shown in [Figure 2.1](#)

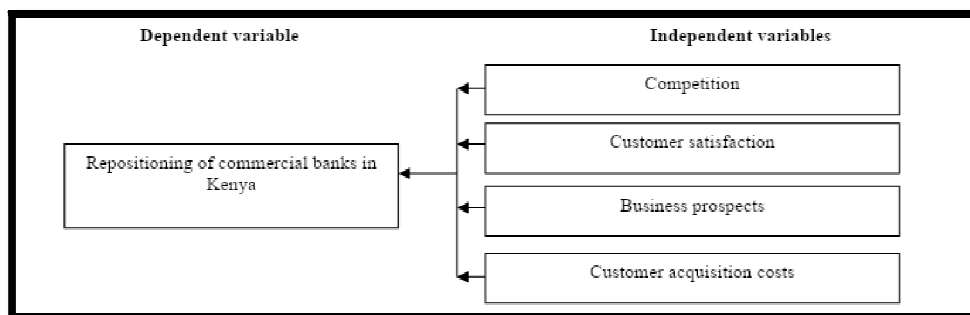


Figure 1: Conceptual framework

The dependent variable is repositioning and the independent variables are the determinants of repositioning; competition, customer satisfaction, business prospects and customer acquisition costs. Competition may determine whether a company will reposition or not. A company in a second position may find the need to reposition in order to get a bigger market share compared to the major competitor. The more competitors there are in the market, the smaller the market share and the higher the need to reposition in order to stay relevant.

On the other hand, customer satisfaction is one thing that can create customer loyalty and increased sales. Companies may reposition in order to meet customers' evolving needs. Business prospects may determine whether a firm will reposition or not. After repositioning, a firm may be viewed as better than the competition and this would increase their business prospects as customers prefer doing business with them. Finally, customer acquisition costs may resolve whether a company should reposition or not since it may increase the cost of doing so.

3. Research Methodology

Methodology includes the research design that was employed by the researcher, the sample and the instruments that were used in data collection, the systematic research procedure and techniques that the researcher used in collecting and analyzing the data.

3.1. Research Design

The study utilized descriptive research design. Descriptive research design is a scientific method of investigation in which data is collected and analyzed in order to describe the current conditions on the relationship between specific factors and their influence on repositioning in the financial industry. Mugenda and Mugenda, (2003) argue that any researcher who adopts this descriptive survey design attempts to produce data that is holistic, contextual, descriptive, in-depth and rich in details.

3.2. Target Population and Sampling Frame

The target population of the proposed study was the 11 commercial banks in Kenya, 3 deposit taking micro finance institutions and 3 deposit taking large SACCOs. The micro finance institutions and SACCOs were selected on the

basis of their capacity in terms of square feet and business license by the county government. Only the ones which pay for a license similar to the ones for commercial banks were selected. According to Mugenda and Mugenda (2003) a target population should have the characteristics that the researcher intends to investigate and should be accessible. A sampling frame is a list or other device used to define a researcher's population of interest (Zikmund, Babin, Carr & Griffin, 2012). The researcher used list sampling frame to consider the registered commercial banks in Kenya.

3.3. Sampling Design

The researcher used purposive sampling method to select the sample (Kothari, 2004). This is a form of non-probability sampling in which decisions concerning the individuals to be included in the sample are taken by the researcher, based upon a variety of criteria which may include specialist knowledge of the research issue, or capacity and willingness to participate in the research (Ray, 2012). In this case, all the branch managers and one marketing manager in all participating financial institutions participated in the study. In total, the study had 34 participants.

3.4. Data collection Sources and Procedures

Primary data was collected from the respondents in the commercial banks, micro finance institutions and the SACCOs. Secondary data was gathered through the documents from the participating institutions. Data collection started by getting authority to collect data through an introduction letter from the University. A research permit and letter of authority were then obtained from the National Council of Science, Technology and Innovation. The researcher used this letter for introduction to the branch managers at all the participating institutions. The researcher distributed questionnaires using drop and pick method.

3.5. Data Collection Instruments

The main instrument for primary data collection was questionnaires which consisted of structured and unstructured questions. Structured questions refer to questions which are accompanied by a list of all possible alternatives from which respondents select the answer that best describes the situation. Unstructured questions or open-ended questions refer to questions which gives the respondent complete freedom of response. These free response questions permit an individual to respond in his or her own word. According to Mugenda and Mugenda (2003) a questionnaire helps capture factual information effectively.

3.6. Test of Validity and Reliability

3.6.1. Validity of Instruments

Validity in this study was tested through a pilot study. Three participants were randomly selected from the commercial banks with more than one branch in Kenya. These did not participate in the main study. The inappropriate questionnaire items were discarded, rephrased and/or merged. The pilot study helped to establish whether the instruments measure what it intended to measure.

3.6.2. Reliability of Instruments

To assess the reliability of instruments in this study, test-retest technique was used. The research instruments were presented to three branch managers who were randomly selected from the commercial banks with more than one branch in Kenya and the result were recorded, the same instruments were presented to the same group after two weeks and the results for both tests were correlated. A correlation coefficient of 0.8 was obtained. This was an indication that the instrument was reliable.

3.7. Data Analysis

Collected data was checked for completeness and then coded for analysis. Data was analysed through descriptive statistics. Quantitative data was analysed through descriptive statistics such as means and percentages. Qualitative data was analysed using content analysis. Statistical analysis was done through the aid of Statistical Package for Social Sciences (SPSS) version 20.0 computer software. Results were presented using charts, descriptions and frequency tables.

3.8. Ethical Considerations

The research was designed, reviewed and undertaken to ensure integrity and quality. Research subjects were informed fully about the purpose, methods and intended possible uses of the research, what their participation in research entails and what risks were involved. The anonymity of respondents was respected. Research participants only participated in a voluntary way, free from any coercion. Any harm to research participants was avoided. The independence of research was clear and any conflicts of interest or partiality were explicit.

4. Research Findings

This presents the research findings and results of the study. The findings and discussions are in line with the research objective of the study and are based on mixed research design. Results from the study are systematically presented beginning with findings on demographic characteristics of respondents in the study. The chapter also reviews the results of statistical analysis to test the research hypothesis as well as presenting discussions of the results and implication arising from the findings.

4.1. Response Rate

The study targeted 34 respondents. Out these, 32 returned fully filled questionnaires. This gave a response rate of 94.1%.

4.2. Respondents' Level of Education

The participants were asked to name their highest level of education. Their responses were as shown in Figure 4.2

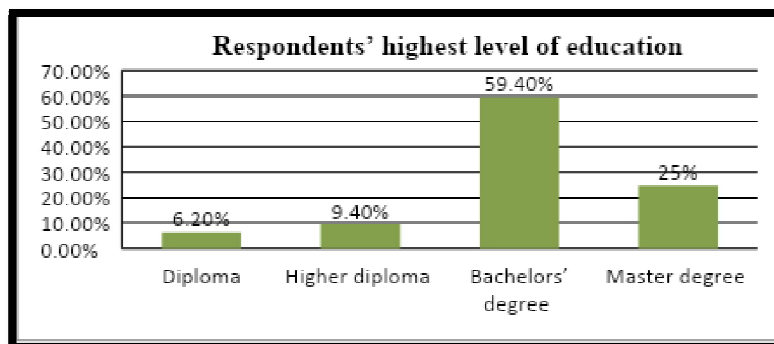


Figure 2: Respondents' Level of Education

As shown in Figure 4.2, majority of the respondents (59.4%) were bachelor degree holders, 25% were master's degree holders while 9.4% had higher diplomas and 6.2% had diplomas. This was an indication that most of the participants were highly educated and could therefore understand the issue under investigation.

4.3. Relationship between Competition and Repositioning

The first objective was to determine the relationship between competition and repositioning of selected financial institutions in Nyeri Town. This objective was met through various items as discussed below.

4.3.1. Whether the Institution Has Ever Repositioned

The respondents were asked whether their institution had ever repositioned. Their response was as recorded in Table 4.2

Response	Frequency	Percentage
Yes	29	90.6
No	3	9.4
Total	32	100.0

Table 1: Whether the Institution Has Ever Repositioned

As shown in Table 1, majority of the participants (90.6%) reported that their institution had ever repositioned. Only 9.4% reported otherwise. This was an indication that financial institutions take repositioning seriously and that is why most of them had done it. This was in line with Trout and Rivkin (2009) who declared that firms all over the world have been repositioning as competition increases.

4.3.2. Competition's Influence on Repositioning in the Bank

Figure 3 shows responses as to whether competition influences repositioning in the institutions under study.

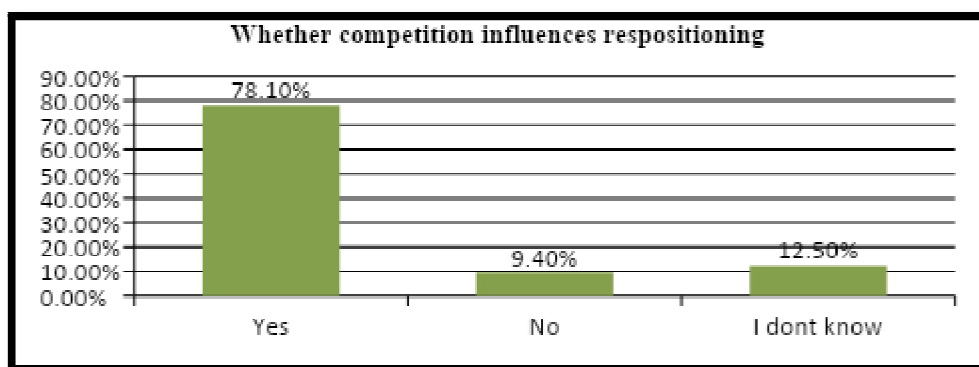


Figure 3: Whether Competition Influences Repositioning

A referenced in Figure 4.3, 78.1% of the participants were of the opinion that competition influences repositioning while 9.4% reported that it does not while 12.5% did not know whether competition influences repositioning. This meant

that most managers and marketing managers were aware that competition influences repositioning. This was as Kotler and Keller (2006) had found out.

4.3.3. Target When Repositioning

The participants were also asked who they targeted when repositioning. Their responses were recorded in Table 2

Target	Frequency	Percentage
This firm	5	15.6
Competition	11	34.4
Both	16	50.0
Total	32	100

Table 2: Target when Repositioning

According to Table 2, 15.6% of the respondents reported that when repositioning, they targeted their firm, 34.4% said they targeted the competition while 50.0% said they targeted both the firm and the competition. This shows that many firms acknowledged the competition. This was in line with Johns (2012) findings that competition is everywhere and some firms are fighting harder and harder for the same sales.

4.3.4. Basis of Repositioning Against Competition

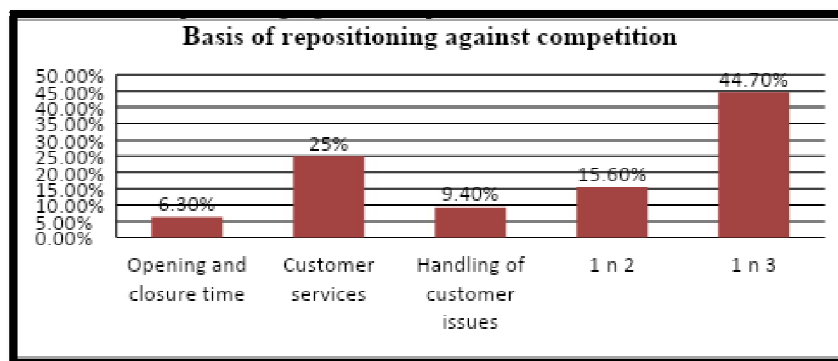


Figure 4: Basis of Repositioning Against Competition

According to Figure 4.4, the basis mainly used to reposition in 21.9% of the institutions was interest rate on loans, 6.3% used opening and closure time, 25% used customer services while 9.4% used handling of customer issues. Another 15.6% used interest rate on loans and opening and closure time while another 44.7% based repositioning on both interest rate on loans and customer services. These findings showed that interest rate on loans and customers services were the major basis used by the institutions to reposition.

4.3.5. Rating of Firm's Repositioning Compared to Competition

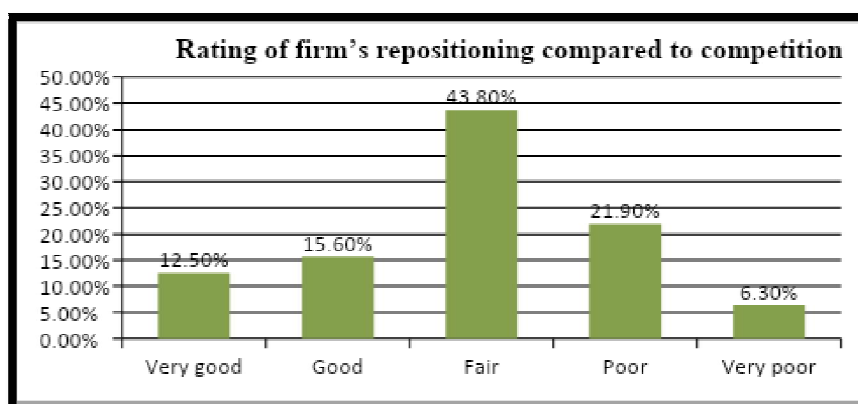


Figure 5: Rating of Firm's Repositioning Compared to Competition

Figure 5 shows the results of how participants rated firm's repositioning compared to competition. While 12.5% reported that the rating was very good, 15.6% said it was good while 43.8% reported that it was fair. Another 21.9% said it was poor while 6.3% said it was very poor. This was an indication that most managers and marketing managers were dissatisfied with the way their firms repositioned, compared to the ones of the competition. This would most likely affect

such firms' performance negatively. This was in line with Wang and Shaver (2014) who found out that as a strong firm moves closer, competition erodes the profitability of situated firms and prompts them to reposition.

4.3.6. Repositioning has Placed this Firm Ahead of Competition

When asked whether repositioning placed the firm ahead of competition, 16% of the participants strongly agreed that repositioning had placed their firm ahead of competition, 9% agreed while 44% disagreed and 31% strongly disagreed. The majority of the participants therefore disagreed that repositioning had placed their firm ahead of competition. This was an indication that something was lacking as far as repositioning in these firms was concerned. Trout recommended that every repositioning exercise should start with the competition in the mind (Ries & Trout, 2001). Marsden (2010) noted that ultimately, successful repositioning should be about repositioning a company against the market leader – or if the company is the market leader – the product or service that they want their brand to replace. In other words, repositioning is about competitive differentiation.

4.4. Influence of Customer Satisfaction on Repositioning

The second objective was to establish the relationship between customer satisfaction and repositioning of selected financial institutions in Kenya. To fulfil this objective, several items were used.

4.4.1. Rating of Customer Satisfaction in the Bank

Rating	Frequency	Percentage
Very high	3	9.4
High	6	18.8
Moderately high	16	50.0
Low	5	15.6
Very low	2	6.3
Total	32	100.0

Table 3: Rating of Customer Satisfaction in the Bank

4.4.2. Whether Respondents Receive Complaints from Their Customers

When asked whether they receive complaints from their customers, all the participants responded in the affirmative. When asked about what the complaints were about, the responses were as shown in Table 4.5

Complaint	Frequency	Percentage
Long queues in the banking halls	11	34.4
Delayed loans approval	5	15.6
Poor customer services	7	21.9
Poor products compared to competition	3	9.4
1 n 3	6	18.8
Total	32	100.0

Table 4: Types of Complaints Received from Customers

As referenced in Table 4, 34.4% of the customers complained because of long queues in the banking halls, 15.6% found fault with the delayed loans approval, 21.9% gave poor customer services as their complaint and 9.4% reported they were dissatisfied with the poor products compared to competition and 18.8% said it was both long queues in the banking halls and poor customer services. This implied that the institutions under investigation would have to work harder to satisfy their customers.

4.4.3. Length of Time Taken to Respond to Customers' Complaints

According to the findings, majority of the participants (53.1%) reported that they took one day to respond to customers' complaints, 25.0% took several days and only 21.9% said they took one hour. Taking long to respond to customers' complaints leads to dissatisfaction and as a result customer may move to competition as they look for satisfaction.

4.4.4. Number of Accounts Closed in the Bank Per Month

In relation to the number of accounts closed in the bank per month, 54% of the participants reported that they closed 1 to 5 accounts monthly, 22% said they closed 6 to 10 while 17% reported that they closed 11 to 15 accounts and 7% said they closed more than 15 accounts monthly. This was an indication that every institution represented in the study lost customers every month meaning that there were customers who were dissatisfied beyond being maintained. This was likely to affect the performance of these firms negatively. This was in line with Baker (2008) findings that customer should find a value in the product they purchase otherwise they would move to substitutes.

4.4.5. Extent to Which Customer Satisfaction Influences Repositioning

The participants were also asked to indicate the extent to which customer satisfaction influences repositioning. Table 5 shows their responses

Extent	Frequency	Percentage
Very great extent	21	65.6
Great extent	8	25.0
Neutral	3	9.4%
Total	32	100.0

Table 5: Extent to Which Customer Satisfaction Influences Repositioning

According to Table 5, most participants (65.6%) reported that customer satisfaction influences repositioning to a very great extent, 25% said it influences to a great extent while 9.4% were neutral. This indicated that most respondents were of the opinion that customer satisfaction has some influence on repositioning in their institutions. This was in line with Laermer and Punk (2007) finding that when companies meet customers' expectations they will be satisfied if they do not meet these expectations, this satisfaction will not be achieved while if the customer's experiences with the product is beyond their expectations, they will be greatly satisfied.

4.5. Influence of Business Prospects on Repositioning

The third objective was to determine the relationship between business prospects and repositioning of selected financial institutions in Kenya.

4.5.1. Whether Business Prospects Influence Repositioning in the Bank

The respondents were asked whether business prospects influence repositioning in the bank. Their responses were as shown in Table 4.7

Responses	Frequency	Percentage
Yes	23	71.9
No	2	6.3
Not sure	7	21.9
Total	32	100.0

Table 6: Whether Business Prospects Influence Repositioning in the Bank

As shown in Table 6, 71.9% of the participants responded in the affirmative that business prospects influenced repositioning in the bank, 6.3% said it did not affect while 21.9% said that they were not sure. These findings showed that majority of the participants recognized business prospects as people/organizations/businesses which can affect repositioning in a firm. This was in line with Pollack (2014) who discovered that one factor determining the repositioning of a firm's products is business prospects.

4.5.2. Main Business Prospects When the Business was Repositioning

Most participants (46.9%) reported that the business prospects they targeted when repositioning were individual customers, 18.8% targeted small businesses while 12.5% targeted corporate customers and 21.9% of the institutions targeted the three (individual customers, small businesses and corporate customers). This could indicate that maybe it was easier to get individual customers than corporate ones or small businesses. However, as Dacko (2008) had found out, diversification in relation to business prospects was necessary.

4.5.3. Rating Repositioning in Effectiveness to Win Business Prospects

According to the findings, 22% of the respondents rated repositioning in effectiveness to win business prospects very highly, 47% rated it highly while 22% rated it moderately high and 6% rated it low and 3% rated it very low. These findings showed that most participants were of the opinion that repositioning plays a great role in winning business prospects.

4.5.4. Whether It Is Any Easier to Get Business Prospects Since Repositioning

In relation as to whether it was any easier to get business prospects since repositioning, the respondents' responses were as recorded in Table 4.8

Response	Frequency	Percentage
Yes	26	81.3
No	6	18.7
Total	32	100.0

Table 7: Whether It Is Any Easier to Get Business Prospects since Repositioning

As shown in Table 7, 81.3% of the participants reported that it was easier to get business prospects since repositioning while 18.7 said it was not. For the ones who said that it was easier, they reported that since repositioning, the customers gave positive feedback and gave referrals to their family and friends hence it was easier to get business prospects. For the ones who said that it was not easier to get business prospects since repositioning, they said that due to lack of full understanding of repositioning and its implementation by the employees, it did not help the institution much and it was business as usual even after it was implemented hence repositioning had little impact in getting business prospect. These findings showed that while repositioning helped some institutions to get better business prospects, other did not benefit from it.

4.5.5. Extent to Which Business Prospects Influence Repositioning in The Bank

The findings revealed that 65.6% of the participants reported that business prospects influenced repositioning in the bank to a very great extent, 28.1% said it influenced to a great extent while 6.3% were neutral. Given that most of the participants reported that business prospects influenced repositioning in the bank, it meant that most firms repositioned to get new customers.

4.6. Influence of Customer Acquisition Costs on Repositioning

The fourth objective was to establish the relationship between customer acquisition costs and repositioning of selected financial institutions in Kenya.

4.6.1. Rating the Cost of Repositioning

The respondents rated the cost of repositioning as shown in Table 4.9

Rating	Frequency	Percentage
Very high	10	31.3%
High	17	53.1
Moderately high	5	15.6
Total	32	100.0

Table 8: Rating the Cost of Repositioning

As shown in Table 8, 31.3% of the respondents rated the cost of repositioning very highly, 53.1% rated it highly while 15.6% thought it was moderately high. These findings showed that firms have to consider the cost of repositioning when they decide to do so in order to benefit from it. This was in line with Mwakio (2013) findings that proper repositioning can significantly reduce the average acquisition cost for new business.

4.6.2. Necessity to Reposition

When asked whether they thought it was necessary to reposition, the participants responded as shown in Table

4.10

Response	Frequency	Percentage
Yes	22	68.8
No	10	31.2
Total	32	100.0

Table 9: Necessity to Reposition

According to Table 9 68.8% of the respondents reported that it was necessary to reposition while 31.3% thought otherwise. This was an indication that most firms were likely to consider repositioning as they thought that it was necessary. This was in line Gotham (2014) who reported that reposition is a must for firms but the important ratio to focus on, then, is one that tells the firm exactly how much value they are making from their customers in relation to how much it cost them to acquire the new customers.

4.6.3. More Expensive Option

Majority of the respondents (88%) reported that it was more expensive to acquire a new customer while the other 12% said it was more expensive to maintain an old customer. However, from previous findings, current customers were hardly considered when repositioning and this could be one reason why repositioning was not as effective as targeted by the firms under investigation.

4.6.4. Whether the Firm Has Ever Stopped Using a Certain Customer Acquisition Channel Prematurely

On being asked whether the firm has ever stopped using a certain customer acquisition channel prematurely, the participants responded as shown in Table 4.11

Response	Frequency	Percentage
Yes	27	84.4%
No	5	15.6%
Total	32	100.0%

Table 10: Stopping Using a Certain Customer Acquisition Channel Prematurely

According to Table 10, 84.4% of the participants reported that their firms had ever stopped using a certain customer acquisition channel prematurely while 15.6% said that their firm had not. When asked why they had stopped using a certain customer acquisition channel prematurely, 21.9% cited too high cost, 68.8% said it was due to poor customer turn-out while 9.4% said it was due to using a wrong channel of acquiring new customers. This meant that there were many firms which had used a lot of money to acquire new customers but stopped halfway when they failed to achieve this objective. This would increase the cost of customer acquisition with no financial gain for such firms. These findings were supported by Gotham (2014) who found out that increased marketing expenditures to reposition brands often fail to produce any improvements in either overall image or market share.

4.6.5. There Are Higher Returns on Investment after Repositioning

The respondents were asked whether there were higher returns on investment after repositioning. Findings revealed that 18.8% of the participants strongly agreed that there were higher returns on investment after repositioning, 59.4% agreed while 9.4% disagreed and 12.5% strongly disagreed. These findings showed that there were many firms which had benefited from repositioning by getting higher returns. However, there was significant number of firms which had not gotten higher returns after repositioning. This could mean that there was something lacking in these firms as far as repositioning was concerned.

4.7. Repositioning of Financial Institutions

As far as repositioning of financial institutions were concerned, several items were used to get the information as discussed below.

4.7.1. Last Time the Firm Repositioned

The respondents were asked about the last time that the firm repositioned. The results revealed that 44% of the participants reported that their firms had repositioned last year, 25% said their firm had repositioned 2 years ago while 12% said it was done 5 years ago and 19% reported it was done more than 5 years ago. This shows that most of the firms had considered repositioning.

4.7.2. Main Target of the Firm's Repositioning

The findings for the target of the firms' repositioning revealed that 53.1% of the respondents mainly targeted the competition when repositioning, 37.5% targeted business prospects while 9.4% targeted customer satisfaction. This meant that most firms had a very small consideration for the customers they already had and instead focused more on acquiring new ones and how to beat competition.

4.7.3. Effectiveness of Repositioning in Meeting the Firm's Objective

The participants were asked about the effectiveness of repositioning in meeting the firm's objective. Table 11 shows their responses

Effectiveness	Frequency	Percentage
Very effective	12	37.5
Effective	16	50.0
Moderately effective	4	12.5
Total	32	100.0

Table 11: Effectiveness Of Repositioning In Meeting The Firm's Objective

As shown in Table 11, half (50.0%) of the respondents thought that repositioning in meeting the firm's objective, 37.5% thought it was very effective while 12.5% said it was moderately effective. These findings showed that all participants were of the opinion that repositioning was effective in meeting the objectives of the firm.

4.7.4. Mistakes Were Done by the Institution Regarding Repositioning

The study also aimed to find out the mistakes that were done by the institution regarding repositioning. Some of the participants reported that their firms had failed to involve employees in the process; some had internal customer over focus, while others failed to involve all stakeholders and others incurred too high costs when implementing repositioning. As a result, repositioning was not as successful as they thought it would be.

4.7.5. What the Institution Would Do Differently to Achieve Repositioning in Future

The managers and marketing managers were asked about what the institution would do differently to achieve repositioning in future. Some said that they would consider total involvement of all sectors, other would increase focus on

customer satisfaction instead of over focusing on new customers. They reported that they would do more research on repositioning before doing it again to cut on cost as well as add on its benefits.

5. Summary of Findings

Competition within the banking sector is not a new phenomenon. The mainstream banks being key players in the financial sector have adopted different ways of repositioning themselves for instance through product and market differentiation, cost leadership, service diversification and market focus strategies to acquire strategic positioning in the financial industry hence growth. The general objective of this study is to establish the relationship between specific factors and their influence on repositioning of financial institutions.

The first objective was to determine the relationship between competition and repositioning of selected financial institutions in Kenya. Majority of the participants (90.6%) reported that their institution had ever repositioned. On influence of competition on repositioning, 78.1% of the participants were of the opinion that competition influences repositioning while 9.4% reported that it does while 12.5% did not know whether competition influences repositioning. On repositioning target 15.6% of the respondents reported that when repositioning, they targeted their firm, 34.4% said they targeted the competition while 50.0% said they targeted both the firm and the competition. The basis mainly used to reposition in 21.9% of the institutions was interest rate on loans, 6.3% used opening and closure time, 25% used customer services while 9.4% used handling of customer issues. Another 15.6% used interest rate on loans and opening and closure time while another 44.7% based repositioning on both interest rate on loans and customer services. Regarding how participants rated firm's repositioning compared to competition, 12.5% reported that the rating was very good, 15.6% said it was good while 43.8% reported that it was fair. Another 21.9% said it was poor while 6.3% said it was very poor. In addition, 16% of the participants strongly agreed that repositioning had placed their firm ahead of competition, 9% agreed while 44% disagreed and 31% strongly disagreed. These findings were in line with study findings by Shaw (2012); Ries and Trout (2001); Marsden (2010); Solis (2011) and Hochbaum, Moreno-Centeno, Yelland and Catena (2011) who found a link between competition and the need for businesses to reposition.

The second objective was to establish the relationship between customer satisfaction and repositioning of selected financial institutions in Kenya. All the participants reported that they had received complaints from their customers. Of these, 34.4% of respondents said it was because of long queues in the banking halls, 15.6% because of delayed loans approval, 21.9% due to poor customer services and 9.4% reported they were dissatisfied with the poor products compared to competition and 18.8% said it was both long queues in the banking halls and poor customer services. Regarding time taken to respond to customers' complaints, majority of the participants (53.1%) reported that they took one day to respond to customers' complaints, 25.0% took several days and only 21.9% said they took one hour. In relation to the number of accounts closed in the bank per month, 54% of the participants reported that they closed 1 to 5 accounts monthly, 22% said they closed 6 to 10 while 17% reported that they closed 11 to 15 accounts and 7% said they closed more than 15 accounts monthly. Most participants (65.6%) reported that customer satisfaction influences repositioning to a very great extent, 25% said it influences to a great extent while 9.4% were neutral. These findings were supported by Kerin, Rudelius and Hartley (2012) and Kotler and Keller (2012) who suggested that to reach customer satisfaction companies need to have a repositioning strategy especially because customer behaviour and attitudes varies from time to another.

The third objective was to determine the relationship between business prospects and repositioning of selected financial institutions in Kenya. 71.9% of the participants reported that business prospects influenced repositioning in the firm while 6.3% said it did not affect while 21.9% said that they were not sure. Most participants (46.9%) reported that the business prospects they targeted when repositioning were individual customers, 18.8% targeted small businesses while 12.5% targeted corporate customers and 21.9% of the institutions targeted the three (individual customers, small businesses and corporate customers). 22% of the respondents rated repositioning in effectiveness to win business prospects very highly, 47% rated it highly while 22% rated it moderately high and 6% rated it low and 3% rated it very low. 81.3% of the participants reported that it was easier to get business prospects since repositioning while 18.7% said it was not. For the ones who said that it was easier, they reported that since repositioning, the customers gave positive feedback and gave referrals to their family and friends hence it was easier to get business prospects. For the ones who said that it was not easier to get business prospects since repositioning, they said that due to lack of full understanding of repositioning and its implementation by the employees, it did not help the institution much and it was business as usual even after it was implemented hence repositioning had little impact in getting business prospect. These findings showed that while repositioning helped some institutions to get better business prospects, other did not benefit from it. 65.6% of the participants reported that business prospects influenced repositioning in the bank to a very great extent, 28.1% said it influenced to a great extent while 6.3% were neutral. These findings were in line with findings by Dacko (2008); Trout and Rivkin (2009); Ogden (2013); Turner (2014) and Omaria (2015) who had found out that firms reposition to get new customers.

The fourth objective was to establish the relationship between customer acquisition costs and repositioning of selected financial institutions in Kenya. 31.3% of the respondents rated the cost of repositioning very highly, 53.1% rated it highly while 15.6% thought it was moderately high. 68.8% of the respondents reported that it was necessary to reposition while 31.3% thought otherwise. 84.4% of the participants reported that their firms had ever stopped using a certain customer acquisition channel prematurely while 15.6% said that their firm had not. When asked why they had stopped using a certain customer acquisition channel prematurely, 21.9% cited too high cost, 68.8% said it was due to poor customer turn-out while 9.4% said it was due to using a wrong channel of acquiring new customers. Finally, 18.8% of the participants strongly agreed that there were higher returns on investment after repositioning, 59.4% agreed while

9.4% disagreed and 12.5% strongly disagreed. This was in line with findings by Gotham (2014); Ciotti (2014) and Ayele (2012) who had found out that the cost of customer acquisition is one of the costs that kill start-ups and one of the most expensive costs for running businesses hence can make businesses to reposition.

Regarding the dependent variable: repositioning of financial institutions, 44% of the participants reported that their firms had repositioned last year, 25% said their firm had repositioned 2 years ago while 12% said it was done 5 years ago and 19% reported it was done more than 5 years ago. 53.1% of the respondents mainly targeted the competition when repositioning, 37.5% targeted business prospects while 9.4% targeted customer satisfaction. Some of the mistakes that were done by the institution regarding repositioning included failure to involve all stakeholders and incurring too high costs when implementing repositioning. As a result, repositioning was not as successful as they thought it would be. However, to achieve repositioning in future, the participants would consider total involvement of all sectors, other would increase focus on customer satisfaction instead of over focusing on new customers. They would do more research on repositioning before doing it again to cut on cost as well as add on its benefits.

6. Conclusions

On the first objective, it can be concluded that competition was a factor considered when repositioning. However, despite the efforts made by the firms, they did not fully succeed in repositioning as it did not put many of them ahead of their competition as intended.

On the second objective, it can be concluded that customers' satisfaction was a consideration when repositioning. Nevertheless, customer satisfaction was found to be low as indicated by complaints about long queues in the banking halls, delayed loans approval, poor customer services and poor products compared to competition. It also took relatively long to solve customer issues and accounts were closed on a monthly basis.

Regarding business prospects, it can be concluded that they influenced repositioning. This was because effectiveness of repositioning in winning business prospects was rated very highly and it was easier to get business prospects since repositioning because the customers gave positive feedback and gave referrals to their family and friends about the firms. The cost of acquisition of customers influenced repositioning. This was because the cost was rated highly and a significant number of firms had ever stopped using a certain customer acquisition channel prematurely because of cost.

Finally, on repositioning in financial institutions, it can be concluded that majority of the firms under investigation had ever repositioned and they mostly targeted the competition. However, some had made mistakes in the process which included failure to involve all stakeholders and incurring too high costs when implementing repositioning. Nonetheless, future considerations for more successful repositioning would include total involvement of all sectors, increased focus on customer satisfaction instead of over focusing on new customers. More research on repositioning would be considered before doing it again to cut on cost and add on its benefits.

7. Recommendations of The Study

Based on the findings of the study, the following were recommended that:

- Financial institutions should study their competition well before using a lot of money to reposition. This would ensure that they come up with products and services to propel them ahead of the competition.
- Financial institutions should focus on the customers they have and attend to the issues affecting them negatively as it would be easier and cheaper to maintain them than acquire new ones
- Firms should diversify when looking for business prospects to get ahead of competition.
- Financial institutions should consider the costs of acquiring new customers to enable them to choose the more affordable but effective channels. This would ensure that they do not make heavy investments on customer acquisition and not benefit from them.
- The firms which have not yet considered repositioning should do so to stay ahead of competition. However, thorough research should be done before repositioning to avoid wastage of resources.

8. Suggestions for Further Studies

Since repositioning is a crucial issue in the current business world, the researcher suggested that a similar study should be done in other sectors and other regions in the country. This would increase the knowhow of repositioning and hopefully increase its adoption in firms all over the country.

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