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STRATEGIC REPOSITIONING AND PERFORMANCE OF INSURANCE COMPANIES IN NAIROBI COUNTY, KENYA

LYDIA KAGENDO SIMBA

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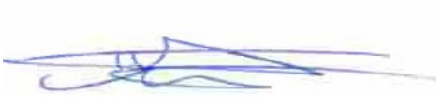
A DISSERTATION SUBMITTED IN PARTIAL FULFILLMENT FOR THE AWARD OF THE DEGREE IN MASTER OF BUSINESS ADMINISTRATION STRATEGIC MANAGEMENT AT THE SCHOOL OF BUSINESS AND LEADERSHIP STUDIES OF ST. PAULS UNIVERSITY, KENYA

SEPTEMBER, 2026

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DECLARATION

This dissertation is my own work and has not been submitted to any other institution for the award of academic credit.

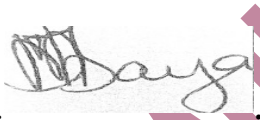
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DEDICATION

I devote this project to my daughter, colleagues, friends, and my supervisors for their unwavering support and encouragement throughout my academic journey.

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First, I express my gratitude to the Almighty God for His mercy and kindness throughout my academic journey and life. Through Him, I find the power, strength, and determination to navigate life and academics, including completing this thesis.

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ACRONYMS AND ABBREVIATIONS

GDP: Gross Domestic Product

GPV: Gross Premium Valuation

IFRS: International Financial Reporting Standards

IRA: Insurance Regulatory Authority

KBC: Kenya Broadcasting Corporation

KPIs: Key Performance Indicators

KQ: Kenya Airways

PLC: Product Life Cycle

PwC: PricewaterhouseCoopers

RBV: Resource-Based View Theory

UK: United Kingdom

ISERC: Institutional Scientific and Ethical Review Committee

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OPERATIONAL DEFINITION OF TERMS

Competitive repositioning	The strategic process of altering how a company or its product is perceived compared with competitors in the marketplace. This involves redefining the unique value proposition, differentiating the offering, or shifting consumer perceptions to create a more favorable competitive advantage.
Insurance Companies in Kenya	An insurance company is a financial institution that offers insurance policies to individuals, businesses, and organizations to provide risk management services. These policies are contracts in which the insurer agrees to compensate the insured for specific financial losses, damages, or liabilities arising from unforeseen events, in exchange for a premium payment.
Market repositioning	Refers to the strategic process of changing the perception of a product, service, or brand in the minds of consumers to adapt to evolving market dynamics, target a new audience, or differentiate from competitors.
Operational Repositioning	Is the strategic process of transforming a company's internal operations, systems, or processes to align with a new market position or organizational goals. This involves changes to improve efficiency, lower costs, or enhance the quality of services and products.
Performance	It is the capability of an individual, team, organization, or system to achieve specific goals, meet standards, or deliver results over a given period. It is often measured through key indicators, metrics, or outcomes that reflect how well an entity is performing relative to its objectives.
Product repositioning	is the process of changing the image, identity, or perception of products in existence in the minds of consumers to target

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	a new audience, adapt to market changes, or improve its competitive advantage.
Strategic repositioning	Refers to the process by which a company changes its position in the marketplace to better align with evolving market conditions, customer preferences, or competitive dynamics. This may involve gains a competitive advantage.

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ABSTRACT

The dynamic business environment requires organizations to continuously adapt in order to remain competitive and ensure their survival and sustainability. Failure to adapt to these changes may lead organizations into strategic challenges that prevent their growth and sustainability. In Kenya, the insurance companies' performance has remained relatively low, as reflected in the declining insurance penetration rate, which stood at 2.37% in 2020 compared to the peak performance of 3.44% recorded in 2013. Additionally, in 2020, twenty-four insurance companies held market shares of less than 3%, indicating persistent struggles to expand their market presence. The main aim of this research was to establish the effect of strategic repositioning on the performance of insurance companies in Nairobi County, Kenya. Particularly, the study sought to investigate the effect of market repositioning, determine the effect of product repositioning, examine the effect of competitive repositioning, and assess the effect of operational repositioning on the performance of insurance companies in Nairobi County, Kenya. This research was grounded in Product Life Cycle theory, Resource-Based View, Brand Equity, and Porter's theory of competitive advantage. The research utilized a descriptive research design. This study targeted 56 insurance companies. The observation unit comprised 336 management staff working in these firms at the lower, middle and top management levels. The research's sample size was reached using a stratified random technique and calculated using Krejcie and Morgan's sample size determination formula, which resulted in a sample size of 179 participants. Questionnaires were administered for primary data collection, comprising closed- and open-ended questions. Quantitative data analysis was conducted through descriptive and inferential statistics. Descriptive analysis used percentages, standard deviations, frequencies, and means, while multiple linear regression was used to determine the effect of strategic repositioning on insurance companies' performance in Kenya. The research found that market repositioning had a positive and significant effect on organizational performance in insurance companies, explaining 52.8% ($R^2 = 0.528$) of the variation in organizational performance. In addition, the study established that product repositioning had a positive and significant effect on organizational performance, explaining 53.0% ($R^2 = 0.530$) of the variation in organizational performance. Further, the study established that competitive repositioning had a positive and significant effect on organizational performance, accounting for 49.5% ($R^2 = 0.495$) of the variation in organizational performance. Moreover, the research established that operational repositioning had a positive and significant effect on organizational performance, explaining 54.8% ($R^2 = 0.548$) of the variation in organizational performance. The research recommends policymakers and the board of directors ensure market, product, competitive, and operational repositioning strategies are formalized and aligned with regulatory requirements and corporate objectives.

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CHAPTER ONE

INTRODUCTION

1.1 Background of the study

Performance of the insurance industry is important since it is commonly observed as the cornerstone of a country's system of risk management; subsequently, it guarantees financial security, is an essential component in the chain of financial intermediation and provides a ready source of long-term capital for infrastructural projects (Alhawtmeh, 2023). According to Du et al. (2019), the insurance industry plays a vital role in minimizing risk effects, which fosters growth by enabling entrepreneurs to safeguard themselves against potential exposures. Without insurance, entrepreneurs' capacity for risk-taking would be significantly limited. In addition, the insurance industry promotes small and large firms' growth, as it gives stability by permitting large and small businesses to work with a lower risk of volatility or failure. Furthermore, the insurance industry is crucial to the financial system. According to Du, Li, and Wu (2019), insurers are capable of pulling together a large pool of funds through collecting relatively small premiums from the insured in the economy that could be invested for short- and long-term periods.

According to estimates, worldwide insurance premiums plummeted by 2.7 percent in 2019. Sophisticated markets shrank by 2.3 percent, with Western Europe seeing the biggest drop (9.8 percent). Non-life insurance premiums increased by 1.9 percent globally in 2011 (AKI, 2019). To expand on this, insurance penetration is around 11% in the UK, compared to around 8.6% in the US (Swiss Re, 2019). South Africa's insurance market is an important component of the country's robust financial services sector. According to the International Monetary Fund (2022), the market share held by insurance firms has remained stable over the past decade, accounting for 18% of the total market. The business is highly consolidated, especially in the life insurance sector: 72% of the market lies in the life sector of five insurance firms, while 48% lies in the non-life sector. In South Africa, the life insurance market is larger than the non-life insurance sector (Msomi & Nzama, 2022).

EAC has streamlined trade in various areas, including insurance (Kajwang, 2022). In addition, streamlined trade tariffs have led regional insurance firms to set up branches and operations in local markets. For instance, registered Kenyan insurance companies like Jubilee Insurance and Britam Holdings Limited have branches in Uganda, Burundi, and Tanzania, creating competition because companies need competitive strategies to remain relevant in the market

(Kimani & Kariuki, 2021). The insurance industry in Kenya has also experienced growth alongside increased competition, including the entry of global insurance firms such as Old Mutual Group and Sanlam (AKI, 2019). Despite this growth, many insurance firms have not yet experienced sufficient growth in market share and profits due to intense competition (Muga, 2023). In Kenya will 55 underwriters of registered insurance as at 2019 (IRA), there are 55 registered insurance underwriters as at 2019 (IRA); of these, only 10 underwriters command a market share of 60% (Odhiambo, 2020). Multiple insurance firms have faced stiff competition from major underwriters and have not yet experienced significant growth (Du, Li, & Wu, 2019).

Villas-Boas (2018) defined strategic repositioning as the process by which an organization significantly alters its strategic direction—such as target markets, value proposition, or core activities—to achieve long-term competitive advantage or adapt to major external changes. In addition, Kimani and Kariuki (2021) noted that it involves a firm's conscious effort to alter the perception of its brand or product in the minds of target customers, often in response to shifts in market conditions, competitive dynamics, or consumer preferences. Strategic repositioning is mostly applied when responding to external forces, market shifts, or endogenous factors that may influence the firm's performance directly. Strategic repositioning is likely to have a noteworthy influence on the company's general output. According to Sheth, Jain, & Ambika (2020), strategic repositioning helps identify unique value propositions and competitive advantages when the firm reassesses and adjusts its market position. This boosted competitiveness results in enhanced market share and enhanced performance compared to competitors, as noted by Ngugi & Waithaka (2020). Therefore, this research aims to investigate the effect of strategic repositioning on the performance of insurance companies in Nairobi County, Kenya.

1.1.1 Organization Performance

Mahmoudi & Javed (2022) generally interpreted organizational performance as a firm's achievement of targets and goals. Scholars and researchers have offered a broad perspective on this concept. For instance, Gachanja (2019) found that organizational performance is measured by the inputs an organization makes toward its targets and goals, while Githumbi and Ragui (2019) saw performance as multidimensional, focusing on financial performance, internal processes, innovation, and adaptability. Moreover, Kaplan and Norton's (1990) integrated business performance framework breaks down performance into four standpoints: profitability, market engagement, process excellence, and capability building. As noted by Odhiambo and

Njuguna (2019), performance measurement involves examining how productively a firm is meeting its targets. According to Nyauncho and Nyamweya (2019), both non-financial and financial indicators contribute to a comprehensive assessment. Financial measures include profitability ratios such as net profit margin and return on equity. In contrast, non-financial measures cover areas like internal, process efficiency, customer satisfaction, and employee engagement (Abongo, Mutinda, & Otieno, 2019).

Within the insurance industry, performance measurement is particularly critical, serving as a gauge for financial health, risk management, and customer satisfaction (Ngugi & Waithaka, 2020). Key performance indicators include underwriting profitability, combined ratio, loss ratio, investment returns, customer retention, and claims processing time (Kajwang, 2022). These metrics collectively provide insights into the industry's economic stability, operational efficiency, and customer-centric focus (Shah, 2023). These studies show that organizational performance is measured through both non-financial and financial measures, including underwriting profitability, combined ratio, loss ratio, investment returns, customer retention, customer satisfaction, and claims processing time. In this research, customer satisfaction, market share, and profitability measure organizational performance.

1.1.2 Strategic Repositioning

Strategic repositioning, a key component within the broader framework of strategic management, operates at corporate, business, and functional levels, each influencing the organization's competitive advantage (Abongo, Mutinda, & Otieno, 2019). At the corporate level, repositioning involves redefining the company's overall direction, such as altering its long-term objectives, mission, or vision, to align with a new strategic focus. This might entail entering new markets, acquiring or divesting business units, or shifting from a low-cost provider to a premium brand (Gachanja, 2019). At this level, the goal is to ensure repositioning efforts support the organization's overarching goals and strengthen its competitive position on a larger scale (Johnson, Scholes, & Whittington, 2020).

At the business and functional levels, strategic repositioning becomes more specific and operational. At the business level, it focuses on how a company competes within a particular market by altering its competitive strategy, such as moving from cost leadership to differentiation, or targeting new customer segments (Kotler & Keller, 2019). At the functional level, repositioning involves tactical adjustments in operations, marketing, finance, and human resources to support higher-level strategies. While strategic repositioning often overlaps with

marketing, particularly in areas such as brand positioning and market targeting, it is fundamentally a strategic management concept. It is deeply rooted in the analysis and realignment of a company's competitive position in its industry (Muga, 2023). Strategic repositioning entails market repositioning, product repositioning, Competitive Repositioning, and operational repositioning.

Various studies have conceptualized strategic repositioning in different ways. For Schimmer and Brauer (2019) demonstrate that strategic repositioning involves changes in firms' market positioning and strategic orientation in response to performance and competitive pressures. Normann and Ramirez (2023) show that firms achieve strategic repositioning by enhancing market offerings and strengthening customer relationships to improve competitive positioning. Further, Oduor, Kilika and Muchemi (2021) indicate that strategic repositioning encompasses market repositioning, product repositioning, corporate rebranding, and internal process control as key strategies for organizational turnaround among manufacturing firms in Kenya. This study is anchored on four key dimensions of strategic repositioning: market repositioning, product repositioning, competitive repositioning, and operational repositioning, which are considered critical in enhancing organizational performance among insurance companies in Kenya.

According to Alhawtmeh (2023), market repositioning involves changing the perception of a product or brand to align with evolving customer preferences and market dynamics. Similarly, Abongo, Mutinda, and Otieno (2019) define market repositioning as identifying new markets or customer segments and redesigning marketing strategies to enhance competitiveness. From these definitions, market repositioning refers to strategically realigning a firm's market offerings to meet changing customer needs and strengthen its competitive position. In this study, market repositioning is conceptualized through consumer preferences, rebranding, and markets (new market development).

Gachanja (2019) defines product repositioning as modifying a product's features and attributes to improve its competitiveness and meet changing customer needs. Likewise, Shah (2023) views product repositioning as improving product quality, pricing, and packaging to enhance customer value and market appeal. From these definitions, product repositioning refers to strategically modifying product attributes to improve market acceptance and competitiveness. In this study, product repositioning is conceptualized through quality improvement, price adjustment, and packaging redesign.

Harcourt (2023) defines competitive repositioning as strategically adjusting a firm's brand and competitive strategies to strengthen its market position. Similarly, Githumbi and Ragui (2019) describe competitive repositioning as enhancing brand competitiveness through brand rejuvenation, relaunch, and expansion into new market segments. From these definitions, competitive repositioning refers to strategic initiatives that improve a firm's competitive advantage and market position. In this study, competitive repositioning is conceptualized through brand relaunch, brand rejuvenation, and brand proliferation.

According to Hussein and Sije (2023), operational repositioning involves realigning organizational processes and strategies to improve efficiency and respond to environmental changes. Similarly, Isenah and Ogonu (2020) define operational repositioning as optimizing operational activities through strategic realignment, cost efficiency, and decisions about expansion or contraction. From these definitions, operational repositioning refers to strategically adjusting organizational operations to improve efficiency and effectiveness. In this study, operational repositioning is conceptualized through strategy realignment, cost efficiency, and expansion or contraction.

1.1.3 Insurance Companies in Kenya

In Kenya, Insurance companies operate in a dynamic market, offering a range of financial protection services to businesses, individuals, and various sectors. The market is characterized by a diverse array of companies offering life, general, and health insurance products. These firms play a vital role in mitigating risk and protecting policyholders' financial security (IRA, 2020).

Kenya's insurance firms are governed by the Insurance Act, law of Kenya, Chapter 487. Insurance Regulatory Authority is the anchor regulator (IRA, 2020). The main objective of Kenyan insurance companies is to enhance their business viability while empowering customers by providing insurance options that are easy to understand and compare with others (PWC, 2020). Although insurance companies' performance in Kenya remains at a low insurance penetration level of 37% in 2020, up from 3.44%. In 2020, 24 firms had market shares of less than 3%, each striving to increase its share in vain. Furthermore, the lack of consolidation has resulted in a highly fragmented sector, with only 14 of 54 registered insurance firms gaining more than 1% market share, resulting in stiff competition in the sector (IRA, 2022). Strategic positioning is one of the major challenges encountered by insurance firms and still among the most significant both their growth and survival (IRA, 2021). The subsequent

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decline in insurance penetration indicates that the insurance sector has not been effective in capitalizing on the growing economy's insurance opportunities or in implementing appropriate growth strategies to enhance market penetration.

Kenyan insurance companies face several challenges; scholars like Gichira and Muturi (2020) have highlighted low insurance penetration in Kenya. Limited awareness of insurance products and their benefits among the population affects the industry's growth potential. Muriuki and Kabinga (2019) emphasize that insurance companies often grapple with the complexity of regulatory compliance. Strict regulatory requirements challenge companies through higher operational costs and the need to adhere to evolving standards. Njoroge (2019) and Muriithi (2020) highlight challenges related to claims management and fraud. Inefficiencies in claims processing and fraudulent activities impact the financial (profitability, sales) and non-financial (market share, quality, customer satisfaction) performance of insurance companies.

1.2 Statement of the Research Problem

Insurance industry performance is vital because it is widely recognized as the foundation of a nation's risk management system. This, it ensures financial stability, is pivotal in the financial intermediation chain, and provides a source of long-term capital that is readily available for infrastructure projects (Alhawtmeh, 2023). Yet their performance is still low. For instance, the performance of Kenyan insurance companies is low, with overall insurance penetration of 2.37% in 2020, down from the peak of 3.44% in 2013 (IRA, 2021). The insurance sector is characterized by low market concentration, with many insurance companies holding very small market shares. In 2020, 24 of the 56 insurance companies had market shares below 3%, while only 14 held more than 1%. This fragmented market structure has intensified competition, making it difficult for many insurance companies to improve their market position and organizational performance. Strategic positioning is not only a key obstacle but also paramount to survival and growth (IRA, 2021). Poor or absent implementation of strategic repositioning leads to poor performance, and research indicates that proper implementation improves performance. This ineffective execution in Kenya's insurance sector may result in stagnation, reduced market share, and lower competitiveness both locally and globally. Moreover, failure to implement strategic repositioning effectively could lead to the eventual exit of struggling firms from the market, further consolidating the sector in ways that limit consumer choice and potentially increase the cost of insurance products. This underscores the critical need for this study to explore effective strategic repositioning practices that can boost the sustainable performance of Kenyan insurance companies.

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Various studies have been done on strategic repositioning but have concentrated on other industries such as the transport and communication industries (Masinde, 2020). Mutunga (2019), Mungai and Bula (2019). Other studies have been carried out on the effect of strategic repositioning on particular companies and in the context of the marketing field but little has been done on the industry they operate in (Alhawtmeh, 2023; Ebere & Onuoha, 2022), Githumbi & Ragui, 2019), Kiragu, 2019).

Additionally, other studies have used varied methodologies such as case studies covering individual organizations; hence, the results may not be generalizable to the insurance sector (Kimani & Kariuki, 2021; Kiragu, 2019). To bridge these gaps, this research intended to investigate the effect strategic repositioning has on the performance of insurance companies in Nairobi County, Kenya.

1.3 General Objective

was to investigate the effect of strategic repositioning on the performance of insurance companies in Nairobi County, Kenya

1.3.1 Specific Objectives

i) To investigate the effect of market repositioning on the performance of insurance companies in Nairobi County, Kenya

ii) To determine the effect of product repositioning on the performance of insurance companies in Nairobi County, Kenya.

iii) To examine the effect of Competitive Repositioning on the performance of insurance companies in Nairobi County, Kenya.

iv) To assess the effect of operational repositioning on the performance of insurance companies in Nairobi County, Kenya.

1.4 Research Hypotheses

This research sought to test the following hypotheses:

H01: Market repositioning has no significant effect on the performance of insurance companies in Nairobi County, Kenya.

H02: Product repositioning has no significant effect on the performance of insurance companies in Nairobi County, Kenya.

H03: Competitive repositioning has no significant effect on the performance of insurance companies in Nairobi County, Kenya.

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H04: Operational repositioning has no significant effect on the performance of insurance companies in Nairobi County, Kenya.

1.5 Significance of the Study

The outcomes of this study were of advantage to a diverse group of stakeholders, including policymakers and Kenya's government, insurance companies' management, scholars, and researchers. To policymakers and the Kenyan government, the research provided essential insights to inform regulatory frameworks and policies within the insurance field. As the study unfolds, understanding the impact of strategic repositioning on performance enabled future policymakers to develop more informed and targeted regulations. This knowledge was poised to contribute to the creation of an environment that encourages strategic initiatives, fosters competitiveness, and ensures the growth and stability of the insurance industry, thereby benefiting the broader economy.

Management of Kenyan insurance companies derived actionable insights from this study. As the study advanced, a broad look into the effect of strategic repositioning on performance was expected to guide the leadership of the companies in maximizing their repositioning strategies, ensuring smooth and efficient running of activities, and boosting the general output. This study provided valuable insights to guide the creation of agile and sustainable business models that conform to evolving demands of the insurance market in Kenya.

Academicians benefited from the study by contributing valuable information on the link between strategic repositioning and organizations' performance in the insurance sector, precisely in the context of Nairobi County, Kenya. By examining real-world applications of strategic management theories in a dynamic and competitive industry, the research enriched the academic literature with empirical evidence that could support or challenge existing models and frameworks. Furthermore, the study provided a contextual analysis of how local market dynamics influenced the effectiveness of strategic repositioning, offering a foundation for further scholarly inquiry and comparative studies in similar or contrasting environments. Academicians also utilized the findings to enhance curriculum development, case studies, and academic discourse on strategic management and performance measurement in emerging markets.

1.6 Scope of the Study

This research investigated the effect of strategic repositioning on the performance of insurance companies in Nairobi County, Kenya. Specifically, it evaluated the effect of market, product,

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operational, and competitive repositioning on performance. Insurance companies were selected because they operate in a highly competitive and dynamic environment that requires continuous strategic repositioning to sustain organizational performance. Nairobi County was selected because it hosts the headquarters of all 56 registered insurance companies in Kenya, making it the country's principal hub for insurance operations and strategic decision-making. The research was conducted in 56 insurance companies in Nairobi County, Kenya, using a descriptive research design. Management employees working in the 56 insurance companies were targeted; hence, the unit of analysis was 56 insurance firms, while 336 management staff working in these firms, including top, middle-level, and lower-level managers, were the unit of observation. Krejcie and Morgan's sample size determination formula was used in the sample size calculation. size. The formula yielded a sample size of 179 respondents. Stratified random sampling technique was utilized. The research was conducted at the headquarters of the insurance companies during the study period.

1.7 Limitations of the Study

The research had several methodological limitations that could have affected the scope and depth of the findings. One key limitation was the potential for response bias because of the sensitivity of the data being sought. Employees and senior managers may have withheld or distorted information, especially on issues deemed classified or critical to the organization's competitive position. This could have led to incomplete or inaccurate data, thereby affecting the validity of the study's conclusions. To mitigate this limitation, the researcher assured respondents of anonymity and confidentiality, obtained informed consent, and emphasized that the information would be used solely for academic purposes to encourage honest and accurate responses.

Limited access to senior personnel presented a methodological constraint, as essential information may have been restricted due to its confidential or strategic nature. This could have resulted in a data imbalance, emphasizing lower-level employee perspectives while excluding key insights from senior leadership. To mitigate this limitation, the researcher submitted formal access requests, scheduled appointments in advance, and made follow-up visits to engage senior managers and ensure balanced, comprehensive data collection.

Given the demanding nature of respondents' roles, there was a risk of non-response or incomplete responses, which could have affected both the volume and reliability of the data. This was especially true in time-constrained settings where professional responsibilities took

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precedence. To mitigate this limitation, the researcher liaised with management early to schedule data collection at convenient times, allowed respondents adequate time to complete the questionnaires, and conducted follow-up visits to improve the response rate.

Finally, insufficient time and resources may have hampered the research, limiting its scope. For example, the researcher faced constraints in covering a wide range of organizations or collecting data over an extended period, which could have limited the generalizability of the study findings. To mitigate this limitation, the researcher developed a detailed data collection schedule, managed available resources efficiently, and employed a representative sampling strategy to ensure that the selected organizations and respondents adequately reflected the target population, thereby enhancing the reliability and relevance of the study findings.

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CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

The focus of this chapter is literature in relation to the effect of strategic repositioning on insurance companies' performance. It presents a summary of findings from other experts who have conducted investigations in the same study area. The chapter begins with an overview of theoretical literature, followed by a review of empirical literature and a conceptual framework.

2.2 Theoretical Review of Literature

According to Sekaran (2018), theoretical review enables the presentation of theory and concept understanding that are both important to the research topic and connect to the wider areas of knowledge under consideration, a set of connected statements or principles describe key theories relating to how strategic repositioning affects the performance of Kenyan insurance companies. In this study, the Resource-Based View (RBV) Theory provided the overarching theoretical foundation. This study was anchored by Resource-Based View Theory (RBV), product life cycle theory, brand equity theory, and Porter's theory of competitive advantage.

2.2.1 Brand Equity Theory

Brand Equity Theory was founded by David A. Aaker in 1991, a professor in marketing at the University of California, Berkeley. It begins with brand awareness, defined as a consumer's capability to recognize and recall a brand. Increased brand recognition results in high consumer awareness and brand consideration during the decision to purchase. Brand equity is influenced by the consumer's perception of brand quality. According to Ebere and Onuoha (2022), brands that are regarded as offering high-quality products or services are likely to have high brand equity as there is willingness of consumers to pay a premium and remain faithful to such a brand.

Brand equity is further influenced by the relationship between the consumer and the brand. These relationships can be functional (related to attributes of the product and performance), emotional (related to feelings and experiences), or symbolic (related to self-expression and identity). Brand loyalty strengthens brand equity, which means the extent of consumer attachment and repeat purchasing behavior towards a brand. Brands that exhibit high loyalty levels enjoy customer base stability and are insusceptible to competitive pressures (Worimegbe & Ifedayo, 2020).

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Brand Equity Theory assumes that the value of the brand is influenced by the consumer's perception of it. Critics, however, argue that objective factors like financial performance and market share are also key determining brand value. The theory posits that fostering strong brand value can contribute to a company's sustained competitive edge. Critics argue that brand equity by itself may not assure success if competitors offer products or services that are similar at lower prices or with improved features. Brand Equity Theory highlights the significance of maintaining consistency with the brand's core values and identity. However, critics warn against excessive rigidity, as brands may need to adapt to changing market dynamics and consumer preferences over time. The theory recognizes the impact of market dynamics, preferences of consumers, and competitive landscape on brand equity. However, it may not fully capture the complexity of these factors and their interactions in influencing brand value (Oduor, Kilika & Muchemi, 2021).

This study applied brand equity theory to explain how market repositioning influences insurance companies' performance by enhancing brand value and customer perceptions. The theory posits that strong brand equity is achieved through high brand awareness, positive brand associations, perceived quality, and customer loyalty. In this study, the theory guided the assessment of how market repositioning through rebranding, market development, and market segmentation enables insurance companies to strengthen their brand image, attract new customer segments, and respond to changing market needs. By enhancing brand visibility and aligning insurance products with customer preferences, market repositioning is expected to improve customer acquisition, retention, and organizational performance. The theory therefore provided the theoretical foundation for investigating the effect of market repositioning on the performance of insurance companies in Nairobi County, Kenya.

2.2.2 Product Life Cycle theory

Raymond Vernon, an Economist and researcher at Harvard University, developed the Product Life Cycle (PLC) Theory in 1960. It outlines the stages a product goes through its lifecycle in the market. In the initial stage, the product launches with low sales because consumer awareness is low. Marketing efforts focus on building product awareness and establishing a market base (Ebere & Onuoha, 2022). When the product's popularity takes off, it enters the growth stage. During this stage, sales increase rapidly as consumer awareness expands. Competitors may enter the market, encouraging companies to adopt aggressive marketing and distribution strategies to increase market share (Wasika & Kwasire, 2020). Maturity stage follows the growth stage characterized by sales growth that is stable as market nears saturation.

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Competition that is intensified results to price wars influencing companies to stress on differentiation of products and loyalty of customers to retain market position (Elena & Matute, 2020).

The product eventually enters the decline stage, where sales decline due to market saturation, shifts in consumer preferences, or new technological advancements. At this stage, companies face the decision on whether to eliminate the product or execute strategies to prolong its lifecycle Ebere & Onuoha, 2022). The theory, however, has critiques for reducing the complexity of product life cycles. Critics argue that overgeneralization is caused by overlooking individual product and characteristics of industries. Moreover, the predictive power of the theory is limited since it cannot consider the duration or trajectory of every stage because of market conditions that are rapidly changing. Product Life Cycle Theory furthermore assumes that market dynamics are homogeneous, which may be uncertain across all industries and regions, thereby limiting its applicability. Despite these limitations, PLC Theory remains a valuable framework for guiding companies in strategic planning and decision-making around product development and evaluation (Wasika & Kwasire, 2020).

This study applied product life cycle theory to explain how product repositioning influences insurance company performance as insurance products progress through different stages of their life cycle. The theory guided the assessment of whether continuous product modifications through quality improvement, price adjustment, and packaging redesign enable insurance companies to sustain the relevance and competitiveness of their products. Specifically, it was used to examine how these product repositioning strategies help insurance companies respond to changing customer preferences, improve customer satisfaction and retention, attract new market segments, and enhance organizational performance. The theory therefore provided the theoretical foundation for determining the effect of product repositioning on the performance of insurance companies in Nairobi County, Kenya.

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2.2.3 Porter's Theory of Competitive Advantage

Michael E. Porter, an esteemed economist and professor at Harvard Business School, developed Porter's Theory of Competitive Advantage in 1985. He identifies cost leadership as a way to gain competitive advantage by being the industry's lowest-cost producer. Firms adopting this strategy focus on offer products and services at lower prices than competitors while remaining profitable (Oladimeji & Itohowo, 2019).

Porter further outlined the differentiation strategy, where firms seek to distinguish their products or services from competitors' offerings in ways customers value. By providing distinct features, high quality, or exceptional customer service, firms can achieve a competitive advantage by commanding premium prices and building customer loyalty (Makau & Ambrose, 2018). He also presents the focus strategy where firms pay attention to serving the target market. Firms can achieve high customer satisfaction and loyalty by customizing products, services, or marketing efforts to meet the specific needs of the target market (Karim, 2019).

The theory assumes that industry structure plays a pivotal role in determining competitive advantage. However, it is argued by critics that it overlooks the importance of dynamic market environments and the firm's potential to impact the structure of the industry through strategic actions (Shah, 2023; Githumbi & Ragui, 2019). While Porter's theory stresses the importance of attaining sustainable competitive advantage, critics argue that sustaining such an advantage in the long run is challenging due to factors like technological development, changing consumer preferences, and competitive pressures (Makau & Ambrose, 2018).

Furthermore, critics argue that Porter's framework may oversimplify strategic management complexities by advocating a one-size-fits-all approach to gaining competitive advantage. In reality, firms may need to adopt a combination of strategies or adjust their strategies over time to stay competitive in dynamic markets. Porter's Theory of Competitive Advantage was founded when globalization was less interconnected; hence, critics question its relevance in today's globalized economy. According to LaRocca and Stagliano (2023), critics argue that aspects such as international competition, cross-border supply chains, and cultural differences might need more detailed approach to attaining competitive advantage.

This study applied Porter's theory of competitive advantage to explain how competitive repositioning influences insurance companies' performance by creating sustainable competitive advantage. The theory posits that organizations achieve superior performance by pursuing cost leadership, differentiation, and focus strategies that enable them to outperform competitors. In this study, the theory guided the assessment of how competitive repositioning through brand relaunch, brand rejuvenation, and brand proliferation enables insurance companies to differentiate their products and services, strengthen their market position, and respond effectively to changing customer preferences and competitive pressures. The theory was therefore used to examine whether these competitive repositioning strategies enhance customer loyalty, increase market share, and improve organizational performance.

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Consequently, Porter's Theory of Competitive Advantage provided the theoretical foundation for examining the effect of competitive repositioning on the performance of insurance companies in Nairobi County, Kenya.

2.2.4 Resource-Based View Theory

The RBV of the Firm, initially proposed by Birger Wernerfelt in 1984 and later enhanced by Barney in 1991, has had a substantial impact on the business literature. A Key proposition of RBV is that firm's capabilities and resources depend on competitive advantage. Non-substitutability, imperfect imitability, rarity, and value, according to Barney (1991), are four traits that cause a firm's competitive advantage. RBV suggests that firms have varying resources, and these differences are key sources of competitive advantage. The theory posits that resources and capabilities are imperfectly mobile between firms implying that it is hard for competitors to duplicate resources that are valuable, rare and inimitable. RBV asserts that a lasting firm's competitive benefit can be attained by leveraging capabilities and resources that are unique for value creation to customers and outdo competitors in the long run. Based on RBV, firms create value by using their capabilities and resources in ways that are distinctive, valuable, and hard to copy, enabling them to earn above-average returns (Akinseye et al., 2022).

Resource-Based View Theory has numerous key assumptions. First, it assumes that competitive advantage depends on a firm's ability to combine resources and capabilities in unique ways. Secondly, it assumes that resources and capabilities are imperfectly mobile among firms, implying that firms can maintain a competitive edge if resources are valuable, rare, and inimitable (Akinseye et al, 2022). Another assumption is that firm's value is created by using capabilities and resources that are unique in ways that yield competitive advantage and excellent financial performance.

RBV is also not without critiques. It is argued by critics that Resource-Based View Theory concentrates narrowly on internal resources and capabilities understating the significance of extrinsic factors like dynamics of the market, structure of the industry and competitive positioning (Nshimiyimana, 2021). In addition, critics argue that key concepts of RBV, namely "valuable," "rare," and "inimitable," are too abstract and subjective, resulting in tautological reasoning where the success of a firm is only considered when they possess resources that are valuable (Ron, 2008; Priem & Butler, 2001). According to Mukeshimama, Nkechi, and Jefferson (2019), although RBV provides a theoretical framework for understanding

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competitive advantage, implementing it in firms can be challenging, particularly when it comes to effectively identifying and leveraging unique resources and capabilities.

This study applied Resource-Based View (RBV) theory to explain how insurance companies can strategically use and reallocate valuable, rare, inimitable, and non-substitutable resources to enhance organizational performance through operational repositioning. The theory posits that firms achieve superior performance when they effectively deploy internal resources and capabilities to improve operational efficiency and adapt to changing business environments. In this study, RBV guided the assessment of how operational repositioning through strategy realignment, cost efficiency, and expansion or contraction enables insurance companies to optimize resource utilization, improve service delivery, and achieve sustainable competitive advantage. The theory therefore provided the basis for evaluating the effect of operational repositioning on the performance of insurance companies in Nairobi County, Kenya.

2.3 Empirical Literature Review'

2.3.1 Market Repositioning and Organization Performance

Elena and Matute (2020) assessed firms' performance and green marketing strategy. The researchers sourced data from 361 manufacturing firms of a European nation. The study employed Structural equation modelling with EQS software to analyze the data gathered. The research found that green marketing strategy improved profitability by optimizing marketing performance and reducing expenditure. Nevertheless, aspects of corporate outcomes, such as procedural efficacy, do not favorably correlate with financial prosperity. However, the study was conducted in a European country, making its findings less generalizable to the Kenyan context due to differences in economic and institutional environments. In addition, while the study focused on firm performance, the current study focuses on organizational performance.

Akinseye et, al (2022) probed the effect of marketing approaches on corporate expansion: a case of chosen industries in Lagos State, Nigeria. The research framework employed was survey and documentary analysis. The target demographic consisted of selected sales supervisors, marketing managers, practitioners, and company trainers from different companies in Lagos State. The study determined that marketing strategies are intertwined with an organization's resources, and that customers, consumers, products, and services are considered a pivotal element that propels organizations towards efficiency, effectiveness, and success. Similarly, Elena and Matute (2020) found that green marketing strategies improve firm profitability. Nevertheless, the study relied on survey and documentary analysis, whereas

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the current study adopts a descriptive research design; hence, the findings may not be fully generalizable to the present context. In addition, the study was conducted in the Nigerian context, which differs from the Kenyan context in terms of economic structure, institutional frameworks, and organizational environments.

Mukesh, Mama, Nkechi and Jefferson (2019) investigated the influence of market positioning on the operational outcomes of Rwandese independent power producers: a specific examination of chosen IPPs. The study employed a descriptive quantitative research design. The cohort of interest comprised project managers, senior management staff, executive directors, and board members. The study found that segmentation strategy positively affected the performance of Rwandan independent power producers. These findings conform to Akinseye et al. (2022), who observed that marketing strategies are strongly linked to organizational efficiency, effectiveness, and overall performance outcomes. Nonetheless, this research was confined to a case study of selected IPPs, whereas this study centered on Kenyan insurance companies.

Isenah and Ogonu (2020) examined the market repositioning strategy and commercial performance of Nigerian listed food and beverage firms. The study used secondary and primary sources to gather data. The study's subjects encompassed 14 quoted food and beverages firms on the NSE. The study found that a replacement strategy can be used to reverse a challenging situation caused by declining sales growth and market share, but it cannot reverse a turnaround situation caused by declining profitability. These findings concur with Akinseye et al. (2022), who observed that marketing strategies are strongly linked to organizational efficiency, effectiveness, and overall performance outcomes. Conversely, the results contradict Mukesh Mama, Nkechi and Jefferson (2019), who found that segmentation strategy Rwandan independent power producers. Nevertheless, the study was confined to Nigerian listed food and beverages firms; the current study is confined to Kenyan insurance companies.

Nshimiyimana (2021) investigated the impact of market collaborations on the effectiveness of MFIs in Rwanda. The study employed a survey design, with a target group of 491 MFIs. The study found that marketing alliances significantly affect MFI performance. The research concluded that market collaborations positively contribute to microfinance performance compared to firms operating without such alliances. These findings align with Isenah and Ogonu (2020), who observed that marketing-related strategies can improve organizational outcomes under certain conditions, and generally conform to Akinseye et al. (2022), who established a positive relationship between marketing strategies and organizational

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performance. Nonetheless, this study was undertaken in Rwanda; consequently, its outcome cannot be universally applied to this study due to variations in geographical contexts between Rwanda and Kenya. The study also employed a survey design; the current study used a descriptive research design.

Tharamba, Rotich and Anyango (2018) examined the impact of market repositioning on firm performance within telecommunications companies in Kenya, specifically focusing on Safaricom Limited. The study used a descriptive research design and a comprehensive survey approach. The intended demographic for this study consisted of management personnel working in the research Limited headquarters. The research found that marketing segmentation on performance within the Kenyan telecommunications industry. It was concluded that market repositioning positively affects the performance of firms listed on the NSE. These findings concur with Nshimiyimana (2021), who established that marketing collaborations significantly enhance organizational performance in MFIs, and also conform to Isenah and Ogonu (2020) and Akinseye et al. (2022), who generally found that marketing-related strategies improve organizational outcomes. Nevertheless, this research concentrated on the marketing and research & development departments, whereas the current study centered on management-level employees; thus, the findings cannot be directly applied to this study. In addition, the study focuses on telecommunications companies, whereas the current study focused on Kenyan insurance companies.

2.3.2 Product Repositioning and Organization Performance

Zhang (2019) examined the efficacy of product repositioning strategies from the customers' viewpoint. Passengers of an Australian airline were polled to ascertain whether its repositioning strategies had been successful. The findings indicate that passengers perceive product characteristics differently from industry and academia, creating a gap in understanding. This discrepancy, in turn, profoundly influences the development of positive and favorable perceptions and satisfaction. Nevertheless, this study was conducted in Australia, a developed nation; therefore, its findings may not be fully generalizable to a developing country such as Kenya due to differences in economic and institutional contexts. In addition, the study was confined to the airline industry, whereas the current study focuses on the insurance industry.

In Nigeria, Ebere and Onuoha (2022) investigated on the product reorientation approach and outcomes of SMEs in Rivers State. This examination employed a cross-sectional survey design. The intended population encompassed 1205 SME ventures within Rivers State. The research

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found that ambidexterity qualities were significantly and positively related to SME performance metrics. The study concluded that product reorientation is a concept perceived positively and favorably by target clientele, who acknowledge and concur with the attributes of the revised service offerings and products. These findings generally conform to Zhang (2019), who observed that product repositioning strategies influence customer perceptions and satisfaction. However, while the original research centered on 1205 SMEs in Rivers State, the present study concentrated on insurance corporations in Kenya. The study also employed a cross-sectional survey design; the current study employed a descriptive research design.

Wasika and Kwasire (2020) delved into the impact of product reorientation on enduring competitive advantage within financial establishments in Kakamega County. The investigation adopted a descriptive survey methodology, with the target demographic comprising 111 senior management personnel from authorized financial institutions across Kakamega County. The results showed that product reorientation had a significant effect on sustainable competitive advantage in the specified financial entities. Consequently, the study concluded that product reorientation demonstrably influences long-term competitive advantage. These findings generally align with Ebere and Onuoha (2022), who found that product reorientation is positively associated with organizational performance outcomes. The study findings also are consistent with Zhang (2019), who found that product repositioning strategies influence customer perceptions and satisfaction. However, the study focused on financial establishments, the current study focused on organizational performance.

Oduor, Kilika, and Muchemi (2021) investigated how manufacturing firms in Kenya achieved organizational turnaround through product repositioning strategies. The research employed a descriptive survey approach and focused on 107 large manufacturing companies across Kenya. Findings indicated that these firms implemented product repositioning strategies to a moderate-to-very high degree. The research concluded that the surveyed large manufacturing companies had significantly developed and executed product repositioning efforts, while corporate rebranding was deployed to a moderate extent. These findings concur with Wasika and Kwasire (2020), who established that product reorientation significantly enhances sustainable competitive advantage in financial institutions. The study findings are also with consistent with Ebere and Onuoha (2022) and Zhang (2019), who reported that product repositioning positively influences organizational performance and customer-related outcomes. However, the study focused on manufacturing firms; the current study focuses on organizational performance.

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2.3.3 Competitive Repositioning and Organization Performance

Harcourt (2023) explored the link between competitive repositioning and the marketing performance of food and beverage manufacturing firms in Rivers State. The research adopted a correlational investigation and included all twenty-seven food and beverage companies in the region. The study selected four respondents from each company, for a total of 108 individuals who completed structured questionnaires. The findings revealed a significant link between competitive repositioning and these companies. Nonetheless, the study employed a correlational investigation, whereas the current study adopted a descriptive research design. Also, the study centered on Nigerian food and beverage manufacturing firms, current study centers on Kenyan insurance firms.

Similarly, Ebere and Onuoha (2022) investigated the correlation between competitive reorientation and SME performance in Rivers State. The research concluded that competitive reorientation helps companies better understand and adapt to evolving consumer demands by adjusting their brand positioning, product offerings, and marketing strategies. By remaining responsive to customer preferences, businesses can sustain their relevance and effectively satisfy customer expectations. These findings generally conform to Harcourt (2023), who established a significant positive relationship between competitive repositioning and marketing performance. However, the study was conducted in the Nigerian context, while the current study is confined to the Kenyan context, making the findings less generalizable due to differences in economic, institutional, and organizational environments.

Isenah and Ogonu (2020) analyzed the link between Competitive Repositioning strategy and the commercial prosperity of publicly traded food and beverage companies in Nigeria. A descriptive research design was employed, and the management staff within these firms were the target. The research concluded that the Competitive Repositioning strategy exerted a discernible effect on the business success of the Nigerian companies. These findings concur with Ebere and Onuoha (2022), who established that competitive reorientation enhances firms' ability to adapt to changing consumer needs through adjustments in brand positioning, product offerings, and marketing strategies, thereby improving performance outcomes. The findings also conform to Harcourt (2023), who reported a significant positive relationship between competitive repositioning and marketing performance. Nonetheless, while the previous study was confined to Nigerian food and beverage companies, the current study is confined to Kenyan insurance companies.

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Worimegbe and Ifedayo (2020) examining the correlation between customer retention and corporate rebranding, focusing on a selected telecommunication firm in Nigeria, specifically 9Mobile. Employing a descriptive survey research design, data was gathered using questionnaires. The results indicated that perceived quality, corporate identity, and corporate repositioning significantly influenced customer retention, whereas product feature measures did not significantly affect customer retention in the telecommunication industry. These findings agree with Isenah and Ogonu (2020), who established that competitive repositioning strategies have a discernible positive effect on organizational performance, and are also consistent with Ebere and Onuoha (2022) and Harcourt (2023), who reported that competitive reorientation and repositioning improve organizational and marketing performance. Nonetheless, the study was conducted in Nigeria, a country with different economic, institutional, and organizational environments compared to Kenya.

Oduor, Kilika, and Muchemi (2021) investigated the influence of brand repositioning on the performance of large Kenyan manufacturing companies. Using a descriptive survey, the research gathered data from functional-level managers across 107 large manufacturing firms in Kenya. The findings revealed that these firms implemented the repositioning strategy to a moderate-to-very high degree. Specifically, internal process control aspects and the strategy's network relationship showed a significant positive statistical effect on the performance of the sampled companies. These findings concur with Worimegbe and Ifedayo (2020), who established that corporate repositioning significantly influences customer retention through factors such as perceived quality and corporate identity, and are also consistent with Isenah and Ogonu (2020), Ebere and Onuoha (2022), and Harcourt (2023), who reported that repositioning and competitive reorientation strategies positively affect organizational and marketing performance outcomes. However, the study focused on manufacturing companies; the current study centers on insurance companies.

Mukabwa (2020) explored the impact of competitive repositioning on the performance of large-scale manufacturing companies in Nairobi, Kenya. Guided by social judgment, Heider's balance, and customer-based brand equity (CBBE) theory, the research utilized a descriptive survey design. The target populace comprised 455 large-scale manufacturing firms in Nairobi, as listed by the KAM. Primary data was gathered via questionnaires. The research found that rebranding significantly influenced the performance of large-scale manufacturers in Nairobi. These findings align with Oduor, Kilika and Muchemi (2021), who found that brand repositioning has a significant positive effect on the performance of Kenyan manufacturing

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firms. The results also concur with Worimegbe and Ifedayo (2020), as well as Isenah and Ogonu (2020), Ebere and Onuoha (2022), and Harcourt (2023), who found that repositioning and competitive reorientation strategies positively influence organizational performance outcomes. However, the study focused on large-scale manufacturing companies; the current study focuses on organizational performance.

2.3.4 Operational Repositioning and Organizational Performance

A study by Ahmed, Montagno, and Firenze (2019) examined the influence of diverse operational strategies on organizational performance among U.S. firms. The results showed that firms with those that did not. Nevertheless, the advantages plateaued after implementing a few strategies, suggesting that only a limited number of effective strategies are needed for firms to substantially boost performance. It was also observed that larger firms tended to adopt multiple strategies more frequently than their smaller counterparts. However, since this research was undertaken in the USA, a developed nation, its conclusions are not directly applicable or generalizable to a developing country such as Kenya.

Leeietial (2020) investigated the influence of operational innovation and Quality Management (QM) practices on performance in the healthcare sector. The research emphasized that QM practices, including continuous process improvement and various quality programs, substantially boosted patient satisfaction and operational outcomes, such as cost reduction and enhanced service quality. The findings underscored the vital role of quality management in fostering performance improvements in healthcare environments. These findings align with Ahmed, Montagno, and Firenze (2019), who found that using diverse operational strategies improves organizational performance. However, since this study concentrated exclusively on the health sector, its conclusions are not directly transferable to the current study, which focused on the insurance industry.

Joe et al (2016) examined the effect of distinct forms of inter-organizational trust—namely, calculative and relational—on organizational performance. The investigation found that both types of trust positively influenced performance, underscoring the importance of cultivating robust, trust-based relationships between organizations to achieve superior operational outcomes. This study thus emphasizes the strategic significance of fostering trust to enhance organizational performance. These findings align with Lee et al. (2020), who found that quality management practices and operational innovation significantly improve organizational performance through greater efficiency, lower costs, and better service quality. These findings

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are also consistent with Ahmed, Montagno, and Firenze (2019), who reported that of diverse operational strategies improves firm performance. Nonetheless, the focused on inter-organizational trust. focused on inter-organizational trust; the current study centers on operational repositioning

Sardana, Terziovski and Gupta (2020) investigated the influence of operational repositioning on performance. The research utilized a mixed-methods approach, integrating survey data from a varied sample of organizations with detailed case studies. The target population comprised organizations actively involved in global supply chains. The findings revealed a positive link, showing that operational repositioning indeed impacts organizational performance. These findings align with Joe et al. (2016), who found that inter-organizational trust positively influences organizational performance by strengthening operational relationships. The findings also align with Lee et al. (2020), who reported that operational improvements and quality management practices enhance efficiency, reduce costs, and improve service quality. However, the study employed a mixed-methods approach, whereas the current research adopts a descriptive research design.

In the US, Akkermansi (2023) analyzed 354 organizations listed on the US Standard and Poor's 500 Index, using data from 2005–2006 and 2008–2009. Using multiple regression to test the hypotheses, the research showed that operational repositioning had a weaker positive association with performance and that the advantages linked to unrelated diversification were harder to realize during periods of crisis. These findings agree with Sardana, Terziovski and Gupta (2020), who established that operational repositioning positively influences organizational performance, as well as Joe et al. (2016) and Lee et al. (2020), who reported that operational and relational strategies enhance performance outcomes. Nevertheless, as this research was undertaken in the USA, a developed nation, its findings are not directly transferable or generalizable to a developing country such as Kenya.

Makau and Ambrose (2018) examined the influence of operational repositioning on the performance of investment firms listed on the NSE, Kenya. They used an explanatory non-experimental design and concluded that operational repositioning remains a universal research phenomenon for management and social science researchers, as its effects remain inconclusive. These findings partially align with Akkermans (2023), who reported a weaker positive relationship between operational repositioning and performance, suggesting that its effects are not consistently strong across contexts. However, Akkermans (2023) still identifies a measurable positive association. However, the study employed an explanatory non-

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experimental research design, whereas the current research adopts a descriptive research design. In addition, the study focused on investment firms, while the current study centers on insurance companies.

Karim (2019) investigated the influence of operational repositioning on organizational performance. Through a combination of case studies and quantitative analysis, the authors examined the implementation of lean practices, such as just-in-time production and continuous improvement, across several automotive companies. The target population consisted of automotive manufacturers globally adopting lean principles. The findings indicated that companies embracing lean production methods experienced significant improvements in productivity, quality, lead times, and cost reduction, ultimately enhancing organizational performance and competitive advantage. These findings generally concur with Makau and Ambrose (2018), who observed that operational repositioning remains a widely studied phenomenon with inconclusive but potentially significant effects on performance, and are also consistent with Akkermans (2023), who reported a weak but positive relationship between operational repositioning and organizational performance. However, this research adopted an integration of case studies, while this research employed a descriptive research design.

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Table 2. 1: Research Gaps

Author	Title	Findings	Research Gaps
Akinseye, *et, al* (2022)	The impact of marketing strategies on organizational growth: a study of selected industries in Lagos State Nigeria	This study concluded that marketing strategies are tied to an organization's products, services, consumers, customers, and resources, and are considered a critical factor that drives organizations to effectiveness, efficiency, and success.	This study is focused on a survey and documentary analysis, while the current study used a descriptive research design; hence, the study findings cannot be generalized to the current study
Tharamba, Rotichiand Anyango (2018)	The effect of market repositioning on the firm's performance in the telecommunications firms in Kenya: a case of Safaricom Limited	The study found that marketing, segmentation had a positive influence on the organizational performance in the telecommunication industry in Kenya	This study targeted marketing and research & development departments while the current study focused on the management level employees; hence, the findings of this study cannot be adopted to the current study
EbereiandiOnuoha	The product	The study concluded	Nevertheless, the

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(2022)	repositioning strategy and performance of small and medium-scale enterprises in Rivers State, Nigeria.	that product repositioning is a construct with a positive and favorable view framed by its target customers, who recognize and agree that the features of their reformed product offerings and services are at the same or identical level as other firms in the market segment with which their brand in question aspires to match and compete.	study targeted 1205ismall and medium businesses in Rivers state in the current study focused on insurance companies in Kenya
LaRocca & Stagliano (2023)	The effect of operational repositioning on performance using 2,613 organizations in Italy	The study revealed that operational repositioning is less positively associated with performance, and the benefits associated with unrelated diversification are harder to make during periods of crisis	This study was conducted in Italy, which is a developed country; hence, the study findings cannot be generalized to Kenya

Source: Researcher (2025)

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2.4 Conceptual Framework

The conceptual framework illustrates the relationship between the study's independent and dependent variables. It visually represents how the predictor variables—market repositioning, product repositioning, competitive repositioning, and operational repositioning—are hypothesized to influence organizational performance. Figure 2.1 presents the conceptual framework adopted for this study.

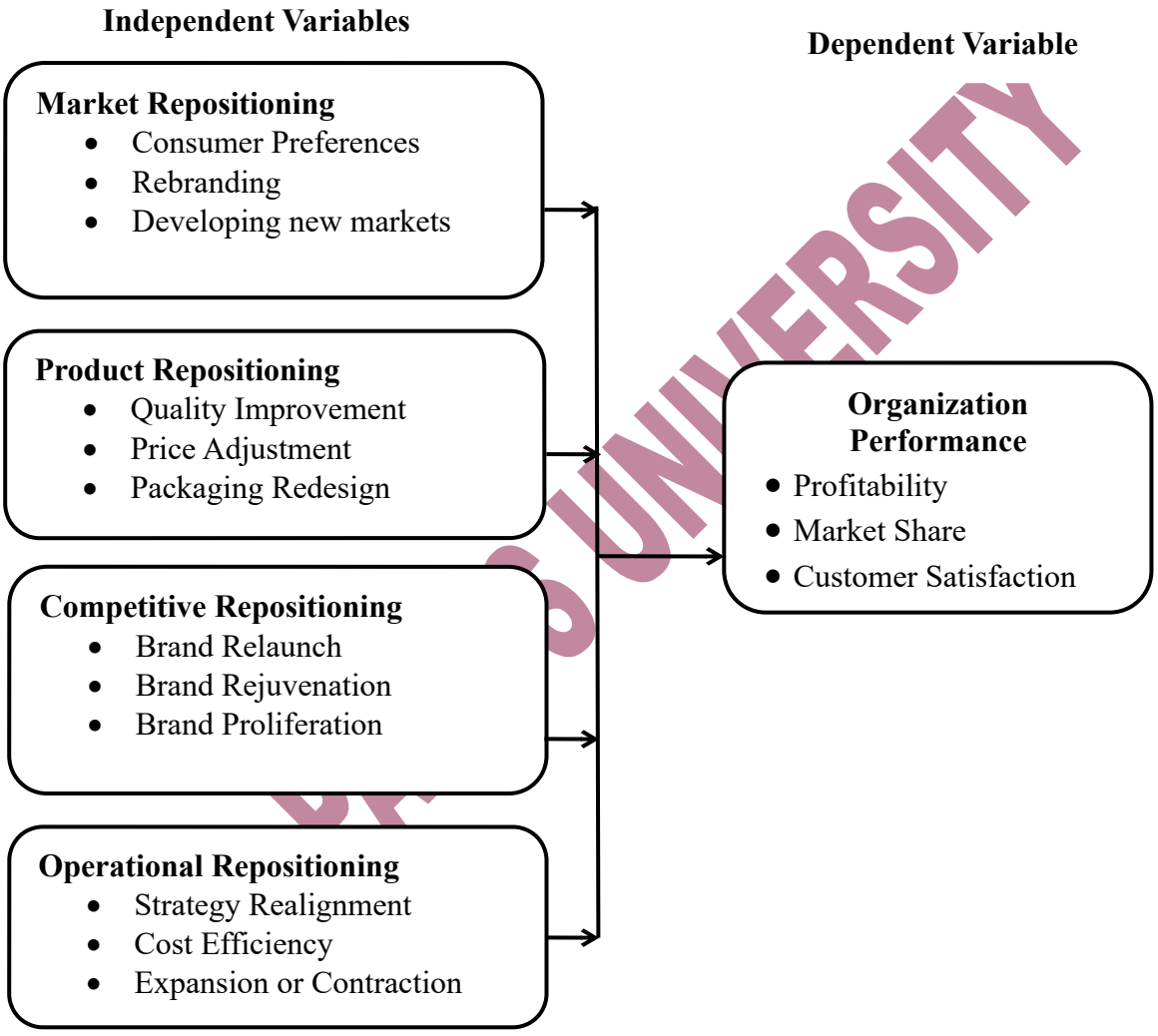


Figure 2.1: Conceptual Framework

Source: Adapted from Elena and Matute (2020), Zhang (2019), Harcourt (2023) and Leeietial (2020)

Figure 2.1 illustrates the conceptual framework adopted in this study, showing the relationship between the independent and dependent variables. Market repositioning was measured using consumer preferences, rebranding, and developing new markets (Tharamba, Rotich &

Anyango, 2018); product repositioning was measured through quality improvement, price adjustment, and packaging redesign (Oduor, Kilika & Muchemi, 2021); competitive repositioning was measured using brand relaunch, brand rejuvenation, and brand proliferation (Oduor, Kilika & Muchemi, 2021); while operational repositioning was measured through strategy realignment, cost efficiency, and expansion or contraction (Makau & Ambrose, 2018). These dimensions were hypothesized to influence organizational performance, which was measured using profitability, market share, and customer satisfaction. The framework therefore demonstrates the expected relationship between strategic repositioning dimensions and organizational performance among insurance companies in Nairobi County, Kenya.

The research hypotheses include;

H01: Market repositioning has no significant effect on the performance of insurance companies in Nairobi County, Kenya.

H02: Product repositioning has no significant effect on the performance of insurance companies in Nairobi County, Kenya.

H03: Competitive repositioning has no significant effect on the performance of insurance companies in Nairobi County, Kenya.

H04: Operational repositioning has no significant effect on the performance of insurance companies in Nairobi County, Kenya.

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CHAPTER THREE

RESEARCH METHODOLOGY

This chapter explains the methods that were utilized to undertake the research process. A thorough explanation of research design, population, sampling frame, sample and techniques of sampling, instruments as well as procedure of data collection, pilot test and data processing and analysis methods. The research methods focused on achieving the specifically to investigate the effect of strategic repositioning on Nairobi's insurance company performance in Kenya.

3.1 Research Design

According to Newing (2019), research design refers to the strategies and procedures used to guide the collection, evaluation, and analysis of data in a study. It provides a systematic framework for organizing the research process, including decisions on how data will be collected and analyzed, to ensure that the study addresses its research objectives and produces valid and reliable findings (Yin, 2019). There are various research design types like longitudinal, explanatory, experimental, cross-sectional and descriptive research design. This study adopted a descriptive research design, which focuses on describing the characteristics of a phenomenon as it exists without manipulating the study variables. The design was appropriate because it allowed the researcher to collect data from insurance firms and describe patterns of market, product, competitive, and operational repositioning and their relationship with organizational performance in their natural setting. In addition, the design enabled comparison of key characteristics such as firm demographics, ownership structure, and years of establishment across insurance firms, thereby supporting a comprehensive analysis of the study variables (Chuan & Penyelidikan, 2019).

3.2 Target population

The target population comprised 336 management employees drawn from 56 insurance companies in Nairobi County, Kenya, including top, middle, and lower-level managers. This population was selected because managers at different levels are directly involved in strategy implementation and organizational decision-making, making them best suited to provide relevant information for the study. The unit of analysis was the 56 insurance firms in Nairobi County, as the study focused on firm-level performance outcomes. The unit of observation was the individual managers (top, middle, and lower level), since they were the primary respondents providing data on organizational practices and performance indicators. This choice was

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justified because firm-level conclusions were derived from aggregated responses from key managerial personnel directly involved in strategic and operational processes.

Table 3. 1: Target Population

Category	Target Population
Top Managers	56
Middle Level Managers	112
Lower Level Managers	168
Total	**336**

Source: (IRA, 2024)

3.3 Sample Size and Sampling Technique

Stratified random technique was used to select respondents from the target population. This technique was appropriate because the population was heterogeneous, consisting of top, middle, and lower-level managers. Stratification ensured that each category was adequately represented, while still giving every manager an equal chance of selection, thereby reducing bias and enhancing sample representativeness.

The study's sample size was determined using Krejcie and Morgan's sample size formula (Russell, 2020). The formula employed for calculating the sample size is

$$n = \frac{x^2 NP(1-P)}{\left(ME^2(N-1)\right) + \left(x^2 P(1-P)\right)}$$

Where:

n=sample size

x^2=Chi-square for the specified confidence level at degree of freedom

N=Population size (336)

P = is the proportion in the target population estimated to have characteristics being studied. As the proportion was unknown, 0.5 was used.

ME=desired margin of Error

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$$n = \frac{1.96^2 336 * 0.5 * 0.5}{(0.05^2 * 336) + (1.96^2 * 0.5 * 0.5)}$$

$$n = 179$$

Thus utilizing the formula, 179 respondents was the study's sample size and were selected through stratified random sampling technique.

Table 3. 2: Sample Size

Category	Target Population	Sample Size
Top Managers	56	29
Middle Level Managers	112	60
Lower-Level Managers	168	90
Total	**336**	**179**

Source: Researcher (2025)

3.4 Data Collection Instrument

This research obtained primary data. Questions were standardized to enable comparison of findings. The study used structured questionnaires to collect data, including open-ended questions standardized to enable comparison across respondents. The questionnaire level of agreement with the questions, and consisted of two parts. Part one captured the demographic profile of the respondents, while part two captured the applied turnaround strategies. In this context, data referred to the information gathered during the research (Yin, 2020). A questionnaire is a document comprising a list of questions used to collect insights from participants. Using a questionnaire ensured uniformity throughout the data collection process, as all respondents answered the same set of questions. It also gave respondents sufficient time to respond, allowing several days to return the questionnaires. Furthermore, the questionnaire's anonymity likely encouraged more honest responses (Kothari, 2020). Therefore, questionnaires proved efficient and appropriate for this research.

3.5 Data Collection Procedure

The data collection process followed a systematic, ethically compliant strategy to ensure the integrity and credibility of the investigation. The data collection method used was structured questionnaires. Before going to the field, the investigator first got an official introduction letter

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from the affiliated university. This letter introduced the researcher to the relevant institutions and explained the purpose of the academic study.

Following the issuance of the introduction letter, the investigator applied for and obtained a research permit from NACOSTI. This permit is a mandatory legal requirement in Kenya for conducting research involving human subjects. Further, permission was obtained from the Institutional Scientific and Ethical Review Committee to ensure that the research met ethical standards, especially regarding informed consent, confidentiality, and the safeguarding of respondent rights.

Once necessary approvals and permits were secured, the researcher proceeded to the data collection phase. This involved purposively selecting insurance companies operating in Nairobi County based on their registration with the Insurance Regulatory Authority (IRA) and their active operational status in the county, and administering structured questionnaires to relevant participants, including management and staff involved in strategic planning and performance monitoring. The investigator ensured that all participants were aware of the aim of the investigation and that their participation was voluntary.

3.6 Pilot Study

A pilot test serves as trial and preparation for the actual study. It revealed weaknesses in the questionnaire that required adjustments. This test ensures reliability and validly of the tools used in research. According to Lancaster, Dodd, and Williamson (2019), a pilot test can be adequately conducted using 1% to 10% of the population. This research conducted the pilot study among insurance companies in Kiambu County (outside Nairobi County, the main study area) to avoid contaminating the actual sample. Specifically, the pilot respondents were 17 management employees (top, middle, and lower-level managers) drawn from these selected Kiambu-based insurance firms. The questionnaire was administered to 17 respondents, representing 10% of the study population, as recommended by Lancaster, Dodd, and Williamson (2019). The pilot study was conducted in selected insurance companies outside Nairobi County to avoid contamination of the main study sample. The unit of observation comprised 17 management employees (including top, middle, and lower-level managers) drawn from these insurance firms. The pilot test refine the research instrument by identifying ambiguous questions, improving clarity, and ensuring language appropriateness before the main data collection, as suggested by Kvale (2020). Participants involved in the pilot study

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were excluded from the main study. The pilot study results led to minor amendments, including rewording of unclear items and improving question clarity and flow.

3.6.1 Validity

Validity is the extent to which a tool accurately assesses what it is intended to assess (Kothari, 2019). That is, the degree to which the variations found within the measuring instrument represent exact differences among those being examined. According to Donaldi and Delno (2021), it is the effectiveness and suitability of the study tool utilized in the study. Inferences made from scores require to be appropriate, meaningful and useful in order to be valid (Saunders et al, 2020). There is therefore an inseparable relationship between validity and reliability.

Content validity was used to assess the validity of the research instruments, ensuring that the questionnaire adequately covered all the study objectives and measured the intended concepts. This was achieved through expert review, professionals: an entrepreneurship expert and the study supervisor. The supervisor assessed whether the items aligned with the constructs being measured, while the subject expert evaluated the relevance and adequacy of the questions in measuring the performance of Kenyan insurance companies. Their feedback on clarity, relevance, and representativeness was used to revise and improve the questionnaire before data collection, thereby enhancing the instrument's content validity.

3.6.2 Reliability

A measurement is reliable if it produces consistent outcomes. A reliable measuring tool does result to validity but a reliable tool is not necessarily a valid one. Thus, reliability is the degree to which measures are error-free and ultimately produce consistent results. This implies that the reliability of the collected data was determined through tests involving consistency of test scores, that is, the extent to which individuals are expected to exhibit relatively consistent deviation scores across different testing situations using similar or parallel instruments.

The internal consistency test, based on Cronbach's alpha, tested the reliability of the data. Internal consistency of data is established by relating the scores acquired at one time with the scores derived at other times in the research instrument. Acceptable reliability estimates in social sciences range from 0.70 to 1.0. According to Kothari (2019), a Cronbach's alpha value above 0.7 indicates higher consistency for a given scale and was therefore accepted. The result of the relationship was the Cronbach's alpha coefficient, which was a value between -1 and 1. The coefficient is high when it has an absolute value of at least 0.7, otherwise, it is considered low.

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High coefficient indicates high correlation among these items, implying that there is high consistency between the items and they should therefore be retained in the tools. This research correlated items in the instruments to determine how they relate best. Conversely, when the coefficient is very low, the items were reviewed either by extracting it from the tool or correcting it. This study adopted a Cronbach's alpha value of 0.7.

3.7 Data Analysis and Presentation

SPSS version 28 was used to code, clean, and enter the data for analysis. The study was purely quantitative. Inferential and descriptive statistics were used in quantitative data analysis.

Frequencies, standard deviation, percentages, and mean constituted descriptive statistics. The effect of strategic repositioning on the performance of insurance companies was analyzed through correlation and multiple regression analysis. Correlation analysis helped to determine the link between response and predictor variables. A confidence level of 95% were utilized to test the significance of every predictor variable. Multiple linear regression together with simple linear regression model that were used is illustrated below:

$$Y = \beta_o + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \varepsilon$$

Where:

Y represents dependent Variable (Performance of insurance companies in Nairobi City County, Kenya)

β represents a constant or Intercept

β1, β2, β3, β4 represents the regression coefficients estimates

X_1 Represents Market Repositioning

X_2 Represents Product Repositioning

X_3 Represents Brand Repositioning

X_4 Represents Operational Repositioning

ε Represents error term (represents the influence of the variables that were not covered by the equation)

3.8 Ethical Considerations

Ethical considerations entail strict adherence to the best practices involved in conducting a study and interacting with the communities where the study is being conducted. These also require professional conduct when involving the respondents in the study (Pratt & Yezierski, 2018). Some of the common principles that were observed during data collection included the principles of informed consent, anonymity, confidentiality, and beneficence.

Regarding informed consent, the respondents were sensitized to the importance of the research and asked to take part in the research on a voluntary basis without any form of intimidation or coercion. The researcher also obtained all the legal authorizations before commencing fieldwork. These included getting an official letter from the university department authorizing commencement of data collection, application for a research permit from NACOSTI, and approval from the Institutional Ethical Review Committee (IERC) verifying the ethical compliance of the study before data collection began.

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CHAPTER FOUR

DATA ANALYSIS, PRESENTATION, INTERPRETATION AND DISCUSSIONS

4.1 Introduction

This chapter offers the analysis, interpretation, and discussion of the data gathered to investigate the effect of strategic repositioning on insurance companies' performance. It begins with a presentation of the response rate and the participants' demographic information. The chapter then investigates in detail the study objectives, which include market repositioning, product repositioning, competitive repositioning, and operational repositioning, and evaluates their effect on organizational performance. Descriptive and inferential statistics were used to summarize the data, identify trends, and determine the link between the predictor and response variables.

4.2 Response Rate

Of the 179 questionnaires issued to lower, middle, and top managers, 163 were completed and returned, yielding a 91.06% response rate. The high response rate was achieved through consistent follow-ups with respondents, personal delivery and collection of questionnaires, and allowing sufficient time for completion. In addition, support from selected insurance firms' management facilitated access to respondents and encouraged participation. Russell (2021) notes that a 75% response rate is adequate for analysis; therefore, the attained rate was considered sufficient to ensure reliable and representative findings.

Table 4. 1: Response Rate

Category	Sample Size	Responses	Response Rate
Top Managers	29	23	79.31
Middle Level Managers	60	55	91.67
Lower Level Managers	90	85	94.44
Total	**179**	**163**	**91.06**

Source: (IRA, 2024)

4.3 Validity and Reliability Results

A pilot test was undertaken to evaluate and improve the reliability and validity of the research tool. The pilot sample consisted of 17 participants, representing 10% of the total sample size. Table 4.2 presents the reliability results for the research variables, showing the Cronbach's Alpha coefficients and the number of items used to measure each construct.

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Table 4. 2: Reliability Results

Variable	Cronbach's Alpha (α)	Number of Items
Organizational Performance	0.889	6
Market repositioning	0.901	6
Product repositioning	0.856	7
Competitive repositioning	0.834	7
Operational repositioning	0.792	7

Source: (Researcher, 2025)

As shown in Table 4.2, the reliability results indicate that all study variables achieved acceptable levels of internal consistency, with Cronbach's Alpha values spanning from 0.792 to 0.901, exceeding the minimum suggested threshold of 0.70. Market repositioning recorded the highest reliability (α = 0.901), followed by organizational performance (α = 0.889) and product repositioning (α = 0.856), demonstrating strong consistency among their respective items. Competitive repositioning also showed good reliability (α = 0.834), while operational repositioning, though the lowest at 0.792, still met the acceptable threshold. The results confirm that the measurement instruments used for all five variables were suitable and reliable for further analysis.

Table 4.3 provides the validity results, showing AVE for each study variable.

Table 4. 3: Validity Results

Variable	Average Variance Explained
Organizational Performance	0.601
Market repositioning	0.635
Product repositioning	0.572
Competitive repositioning	0.598
Operational repositioning	0.541

Source: (Researcher, 2025)

The construct validity findings depicted in Table 4.3 indicate that all study variables achieved satisfactory validity, with AVE values ranging from 0.541 to 0.635, all above the recommended minimum threshold of 0.50. Market repositioning recorded the highest AVE (0.635), demonstrating strong convergence among its measurement items, followed by organizational performance (0.601) and competitive repositioning (0.598). Product repositioning (0.572) and operational repositioning (0.541) also met the acceptable standard, confirming that the underlying constructs explain more than half of the variance in their elements. These results affirm that the measurement items used for all variables reliably captured their intended concepts

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4.4 Demographic Information

The respondent's general information included gender, education level, and duration of work in the company, which were used to describe the demographic characteristics of the study participants and assess their suitability in providing informed responses on organizational practices. Gender shows representation balance, education level indicates respondents' analytical capacity, and work duration reflects experience with organizational processes and repositioning strategies.

4.4.1 Respondent's Gender

The respondent was asked to indicate their gender. The findings were as shown in Table 4.4. male. The findings show that 50.3% specified that they were male, while 49.7% specified that they were female. The results imply that there is a fairly balanced gender representation among lower-level, middle-level and top managers in insurance companies. This enhances the study by reducing gender bias and ensuring that the results reflect perspectives from both male and female managers in insurance companies.

Table 4. 4: Respondent's Gender

Gender	Frequency	Percent
Male	82	50.3
Female	81	49.7
Total	**163**	**100.0**

Research Data (2025)

4.4.2 Level of Education

Respondents were requested to specify their education level. The findings were as presented in Table 4.5. The results indicate that 54.6% of respondents had undergraduate degrees, 39.9% held diplomas, and 5.5% had postgraduate qualifications. This means that the majority of participants had an undergraduate qualification, indicating strong academic capacity among managers in insurance companies, which enhances the reliability and credibility of their responses on organizational strategies and performance.

Table 4. 5: Level of Education

	Frequency	Percent
Postgraduate	9	5.5
Undergraduate	89	54.6
Diploma	65	39.9

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Total	**163**	**100.0**

Research Data (2025)

4.4.3 Duration of Work

Respondents were asked to specify how long they have worked in the company. The findings were as depicted in Table 4.6. As shown in Table 4.6, 31.3% of the respondents reported having 10 to 15 years of work experience, 29.4% had 5 to 10 years, 20.9% had over 15 years, while the smallest group, 18.4%, had less than 5 years. The findings indicate that most respondents had substantial work experience, which enhances the study by ensuring informed and credible insights on strategic management practices in insurance firms.

Table 4. 6: Duration of Work

	Frequency	Percent
Below 5 years	30	18.4
5-10 years	48	29.4
10-15 years	51	31.3
Over15 year	34	20.9
Total	**163**	**100.0**

Research Data (2025)

4.5 Descriptive Analysis

The study used frequency distributions and measures of central tendency (mean and standard deviation) to summarize the data and describe respondents' perceptions of the study variables. The mean indicated the overall level of agreement with statements under each research objective, while the standard deviation measured the consistency or variability of respondents' views, providing a basis for interpreting the variables before inferential analysis. The study employed a five-point Likert scale ranging from 1 = Not at all (N), 2 = Strongly Disagree (SD), 3 = Disagree (D), 4 = Agree (A), and 5 = Strongly Agree (SA).

4.5.1 Market Repositioning

The study's first aim was to examine the effect of market repositioning on insurance companies' performance. Participants were asked to indicate their level of agreement with several statements on market repositioning. The outcomes were as presented in Table 4.7.

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Table 4. 7 Statements on Market Repositioning:

	1	2	3	4	5	Mean	Std. Deviation
Our recent market repositioning efforts have aimed to better align our insurance products/services with evolving customer needs and preferences.	1.8	1.2	3.7	78.5	14.7	4.031	0.633
Through strategic market repositioning, we have successfully differentiated our insurance offerings from competitors in targeted segments.	1.8	2.5	2.5	88.3	4.9	3.920	0.577
Market repositioning has played a crucial role in improving our company's competitive advantage within the insurance industry	1.8	2.5	2.5	89.6	3.7	3.908	0.564
Our marketing initiatives have increased the number of customers to our firm	0.0	4.3	2.5	88.3	4.9	3.939	0.493
By leveraging market repositioning, we have strengthened our company's positioning as a leader in innovative insurance solutions.	1.8	2.5	2.5	88.3	4.9	3.920	0.577
Our company regularly reviews and updates its market positioning strategy to stay competitive	3.1	2.5	1.2	88.3	4.9	3.896	0.654
Average						**3.936**	**0.583**

Research Data (2025)

With a mean of 4.031 (Std. dev. = 0.633), participants agreed that their recent market repositioning efforts have aimed to better align their insurance products/services with evolving customer needs and preferences. These findings agree with Elena and Matute's (2020) observations that effective market repositioning involves adapting products and services to meet changing customer expectations. Also, with a mean of 3.939 (Std.dev =0.493), participants agreed that their marketing initiatives have increased the number of customers to our firm. With a mean of 3.920 (SD = 0.577), participants agreed that, through strategic market repositioning, they have successfully differentiated our insurance offerings from competitors in targeted segments. These findings conform to Akinseye, et, al (2022) observations that strategic market repositioning enables firms to successfully differentiate their offerings from competitors within targeted market segments.

Also, with a mean of 3.920 (Std.dev =0.577) participants agreed that by leveraging market repositioning, they have strengthened their company's positioning as a leader in innovative insurance solutions. These findings concur with Mukesh mama, Nkechi and Jefferson (2019) observations that leveraging market repositioning strengthens a company's positioning as a

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leader in innovative insurance solutions. With a mean of 3.908 (Std. dev. = 0.564), participants agreed that market repositioning has played a key role in enhancing their company's competitive benefit in the insurance sector. Further, with a mean of 3.896 (Std. dev. = 0.654), participants agreed that their firm occasionally reviews and updates its market positioning strategy to stay competitive. These findings are consistent with Isenah and Ogonu's (2020) observations that company regularly reviews and update their market positioning strategies to stay competitive. Overall, the average mean of 3.936 (Std. dev. = 0.583) indicates that regularly reviewing and updating market positioning strategies is essential for maintaining a competitive edge.

4.5.2 Product Repositioning

The study's second objective was to investigate the effect of product repositioning on insurance companies' performance. Participants indicated their level of agreement with different statements on product repositioning, and the outcomes are illustrated in Table 4.8.

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Table 4. 8: Statements on Product Repositioning

	1	2	3	4	5	Mean	Std. Deviation
Our recent product repositioning efforts have aimed to enhance the relevance and competitiveness of our insurance offerings in the market.	1.8	1.2	3.7	76.1	17.2	4.055	0.650
Through strategic product repositioning, we have successfully adapted our insurance products to better fulfill the changing preferences and needs of our customers.	1.8	1.2	2.5	88.3	6.1	3.957	0.548
Product repositioning has been instrumental in revitalizing our product portfolio and improving overall customer satisfaction and loyalty.	1.8	2.5	2.5	87.1	6.1	3.933	0.589
We have observed tangible improvements in the performance metrics of our insurance products following recent product repositioning initiatives.	3.1	2.5	1.2	88.3	4.9	3.896	0.654
By realigning our product offerings with emerging market trends, we have strengthened our position as a leading provider of innovative insurance solutions.	1.8	1.2	3.7	81.0	12.3	4.006	0.614
Product repositioning has enabled us to differentiate our insurance products from competitors and capture new market opportunities.	1.8	1.2	2.5	87.1	7.4	3.969	0.560
Product repositioning has enhanced our company's performance by aligning offerings with market necessities and improving competitiveness	1.8	1.2	3.7	79.8	13.5	4.018	0.623
Average						**3.976**	**0.606**

Research Data (2025)

Respondents agreed, with a mean of 4.055 (Std. dev. = 0.650), that their recent efforts in product repositioning have aimed to enhance the relevance and competitiveness of their insurance offerings in the market. These findings concur with Zhang (2019), who observed that product repositioning efforts enhance the relevance and competitiveness of insurance offerings in the market. Similarly, the participants agreed, with a mean of 4.018 (Std. dev. = 0.623), that product repositioning has enhanced their company's performance by aligning offerings with market necessities and improving competitiveness. These findings are consistent with Ebere and Onuoha (2022), who noted that effective product repositioning strengthens organizational performance by ensuring products meet market demands and enhance competitive advantage.

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With a mean of 4.006 (Std.dev =0.614), participants also agreed that by realigning their product offerings with emerging market trends, we have strengthened their position as a leading provider of innovative insurance solutions.

Further, with a mean of 3.969 (Std. dev. = 0.560), participants agreed that product repositioning has enabled them to differentiate their insurance products from competitors and capture new market opportunities. These findings align with Oduor, Kilika and Muchemi (2021) observations that product repositioning helps firms achieve differentiation and access emerging market segments. With a mean of 3.957 (Std.dev =0.548), participants agreed that through strategic product repositioning, they have successfully adapted their insurance products to sufficiently fulfill the changing preferences and needs of their customers. In addition, participants agreed with a mean of 3.933 (Std.dev =0.589) that product repositioning has been instrumental in revitalizing their product portfolio and improving overall customer loyalty and satisfaction. With a mean of 3.896 (Std.dev =0.654), participants agreed that they have observed tangible improvements in the performance metrics of their insurance products following recent product repositioning initiatives. These findings align with Wasika and Kwasire (2020), who observed that product repositioning leads to measurable enhancements in product performance and overall organizational outcomes. Overall, the average mean of 3.976 (Std. dev. = 0.606) indicates participants generally agreed that product repositioning positively influences the firm's competitiveness, customer satisfaction, and performance

4.5.3 Competitive Repositioning

The study's third aim was to investigate the effect of competitive repositioning on performance of insurance companies. Participants were asked to indicate the extent at which they agree with numerous statements on competitive repositioning. The findings were as presented in Table 4.9.

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Table 4. 9: Statements on Competitive Repositioning

	1	2	3	4	5	Mean	Std. Deviation
Our recent Competitive Repositioning efforts have been pivotal in reshaping the perception of our insurance company in the marketplace.	1.8	2.5	1.2	84.0	10.4	3.988	0.619
Through strategic brand repositioning, we have successfully redefined our company's identity and differentiated ourselves from competitors.	1.8	1.2	3.7	78.5	14.7	4.031	0.633
Competitive Repositioning has played a significant role in enhancing customer trust and loyalty towards our insurance products and services.	1.8	1.2	3.7	79.8	13.5	4.018	0.623
We have observed measurable improvements in brand awareness and recognition following our recent Competitive Repositioning initiatives.	1.8	1.2	1.2	90.8	4.9	3.957	0.525
By realigning our brand messaging with our company values and customer needs, we have strengthened our market position and competitive advantage.	1.8	2.5	2.5	74.8	18.4	4.055	0.687
Competitive Repositioning has enabled us to better communicate the unique value propositions of our insurance offerings to target audiences.	1.8	1.2	3.7	70.6	22.7	4.110	0.685
Competitive repositioning strategies have improved our company's market share and overall performance	1.8	1.2	3.7	73.6	19.6	4.080	0.666
Average						**4.034**	**0.634**

Research Data (2025)

With a mean of 4.110 (Std. dev. = 0.685), participants agreed that competitive repositioning has enabled them to better communicate the unique value propositions of their insurance offerings to target audiences. These findings are consistent with Isenah and Ogonu's (2020) observations that competitive repositioning strengthens an organization's ability to clearly convey its distinct value to customers. Also, with a mean of 4.080 (Std. dev. = 0.666), participants agreed that competitive repositioning strategies have enhanced their company's market share and overall performance. Participants also agreed, with a mean of 4.055 (Std. dev. = 0.687), that by realigning their brand messaging with their company values and customer needs, they have strengthened their market position and competitive advantage. These findings conform to Harcourt's (2023) observations that aligning brand messaging with organizational values and customer expectations strengthens a firm's market position and competitive edge.

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Further, with a mean of 4.031 (Std. dev. = 0.633), participants agreed that through strategic brand repositioning, they have successfully redefined their company's identity and differentiated themselves from competitors.

Moreover, with a mean of 4.018 (Std. dev. = 0.623), participants agreed that competitive repositioning has played a crucial role in enhancing customer trust and loyalty towards their insurance products and services. These findings are consistent with Ebere and Onuoha (2022) observations that competitive repositioning plays a significant role in strengthening customer trust and loyalty towards a firm's offerings. With a mean of 3.988 (Std. dev. = 0.619), participants agreed that their recent competitive repositioning efforts have been pivotal in reshaping perceptions of their insurance company in the marketplace. In addition, with a mean of 3.957 (Std. dev. = 0.525), participants agreed that they have observed measurable improvements in brand awareness and recognition following their recent competitive repositioning initiatives. These findings concur with Mukabwa (2020), who indicated that competitive repositioning contributes to significant enhancements in brand awareness and market recognition. Overall, the mean of 4.034 (Std. dev. = 0.634) indicates that participants generally agreed that competitive repositioning positively impacts brand communication, customer trust, market performance, and overall competitive advantage.

4.5.4 Operational Repositioning

The study's fourth objective was to investigate the effect of operational repositioning on insurance companies' performance. Respondents were requested to indicate the extent at which they agree with statements on operational repositioning. The findigs were as illustrated in Table 4.10.

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Table 4. 10: Statements on Operational Repositioning

	1	2	3	4	5	Mean	Std. Deviation
Our recent operational repositioning initiatives have been instrumental in optimizing internal processes and enhancing efficiency across all aspects of our insurance operations.	1.8	1.2	1.2	84.0	11.7	4.025	0.587
Through strategic operational repositioning, we have successfully streamlined workflows and reduced operational costs while maintaining service excellence.	1.8	1.2	3.7	79.8	13.5	4.018	0.623
Operational repositioning has played a key role in improving our insurance company's agility and responsiveness to changing market demands and regulatory requirements.	1.8	1.2	1.2	92.0	3.7	3.945	0.512
We have observed measurable improvements in operational performance metrics, like claims processing times and customer service response rates, following our recent operational repositioning efforts.	1.8	1.2	1.2	89.6	6.1	3.969	0.538
By realigning our operational strategies with our business objectives, we have strengthened our ability to deliver value and consistently meet customer expectations.	1.8	1.2	3.7	76.1	17.2	4.055	0.650
Operational repositioning has enabled us to identify and capitalize on opportunities for innovation and process optimization within our insurance operations.	1.8	0.0	2.5	73.6	22.1	4.141	0.627
Operational repositioning has improved our company's efficiency and service delivery.	1.8	2.5	2.5	79.8	13.5	4.006	0.653
Average						**4.023**	**0.599**

Research Data (2025)

With a mean of 4.141 (Std. dev. = 0.627), respondents agreed that operational repositioning has enabled them to identify and capitalize on opportunities for innovation and process optimization within their insurance operations. These findings concur with Leeietial's (2020) observations that operational repositioning facilitates identifying and exploiting opportunities for process improvement within organizational operations. In addition, the respondents agreed with a mean of 4.055 (Std. dev. = 0.650) that by realigning their operational strategies with their business objectives, they have enhanced their company's ability to deliver value and meet

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customer expectations consistently. The respondents also agreed, with a mean of 4.025 (Std. dev. = 0.587), that their recent operational repositioning initiatives have been instrumental in optimizing internal processes and enhancing efficiency across all aspects of their insurance operations. These findings align with Ahmed, Montagno, and Firenze (2019) observations that operational repositioning helps optimize internal processes and enhances overall operational efficiency. With a mean of 4.018 (Std. dev =0.623), respondents agreed that through strategic operational repositioning, they have successfully streamlined workflows and reduced operational costs while maintaining service excellence.

The respondents further agreed with a mean of 4.006 (Std. dev =0.653) that operational repositioning has improved their company's efficiency and service delivery. These findings are supported by Leeietial (2020) who observed that operational repositioning contributes to improved organizational efficiency and the quality-of-service delivery. Additionally, respondents agreed (M = 3.969, SD = 0.538) that they have observed measurable improvements in operational performance metrics, such as claims processing times and customer service response rates, following recent operational repositioning efforts. With a mean of 3.945 (Std. dev =0.512), the respondents agreed that operational repositioning has played a key role in improving the agility and responsiveness of their insurance company to changing market demands and regulatory requirements. These findings align with Sardana, Terziovski and Gupta (2020) observations that operational repositioning strengthens a firm's ability to adapt to evolving market conditions and compliance obligations. Overall, the average mean of 4.023 (Std. dev =0.599) indicates that respondents generally agreed that operational repositioning positively impacts efficiency, innovation, service delivery, and responsiveness.

4.5.5 Organizational Performance

Organization performance was the dependent variable of the study. Respondents were requested to indicate their level of agreement with statements concerning organizational performance in insurance companies. Table 4.11 shows the results.

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Table 4. 11: Statements on Organizational Performance

	1	2	3	4	5	Mean	Std. Deviation
The performance of our organization has been increasing over the years	1.8	1.2	1.2	81.0	14.7	4.055	0.611
Our organization has recorded increased profitability over the years	1.8	2.5	1.2	74.2	20.2	4.086	0.689
Am satisfied with the customer satisfaction level in our organization	1.8	1.2	1.2	68.1	27.6	4.184	0.687
Our firm maintains a strong market position despite fluctuations.	1.8	1.2	3.7	78.5	14.7	4.031	0.633
Customer loyalty drives our market share growth.	3.1	1.2	1.2	90.8	3.7	3.908	0.607
Operational repositioning has improved our company's efficiency and service delivery.	1.8	1.2	1.2	92.0	3.7	3.945	0.512
Average						**4.035**	**0.623**

Research Data (2025)

With a mean of 4.184 (Std. dev=0.687), participants agreed that they are satisfied with the level of customer satisfaction in their organization. These findings concur with Akkermansi(2023) observations that organizations can achieve satisfactory levels of customer satisfaction. Similarly, with a mean of 4.086 (Std. dev. = 0.689), participants agreed that their organization has recorded increased profitability over the years. With a mean of 4.055 (SD = 0.611), participants agreed that their organization's performance has improved over the years. Moreover, with a mean of 4.031 (Std. dev. = 0.633), participants agreed that their firm maintains a strong market position despite fluctuations. These findings align with Makau and Ambrose's (2018) observations that firms can maintain a robust market position even amid market fluctuations.

Further, with a mean of 3.945 (Std. dev. = 0.512), participants agreed that operational repositioning has improved their company's efficiency and service delivery. These results concur with Tharamba, Rotich and Anyango's (2018) observations that operational repositioning improves organizational efficiency and service delivery. Also, with a mean of 3.908 (Std. dev. = 0.607), participants agreed that customer loyalty drives their market share growth. These findings align with Worimegbe and Ifedayo's (2020) observations that customer loyalty plays a key role in driving market share expansion. Overall, the average mean of 4.035 (Std. dev =0.623) indicates that participants generally agreed that organizational performance has improved in regard to market position, profitability and customer satisfaction.

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4.9 Inferential Analysis

Inferential statistics were utilized to investigate the correlation between strategic repositioning and organizational performance. Specifically, correlation and multiple regression analysis were conducted to assess the effects of the predictor variables: market repositioning, product repositioning, competitive repositioning, and operational repositioning on the response variable, organizational performance.

4.9.1 Correlation Analysis

In this study, Pearson correlation analysis was conducted to determine the correlation between the dependent and the independent variables. The findings are demonstrated in Table 4.12.

Table 4. 12: Correlation Analysis

		Organization Performance	Market Repositioning	Product Repositioning	Competitive Repositioning	Operational Repositioning
Organization Performance	Pearson Correlation	1				
	Sig. (2-tailed)					
	N	163				
Market Repositioning	Pearson Correlation	.727**	1			
	Sig. (2-tailed)	.000				
	N	163	163			
Product Repositioning	Pearson Correlation	.728**	.724	1		
	Sig. (2-tailed)	.000	.000			
	N	163	163	163		
Competitive Repositioning	Pearson Correlation	.704**	.598	.747	1	
	Sig. (2-tailed)	.000	.000	.000		
	N	163	163	163	163	
Operational Repositioning	Pearson Correlation	.740**	.688	.627	.625	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	163	163	163	163	163

**. Correlation is significant at the 0.01 level (2-tailed).

The results demonstrated a positive and statistically significant correlation between market repositioning and organizational performance, Kenya ($r = 0.727$, $p = 0.000$). Since the p-value was below 0.05 significance threshold, this indicates that effective market repositioning is associated with improved organizational performance. These findings are consistent with Tharamba, Rotich and Anyango (2018), who observed that enhanced market repositioning

enhances overall organizational outcomes. Similarly, Nshimiyimana (2021) noted that updating of market positioning strategies contributes to sustaining competitiveness and performance.

Similarly, product repositioning showed a strong, positive, and significant correlation with organizational performance ($r = 0.728$, $p = 0.000$). The p-value being below 0.05 confirms the statistical significance of this association. These findings agreed with Oduor, Kilika and Muchemi (2021), who highlighted those adapting products to meet customer demands improves competitiveness and overall performance. In addition, Wasika and Kwasire (2020) observed that product repositioning leads to measurable enhancements in performance metrics and customer satisfaction.

The research also found a significant positive relationship between competitive repositioning and organizational performance in insurance companies ($r = 0.704$, $p = 0.000$). This suggests that differentiating the company from competitors and effectively communicating unique value propositions contributes meaningfully to improved performance. These findings are in line with Worimegbe and Ifedayo (2020), who emphasized that competitive repositioning strengthens brand identity and market positioning. Further, Mukabwa (2020) found that competitive repositioning enhances brand awareness, recognition, and customer loyalty, driving better organizational outcomes.

Furthermore, operational repositioning was positively and significantly correlated with organizational performance in the insurance company ($r = 0.740$, $p = 0.000$). The p-value below 0.05 confirms that operational repositioning strongly influences performance outcomes. These findings are consistent with Makau and Ambrose (2018), who noted that improving operational repositioning enhances organizational effectiveness. Further, Karim (2019) emphasized that organizations that focus on operational excellence through innovation and process optimization achieve improved service delivery, customer satisfaction, and overall competitiveness.

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4.9.2 Regression Analysis

The study utilized simple linear regression to examine the relationship between each independent variable and dependent variable (organizational performance).

4.9.2.1 Market Repositioning

Simple linear regression was undertaken to examine the effect of market repositioning on organizational performance.

Table 4. 13: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.727[a]	.528	.525	.31890

a. Predictors: (Constant), Market Repositioning

The study used the R-squared (R^2) statistic to indicate the proportion of variation in the response variable (organizational performance) explained by the predictor variable (market repositioning). The R-squared for the relationship between market repositioning and the dependent variable (organizational performance) was 0.528. This means that 52.8% of the variation in the dependent variable (organizational performance) could be explained by the independent variable (market repositioning).

Table 4. 14: Analysis of Variance

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	18.335	1	18.335	180.290	.000[b]
	Residual	16.374	161	.102		
	Total	34.709	162			

a. Dependent Variable: Organization Performance

b. Predictors: (Constant), Market Repositioning

This study used ANOVA to evaluate the model's suitability for the data. As presented in the table, the calculated F-value was 180.290, while the critical F-value from the F-distribution table was 3.90. Since the calculated F-value exceeded the critical F-value and the p-value (0.000) was below the significance threshold (0.05), the model was deemed a good fit for the data.

Table 4. 15: Regression Coefficients

	Unstandardized Coefficients		Standardized Coefficients		
Model	**B**	**Std. Error**	**Beta**	**t**	**Sig.**
1(Constant)	.949	.209		4.532	.000
Market Repositioning	.733	.055	.727	13.427	.000

a. Dependent Variable: Organization Performance

The regression was as follows:

$Y = 0.949 + 0.733X_1 + \varepsilon$

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The study found that market repositioning has a strong, positive, and significant effect on organizational performance ($\beta_1 = 0.733$, p-value = 0.000). Because the p-value was below the 0.05 significance level, the association is statistically significant, implying that improvements in market repositioning contribute to improved organizational performance. These findings conform to Elena and Matute (2020), who observed that market repositioning positively and significantly improves organizational performance. Similarly, Tharamba, Rotich and Anyango (2018) noted that updating market positioning strategies strengthens competitiveness and performance.

4.9.2.2 Product Repositioning

Simple linear regression was undertaken to examine the effect of product repositioning on organizational performance.

Table 4. 16: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.728[a]	.530	.527	.31822

a. Predictors: (Constant), Product Repositioning

As illustrated in Table 4.17, the R-squared for the relationship between product repositioning and the dependent variable (organizational performance) was 0.530. This means that 53.0% of the variation in the dependent variable (organizational performance) could be explained by the independent variable (product repositioning).

Table 4. 17: Analysis of Variance

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	18.406	1	18.406	181.763	.000[b]
	Residual	16.303	161	.101		
	Total	34.709	162			

a. Dependent Variable: Organization Performance

b. Predictors: (Constant), Product Repositioning

This study used ANOVA to evaluate the model's suitability for the data. As presented in the table, the calculated F-value was 181.763, while the critical F-value from the F-distribution table was 3.84. Since the calculated F-value exceeded the critical F-value and the p-value

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(0.000) was below the significance threshold (0.05), the model was deemed a good fit for the data.

Table 4. 18: Regression Coefficients

Model	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta	t	Sig.
1(Constant)	1.297	.183		7.085	.000
Product Repositioning	.651	.048	.728	13.482	.000

a. Dependent Variable: Organization Performance

The regression was as follows:

$Y = 1.297 + 0.651X_2 + \varepsilon$

There is, positive, and significant effect on organizational performance ($\beta_2 = 0.651$, p-value = 0.000). The p-value being below 0.05 confirms the significance of the relationship, indicating that adapting products to meet market demands supports improved performance. These findings concur with Ebere and Onuoha's (2022) observations that product repositioning enhances competitiveness and overall organizational effectiveness. In addition, Zhang (2019) observed that improvements in product repositioning lead to measurable gains in performance metrics and customer satisfaction.

4.9.2.3 Competitive Repositioning

Simple linear regression was carried out to examine the effect of competitive repositioning on organizational performance.

Table 4. 19: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.704[a]	.495	.492	.32982

a. Predictors: (Constant), Competitive Repositioning

As shown in Table 4.19, the R-squared for the relationship between competitive repositioning and the dependent variable (organizational performance) was 0.495. This means that 49.5% of the variation in the dependent variable (organizational performance) could be explained by the independent variable (competitive repositioning).

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Table 4. 20: Analysis of Variance

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	17.195	1	17.195	158.062	.000[b]
Residual	17.514	161	.109		
Total	34.709	162			

a. Dependent Variable: Organization Performance

b. Predictors: (Constant), Competitive Repositioning

This study used ANOVA to evaluate the model's suitability for the data. As shown in Table 4.20, the calculated F-value was 158.062, while the critical F-value from the F-distribution table was 3.84. Since the calculated F-value exceeded the critical F-value and the p-value (0.000) was below the significance threshold (0.05), the model was deemed a good fit for the data.

Table 4. 21: Regression Coefficients

	Unstandardized Coefficients		Standardized Coefficients		
Model	B	Std. Error	Beta	t	Sig.
1(Constant)	1.191	.205		5.823	.000
Competitive Repositioning	.693	.055	.704	12.572	.000

a. Dependent Variable: Organization Performance

The regression was as follows:

$Y = 1.191 + 0.693X_3 + \varepsilon$

The research found that competitive repositioning positively and significantly affects organizational performance in insurance companies ($\beta_3 = 0.693$, $p = 0.018$). With a p-value below 0.05, this relationship is statistically significant, demonstrating that differentiating the company from competitors and effectively communicating value propositions strengthens organizational outcomes. These findings concur with Oduor, Kilika and Muchemi (2021), who observed that competitive repositioning enhances organizational performance. Moreover, Mukabwa (2020) found that improved competitive repositioning contributes to better performance.

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4.9.2.4 Organizational Repositioning

Simple linear regression was carried out to examine the effect of organizational repositioning on organizational performance

Table 4. 22: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.740[a]	.548	.545	.31217

a. Predictors: (Constant), Operational Repositioning

The results show an R-squared of 0.548 for the relationship between operational repositioning and the dependent variable (organizational performance). This means that 54.8% of the variation in the dependent variable (organizational performance) could be explained by the independent variable (operational repositioning).

Table 4. 23: Analysis of Variance

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	19.019	1	19.019	195.166	.000[b]
	Residual	15.690	161	.097		
	Total	34.709	162			

a. Dependent Variable: Organization Performance

b. Predictors: (Constant), Operational Repositioning

This study used ANOVA to evaluate the model's suitability for the data. As shown in Table 4.23, the calculated F-value was 195.166, while the critical F-value from the F-distribution table was 3.84. Since the calculated F-value exceeded the critical F-value and the p-value (0.000) was below the significance threshold (0.05), the model was deemed a good fit for the data.

Table 4. 24: Regression Coefficients

	Unstandardized Coefficients		Standardized Coefficients		
Model	**B**	**Std. Error**	**Beta**	**t**	**Sig.**
1(Constant)	.693	.220		3.154	.002
Operational Repositioning	.810	.058	.740	13.970	.000

a. Dependent Variable: Organization Performance

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The regression was as follows:

$Y = 0.693 + 0.810X_4 + \varepsilon$

From the findings, operational repositioning was found to have a positive and significant effect on organizational performance in insurance companies ($\beta_4 = 0.693$, $p = 0.000$). The statistically significant p-value indicates that operational repositioning enhances performance by increasing internal processes, operational efficiency, and service delivery. These results align with Karim (2019), who observed that optimizing operations and streamlining workflows facilitates better organizational outcomes. Similarly, the results conform to Makau and Ambrose (2018), who noted that operational repositioning significantly influences overall performance.

4.9.3 Multivariate Regression Analysis

The research utilized multiple linear regression to examine the link between the predictor variables (market, product, competitive, and operational repositioning) and the response variable (organizational performance). Multiple linear regression, together with the simple linear regression model that was utilized, is illustrated below:

$$\mathbf{Y = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \varepsilon}$$

Where: Y represents the dependent Variable (Performance of insurance companies in Nairobi County, Kenya); β represents a constant or Intercept; β1, β2, β3, β4 represents the regression coefficients estimates; X_1 Represents Market Repositioning; X_2 Represents Product Repositioning; X_3 Represents Brand Repositioning; X_4 Represents Operational Repositioning; ε Represents error term (represents the influence of the variables that were not covered by the equation)

The study utilized the R-squared (R^2) statistic to indicate the proportion of variation in the response variable (organizational performance) that could be outlined by the predictor variables (market, product, competitive, and operational repositioning). The outcomes of the model summary are demonstrated in Table 4.25.

Table 4. 25: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.838[a]	.703	.695	.25543

a. Predictors: (Constant), Operational Repositioning, Competitive Repositioning, Market Repositioning, Product Repositioning

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As depicted in Table 4.25, the R^2 value was 0.695, which means that 69.5% of the variation in organizational performance in insurance companies could be accounted by the combined independent variables (market repositioning, product repositioning, competitive repositioning, and operational repositioning). This suggests that the strategic repositioning practices under study have a substantial impact on performance.

The study employed ANOVA to assess if the regression model was a perfect fit for the data. Table 4.26 presents the results.

Table 4. 26: Analysis of Variance

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	24.400	4	6.100	93.498	.000[b]
Residual	10.308	158	.065		
Total	34.709	162			

a. Dependent Variable: Organization Performance

b. Predictors: (Constant), Operational Repositioning, Competitive Repositioning, Market Repositioning, Product Repositioning

As shown in Table 4.26, the F calculated was 93.498, which is above the F critical value (2.436), and the p-value was 0.000, which is below the significance level of 0.05, meaning that the model was a perfect fit for the data and can be employed to show the effect of the predictor variables (market, product, competitive, and operational repositioning) on the response variable (organizational performance)

Table 4.27 demonstrates the regression analysis results, showing the link between the predictor variables and the response variable.

Table 4. 27: Regression Analysis

	Unstandardized Coefficients		Standardized Coefficients		
Model	B	Std. Error	Beta	T	Sig.
1(Constant)	.076	.194		.392	.695
Market Repositioning	.238	.070	.236	3.385	.001
Product Repositioning	.174	.068	.194	2.541	.012
Competitive Repositioning	.214	.067	.217	3.177	.002
Operational Repositioning	.350	.070	.320	4.972	.000

a. Dependent Variable: Organization Performance

The revised regression model was as presented:

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$Y = -0.076 + 0.238X_1 + 0.174X_2 + 0.214X_3 + 0.350X_4$

The research established that market repositioning had a positive and significant effect on organizational performance in insurance companies ($\beta_1 = 0.238$, $p = 0.031$). Because the p-value was below the 0.05 significance level, the association is statistically significant, implying that improvements in market repositioning contribute to improved organizational performance. These findings conform to Elena and Matute (2020), who observed that market repositioning positively and significantly improves organizational performance. Similarly, Tharamba, Rotich and Anyango (2018) noted that updating market positioning strategies strengthens competitiveness and performance.

Similarly, product repositioning had a positive and significant effect on organizational performance in insurance companies ($\beta_2 = 0.174$, $p = 0.024$). The p-value being below 0.05 confirms the significance of the relationship, indicating that adapting products to meet market demands supports improved performance. These findings concur with Ebere and Onuoha (2022) observations that product repositioning enhances competitiveness and overall organizational effectiveness. In addition, Zhang (2019) observed that improvements in product repositioning lead to measurable gains in performance metrics and customer satisfaction.

The research also found that competitive repositioning positively and significantly affects organizational performance in insurance companies ($\beta_3 = 0.214$, $p = 0.018$). With a p-value below 0.05, this relationship is statistically significant, demonstrating that differentiating the company from competitors and effectively communicating value propositions strengthens organizational outcomes. These findings concur with Oduor, Kilika and Muchemi (2021), who observed that competitive repositioning enhances organizational performance. Moreover, Mukabwa (2020) found that improved competitive repositioning contributes to better performance.

Moreover, operational repositioning had a positive and significant effect on organizational performance in insurance companies ($\beta_4 = 0.350$, $p = 0.000$). The statistically significant p-value indicates that operational repositioning enhances performance by increasing internal processes, operational efficiency, and service delivery. These results align with Karim (2019), who observed that optimizing operations and streamlining workflows facilitates better organizational outcomes. Similarly, the results conform to Makau and Ambrose (2018), who noted that operational repositioning significantly influences overall performance.

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CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1 Introduction

The chapter begins by summarizing the key findings, emphasizing how strategic repositioning, specifically market, product, competitive, and operational repositioning, affects the performance of insurance companies. It then presents the research conclusions. In addition, the chapter provides practical recommendations for policy and managerial practice, suggestions for further research, with the aim of enhancing performance within the insurance industry.

5.2 Summary of the Findings

This study summarizes the results on how strategic repositioning encompassing market, product, competitive, and operational repositioning affects the organizational performance of insurance companies.

5.2.1 Market Repositioning and Performance

The research established that market repositioning had a positive and significant effect on organizational performance in insurance companies ($R^2 = 0.528$, $p < 0.05$), indicating that market repositioning explained 52.8% of the variation in organizational performance. The research also established that market repositioning involves aligning services and products with evolving customer preferences and needs. The findings revealed that marketing initiatives resulting from market repositioning have increased the number of customers, demonstrating the effectiveness of targeted promotional strategies. These findings align with Akinseye et al. (2022) observations that strategic market repositioning enables firms to differentiate their offerings from competitors within targeted market segments. The study indicated that strategic market repositioning has enabled companies to differentiate their insurance offerings from competitors in specific market segments. The study established that market repositioning has strengthened the company's positioning as a leader in innovative insurance solutions, reflecting a focus on creativity and market responsiveness. Further, the study findings revealed that market repositioning plays a pivotal role in enhancing competitive advantage by improving customer loyalty, brand recognition, and overall market performance. Moreover, the study indicated that regular review and updating of market positioning strategies support sustained competitiveness, adaptability, and long-term organizational success.

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5.2.2 Product Repositioning and Performance

The study established that product repositioning had a positive and significant effect on organizational performance in insurance companies ($R^2 = 0.530$, $p < 0.05$), indicating that product repositioning explained 53.0% of the variation in organizational performance. The study also found that recent product repositioning efforts aimed to enhance the competitiveness and relevance of insurance offerings in the market. The findings showed that product repositioning has enhanced the company's performance by aligning offerings with market necessities and improving competitiveness. These findings are consistent with Ebere and Onuoha (2022), who noted that effective product repositioning strengthens organizational performance by ensuring products meet market demands and enhance competitive advantage. The study further found that realigning product offerings with emerging market trends has strengthened the company's position as a leading provider of innovative insurance solutions. The findings indicated that product repositioning has enabled the company to differentiate its insurance goods from competitors and capture new market opportunities. The study found that strategic product repositioning has successfully adapted insurance products to better meet customers' evolving needs and preferences. The study indicated that product repositioning has been instrumental in revitalizing the product portfolio and improving overall customer satisfaction and loyalty. Moreover, the study found that product repositioning led to tangible improvements in insurance product performance metrics.

5.2.3 Competitive Repositioning and Performance

The research found that competitive repositioning had a positive and significant effect on organizational performance ($R^2 = 0.495$, $p < 0.05$), indicating that competitive repositioning explained 49.5% of the variation in organizational performance. The research found that competitive repositioning has enabled insurance companies to better communicate the unique value propositions of their offerings to target audiences. The results indicated that competitive repositioning strategies have improved the firm's performance and market share. These findings conform to Harcourt (2023) observations that aligning brand messaging with organizational values and customer expectations strengthens a firm's market position and competitive edge. The study findings indicated that realigning brand messaging with company values and customer needs has strengthened competitive advantage and market position. The research further found that strategic brand repositioning has successfully redefined the company's identity and differentiated it from competitors. The research found that competitive repositioning has played a critical role in enhancing customer trust and loyalty towards

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insurance products and services. The study found that recent competitive repositioning efforts have been pivotal in reshaping the company's perception in the marketplace. Moreover, the study found that competitive repositioning led to measurable improvements in brand awareness and recognition, contributing to greater market visibility.

5.2.4 Operational Repositioning and Performance

The research found that operational repositioning had a positive and significant effect on organizational performance ($R^2 = 0.548$, $p < 0.05$), indicating that operational repositioning explained 54.8% of the variation in organizational performance. The study also found that operational repositioning enabled insurance companies to identify and capitalize on opportunities for innovation and process optimization within their operations. These findings concur with Leeietial's (2020) observations that operational repositioning facilitates identifying and exploiting opportunities for process improvement within organizational operations. The study findings revealed that realigning operational strategies with business objectives has enhanced the company's ability to deliver value and consistently meet customer expectations. The study further found that recent operational repositioning initiatives have been instrumental in optimizing internal processes and enhancing efficiency across all aspects of insurance operations. The study findings revealed that strategic operational repositioning has successfully streamlined workflows and reduced operational costs while maintaining service excellence. In addition, the study found that operational repositioning has enhanced the company's efficiency and overall service delivery. The study indicated measurable improvements in operational performance metrics, such as claims processing times and customer service response rates, following operational repositioning efforts. Further, the research found that operational repositioning played a key role in enhancing the company's agility and responsiveness to changing regulatory requirements and market demands.

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5.3 Conclusions

The study concludes that market repositioning had a positive and significant effect on organizational performance in insurance firms. The research found that market repositioning, measured in terms of consumer preferences, rebranding, and developing new markets, influences performance. This means that improved market repositioning would result in enhanced performance in these companies.

The research concludes that product repositioning has a positive and significant effect on organizational performance in insurance companies. The research found that product

repositioning, measured in terms of quality improvement, price adjustment, and packaging redesign, influences organizational performance in these insurance companies. This means that improving product repositioning would lead to better organizational performance in these companies.

The research concludes that competitive repositioning positively and significantly influences organizational performance in insurance firms. The research found that competitive repositioning, measured in regard to brand relaunch, brand rejuvenation, and brand proliferation, has an influence on organizational performance. This means that strengthening competitive repositioning practices would improve organizational performance in these companies.

The research concludes that operational repositioning had a positive and significant effect on organizational performance. The research established that operational repositioning, in terms of strategy realignment, cost efficiency, and expansion or contraction, has an influence on organizational performance in these firms. This means that an enhancement in operational repositioning would result in enhanced organizational performance in insurance companies.

The study concludes that market, product, competitive, and operational repositioning all have a positive and significant effect on organizational performance. In relation to the brand equity theory, market repositioning supports improved brand awareness, customer perception, and loyalty, leading to better performance. The product life cycle theory is supported as product repositioning helps maintain product relevance and competitiveness across life cycle stages, improving performance. Porter's theory of competitive advantage is confirmed through competitive repositioning strategies that enhance differentiation and market position. Finally, the Resource-Based View (RBV) is supported as operational repositioning improves resource utilization, efficiency, and overall organizational performance.

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5.4 Recommendations

5.4.1 Policy Recommendations

The study found that strategic repositioning influences organizational performance in insurance companies. As regulated entities, and boards of directors ensure that market, product, competitive, and operational repositioning strategies are formalized and aligned with regulatory requirements and corporate objectives. Policies should mandate periodic reviews of repositioning strategies, clear alignment of departmental and product objectives with

organizational goals, and structured reporting on the implementation of strategic initiatives. This enhances transparency, accountability, and stakeholder confidence, ensuring that performance targets are met while adhering to governance and industry standards.

In addition, the study revealed gaps in customer-focused strategies, innovation adoption, and process optimization, which may hinder effective repositioning and performance enhancement. Policymakers should therefore develop corporate policies that promote participatory decision-making, ensuring that employees and management at all levels are involved in market analysis, product adaptation, and operational process improvements. Additionally, policies should require systematic feedback loops, timely communication of strategic priorities, and equitable resource allocation to support efficiency, competitiveness, and service delivery. Implementing such policies strengthens organizational performance, enhances customer satisfaction, and positions insurance firms in Nairobi County as models of effective strategic repositioning and sustainable business growth.

5.4.2 Recommendations for the Management

The study found that strategic repositioning positively influences performance in insurance companies. The research recommended that management prioritize the continuous evaluation and refinement of market, product, competitive, and operational repositioning strategies. Management should ensure that all repositioning initiatives are closely aligned with organizational objectives, customer needs, and emerging market trends to maintain a competitive edge. Structured monitoring and reporting systems should be implemented to track progress and ensure timely corrective actions.

In addition, the study revealed gaps in innovation adoption, process optimization, and stakeholder engagement, which may limit the effectiveness of strategic repositioning. Management should therefore promote an innovation culture and continuous enhancement by encouraging employee participation in decision-making, facilitating training programs on strategic adaptation, and promoting cross-functional collaboration. Furthermore, management should prioritize efficient resource allocation, effective communication, and proactive customer engagement to maximize the impact of repositioning initiatives. Implementing these recommendations enhanced organizational performance, strengthen market position, and improve overall operational efficiency and customer satisfaction.

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5.4.3 Theoretical Recommendations

The study recommends that insurance firms strengthen market repositioning through rebranding and market development to enhance brand awareness, brand associations, and customer loyalty in line with the Brand Equity Theory. It further recommends continuous improvement of product repositioning through quality enhancement, pricing adjustments, and redesign to maintain relevance across product life cycle stages, as guided by the Product Life Cycle Theory. In addition, firms should reinforce competitive repositioning strategies such as brand relaunch and differentiation to improve market positioning and sustain competitive advantage, consistent with Porter's Theory of Competitive Advantage. Finally, the study recommends optimization of operational repositioning through effective resource utilization, strategy realignment, and cost efficiency to enhance operational effectiveness and performance, as explained by the Resource-Based View (RBV) Theory.

5.4.4 Recommendation for Further Studies

The purpose of this investigation was to establish the effect of strategic repositioning on organizational performance in insurance companies in Nairobi County, Kenya. However, having been confined to insurance companies within a single county, the study findings cannot be applied to other counties or sectors due to differences in market dynamics, regulatory environments, and organizational structures. Thus, the study recommends further research on the effect of strategic repositioning on organizational performance in insurance companies in other counties and across different sectors. In addition, this study found that only 64.2% of the variation in organizational performance was explained by market repositioning, product repositioning, competitive repositioning, and operational repositioning. The study recommends that future research should investigate other factors that may influence organizational performance, such as leadership style, technological adoption, innovation, and organizational culture.

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APPENDICES

Appendix I: Questionnaire

The purpose of this questionnaire is to establish the effect of strategic repositioning on performance of insurance companies in Nairobi City County, Kenya. Kindly read the questions carefully and answer them as honestly as possible by ticking (), rating, specifying, or writing the correct answers precisely in the spaces provided..

SECTION I: Respondent's Information

1. Please Tick [√] your Gender

   Male Female

2. Level of Education:

   Post graduate{ } Undergraduate { } Diploma{ } None { }

3. For how long have you worked in you worked in your organization

   Below 5 year { } 5-10 year { } 10-15 years { } Over15 year

SECTION II: Market Repositioning

Please indicate your level of agreement with the following statements relating to market repositioning and performance of insurance companies in Nairobi City County, Kenya. (Please tick 1 for "Strongly Disagree", 2 for "Disagree", 3 for "Neutral", 4 for "Agree", and 5 for "Strongly Agree")

	Statement	1	2	3	4	5
a)	Our recent market repositioning efforts have aimed to better align our insurance products/services with evolving customer needs and preferences.					
b)	Through strategic market repositioning, we have successfully differentiated our insurance offerings from competitors in targeted segments.					
c)	Market repositioning has played a crucial role in improving our company's competitive advantage within the insurance industry					
d)	Our marketing initiatives have increased the number of customers to our firm					

e)	By leveraging market repositioning, we have strengthened our company's positioning as a leader in innovative insurance solutions.					
f)	Our company regularly reviews and updates its market positioning strategy to stay competitive					

SECTION III: product repositioning

Please indicate your level of agreement with the following statements relating to product repositioning and performance of insurance companies in Nairobi City County, Kenya. (Please tick 1 for "Strongly Disagree", 2 for "Disagree", 3 for "Neutral", 4 for "Agree" and 5 for "Strongly Agree").

	Statement	1	2	3	4	5
a)	Our recent efforts in product repositioning have aimed to enhance the relevance and competitiveness of our insurance offerings in the market.					
b)	Through strategic product repositioning, we have successfully adapted our insurance products to better fulfill the evolving needs and preferences of our customers.					
c)	Product repositioning has been instrumental in revitalizing our product portfolio and improving overall customer satisfaction and loyalty.					
d)	We have observed tangible improvements in the performance metrics of our insurance products following recent product repositioning initiatives.					
e)	By realigning our product offerings with emerging market trends, we have strengthened our position as a leading provider of innovative insurance solutions.					
f)	Product repositioning has enabled us to differentiate our insurance products from competitors and capture new market opportunities.					
g)	Product repositioning has enhanced our company's performance by aligning offerings with market needs and improving competitiveness					

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SECTION IV: Brand Repositioning

Please indicate your level of agreement with the following statements relating to Competitive Repositioning and performance of insurance companies in Nairobi City County, Kenya. (Please tick 1 for "Strongly Disagree", 2 for "Disagree", 3 for "Neutral", 4 for "Agree" and 5 for "Strongly Agree").

		1	2	3	4	5
	Our recent competitive repositioning efforts have been pivotal in reshaping the perception of our insurance company in the marketplace.					
a)	Through strategic brand repositioning, we have successfully redefined our company's identity and differentiated ourselves from competitors.					
b)	Competitive Repositioning has played a significant role in enhancing customer trust and loyalty towards our insurance products and services.					
c)	We have observed measurable improvements in brand awareness and recognition following our recent Competitive Repositioning initiatives.					
d)	By realigning our brand messaging with our company values and customer needs, we have strengthened our market position and competitive advantage.					
e)	Competitive repositioning has enabled us to better communicate the unique value propositions of our insurance offerings to target audiences.					
f)	Competitive repositioning strategies have improved our company's market share and overall performance					

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SECTION V: Operational Repositioning

Please indicate your level of agreement with the following statements relating to operational repositioning and performance of insurance companies in Nairobi City County, Kenya. (Please tick 1 for "Strongly Disagree", 2 for "Disagree", 3 for "Neutral", 4 for "Agree" and 5 for "Strongly Agree").

	Statement	1	2	3	4	5
a)	Our recent operational repositioning initiatives have been instrumental in optimizing internal processes and enhancing efficiency across all aspects of our insurance operations.					
b)	Through strategic operational repositioning, we have successfully streamlined workflows and reduced operational costs while maintaining service excellence.					
c)	Operational repositioning has played a key role in improving the agility and responsiveness of our insurance company to changing market demands and regulatory requirements.					
d)	We have observed measurable improvements in operational performance metrics, like claims processing times and customer service response rates, following our recent operational repositioning efforts.					
e)	By realigning our operational strategies with our business objectives, we have enhanced our company's ability to deliver value and meet customer expectations consistently.					
f)	Operational repositioning has enabled us to identify and capitalize on opportunities for innovation and process optimization within our insurance operations.					
g)	Operational repositioning has improved our company's efficiency and service delivery.					

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PART VI: Performance of Insurance Companies in Nairobi County, Kenya

Please indicate your level of agreement on the following statements relating to performance of insurance companies in Nairobi City County, (Please Tick 1 for "Strongly Disagree", 2 for "Disagree", 3 for "Neutral", 4 for "Agree" and 5 for "Strongly Agree").

	Statement	1	2	3	4	5
	The performance of our organization has been increasing over the years					
	Our organization has recorded increased profitability over the years					
	Am satisfied with the level of customer satisfaction in our organization					
	Our firm maintains a strong market position despite fluctuations.					
	Customer loyalty drives our market share growth.					
	Operational repositioning has improved our company's efficiency and service delivery.					

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Appendix II: List of Insurance Companies

1. AAR Insurance Kenya Limited
2. Absa Life Assurance
3. Africa Merchant Assurance Company Limited
4. AIG Kenya Insurance Company Limited
5. APA Insurance Limited
6. Apollo Life Assurance Limited
7. Britam General Insurance Company
8. British-American Insurance Company (Kenya) Limited
9. Cannon Assurance Limited
10. Capex Life Assurance Company Limited
11. CFC Life Assurance Limited
12. CIC General Insurance Limited
13. Continental Reinsurance Limited
14. Corporate Insurance Company Limited
15. Directline Assurance Company Limited
16. East Africa Reinsurance Company Limited
17. Equity Life Assurance
18. Fidelity Shield Insurance Company Limited
19. First Assurance Company Limited
20. G&A Insurance Limited
21. Gateway Insurance Company Limited
22. Geminia Insurance Company Limited
23. Heritage Insurance Company Limited
24. ICEA LION General Insurance Company Limited
25. Intra Africa Assurance Company Limited
26. Invesco Assurance Company Limited
27. Jubilee Insurance Company of Kenya Limited
28. Kenindia Assurance Company Limited
29. Kenya Orient Insurance Limited
30. Kenya Reinsurance Corporation Limited
31. KUSCCO Mutual Limited
32. Liberty Life Assurance

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33. Madison Insurance Company Kenya Limited
34. Mayfair Insurance Company Limited
35. Mercantile Insurance Company Limited
36. Metropolitan Life Insurance Kenya Limited
37. Monarch Insurance Company Limited
38. Non-Life Insurance Companies
39. Occidental Insurance Company Limited
40. Old Mutual Life Assurance Company Limited
41. Pacis Insurance Company Limited
42. Pan Africa Life Assurance Limited
43. Phoenix of East Africa Assurance Company Limited
44. Pioneer Assurance Company Limited
45. Prudential Life Assurance
46. Real Insurance Company Limited
47. Resolution Insurance Company Limited
48. Shield Assurance Company Limited
49. Star Discover Life Assurance
50. Takaful Insurance of Africa Limited
51. Tausi Assurance Company Limited
52. The Kenyan Alliance Insurance Company Limited
53. The Monarch Insurance Company Limited
54. Trident Insurance Company Limited
55. UAP Insurance Company Limited
56. Xplico Insurance Company Limited

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Appendix III: ISREC Letter

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Private Bag 00217 Limuru,
Kenya
Email: office@spu.ac.ke
Website: www.spu.ac.ke

Tel Office: +254 (0) 20-2020505/10
Mobile: +254 (0) 728-669000
(0) 736-424440

REF: SPU/466/2025 **Date: 21st July 2025**

TO: Lydia Simba
St. Paul's University

Dear Lydia,

==========

REF: Strategic Repositioning and Performance of Insurance Companies in Nairobi City County, Kenya

==========

Greetings,

This is to inform you that SPU- Institutional Scientific Ethics Review Committee has reviewed the above-named research proposal. **Your ERB approval number is 476, for the period between 21st July 2025 – 21st July 2026 (1 year).**

This approval is subject to compliance with the following requirements;

i. Only approved documents including (informed consents, study instruments) will be used.
ii. All changes including (amendments, deviations, and violations) are submitted for review and approval by SPU- Institutional Scientific Ethics Review Committee.
iii. Death and life-threatening problems and serious adverse events or unexpected adverse events whether related or unrelated to the study must be reported to SPU- Institutional Scientific Ethics Review Committee within 72 hours of notification
iv. Any changes, anticipated or otherwise that may increase the risks or affected safety or welfare of study participants and others or affect the integrity of the research must be reported to *SPU- Institutional Scientific Ethics Review Committee* within 72 hours

v. Clearance for export of biological specimens must be obtained from relevant institutions.
vi. Submission of a request for renewal of approval at least 60 days prior to expiry of the approval period. Attach a comprehensive progress report to support the renewal.
vii. Submission of an executive summary report within 90 days upon completion of the study to SPU- Institutional Scientific Ethics Review Committee.
viii. Should there be any publications from your research, note that you are supposed to anonymize the particulars of the respondents, the identifiers and the name of institution (s) where you collected data.
ix. Please note that it is within the ISERC's mandate to monitor your research and to do random visits to the site. All research is subject to post approval monitoring. Kindly provide a closure report after the research.

Prior to commencing your study, you will be expected to obtain a research license from National Commission for Science, Technology and Innovation (NACOSTI) if you are collecting data in the country - https://research-portal.nacosti.go.ke **or obtain other clearances needed in the country where you will collect your data from.**

Yours sincerely,



Dr. Daniel Nzengya, PhD
Chairperson
SPU- Institutional Scientific & Ethics Review Committee



Appendix IV: NACOSTI Permit

REPUBLIC OF KENYA

NATIONAL COMMISSION FOR SCIENCE, TECHNOLOGY & INNOVATION

Ref No: 480072

Date of Issue: 01/August/2025

RESEARCH LICENSE



This is to Certify that Ms.. Lydia Kagendo Simba of St. Pauls University, Kenya, has been licensed to conduct research as per the provision of the Science, Technology and Innovation Act, 2013 (Rev.2014) in Nairobi on the topic: STRATEGIC REPOSITIONING AND PERFORMANCE OF INSURANCE COMPANIES IN NAIROBI CITY COUNTY, KENYA for the period ending : 01/August/2026.

License No: NACOSTI/P/25/4177847

480072

Applicant Identification Number

Ag. Director General
NATIONAL COMMISSION FOR SCIENCE, TECHNOLOGY & INNOVATION

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