

Marketing communication strategies in the insurance industry: a case of firms in Nairobi

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Abstract:

Insurance is a very important industry in economic performance of any country. This is because it traverses all sectors of the economy, it is therefore important that proper marketing strategies be put in place to ensure the success of the industry. The study aimed at investigating the marketing communication strategies in the insurance industry, targeting insurance firms in Nairobi. It especially sought to identify the marketing tools that are in use in the industry, factors affecting choice of these tools and the factors hindering effective communication in the industry. Data was collected from insurance firms in Nairobi, targeting all the firms regardless of whether they were involved in any form of marketing or not.

Sampling was done using simple random sampling. Data was acquired through self administered questionnaires and also from secondary sources. It was analysed using SPSS computer package. Frequencies, percentages and cross tabulations were used to analyse the data and was presented in form of tables. The study established that personal selling is the most popular tool in the industry and that currently, the trend is towards the use of direct marketing. In the factors affecting choice of these tools, effectiveness and target market were found to be outstanding though availability of resources was also significant.

In the factors hindering effective communication; lack of insurance knowledge was most important and also misperception of insurance. Other factors were; high premium costs, Lack of confidence in the insurance and high cost of communication. Drawing from the research findings it was suggested that; the insurance firms work towards corporate advertising and appJyan integrated approach in their application of the marketing tools. The government should also support the industry through teaching of insurance in schools. Some of the insurance services like life assurance should be made compulsory for all Kenyans. This is because life assurance serves as a form of saving for oneself and for his/her dependents.