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EFFECT OF RELATIONSHIP MARKETING ON MANAGERIAL PERCEPTIONS OF INSURANCE PURCHASE INTENTIONS IN KENYA

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Abstract

Kenya's insurance industry continues to record relatively low levels of uptake alongside concerns about consumer confidence in insurance products and providers. This study investigated how relationship marketing influences managers' perceptions of insurance purchase intentions within the Kenyan insurance sector. The research was anchored on a positivist philosophy and adopted a descriptive cross-sectional census survey approach. The study population consisted of all 54 insurance companies licensed by the Insurance Regulatory Authority, with one senior manager selected from each company to act as the key organisational informant. A total of 46 completed questionnaires were obtained and subjected to analysis. Descriptive statistics were applied to summarise the responses, while simple linear regression was used to examine the proposed relationship between the study variables. The findings established a positive and statistically significant relationship between relationship marketing and managerial perceptions of insurance purchase intentions. The results therefore indicate that relationship marketing provides an important basis through which managers assess customer outcomes associated with insurance purchasing. Insurance companies should consequently place greater emphasis on service quality, timely and effective communication, meaningful loyalty programmes, internal marketing practices, and sustained improvement of customer service processes.

Keywords: Relationship marketing; purchase intentions; insurance products; insurance firms; Kenya.

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Introduction

Insurance supports risk transfer and resilience, but its value depends on consumers' willingness to purchase and maintain cover (Insurance Regulatory Authority [IRA], 2023). Purchase intention describes the extent to which a consumer is prepared or likely to acquire a given product or service. It therefore reflects an individual's willingness or probability of proceeding with a purchase and is often used as an indication of possible future buying behaviour (Lin & Shen, 2023; Wistledt, 2024). In insurance, purchase intention is shaped by perceived value, service quality, credibility, and confidence that the insurer will meet obligations (Thamtarana & Sornsaruht, 2024). Because insurance benefits are intangible and realised after loss, the customer–insurer relationship becomes central to the purchase decision (Hassan et al., 2024). Relationship marketing addresses this condition through communication, reliable service, trust-building, customer support, and engagement (Zegullaj et al., 2023). "

The post-COVID-19 expansion of digital insurance has widened access while raising expectations for secure, responsive, and consistent service across digital channels (Association of Kenya Insurers [AKI], 2024). Recent evidence shows that insurance technology, perceived value, and service quality influence purchase intention, although some effects arise indirectly through evaluations of value and digital service (Thamtarana & Sornsaruht, 2024). Research on insurance applications also indicates that usefulness, ease of use, attitude, and trust shape customers' intention to adopt digital insurance services (Pham & Ho, 2022). In developing markets, trust strengthens the movement from behavioural intention to actual use of technology-supported insurance services (Hassan et al., 2024). Digital access may therefore have limited effect unless insurers combine technology with clear communication, dependable service, and customer-centred practices (Schlemmer & Bowman, 2022).

This challenge is important in Africa, where insurance markets record low and uneven penetration despite expanding innovation and distribution opportunities (Horvey et al., 2026). Insurance penetration measures total insurance premiums as a proportion of gross domestic product and indicates insurance's contribution to an economy (IRA, 2023). In Kenya, industry evidence shows premium growth, but market participation remains concentrated and penetration remains modest compared with developed African markets (AKI, 2023; IRA, 2024). Kenyan insurers are adopting digital platforms, data analytics, automation, and technology-enabled engagement to widen reach and improve service delivery (AKI, 2024). Low penetration alongside technological expansion suggests that product availability is insufficient because customers must also understand, evaluate, trust, and retain insurance products (SchlemmerChege, 2022).

Recent empirical studies also demonstrate the importance of relationship-oriented practices in insurance markets. Evidence from a large Nigerian consumer study showed that customer awareness, trust, perceived quality of service, product innovation, customisation, and customer

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satisfaction were significant factors in explaining insurance purchasing decisions (Oluwabiyi et al., 2022). Evidence from Kenyan policyholders similarly shows that service assurance, including staff competence, customer safety, politeness, and provision of sufficient information, is positively related to customer satisfaction (Chege, 2022). Service reliability has also been shown to influence satisfaction among individual customers within Kenya's insurance industry (Chege, 2021). Customer orientation is equally associated with stronger performance among Kenyan non-life insurers, especially where firms respond appropriately to customer needs and complaints (Akwir et al., 2025). Despite these findings, there is still limited evidence on whether managers in licensed Kenyan insurance companies perceive relationship marketing as an important influence on insurance purchasing intentions. The present study responds to this gap by assessing the relationship between relationship marketing and managerial perceptions of insurance purchase intentions in Kenya.

Research Problem

Relationship marketing is expected to build customer trust, improve the quality of communication between insurers and policyholders, and strengthen customers' willingness to buy new insurance products or continue with existing cover. Available research indicates that service quality, customer satisfaction, trust, product awareness, and personalised customer engagement can shape insurance purchasing decisions (Oluwabiyi et al., 2022; Thamtarana & Sornsaruht, 2024). Within Kenya, service assurance has also been found to strengthen policyholder satisfaction where insurance companies provide clear information, professional support, and dependable customer service (Chege, 2022). These findings suggest that strong relationship marketing practices can help reduce some of the uncertainty that customers experience when deciding whether to purchase or maintain insurance.

However, although relationship marketing and insurance purchase behaviour have received growing scholarly attention, much of the recent evidence has been generated outside Kenya (Moon et al., 2025; Oluwabiyi et al., 2022). Kenyan research has largely considered individual service dimensions such as service assurance and customer satisfaction rather than examining relationship marketing as a combined organisational approach influencing purchase intentions (Chege, 2022). Furthermore, purchase intention has mainly been investigated from the customer's perspective, leaving limited evidence on how senior managers assess customer satisfaction, referrals, retention, policy uptake, premium behaviour, and other purchase-related outcomes (Langholf, 2022; Solarino & Aguinis, 2021). The research problem therefore concerns the limited empirical evidence explaining whether relationship marketing shapes managerial assessments of insurance purchase intentions within Kenya. The present study addressed this gap by examining the relationship between relationship marketing and managers' perceptions of insurance purchase intentions in the Kenyan insurance sector.

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Research Objective

The study sought to determine the effect of relationship marketing on managerial perceptions of insurance purchase intentions in Kenya.

Literature Review

This section reviews literature on relationship marketing and managerial perceptions of insurance purchase intentions. It discusses the theories and empirical evidence that underpinned the study. It also identifies research gaps that informed the conceptual framework and research hypothesis.

Theory of Planned Behavior

The Theory of Planned Behaviour originated from the work of Icek Ajzen and was formally presented in 1991 as a development of the earlier Theory of Reasoned Action (Naskar & Lindahl, 2026). The expanded theory introduced perceived behavioural control in order to account for actions that may not be entirely under an individual's voluntary control (Hagger et al., 2022). A central proposition of the theory is that behavioural intention serves as the closest motivational antecedent of planned action. Such intention is mainly influenced by attitude, subjective norm, and perceived behavioural control (Hagger & Hamilton, 2025).

Attitude refers to the degree to which an individual evaluates performing a particular action positively or negatively. Subjective norm captures perceived expectations, approval, or social pressure from important people regarding whether the action should be performed (Nickell & Verlin, 2023). Perceived behavioural control concerns an individual's assessment of whether performing the behaviour is manageable or difficult given the available abilities, opportunities, resources, and possible constraints (Esfandiar & Hadinejad, 2026).

A major advantage of the theory lies in its relatively straightforward structure, which connects individual evaluations, social pressure, perceptions of control, behavioural intention, and subsequent action within one explanatory framework (Hagger & Hamilton, 2025). Its major constructs can also be specified and measured systematically, allowing researchers to compare factors associated with behavioural intentions across different contexts (Naskar & Lindahl, 2026). Meta-analytic evidence further supports the inclusion of perceived behavioural control because beliefs about personal control can influence both the formation of behavioural intention and the likelihood that intention will eventually translate into actual behaviour (Hagger et al., 2022).

The theory has been applied in several fields, including health, consumer behaviour, technology adoption, environmental behaviour, and organisational research, demonstrating its usefulness across varied behavioural settings (Hagger & Hamilton, 2025). Within insurance research, a systematic review identified the Theory of Planned Behavior as the theoretical framework most commonly applied in studies that explicitly sought to explain health insurance purchase intentions (Zheng et al., 2025).

Despite its usefulness, the theory also has limitations when applied to complicated purchasing decisions. One important concern is the intention-behaviour gap,

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where an individual may express strong willingness to act but fail to perform the expected behaviour (Conner & Norman, 2022). Whether intention becomes actual behaviour can depend on such matters as the stability of the intention, competing priorities, difficulty of the action, availability of resources, and the amount of genuine behavioural control available to the person (Conner & Norman, 2022). The theory has also faced methodological criticism because many applications rely heavily on cross-sectional questionnaires and self-reported intentions. These approaches limit causal interpretation and may not accurately represent behaviour as it eventually occurs (Esfandiar & Hadinejad, 2026).

For this study, the Theory of Planned Behaviour provided a basis for interpreting how relationship marketing may influence managers' perceptions of customers' insurance purchase intentions. Previous research has established that service quality, customer awareness, trust, and satisfaction are associated with insurance purchase decisions, suggesting that favourable relationship experiences can encourage more positive customer evaluations of insurance products (Oluwabiyi et al., 2022). Clear communication, reliable service, perceived value, and accessible insurance technology can also reduce uncertainty and strengthen customers' confidence in their capacity to select and purchase appropriate insurance products (Thamtarana & Sornsaruht, 2024).

Referrals, customer relationships, and constructive interactions with insurance representatives may further create social approval, trust, satisfaction, and willingness to renew insurance cover (Moon et al., 2025). These processes correspond with the central concepts of attitude, subjective norm, and perceived behavioural control. The theory therefore offered a useful interpretive framework for assessing how relationship marketing may be associated with managers' evaluations of customer satisfaction, loyalty, referrals, purchases of more than one insurance policy, and continued premium contributions.

Commitment-Trust Theory

The Commitment-Trust Theory was developed by Robert Morgan and Shelby Hunt in 1994 to explain the formation, maintenance, and outcomes of successful relationship marketing exchanges (Badrinarayanan & Ramachandran, 2024). Its central proposition is that trust and relationship commitment function as key mediating variables between relationship marketing activities and desirable relational outcomes (Zegullaj et al., 2023). Trust refers to confidence in the reliability and integrity of an exchange partner, while commitment represents a lasting desire to preserve a relationship considered valuable (Aydın, 2026). The theory identifies relationship benefits, shared values, communication, relationship termination costs, and opportunistic behaviour as conditions that can shape trust and commitment (Badrinarayanan & Ramachandran, 2024). Trust and commitment are subsequently expected to encourage cooperation, reduce uncertainty, limit the desire to leave the relationship, and support constructive responses to disagreements (Ahamed & Noboa, 2022).

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A major strength of the theory is its explanation of the process through which relationship marketing practices produce enduring customer relationships rather than merely immediate transactions (Rew et al., 2023). The theory also recognises several forms of relational exchange, including relationships with customers, suppliers, employees, competitors, and other organisational partners, which supports its application across internal and external marketing settings (Badrinarayanan & Ramachandran, 2024). Research in retail banking has found that trust and commitment mediate relationships between service quality and customer loyalty, supporting their importance in long-term service relationships (Ismanova, 2023). Evidence from digital service settings also indicates that relationship management practices and technology-based service quality can strengthen customer loyalty through trust-related relational processes (Abid et al., 2023). These applications show that the theory remains relevant where customers must depend on a provider's future conduct and continued service performance.

The theory nevertheless has conceptual and methodological limitations. Trust and commitment are sometimes treated as single, uniform constructs even though commitment may include affective, calculative, and normative forms with different causes and behavioural consequences (Petzer & Roberts-Lombard, 2022). The assumed direction from trust to commitment may also be too restrictive because recent evidence suggests that relationship commitment can signal reliability and contribute to the later development of trust (Kähkönen et al., 2024). Its propositions may vary across institutional and cultural settings because customers do not evaluate communication, obligation, cooperation, and long-term relationships in identical ways across markets (Ahamed & Noboa, 2022). Many empirical applications also use cross-sectional and self-reported data, which limits causal conclusions about whether trust creates commitment, commitment strengthens trust, or both develop together over time (Hidayat et al., 2023). The theory may further provide an incomplete explanation of insurance decisions when affordability, financial literacy, regulation, technology access, product complexity, and perceived risk also affect customer behaviour (Oluwabiyi et al., 2022; Thamtarana & Sornsaruht, 2024).

In this study, the Commitment-Trust Theory was applied to explain how relationship marketing may influence managerial perceptions of insurance purchase intentions in Kenya. Service quality and effective communication were expected to strengthen confidence in an insurer's competence, honesty, responsiveness, and ability to fulfil policy obligations. Recent insurance evidence indicates that customer trust, service quality, awareness, product customisation, and satisfaction significantly predict insurance purchase decisions (Oluwabiyi et al., 2022). Loyalty programmes and customer-centred internal practices may also demonstrate the insurer's interest in maintaining valuable relationships rather than pursuing isolated policy sales. Relationship marketing has been associated with customer advocacy in insurance,

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indicating that positive relational experiences can encourage recommendations and supportive customer behaviour (Oluwabiyi, 2024). The theory therefore provided an interpretive basis for linking relationship marketing to managers' assessments of customer satisfaction, referrals, loyalty, multiple-policy purchases, and continued premium contributions.

Empirical Review

Evidence from African insurance markets demonstrates the significance of relationship-oriented marketing practices. Oluwabiyi et al. (2022) examined insurance consumers in Lagos State, Nigeria, using a survey design together with non-probability sampling. Data were collected from 1,650 consumers and analysed through multiple linear regression to assess the contribution of customer awareness, trust, service quality, product innovation, customisation, and customer satisfaction to insurance purchasing decisions. The findings showed that these relationship marketing dimensions made significant contributions to insurance purchase decisions.

Studies undertaken in Kenya have mainly addressed selected relationship marketing dimensions or related customer outcomes. Chege (2021) applied a descriptive research design, structured questionnaires, and multilevel structural equation modelling to investigate the relationship between service reliability and satisfaction among insurance policyholders. The findings indicated that service reliability significantly influenced customer satisfaction at the individual policyholder level, although it did not account for significant variations in satisfaction between insurance companies. Chege (2022) later examined service assurance using measures that included customer confidence, transaction safety, employee politeness, and provision of sufficient information. Using policyholder information and linear mixed-effect structural equation modelling, the study established that service assurance produced a significant positive effect on customer satisfaction at the individual policyholder level, although it did not significantly explain differences in satisfaction between insurance companies. These findings demonstrate the importance of service quality while also showing that much Kenyan research has concentrated on individual service dimensions and satisfaction rather than relationship marketing as a combined predictor of insurance purchasing intentions.

Other Kenyan studies have investigated loyalty and broader organisational outcomes. Makwata and Mwanzia (2024) adopted a descriptive quantitative design and obtained questionnaire information from 84 marketing managers selected from 135 insurance brokerage firms. Their regression findings showed that customer interaction, targeted marketing, and loyalty programmes positively influenced customer loyalty, whereas customer service delivery recorded a negative relationship with loyalty. Akwir et al. (2025) undertook a census study involving management officials from 35 licensed non-life insurance firms and analysed the information using descriptive statistics, correlation, and regression. Customer orientation showed a strong and statistically significant relationship with organisational performance, implying that responsiveness,

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feedback, market sensing, and customer-centred practices remain important to insurance firm outcomes.

The reviewed evidence reveals notable contextual and conceptual gaps. Research that has directly investigated insurance purchase or repurchase intention has mainly relied on customers located outside Kenya (Gün & Söyük, 2025; Oluwabiyi et al., 2022; Thamtarana & Sornsaruht, 2024). Kenyan studies have instead concentrated on service reliability, assurance, customer satisfaction, loyalty, customer orientation, and firm performance rather than assessing relationship marketing as an integrated predictor of insurance purchase intentions (Akwir et al., 2025; Chege, 2021, 2022; Makwata & Mwanzia, 2024). There is also limited research showing how senior managers in licensed Kenyan insurance companies assess customer outcomes linked to insurance purchasing. The present research addressed these gaps by determining whether relationship marketing significantly predicts managerial perceptions of insurance purchase intentions among licensed insurers operating in Kenya.

Evidence from the African insurance market also demonstrates the importance of relationship-

Conceptual Framework

Figure 1 presents the hypothesized relationship between relationship marketing and managerial perceptions of insurance purchase intentions in Kenya. Relationship marketing constituted the independent variable and was represented by service quality, communication, loyalty programmes, and internal marketing. Managerial perceptions of insurance purchase intentions formed the dependent variable in the model. The construct was assessed through managers' reports of customer satisfaction, referrals, loyalty, purchases of multiple insurance covers, and continuity of premium contributions. This conceptual framework reflects the expectation that reliable service, clear communication, meaningful loyalty initiatives, and customer-oriented employees can strengthen satisfaction, loyalty, referrals, and continued purchasing behaviours (Dwilianingsih & Indradewa, 2022; Makwata & Mwanzia, 2024; Thamtarana & Sornsaruht, 2024).

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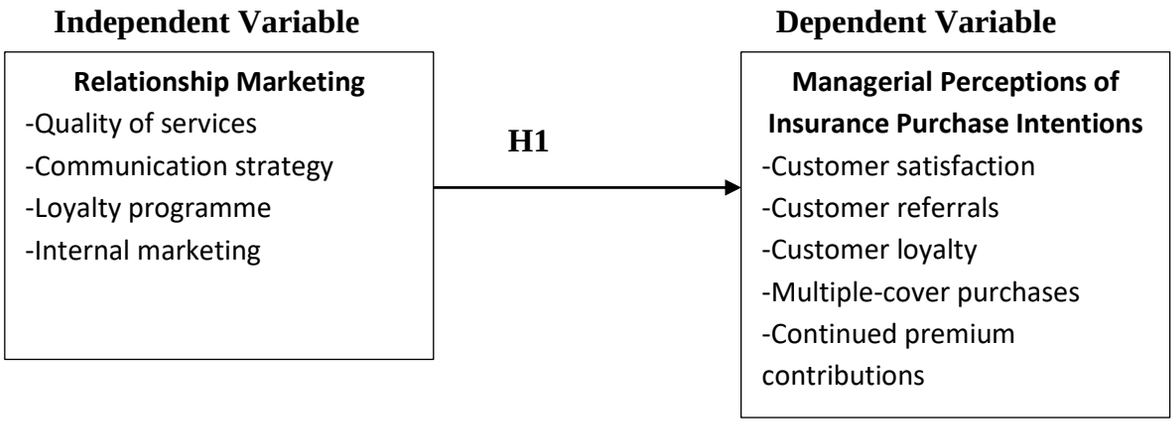


Figure 1: Conceptual Model

Research Hypothesis

The study was guided by the following hypothesis:

H_0: Relationship marketing has no statistically significant effect on managerial perceptions of insurance purchase intentions in Kenya.

H_1: Relationship marketing has a statistically significant effect on managerial perceptions of insurance purchase intentions in Kenya.

Research Methodology

Research Design

The study was grounded in a positivist research philosophy and employed a descriptive cross-sectional census survey design. A positivist approach was suitable because the study specified a hypothesis, translated the relevant constructs into quantitative measures, and statistically examined the proposed relationship between them, which is consistent with quantitative research practice (Creswell & Creswell, 2023).

The cross-sectional component involved obtaining information from respondents during a single study period. It appropriate for examining the association between relationship marketing and managerial perceptions of insurance purchase intentions (Andal-Saniano et al., 2024). However, because the predictor and outcome variables were measured during the same period, the design does not establish temporal order and therefore cannot provide a firm basis for making causal conclusions (Pérez-Guerrero et al., 2024).

Target Population

The target population comprised all 54 insurance companies licensed to operate in Kenya at the time of data collection. The Insurance Regulatory Authority maintains the official register of licensed insurers operating within the Kenyan market (Insurance Regulatory Authority, 2026). The insurance company was the unit of analysis, while one senior member of staff from marketing, operations, or executive management served as the key informant for each firm. Senior managers were

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selected because their positions provided access to customer-service processes, complaint records, retention patterns, referrals, policy uptake, premium trends, and strategic marketing decisions. Key informants can provide organisational information that may not be available to employees with narrower responsibilities, although their responses remain personal assessments of firm-level conditions (Solarino & Aguinis, 2021).

Data Collection

Primary data was obtained using a structured questionnaire consisting of closed-response statements. The questionnaire employed a five-point Likert-type scale ranging from 1, representing no extent, to 5, representing a very large extent. A structured instrument allowed the same items to be presented consistently to all respondents and facilitated the collection of comparable quantitative information relating to organisational practices and managerial assessments (Kennedy et al., 2022).

Relationship marketing questions covered service quality, communication, loyalty programmes, and internal marketing. The dependent-variable items measured managers' assessments of customer satisfaction, referrals, loyalty, purchases of multiple insurance covers, and premium contribution behaviour. The questionnaire statements were aligned with the conceptual definitions of the respective constructs so that information collected from respondents corresponded closely with the intended measures in the research model (Kennedy et al., 2022).

The questionnaires were distributed through personal visits and electronic mail depending on the accessibility and preference of each respondent. Follow-up communication was undertaken to improve completion and retrieval across participating firms. The same wording, measurement scale, and item sequence were maintained for all respondents to enhance consistency in administration. From the 54 firms covered by the census, 46 valid questionnaires were successfully returned, giving a response rate of 85.2%.

Validity and Reliability

The questionnaire was pretested before the main data collection exercise in order to evaluate whether the items were clear, relevant, and suitable for the intended respondents. Face validity was assessed through review by individuals knowledgeable in insurance and marketing. Content validity was examined by comparing each questionnaire item with the study objective, conceptual framework, and definitions of the constructs. Expert assessment together with systematic item mapping provides evidence that a measurement scale adequately represents the content domain it is intended to capture (Santoyo-Sánchez et al., 2022).

Internal consistency reliability was evaluated using Cronbach's alpha. An alpha coefficient of at least 0.70 is commonly applied as an initial benchmark for determining the reliability of composite measurement scales (Hair et al., 2022). Relationship marketing, measured through 18 questionnaire items, recorded an alpha coefficient of .84, while the seven-item scale for managerial perceptions of insurance purchase intentions produced an

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alpha coefficient of .825. These coefficients confirmed satisfactory internal consistency for both constructs.

Data Analysis and Results

The collected information was analysed using the Statistical Package for the Social Sciences. Descriptive measures, particularly means and standard deviations, were applied to summarise respondents' assessments of relationship marketing practices and manager-reported purchase-related customer outcomes. Simple linear regression was subsequently conducted to establish whether relationship marketing significantly predicted managerial perceptions of insurance purchase intentions. All inferential tests were assessed using an alpha level of .05.

Descriptive Statistics for Relationship Marketing

Relationship marketing was analyzed as the independent variable of the study. The variable was measured using items relating to service quality, customer focus, communication, loyalty, internal processes, technology adoption, complaints handling, and service improvement. Table 1 presents the descriptive statistics for relationship marketing among insurance firms in Kenya.

Table 1: Descriptive Statistics for Relationship Marketing

Statement	N	M	SD
The company works in compliance with the laws	46	4.1	0.6
The company centers its services on the customers	46	4.1	0.7
The company has procedural manuals that guide the day-to-day operations	46	4.1	0.7
The customers are able to choose from different products offered by the company	46	4.0	0.7
The company engages in corporate social responsibility	46	4.0	0.8
Our customers are pleased with the services we offer as a company	46	4.0	0.7
The services we offer to our customers are excellent	46	4.0	0.7
The company is involved in activities that are environmentally friendly	46	4.0	0.7
The company has succeeded in retaining its customers in comparison to other firms in the industry	46	4.0	0.6
In the last three years, the complaints from customers have significantly decreased	46	4.0	0.6
The customer services have improved in the company following the adoption of process automation and technology	46	4.0	0.8

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Statement	N	M	SD
The company undertakes surveys on client satisfaction, and the feedback is always positive	46	3.9	0.6
Over the last three years, the internal processes of the company have improved	46	3.9	0.6
The complaints from customers are addressed and responded to in less than 24 hours	46	3.9	1.0
A scheme for customer loyalty is available in the company	46	3.9	0.9
Over the last three years, the company's premiums have grown faster compared to the competition in the industry	46	3.8	0.7
Over the last three years, the CSR budget has increased	46	3.8	1.0
The company has consistently improved its services as compared to the competition	46	3.6	0.6
Overall Score for Relationship Marketing	**46**	**4.0**	**0.5**

Source: Survey data (2026)

The results in Table 1 show that relationship marketing was practised to a large extent among the surveyed insurance firms. The overall mean was 4.0 with a standard deviation of 0.5, indicating generally favourable assessments of relationship marketing practices and relatively limited variation across respondents. Based on the unrounded scores, the highest-rated items were compliance with laws (M = 4.1, SD = 0.6), customer-centred services (M = 4.1, SD = 0.7), and the use of procedural manuals (M = 4.1, SD = 0.7). These results indicate that regulatory compliance, formal operating procedures, and customer focus were well established among the surveyed firms.

The lowest-rated item concerned consistent service improvement relative to competitors (M = 3.6, SD = 0.6). Although this mean was still above the midpoint, it suggests that some firms were less strong in continuous service improvement. Overall, the findings show that relationship marketing was visible through compliance, customer focus, service quality, product variety, complaints handling, technology adoption, and loyalty efforts.

Descriptive Statistics for Managerial Perceptions of Insurance Purchase Intentions

Managerial perceptions of insurance purchase intentions constituted the study's dependent variable. The construct was measured using indicators of customer satisfaction, referrals, loyalty, purchases of multiple insurance covers, reported fraud cases, contribution behaviour, and regular premium payments. Table 2 presents the descriptive statistics for managerial perceptions of insurance purchase intentions among licensed firms in Kenya.

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Table 2: Descriptive Statistics for Managerial Perceptions of Insurance Purchase Intentions

Statement	N	*M*	*SD*
The customers are satisfied with the services offered	46	4.1	0.6
Most of the new customers come from referrals	46	4.1	0.7
The firm has loyal customers	46	4.1	0.7
The customers purchase more than one insurance cover	46	4.0	0.6
Cases of insurance fraud by the customers are few	46	4.0	0.6
The employees in the firm do not have to remind the insurance holders to contribute to their covers	46	4.0	0.8
All customers contribute monthly to their insurance covers	46	3.9	0.6
Overall Score for Managerial Perceptions Score	**46**	**4.0**	**0.5**

Source: Survey data (2026)

Table 2 shows that managerial perceptions of insurance purchase intentions were generally favourable. The overall mean was 4.0 (*SD*=0.5), indicating that managers reported relatively strong purchase-related customer outcomes. Respondents generally perceived customers as satisfied, loyal, willing to provide referrals, and willing to maintain their relationships with their insurance firms.

Based on the unrounded scores, customer satisfaction recorded the highest rating (*M* = 4.1, *SD* = 0.7), followed by customer referrals (*M* = 4.1, *SD* = 0.7) and customer loyalty (*M* = 4.1, *SD* = 0.7). Monthly premium contribution recorded the lowest rating (*M* = 3.9, *SD* = 0.6), although it remained above the scale midpoint. Overall, managers associated insurance purchase intentions with satisfaction, referrals, loyalty, multiple-policy purchases, and continued premium contributions.

Effect of Relationship Marketing on Managerial Perceptions of Insurance Purchase Intentions

Simple linear regression was used to test whether relationship marketing significantly predicted managerial perceptions of insurance purchase intentions in Kenya. Relationship marketing was entered as the predictor variable, while managerial perceptions of insurance purchase intentions constituted the outcome variable. Linearity was assessed visually using a scatterplot of relationship marketing and managerial perceptions of insurance purchase intentions. The scatterplot showed a positive linear pattern without clear curvature or systematic departure from linearity. The Shapiro-Wilk tests indicated no statistically significant departure from normality for relationship marketing, $W = .94$, $p = .054$, or managerial perceptions of insurance purchase intentions, $W = .97$, $p = .192$. The Breusch-Pagan test was also not

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statistically significant, $p = .055$, providing no evidence of a violation of the homoscedasticity assumption. Table 3 presents the results of the regression analysis.

Table 3: Linear Regression Results for Relationship Marketing and Managerial Perceptions of Insurance Purchase Intentions

Variable	*B*	S*E*	β	*t*	*p*
Constant	1.51	.48		3.13	.003
Relationship Marketing	.64	.12	.62	5.26	<.001
R	.62				
R^2	.39				
Adjusted R^2	.37				
F (1, 44)	27.63				
Sig.	<.001				

Source: Survey data (2026)

The findings reported in Table 3 indicate that relationship marketing was positively and significantly associated with managerial perceptions of insurance purchase intentions. The fitted regression model was statistically significant, $F(1,44) = 27.63$, $p < .001$, and accounted for approximately 38.6% of the observed variance in managerial perceptions of insurance purchase intentions, $R^2 = .39$. The regression coefficient was positive and statistically significant, $B = 0.64$, $SE = 0.12$, $\beta = .62$, $t = 5.26$, $p < .001$. This indicates that a one-unit increase in the relationship marketing score was associated with a 0.64-unit increase in the managerial perception score. Based on these results, the null hypothesis that relationship marketing has no statistically significant effect on managerial perceptions of insurance purchase intentions in Kenya was rejected.

Discussion of Findings

The objective of the study was to determine the effect of relationship marketing on managerial perceptions of insurance purchase intentions in Kenya. The results demonstrated that relationship marketing had a positive and statistically significant relationship with managers' assessments of insurance purchasing outcomes. The null hypothesis was therefore rejected, indicating that differences in relationship marketing practices significantly predicted differences in managerial perceptions of insurance purchase intentions among the surveyed firms.

The results are consistent with Kenyan evidence relating to relationship-based outcomes in the insurance industry. Chege (2021) found that service reliability significantly influenced policyholder satisfaction, while Chege (2022)

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established that service assurance positively affected customer satisfaction. Makwata and Mwanzia (2024) similarly reported that customer interaction, targeted marketing, and loyalty programmes strengthened customer loyalty within insurance brokerage firms. The present findings extend this evidence by showing that relationship marketing is also associated with managers' assessments of customer satisfaction, referrals, loyalty, multiple-cover purchases, and continued premium contributions.

The findings are further compatible with Commitment-Trust Theory because dependable service and effective communication can strengthen customers' confidence in an insurer and support the continuation of long-term relationships (Badrinarayanan & Ramachandran, 2024). They can also be interpreted through the Theory of Planned Behavior because favourable evaluations of an insurance provider, social influence arising partly through referrals, and customers' perceived ease of obtaining suitable insurance may contribute to the development of purchase intentions (Hagger & Hamilton, 2025)."

Conclusion

The study concludes that relationship marketing has a positive and statistically significant effect on managerial perceptions of insurance purchase intentions in Kenya. Firms reporting stronger service quality, communication, loyalty programmes, and internal marketing also reported more favourable customer satisfaction, referrals, loyalty, multiple-cover purchases, and continued premium contributions. Relationship marketing explained 38.6% of the variation in managerial perceptions of purchase intentions, showing that relational practices are important within the surveyed insurance firms. However, the findings represent assessments provided by senior managers and should not be interpreted as direct measurements of consumers' psychological intentions.

The descriptive findings further showed that legal compliance, customer-centred service, and procedural guidance were the most established relationship marketing practices. Continuous service improvement received the lowest rating, suggesting that some insurers may rely more on formal systems than on regular service innovation. This weakness may reduce firms' ability to respond to changing customer expectations and service challenges. Relationship marketing should therefore be treated as a continuous organisational process rather than a short-term promotional activity.

Implications of the Study

The findings have theoretical implications because they show that relationship marketing is associated with favourable purchase-related outcomes reported by insurance managers. Service quality, communication, loyalty initiatives, and internal marketing may strengthen confidence, satisfaction, and continued customer engagement. The findings are also consistent with the view that favourable evaluations, social influence, and perceived ease of accessing insurance can shape purchase-related decisions. However, the psychological processes underlying consumer intention were not directly tested because the study relied on managerial respondents.

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The findings also have managerial implications for insurance firms in Kenya. Relationship marketing should be incorporated into customer service systems, employee training, communication processes, and customer retention strategies. Managers should assess its effectiveness through indicators such as complaint resolution time, customer satisfaction, referrals, policy renewals, multiple-cover purchases, and regular premium payments. These indicators can help firms determine whether relationship-building activities are producing meaningful customer and organisational outcomes.

The study also has methodological implications for research on insurance purchase intentions. Senior managers can provide valuable information about customer trends, service processes, and organisational performance. Nevertheless, their responses remain informed perceptions and may not fully represent the views, attitudes, and intentions of individual consumers. Future interpretations should therefore maintain a clear distinction between managerial perceptions of purchase-related behaviour and consumers' directly reported intentions.

Recommendations

Insurance firms should establish formal systems for continuous service improvement because this practice received the lowest relationship marketing rating. Each firm should regularly review customer complaints, delayed services, digital transaction failures, renewal losses, and customer feedback. Responsibility for addressing recurring service weaknesses should be assigned to specific managers and departments. Performance reviews should consider response time, claims communication, complaint resolution, customer retention, and satisfaction.

Insurance companies should strengthen communication by providing clear explanations of premiums, benefits, exclusions, waiting periods, renewal terms, and claims procedures. Policy information should be presented in simple language through branch offices, websites, mobile platforms, and direct customer support channels. Digital systems should allow customers to obtain information, submit documents, track claims, and request assistance when automated services are insufficient. Communication should continue after the initial purchase to support understanding, confidence, and policy renewal.

Loyalty programmes should provide meaningful long-term benefits rather than rely only on short-term promotional rewards. Insurers may support renewals and referrals through policy reviews, customer education, risk-prevention services, personalised reminders, and recognition of continued patronage. Employees should receive regular training in product knowledge, ethical communication, complaint handling, customer care, and digital service delivery. Staff performance should be assessed using customer satisfaction, response quality, retention, and service consistency in addition to sales targets.

Insurance firms should use customer feedback and organisational records to guide relationship marketing decisions. Satisfaction surveys, complaints data,

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referral patterns, premium payment records, policy renewals, and multiple-cover purchases should be reviewed together. Managers should compare these indicators across products, customer groups, and service channels to identify areas requiring improvement. Regulators and industry associations should also promote customer education, plain-language policy information, service transparency, and stronger protection of policyholders.

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There were no any conflicts of interests in the research.

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