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### Examining the Effectiveness of Marketing Research on Business Performance: A Case Study of Insurance Companies in Lusaka

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#### Abstract

This study examined the effectiveness of marketing research strategies employed by insurance companies in Lusaka. The study was guided by four main objectives: to establish the marketing research practices used by insurance companies, to evaluate the effectiveness of these practices in identifying and reaching target markets, to assess the effect of marketing research and targeting on company performance and to investigate the limitations faced in implementing such strategies. A descriptive research design was adopted focusing on both qualitative and quantitative methods. Data were collected from 75 respondents drawn from different insurance companies using structured questionnaires. Descriptive statistics were used to summarize the data while qualitative responses provided deeper insights into company practices and challenges. The findings revealed that 37.33%

of insurance companies conduct marketing research only occasionally while 36.0% rely heavily on surveys as their main research method. 32.0% of the respondents indicated that marketing research moderately guided marketing or sales improvements while 26.67% stated it significantly shaped strategic growth initiatives. However, the study also found that 26.67% of companies faced limited budgets and 21.33% lacked skilled personnel, constraining effective research execution. The study concludes that marketing research and targeting are essential tools for improving competitiveness and customer satisfaction in the insurance industry. It recommends continuous investment in research capacity, adoption of digital technologies and the integration of research insights into strategic planning to enhance overall marketing effectiveness and business sustainability.

**Keywords:** Marketing Research, Targeting Strategies, Insurance Companies, Lusaka, Customer Segmentation

#### 1. Introduction

This research proposal presents an examination of the effectiveness of marketing research strategies used by insurance companies in Lusaka. as the insurance sector in Zambia becomes increasingly competitive, companies need effective marketing research to understand consumer needs and develop appropriate strategies to reach them.

##### 1.1 Background

Marketing research have been important parts of business strategy for a long time especially in fields where trust and long-term relationships are important. These strategies are essential in the global insurance industry because insurance products are hard to understand and do not have a physical form. This means that providers and customers need to be able to communicate clearly and trust each other (Javalgi *et al.*, 2017) <sup>[5]</sup>. Insurance companies can look at market trends figure out what customers want, and come up with the right targeting strategies that fit with how customers are changing their behavior (Molina & Ortega, 2023) <sup>[11]</sup>. In advanced markets like the US and UK, insurers are using data analytics and predictive modeling more and more to customize their products.

The insurance industry is growing across Africa but its growth is slowed by differences in wealth, culture, and a lack of knowledge about insurance. Insurers are putting more and more emphasis on marketing research and targeting in order to reach a wide range of people with different needs and financial situations (van der merwe, 2018) <sup>[14]</sup>. Bhalla and ramu (2016) studied

the south Asian and African markets and found that insurance companies that used customer segmentation strategies, like making different products for urban and rural clients, had higher policy renewals and engagement rates than those that used the same campaigns for everyone.

The insurance industry in Zambia has grown steadily but it still does not have as many customers as other emerging economies. Recent studies indicate that although awareness of insurance has increased a mere fraction of the population engages in formal insurance schemes (Kanyama & Mwanza, 2020) [6]. Local insurers in Lusaka have a hard time targeting customers because of problems like low disposable incomes, low financial literacy and a deep-seated lack of trust in insurance companies. Because of this Zambian insurance companies rely a lot on traditional marketing methods like direct sales and radio ads, which are not always very accurate and do not always keep up with changing customer preferences. Kotler and Keller (2012) say that digital platforms like mobile apps and social media let businesses look at customer preferences in real time, which lets them make personalized messages and products. Some companies in Zambia, such as Madison General and Professional Life Insurance have started using online feedback tools and targeted ads to get a better idea of what their clients want. the country still has problems fully using marketing research insights because of a lack of data, limited analytical skills, and problems with infrastructure (Van der Merwe, 2018) [14].

Most insurance companies use simple surveys and traditional ads to find customers. They do not use advanced analytical tools or segmentation models very often. The Pensions and Insurance Authority (PIA, 2022) says that insurance coverage in Zambia is still less than 3%, which means that many people are still not insured or are not fully covered. This low penetration rate is partly due to poor marketing targeting, a lack of knowledge about products, and a lack of trust in insurance companies.

## 1.2 Statement of the Problem

Despite the critical role of marketing research and targeted strategies in the insurance industry, companies in Lusaka, Zambia face significant challenges in effectively identifying and reaching their target markets. Insurance penetration in Zambia remains low with a rate of approximately 1.94% in 2019, compared to South Africa's 13.4% and a global average of over 6%. This indicates that a substantial portion of the potential market is not being adequately reached by existing marketing efforts. Research suggests that many insurance firms in Lusaka may not be employing comprehensive marketing research practices. According to a 2020 survey by PricewaterhouseCoopers, 70% of insurance companies in Zambia identified the recoverability of premium debtors as a major issue, highlighting challenges in understanding and effectively targeting their customer base, a study by Mulenga (2017) found that limited consumer awareness and understanding of insurance products contribute to low uptake, underscoring the need for effective marketing research and targeted strategies. These challenges not only hinder the ability of insurance companies to expand their customer base but also impact their overall performance and competitiveness in the industry.

## 1.3 General Objective

To examine the effectiveness of marketing research strategies employed by insurance companies in Lusaka.

## 1.4 Specific Objectives

1. To establish marketing research practices employed by insurance companies.
2. To evaluate the effectiveness of these marketing research practices in identifying and reaching target markets.
3. To Assess the effect of marketing research and targeting strategies on the overall performance of insurance companies in Lusaka.
4. To investigate the limitations faced by insurance companies in conducting effective marketing research and targeting in Lusaka.

## 1.5 Research Questions

1. What marketing research practices are currently employed by insurance companies?
2. How effective are these marketing research practices in identifying and reaching target markets?
3. What is the effect of marketing research and targeting strategies on the overall performance of insurance companies in Lusaka?
4. What limitations do insurance companies face in conducting effective marketing research and targeting in Lusaka?

## 1.6 Significance of the Study

The study provides important insights into the marketing strategies used by insurance companies in Lusaka, focusing on how effectively they conduct market research and target customers. By assessing current practices, the research identifies areas where companies can improve in order to reach wider audiences, tailor products to consumer needs, and strengthen customer loyalty. The findings are also useful for policymakers and regulators, as they show the need for data-driven approaches in a market shaped by diverse economic and demographic factors. Better-informed policies can support the development of customer-focused insurance services that address real market needs.

Academically, the study adds to the limited literature on marketing within the insurance sector in developing economies. It fills an important gap by examining customer segmentation and targeted messaging in Zambia's insurance market. For practitioners, the research offers practical guidance on designing effective marketing strategies and overcoming challenges in market research. By helping insurers create more relevant and accessible products, the study benefits customers and contributes to stronger customer-provider relationships. Ultimately, the findings support the growth of the insurance sector and its role in Zambia's economic development by promoting financial security and reducing vulnerability.

## 1.7 Theoretical Framework

This study is guided by Market Orientation Theory and Target Marketing Theory which together explain how insurance companies can use research and targeted strategies to attract and retain customers in a competitive market like

Lusaka. Market Orientation Theory emphasizes the importance of understanding and responding to customer needs through continuous market research. Scholars such as Narver and Slater (2019) and Kumar *et al.* (2021) <sup>[9]</sup> show that market-oriented firms perform better because they adapt proactively to changing customer expectations. Using this theory, the study examines whether insurance companies in Lusaka collect and apply customer insights to shape their products and services.

Target marketing theory supports this framework by explaining how companies can segment their markets and tailor strategies to specific groups. Kotler and Keller (2016) <sup>[8]</sup> note that targeted approaches are more effective than general marketing, especially in diverse markets. Research by Yankelovich and Meer (2016) <sup>[15]</sup> further stresses the need for personalized strategies to improve customer engagement. This study therefore evaluates whether insurance companies in Lusaka consider local attitudes, knowledge and perceptions when designing their marketing strategies.

## 2. Literature Review

### 2.1 Overview

Smith and Fader (2019) <sup>[13]</sup> found that predictive analytics is now a key component of marketing research for insurance providers, as it enables firms to predict customer behaviours based on historical data. By analysing patterns from existing policyholders, insurers can identify potential high-value customers and determine which types of products they may need in the future. For example, life insurers may analyse past purchase patterns to identify individuals likely to buy additional policies, while auto insurers may predict when customers might upgrade their coverage. Predictive analytics thus enhances marketing efficiency by focusing resources on the most promising leads.

Social media has emerged as a critical tool for marketing research in the insurance industry providing companies with direct access to customer opinions and preferences. Through platforms like Facebook, LinkedIn and Twitter, insurers can monitor public sentiment, track emerging trends, and engage directly with customers. Social media analytics help firms gauge customer attitudes and identify pain points enabling them to make necessary adjustments to their offerings. Gensler *et al.* (2023) <sup>[4]</sup> argue that social media insights are often more immediate and authentic than those obtained through traditional surveys as customers are likely to share genuine opinions on these platforms without the constraints of structured feedback.

Chary and Ramesh (2022) <sup>[1]</sup> report that focus groups remain essential in insurance marketing research particularly for exploring complex customer perceptions. In their study, a major life insurance provider in India used focus groups to test the market response to a new term insurance product aimed at young professionals. The focus group discussions revealed that many potential customers had misconceptions about the cost and benefits of term insurance expecting it to be more expensive than it was. Armed with this insight, the company launched an awareness campaign emphasizing affordability and accessibility, resulting in a significant increase in sales among the targeted demographic.

Kotler and Armstrong (2018) <sup>[7]</sup> suggest that the primary objective of marketing research in the insurance sector is to identify and effectively reach target markets, a goal that is increasingly achievable with advanced data-driven

approaches. By enabling insurers to define and segment customer groups accurately, modern marketing research practices allow companies to design more precise targeting strategies.

Predictive analytics has proven especially effective in helping insurance companies identify target markets by leveraging historical data to forecast future behaviours. With this technique, insurers can predict which customer segments are most likely to need specific types of insurance based on past actions and demographic profiles (Smith & Fader, 2019) <sup>[13]</sup>. For instance, younger customers who have recently purchased a vehicle are more likely to need auto insurance, while new homeowners may be open to purchasing property insurance. By focusing their marketing efforts on these identified segments, companies can allocate resources more efficiently and increase their chances of engagement with high-potential customers.

### 2.2 Personal critique of the literature review

A study by Mayer-Schönberger and Cukier (2017) highlights the role of big data in the case of Generali Insurance in Italy, where data-driven strategies were employed to improve policy customization. By analysing large datasets from customer interactions, Generali identified patterns related to life events, such as marriage or retirement and offered policies that aligned with these major life transitions. This targeted approach allowed Generali to engage customers at key decision points, leading to a substantial increase in policy conversions. This example demonstrates how big data can empower insurers to reach customers at the most relevant times, enhancing overall conversion and satisfaction.

## 3. Research Methodology

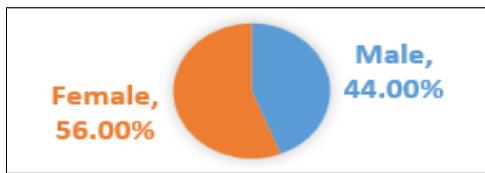
This study uses a descriptive research design to examine marketing research practices and targeting strategies within insurance companies in Lusaka (Creswell & Creswell, 2018) <sup>[2]</sup>. A cross-sectional survey approach provides a snapshot of current practices, combining quantitative data from structured questionnaires with qualitative insights from industry professionals. Purposive sampling is applied to select respondents directly involved in marketing and strategy roles, while stratified sampling ensures representation across different types of insurance providers. The study uses a predetermined sample of 75 participants, a number considered adequate for capturing diverse perspectives while remaining feasible to manage.

The target population includes marketing managers, research analysts, engagement specialists and strategic planners working in Lusaka-based insurance companies, as well as industry consultants who offer broader context. Data is collected primarily through structured questionnaires containing closed-ended and Likert-scale questions covering research methods, targeting strategies, challenges and performance indicators.

Data is analysed using descriptive statistics such as frequencies and means, along with inferential methods like correlation and regression to explore relationships between marketing practices and outcomes. SPSS is used to process and present the results (Field, 2018) <sup>[3]</sup>. Ethical standards are upheld through informed consent, confidentiality, voluntary participation and secure handling of all data ensuring that respondent rights and privacy are fully protected.

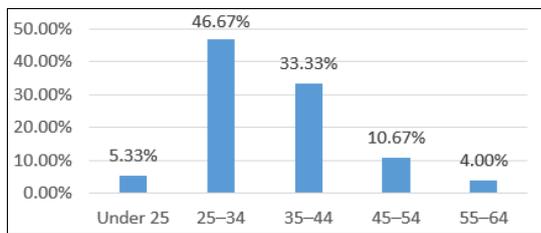
**4. Research Findings and Discussions**

**4.1 Presentation of results based on the Demographic Information**



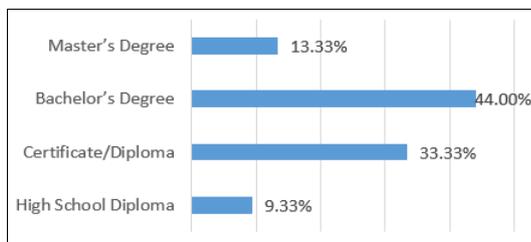
**Fig 4.1:** Gender

The findings in figure 4.1 show that the majority of respondents were female, representing 56.0% (42 respondents), while males accounted for 44.0% (33 respondents). This indicates that slightly more women than men participated in the study.



**Fig 4.2:** Age

As shown in figure 4.2, most respondents were in the age group 25–34 years, accounting for 46.67% (35 respondents), followed by those aged 35–44 years at 33.33% (25 respondents). Respondents aged 45–54 years made up 10.67% (8 respondents), those under 25 years were 5.33% (4 respondents), while 4.00% (3 respondents) were in the 55–64 age bracket.



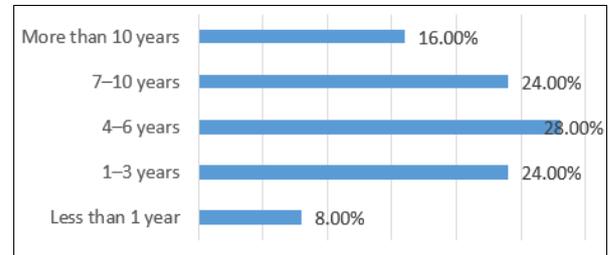
**Fig 4.3:** Highest Level of Education Completed

Figure 4.3 indicates that 44.0% (33 respondents) held a Bachelor's degree, 33.33% (25 respondents) had a certificate or diploma, 13.33% (10 respondents) had a Master's degree, and 9.33% (7 respondents) reported having a high school diploma as their highest qualification.

**Table 4.1:** Current Position in the Company

Position	Frequency	Percent (%)
CEO/Managing Director	9	12.00
Marketing Executive	23	30.67
Marketing Manager	7	9.33
Customer Service Officer (Other)	2	2.67
Business Development Officer (Other)	1	1.33
Public Relations Officer (Other)	1	1.33
Data Analyst / Market Analyst (Other)	1	1.33
Sales Executive	18	24.00
Sales Manager	13	17.33
<b>Total</b>	<b>75</b>	<b>100.00</b>

The results in Table 4.1 show that 30.67% (23 respondents) were Marketing Executives, while 24.0% (18 respondents) were Sales Executives. Sales Managers accounted for 17.33% (13 respondents), and CEOs or Managing Directors made up 12.0% (9 respondents). Marketing Managers represented 9.33% (7 respondents), while a combined 6.67% (5 respondents) were classified under the “Other” category, which included positions such as Customer Service Officer.



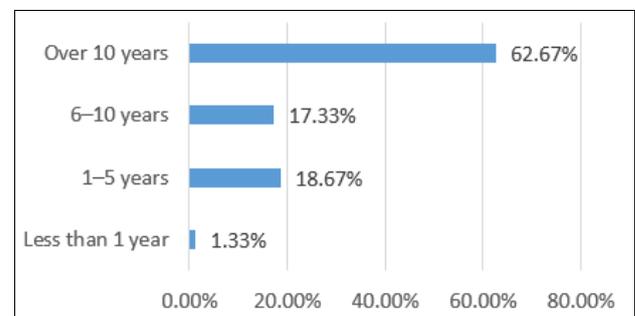
**Fig 4.4:** Years Worked in the Insurance Industry

As presented in figure 4.4, 28.0% (21 respondents) had worked in the insurance industry for 4–6 years, while 24.0% (18 respondents) had 1–3 years of experience and another 24.0% (18 respondents) had 7–10 years. A further 16.0% (12 respondents) reported having more than 10 years of experience, and 8.0% (6 respondents) had worked for less than 1 year.

**Table 4.2:** Primary Insurance Services Offered by the Company

Primary Insurance Service	Frequency	Percent (%)
Auto Insurance	8	10.67
Health Insurance	12	16.00
Life Insurance	19	25.33
Multiple Types	25	33.33
Property Insurance	7	9.33
Travel Insurance (Other)	4	5.33

The results in Table 4.2 show that 33.33% (25 respondents) indicated that their companies offer multiple types of insurance, while 25.33% (19 respondents) reported life insurance as the primary service. Health insurance accounted for 16.00% (12 respondents), auto insurance for 10.67% (8 respondents), and property insurance for 9.33% (7 respondents). A small proportion, 5.33% (4 respondents), selected *Travel Insurance (Other)*.



**Fig 4.5:** Duration of Company Operations in Lusaka

As shown in figure 4.5, 62.67% (47 respondents) reported that their companies have been operating in Lusaka for over 10 years. A further 18.67% (14 respondents) indicated 1–5 years, 17.33% (13 respondents) indicated 6–10 years, while only 1.33% (1 respondent) reported less than 1 year.

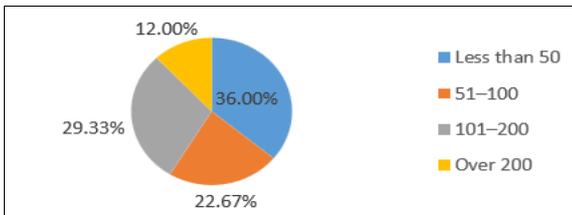


Fig 4.6: Approximate Number of Employees in Lusaka

Figure 4.6 shows that 36.00% (27 respondents) indicated that their companies have less than 50 employees in Lusaka. About 29.33% (22 respondents) reported 101–200 employees, while 22.67% (17 respondents) stated 51–100 employees. Only 12.00% (9 respondents) indicated that their companies have over 200 employees.

#### 4.2 Presentation of results based on the Current Marketing Research Practices

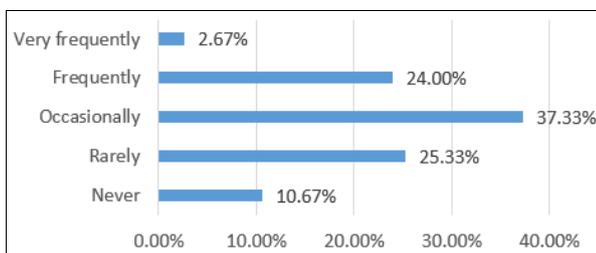


Fig 4.7: Current Marketing Research Practices

The results in Figure 4.7 show that 37.33% (28 respondents) indicated that their companies conduct marketing research occasionally, while 25.33% (19 respondents) said it is done rarely. About 24.0% (18 respondents) noted that their companies conduct research frequently, and 10.67% (8 respondents) reported that it never occurs. Only 2.67% (2 respondents) said research is conducted very frequently.

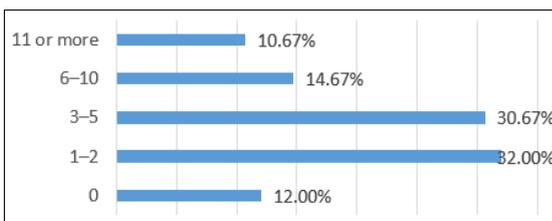


Fig 4.8: Number of Marketing Research Projects Conducted in the Past 12 Months

As shown in Figure 4.8, 32.0% (24 respondents) reported that their companies completed 1–2 marketing research projects in the last year, while 30.67% (23 respondents) indicated 3–5 projects. About 14.67% (11 respondents) had 6–10 projects, 10.67% (8 respondents) completed 11 or more projects, and 12.0% (9 respondents) stated none were conducted.

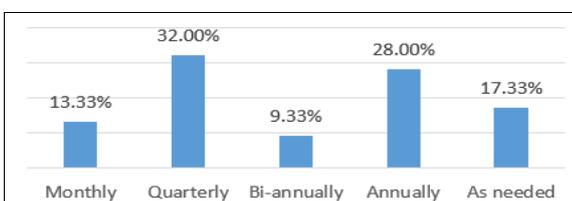


Fig 4.9: Frequency of Performing Marketing Research

According to figure 4.9, 32.0% (24 respondents) stated that their companies conduct marketing research on a quarterly basis, while 28.0% (21 respondents) do so annually. A smaller proportion of 17.33% (13 respondents) conduct research as needed, 13.33% (10 respondents) do it monthly, and 9.33% (7 respondents) bi-annually.

Table 4.3: Methods Used for Marketing Research

Marketing Research Method	Frequency	Percent (%)
Customer Interviews	7	9.33
Focus Groups	6	8.00
Market Analysis Reports	17	22.67
Online Analytics	16	21.33
Social Media Listening (Other)	2	2.67
Surveys	27	36.00
Total	75	100.00

The results in Table 4.3 show that surveys were the most widely used marketing research method, reported by 36.0% (27 respondents).

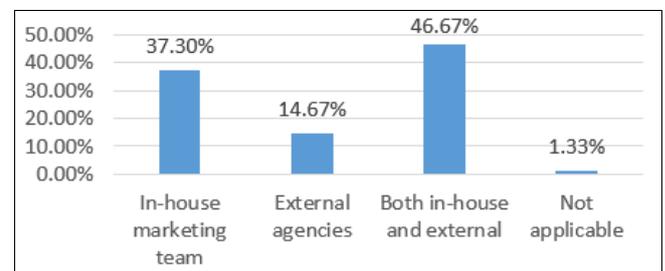


Fig 4.10: Responsibility for Conducting Marketing Research

As presented in Figure 4.10, 46.67% (35 respondents) indicated that both in-house teams and external agencies conduct marketing research in their companies. About 37.33% (28 respondents) reported that research is handled entirely by the in-house marketing team, while 14.67% (11 respondents) stated that it is managed by external agencies. Only 1.33% (1 respondent) selected “not applicable.”

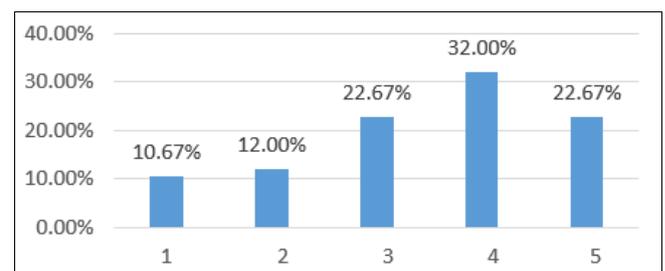


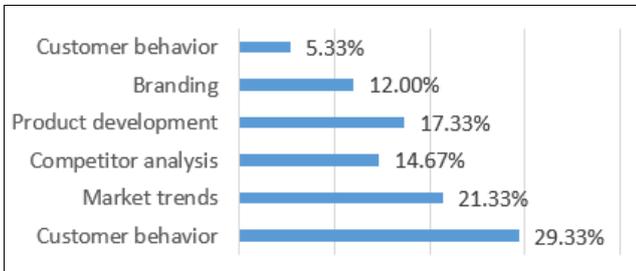
Fig 4.11: Importance of Marketing Research to Company Strategy

The results in figure 4.11 show that 32.0% (24 respondents) rated marketing research as 4 on the 1–5 scale, meaning it is quite integral to their company’s strategy. About 22.67% (17 respondents) rated it 5, suggesting that in these firms, marketing research plays a highly central role in guiding decision-making. 22.67% (17 respondents) rated it 3, 12.0% (9 respondents) rated it 2, and 10.67% (8 respondents) rated it 1, meaning it is not integral.

**Table 4.4:** Adequacy of Budget allocation for Marketing Research

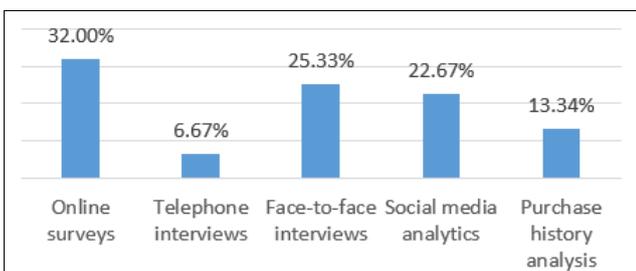
ID	Response
1	“Our budget is sufficient for basic market surveys, but not for large-scale or longitudinal studies.”
2	“We usually allocate funds only when specific projects arise; there’s no dedicated research budget.”
3	“The budget is improving slowly as management begins to see the value of market insights.”
4	“It’s quite tight — we often rely on online tools and internal data analysis instead of external agencies.”
5	“Adequate for quarterly surveys but not for in-depth segmentation or behavioural research.”
6	“Our research spending was cut during the last financial year, making it difficult to maintain consistency.”
7	“We have a reasonable allocation, but approvals for expenditure are often delayed.”
8	“The budget is small but sufficient for essential analytics; advanced tools remain out of reach.”
9	“We rely on group-level research conducted by our head office, so local marketing research has limited funding.”
10	“Our company allocates a fixed percentage of annual revenue to research, which has proven adequate.”
11	“we struggle to conduct follow-up surveys or post-campaign evaluations due to lack of funds.”
12	“The budget is adequate for digital research but not for traditional field studies or customer interviews.”
13	“We’ve recently increased the allocation to support data analytics and improve targeting accuracy.”
14	“Our budget is minimal, so we depend on free online survey tools and internal staff for analysis.”
15	“Budget allocation is fair, but execution challenges and shifting priorities reduce effective utilization.”

The open-ended responses in Table 4.4 reveal diverse opinions regarding the adequacy of budget allocations for marketing research among insurance companies in Lusaka.



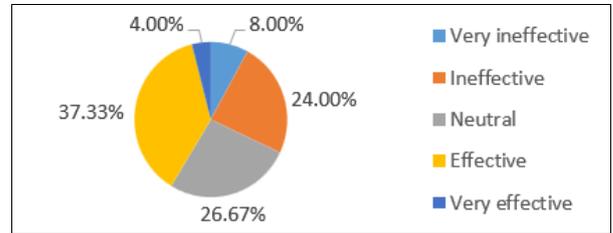
**Fig 4.12:** Focus Areas of Marketing Research

The findings in figure 4.12 show that customer behavior is the most common focus of marketing research, reported by 29.33% (22 respondents). This is followed by market trends (21.33%), product development (17.33%), and competitor analysis (14.67%). Branding accounted for 12.0% (9 respondents), while 5.33% (4 respondents) selected Customer Retention (Other) as an additional focus area.



**Fig 4.13:** Data Collection Methods for Marketing Research

As shown in figure 4.13, online surveys were the most frequently used data collection method, reported by 32.0% (24 respondents). Face-to-face interviews followed at 25.33% (19 respondents), while social media analytics accounted for 22.67% (17 respondents). Other methods included purchase history analysis (13.34%), telephone interviews (6.67%).



**Fig 4.14:** Effectiveness of Current Marketing Research Methods

Table 4.14 reveals that 37.33% (28 respondents) rated their marketing research methods as effective, while 26.67% (20 respondents) considered them neutral. About 24.0% (18 respondents) found them ineffective, 8.0% (6 respondents) very ineffective, and 4.0% (3 respondents) very effective.

Q4 Current position in the company:	Q18 Rate the effectiveness of your current marketing research methods.					Total
	Effective	Ineffec..	Neutral	Very ef..	Very in..	
CEO/Managing Director	3	0	5	1	0	9
Marketing Executive	9	7	4	0	3	23
Marketing Manager	0	2	5	0	0	7
Other	1	3	1	0	0	5
Sales Executive	11	3	2	1	1	18
Sales Manager	4	3	3	1	2	13
Total	28	18	20	3	6	75

**Fig 4.15:** Relationship Between Current Position and Perceived Effectiveness

The chi-square test explored the link between respondents’ positions in their companies and their ratings of current marketing research effectiveness. The results show a significant association ( $\chi^2(20) = 28.7952, p = 0.042$ ), suggesting that perceptions of research effectiveness vary across job roles.

**4.3 Presentation of results based on the Effectiveness in Identifying and Reaching Target Markets**

**Table 4.5:** How Marketing Research Helps Identify Target-Market Needs

ID	Response
1	“We use customer surveys to understand preferences for insurance plans and adjust pricing accordingly.”
2	“Research helps us identify underserved SME segments that require customized coverage options.”
3	“By analysing claim trends, we’ve discovered new needs around quicker payout and policy flexibility.”
4	“It allows us to understand the pain points in customer service and improve our communication strategy.”
5	“Through market segmentation, we’ve identified younger professionals as a growing customer base.”
6	“Research shows increasing demand for hybrid health and life insurance products.”
7	“We use feedback forms and focus groups to explore what features client’s value most in new policies.”
8	“Our data analytics reveal which customer groups respond best to different product bundles.”
9	“Social media analysis helps us capture emerging needs and

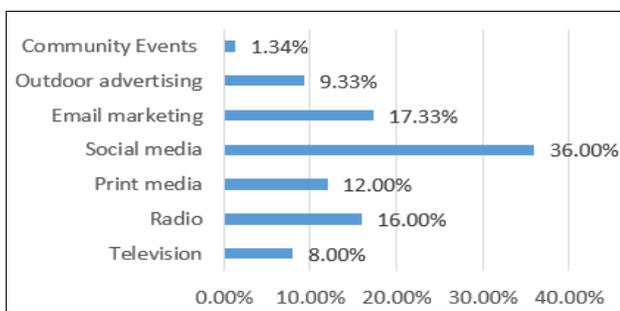
	tailor messages to specific demographics.”
10	“We discovered a strong preference for flexible premium payment options among informal sector clients.”
11	“Marketing research helps us design relevant campaigns based on customers’ lifestyles and occupations.”
12	“Through competitor analysis, we identify gaps in coverage that our products can fill.”
13	“Customer satisfaction surveys guide us in redesigning claim processes and improving service delivery.”
14	“Focus groups have revealed that trust and transparency are key factors in policy purchase decisions.”
15	“We use research to evaluate market readiness for digital insurance platforms and mobile apps.”

The open-ended responses presented in Table 4.5 indicate that marketing research plays a crucial role in helping insurance companies in Lusaka identify and respond to target-market needs.

**Table 4.6:** Effectiveness in Reaching Target Markets

ID	Response
1	“We reach urban customers effectively through social media and online campaigns, but rural areas remain difficult to penetrate.”
2	“Our digital targeting has improved visibility, but limited data on customer behaviour affects precision.”
3	“Marketing is fairly effective in cities, mostly influenced by internet access and digital literacy.”
4	“We use WhatsApp and email marketing, which have increased policy renewals and client engagement.”
5	“Radio campaigns work well for middle-aged customers, but we struggle to attract younger clients.”
6	“Reach is improving because of better segmentation, though advertising costs limit our frequency.”
7	“We have effective brand awareness in corporate segments but limited success among informal workers.”
8	“Social media helps us connect quickly, but algorithm changes and competition reduce our reach.”
9	“Community events and on-the-ground activations help us reach customers who are not online.”
10	“Our reach is moderate; most leads come through referrals rather than direct marketing.”
11	“We are effective in reaching clients through brokers who already have established networks.”
12	“Our campaigns perform well in Lusaka but are less effective in other provinces due to limited local partnerships.”

The open-ended responses in Table 4.6 suggest that while most insurance companies in Lusaka are reasonably effective in reaching their target markets.



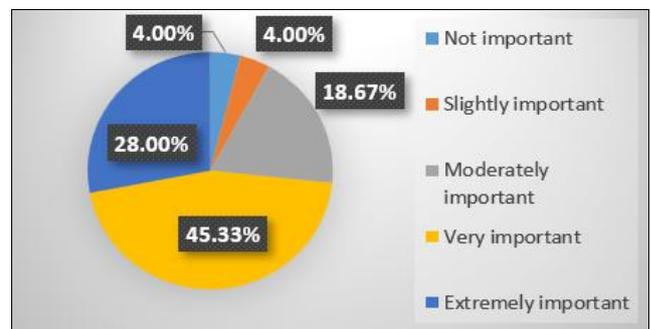
**Fig 4.16:** Channels Used to Reach Target Markets

According to figure 4.16, social media emerged as the most commonly used marketing channel, cited by 36.0% (27 respondents).

**Table 4.7:** Frequency of Adjusting Targeting Strategies

ID	Response
1	“We revise our targeting strategy quarterly based on campaign performance and customer feedback.”
2	“Adjustments are made whenever new market data reveals shifting customer preferences.”
3	“We update our targeting after every major product launch to align with new audience insights.”
4	“Our company reviews targeting twice a year depending on research reports and competitor trends.”
5	“Changes happen mainly after marketing research identifies underperforming customer segments.”
6	“We make updates during our annual strategy review, guided by both internal research and market shifts.”
7	“Adjustments are made following customer surveys or when customer retention begins to drop.”
8	“Whenever new data from online analytics is available, we tweak targeting to improve relevance.”
9	“Changes are made on an ad-hoc basis when management identifies emerging demographic opportunities.”
10	“We revisit our strategies bi-annually as part of the company’s marketing performance review.”

Table 4.7 shows that 30.67% (23 respondents) indicated that their companies adjust targeting strategies quarterly, often prompted by campaign performance reviews. Another 25.33% (19 respondents) said adjustments occur when lead quality drops or churn increases, while 22.67% (17 respondents) do so after major product launches or policy changes. About 21.33% (16 respondents) said reviews occur bi-annually following market reports.



**Fig 4.17:** Importance of Customer Feedback in Shaping Marketing Strategies

The results in figure 4.17 indicate that 45.33% (34 respondents) considered customer feedback very important, and 28.0% (21 respondents) rated it as extremely important in shaping marketing strategies.

**Table 4.8:** Regression Results - Effect of Targeting Practices on Customer Satisfaction

Predictor Variable	Coefficient (β)	Std. Error	t-Statistic	Sig. (p-value)
Channels used to reach target markets	0.285	0.097	2.94	0.004
Frequency of adjusting targeting strategies	0.318	0.104	3.05	0.003
Importance of customer feedback	0.412	0.088	4.67	0.000
<b>Constant</b>	1.052	0.412	2.55	0.013
<b>R<sup>2</sup> = 0.624</b>	Adjusted R <sup>2</sup> = F(3,71) = 17.52, p < 0.001			

The regression results indicate a statistically significant model ( $F = 17.52, p < 0.001$ ) with an Adjusted  $R^2$  of 0.598, meaning that approximately 60% of the variation in customer satisfaction is explained by the three predictors. All predictors show positive relationships with customer satisfaction. The importance of customer feedback is the strongest predictor ( $\beta = 0.412, p < 0.001$ ), followed by frequency of adjusting targeting strategies ( $\beta = 0.318, p = 0.003$ ) and marketing channels used ( $\beta = 0.285, p = 0.004$ ). As shown in figure 4.18 below, sales growth was the most common measure of success, cited by 30.67% (23 respondents), followed by customer acquisition rates (26.67%, 20 respondents). Customer retention rates accounted for 16.00% (12 respondents), market share for 14.67% (11 respondents), and brand recognition for 12.00% (7 respondents).

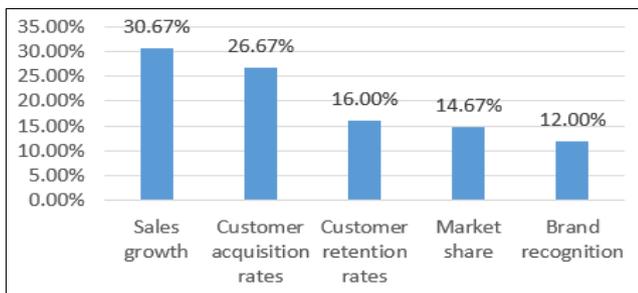


Fig 4.18: Measures of Success for Targeting Strategies

4.3.1 Do your marketing efforts reach the intended demographic segments?

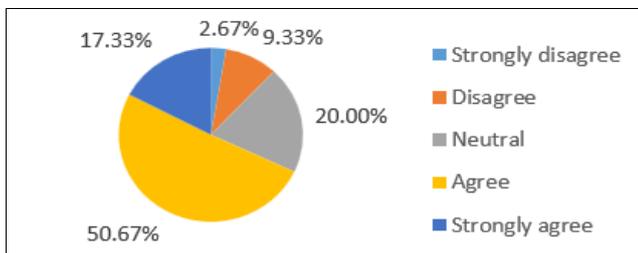


Fig 4.19: Extent to Which Marketing Efforts Reach Intended Demographic Segments

Figure 4.19 shows that 50.67% (38 respondents) agreed, and 17.33% (13 respondents) strongly agreed, that their marketing efforts reach the intended demographic segments.

4.4 Presentation of results based on the Effect of Marketing Research and Targeting on Overall Performance

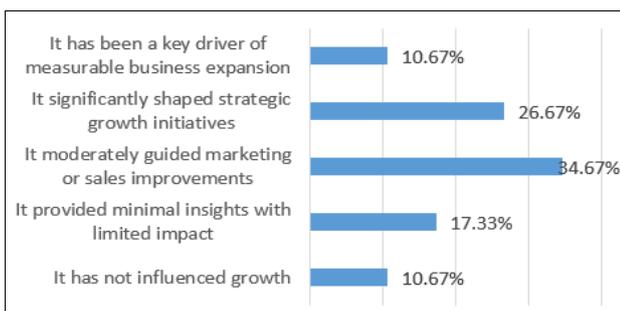


Fig 4.20: Extent to Which Marketing Research Contributed to Company Growth

The findings in figure 4.20 indicate that 34.67% (26 respondents) stated that marketing research moderately guided marketing or sales improvements, while 26.67% (20 respondents) said it significantly shaped strategic growth initiatives. A smaller proportion, 17.33% (13 respondents), noted that it provided minimal insights with limited impact, and 10.67% (8 respondents) reported that it had not influenced growth. Another 10.67% (8 respondents) viewed it as a key driver of measurable business expansion.

4.4.1 Chi-Square Test for Company’s Duration of Operation and the Extent to Which Marketing Research Contributed to Growth

Q7 How long has your company been operating in Lusaka:	Q31 To what extent has marketing research contributed to your company’s growth i					Total
	It has ..	It has ..	It has ..	It has ..	It has ..	
1-5 years	1	7	1	1	4	14
6-10 years	3	5	0	1	4	13
Less than 1 year	1	0	0	0	0	1
Over 10 years	3	14	7	11	12	47
Total	8	26	8	13	20	75

Fig 4.21: Duration of Operation and the Extent to Which Marketing Research Contributed to Growth

Pearson  $\chi^2(12) = 17.5458$  Pr = 0.0130

The chi-square test examined the relationship between how long an insurance company has been operating in Lusaka and the extent to which marketing research has contributed to its growth. The test yielded a Pearson chi-square value of  $\chi^2(12) = 17.5458, p = 0.013$ , indicating a statistically significant association between the two variables. As shown in the figure, companies that have operated over 10 years recorded the highest number of responses indicating that marketing research had either moderately guided marketing improvements (14 respondents) or significantly shaped strategic growth initiatives (12 respondents).

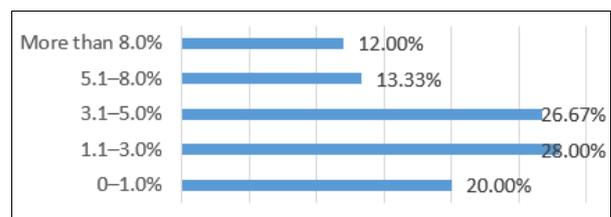
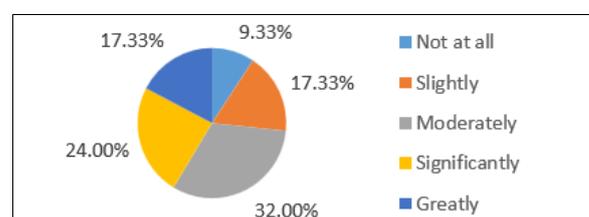


Fig 4.22: Year-on-Year Premium Growth Attributable to Research-Informed Decisions

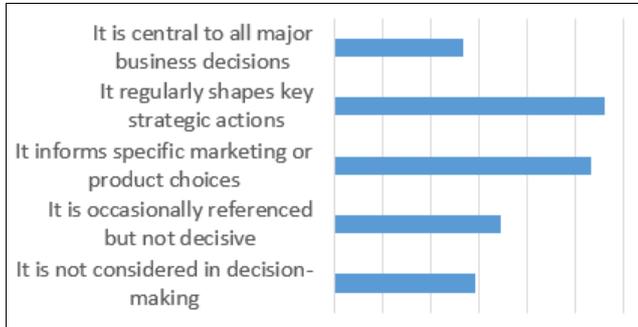
As shown in figure 4.22, 28.0% (21 respondents) reported 1.1-3.0% growth, while 26.67% (20 respondents) experienced 3.1-5.0% growth attributable to research-informed decisions. About 20.0% (15 respondents) reported 0-1.0% growth, 13.33% (10 respondents) saw 5.1-8.0% growth, and 12.0% (9 respondents) indicated more than 8.0% growth.



**Fig 4.23:** Extent to Which Targeted Marketing Improved Customer Satisfaction

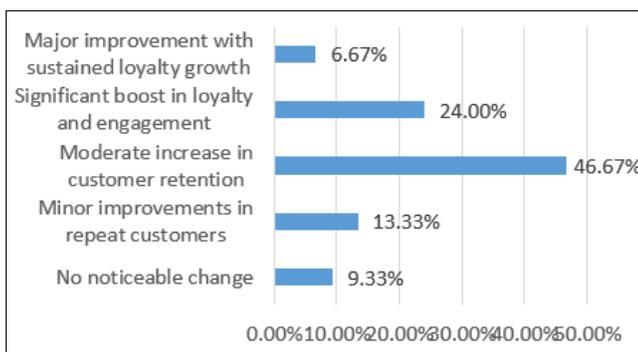
Figure 4.23 shows that 32.0% (24 respondents) stated targeted marketing moderately improved customer satisfaction, while 24.0% (18 respondents) said it significantly improved satisfaction. About 17.33% (13 respondents) indicated that it greatly improved satisfaction.

**4.4.2 How marketing research influences strategic decisions**



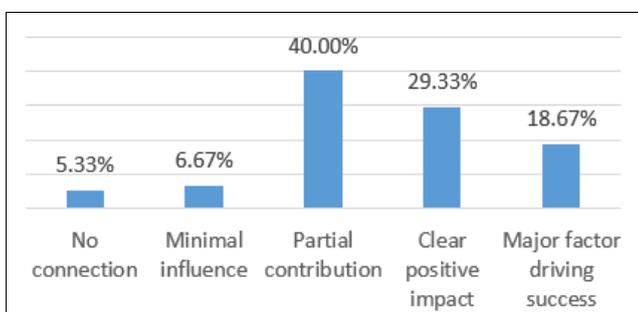
**Fig 4.24:** Influence of Marketing Research on Strategic Decisions

The results in figure 4.24 show that 28.0% (21 respondents) said marketing research regularly shapes key strategic actions, while 26.67% (20 respondents) said it informs specific marketing or product choices.



**Fig 4.25:** Effect of Targeted Marketing on Customer Loyalty

Figure 4.25 indicates that 46.67% (35 respondents) observed a moderate increase in customer retention, while 24.0% (18 respondents) reported a significant boost in loyalty and engagement.



**Fig 4.26:** Link Between Recent Business Success and Marketing Research/Targeting

As presented in figure 4.26, 40.0% (30 respondents) believed marketing research and targeting made a partial contribution to recent business success, while 29.33% (22 respondents) saw a clear positive impact.

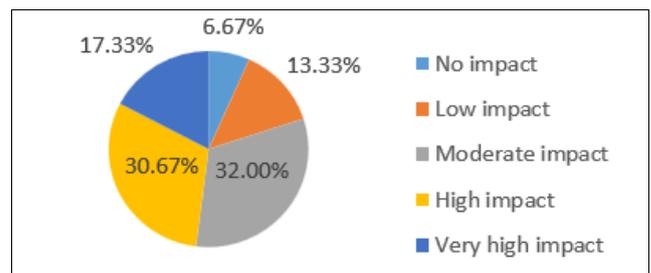
**4.5 Presentation of results based on the Limitations in Conducting Effective Marketing Research and Targeting**

**Table 4.9:** Primary Challenges Faced in Marketing Research

Challenge	Frequency	Percent (%)
Data Quality Issues	13	17.33
Inadequate Technology	8	10.67
Lack of Skilled Personnel	16	21.33
Limited Budget	20	26.67
Low Response Rates	13	17.33
Regulatory Constraints (Other)	1	1.33
Time Constraints	4	5.33
<b>Total</b>	<b>75</b>	<b>100.00</b>

The results presented in Table 4.10 indicate that the most common challenge faced by insurance companies in Lusaka when conducting marketing research is a limited budget, reported by 26.67% (20 respondents). H+9+Table 4. 10 Difficulty in Accessing Reliable Data.

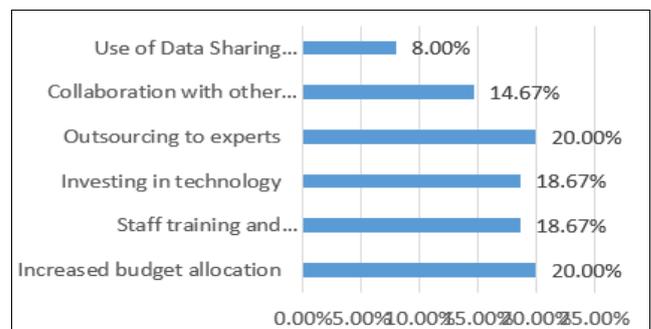
The responses in Table 4.11 show that most insurance companies face serious challenges in obtaining reliable marketing data. Many respondents noted that outdated customer records and manual data storage make it hard to conduct effective research. Others mentioned that the lack of centralized systems and limited data integration between departments reduces accuracy and delays analysis.



**Fig 4.27:** Impact of Technological Advancement on Research Capacity

The results in figure 4.27 indicate that 32.0% (24 respondents) perceived a moderate impact of technology on their ability to conduct effective research, while 30.67% (23 respondents) reported a high impact. About 17.33% (13 respondents) said the impact was very high, 13.33% (10 respondents) said low, and 6.67% (5 respondents) said no impact.

**4.5.1 Measures taken to overcome challenges**



**Fig 4.28:** Measures Taken to Overcome Research Challenges

According to figure 4.28, 20.0% (15 respondents) each stated that their companies have increased budget allocations and outsourced to experts to overcome marketing research challenges. Another 18.67% (14 respondents) mentioned investing in technology and an equal number reported staff training and development. Collaboration with other companies was cited by 14.67% (11 respondents), while 8.0% (6 respondents) mentioned Use of Data Sharing Partnerships.

## 5. Conclusion and Recommendation

### 5.1 Conclusion

This study examined how well insurance companies in Lusaka use marketing research and targeting strategies. The findings show that most companies conduct research only at intervals since only 2.67 % reported doing research very often. Surveys were the most common method at 36%, while qualitative approaches were rarely used. This means firms rely more on numerical data and do not fully explore customer attitudes. The study also found that targeting strategies shaped outreach efforts, especially toward SMEs and young professionals. Digital platforms such as email and WhatsApp were effective for many companies, yet outreach to rural and low-income groups remained limited.

The results further show that marketing research has a clear impact on business performance. Companies that apply research findings reported better alignment of products and higher customer satisfaction. Some firms recorded premium growth of up to 5% after using research-driven strategies. Challenges remain, especially limited funding, shortages of skilled staff and weak data systems. Many respondents stressed the importance of customer feedback in improving services. The study concludes that research and targeting are vital for growth and customer loyalty in the insurance sector. Strengthening data systems, training staff and investing in modern tools would help firms use research more effectively and improve competitiveness across the industry.

### 5.2 Recommendation

Insurance companies in Lusaka should build long-term data-driven marketing systems that support their overall goals. the study shows that most firms collect data but do not use it fully so marketing research must shift from occasional activity to a continuous process. when research is integrated into daily operations companies can track market changes, understand new customer needs and respond faster to competition. firms should also define clear research goals and use findings when planning strategies so that marketing actions match business priorities. strengthening internal capacity is also important. companies should train staff and reduce dependency on external consultants. better coordination between marketing, sales and customer service teams will make it easier to turn research findings into practical actions.

insurance companies should also improve data management and expand the use of technology. modern CRM systems and digital analytics can help track purchase patterns, renewal behaviour and customer satisfaction. tools such as online surveys and social media insights can provide real-time feedback that supports accurate market segmentation. firms should strengthen digital engagement while still using traditional media to reach wider groups. adopting continuous improvement Lusaka insurance companies can

increase customer satisfaction, improve performance and grow their market presence.

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