# Effect of Differentiation Strategies on Organization Performance of Mission Hospitals in Kisumu County, Kenya

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**Abstract**
*The turbulent environments in which organizations operate today increasingly pose significant impact on organizational outcomes making it, fairly, difficult to know or choose appropriate moves or directions to take. In such circumstances, strategy is central to organization performance. Strategic priorities leverage firms in specific environments for purposes of achieving competitive advantage. The desired goal for Kenya's Vision 2030 and the sustainable development goals is to ensure healthy lives and promote well-being for all at all ages by reducing child mortality rates, improve maternal health, combat HIV/AIDS, TB, improve immunization and achieve universal health coverage by the year 2030. The health sector in Kenya has been wanting and highly characterized by inefficiencies, corruption, high disease prevalence, high mortality rates, poor access to health care services, which have worsened due to the COVID-19 pandemic. Despite the central place for performance of organizations especially those in the health sector, extant literature on the effect of competitive strategies on performance has been inconclusive. Because of this gap, the study assessed the effects of competitive strategic choices on performance of mission hospitals in Kisumu County, Kenya. Specifically, this paperexaminesthe effects of differentiation strategies on the hospitals' performance. This study employed ex-post facto research design. The target population was the mission hospitals in Kisumu County. A sample of 14 mission hospitals was drawn using stratified random sampling technique where managers and section heads constituted the respondents of the study. Structured questionnaires were used to collect primary data about the independent variable while document analysis guide was used to collect secondary data about the dependent variable. Descriptive statistics were used to analyze the data, while analysis of variance (ANOVA) and regression were used for inferential analysis and testing of hypotheses. Results indicated that differentiation strategies had a positive and significant effect on performance ($\beta=0.09$, $p=0.000$) at 95% level of significance. The study concluded that differentiationstrategies have improved the performance of mission hospitals. The study recommends that the management of the mission hospitals should continue offering services with exclusive features that their clients value and those that yield positive performance to the hospitals.*
**Keywords:** *Differentiation Strategies, Organization Performance, Mission Hospitals, Kisumu, Kenya*
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## I. Introduction

A typical approach to pursuing business performance is through the choice of competitive strategies. Competitive strategies are employed by firms within a givenindustry,and are expected to relate to performance of the companies (Ogbari, Dayo& Ibidunn, 2018). A differentiation strategy involves offering unique features that appeal to a variety of customers. However, the need to satisfy the desires of a narrow market means that the pursuit of uniqueness is often taken to the proverbial next level by firms using a focused differentiation strategy.

In Australia generic strategies are seen as responses to competitive forces in a given market (Spencer, Joiner& Salmon, 2009). Forces such as demanding assertive customer, rapid advancement in technology among others are perceived to exert great pressure on firms to execute strategies of gaining and retaining sustainable competitive advantage. Spencer *et al.* posit that firms in Australia prefer differentiationto other types of competitive strategies. This is due to high cost of labour in developed nations like Australia. As such, differentiation strategies like product quality, flexibility and or reliability are preferred.

According to Alzoubi and Emeagwali (2016), performance of organizations in Cyprus is held at the heart of every organization. Firms measure their performance in multiple dimensions like finance, customer related, internal processes and learning and innovation. Performance of firms along any of these parameters is perceived to be because of various competitive strategies employed by the firms concerned. Among the strategies seen to drive performance in Cyprus include cost leadership, differentiation and focus strategies.

In Africa,the business environment in most sectors is consideredvery competitive. Firms are under pressure to implement diverse strategies to boost not only their performance but also competitive position in

their industries (Atikiya, 2017). Due to the stiff competition and globalization effects, firms are required to be responsive and aggressive in formulating and adopting business strategies thatfacilitate profit realization. According to Atikiya(2015),competitive strategies have significant influence on business performance.

**Differentiation Strategies and Organization Performance**

Ogbari, Dayo and Ibidunn (2018) considered the concise adoption of generic business strategies in the accomplishment of corporate mission in multinational firms in Nigeria. Several attributes based on the resource and competence-based theories and models informed the nature of the study. Quantitative explanatory cross-sectional design was adopted using primarily the structured instrument designed on a 5-point Likert scale. Probability and non-probability sampling techniques were engaged in sampling 275 respondents from the multinational firms. The data obtained were analyzed using bothdescriptive statistics and regression analysis. The findings revealed that the generic business strategies have significant predictors of corporate mission accomplishment. Findings also showed that there was positive significant influence between concise generic business strategies and firms' productivity. The study recommended a mandatory and thorough environmental scanning in order to select the appropriate business stratagem to employ in achieving the precise aspects of the corporate mission. The study targeted multinationals in Nigeria and did not specify the generic strategy with the greatest influence.

Ogeto, Matwele and Omari (2016) studied the relationship between competitive strategies and performance of private hospitals in Kisii County, Kenya. The study used a survey research design and targeted all the sixteen registered Private Hospitals in Kisii County, which comprised 105 administrators and 2400 patients. The study sampled 426 respondents using stratified and simple random sampling techniques. Data was collected using questionnaires and data analysis was done using weighted average, Pearson's Coefficient of Correlation and Multiple Linear Regression technique. The findings of the study indicated that there was a positive correlation between the competitive strategies and performance of private hospitals in Kisii County. The study concluded that the strategies adopted by every hospital helped improve the overall performance of private hospitals. The adoption of any of the competitive strategies was dependent on the location and owner managers of the hospital. Focus strategy had the highest effect on performance.

Gorondutse and Hilman (2017) conducted a study on the influence of differentiation strategy on performance of hotels in Malaysia. Survey research design was used. The target population was the hotel industry in Kano state. A sample of 83 managers was drawn from the population to provide necessary data for the study. Structured questionnaire were used as the main data collection tools. Results indicated existences of a positives association between differentiation strategy and performance.

Spencer,Joiner and Salmon (2009) undertooka study in Australia with an objective of establishing the relationship between differentiation strategies and organization performance among Australian manufacturing firms. Survey research design was used. The target population for the study was large manufacturing firms in the country. A sample of 200 business unit managers from the largest manufacturing firms was selected for the study. Structured questionnaires were mailed to the respondents and ordinary least square regression based path analysis was utilized for data analysis. Findings showed existence of positive association between differentiation strategy and organization performance among Australian manufacturing firms.

Chang, Chiao and Tsai (2017) examined the competitive strategies used by hospital in Taiwan. Survey research design was used. The target population of the study was large and medium scale hospitals in central Taiwan. A sample of 10 medium and large scale hospitals was drawn from the population of interest. Twenty superintendents, deputy superintendents, and supervisors responded to the questionnaires. Semi-structured questionnaires were used together with in-depth interviews with senior supervisors of 10 medium and large scale hospital in central Taiwan as the main instruments for data collection. Findings showed that strategies orientation of an action had a significant positive influence on performance. Differentiation strategy had the greatest influence on performance.

Kowo, Sabitu and Adegbite (2018) conducted a study in Nigeria with a purpose of assessing the effect of differentiation strategy on sales turnover of SME'S. The target population of the study was SME's in Nigeria. A sample of 125 SMEs was drawn using Yamane formula to provided data for the study. Structured questionnaires were used as the main data collection instruments where their reliability was determined using Cronbach alpha coefficient. Descriptive and inferential statistics like frequencies and regression were employed for data analysis. Findings showed that differentiation strategies positives and significantly influence sales turnover. That is to say differentiation strategy would enhance sales turnover. The study noted that firms that engage differentiation strategies achieve greater efficiency gain.

Mulyungi,Rwemalika and Shukla (2018) investigated the influence of competitive strategies on performance of hotels in Rwanda. Descriptive research design was used. The target population was 130 employees of hotels in Rwanda. A sample of 98 employees of Kigali Marriot hotel was selected by stratified random sampling technique. Structured questionnaires were used as data collection instruments. Descriptive and

inferential statistics such as frequencies, percentage as well as correlation and regression were used to analyze data. Findings of the study indicated that differentiation strategy had a positive and significant influence on firm performance.

Ogbari, Egberpou, Ajagbe, Oke and Ologbo (2016) explored theaccomplishments of organization mission through appropriate implementation of strategies with a major focus on mission statements of two multi-national companies in Nigeria. The study adopted resource-based theory and competence-based theory as theoretical framework for the study and used the concept of business strategies comprising of differentiation strategy, overall cost leadership strategy and focus strategy. The study used both secondary and primary data obtained through questionnaire. Two-stage probability and non-probability sampling techniques was adopted using two multinational companies, which were selected on purpose from the list of manufacturing companies in Nigeria. In the second stage, a simple random sampling procedure was employed to draw respondents randomly from the organizations. Qualified participants were those who had spent more than two years in the choice companies. Overall, 291 respondents were involved in the ratio of 47:50. Univariate, bivariate and multivariate analyses of data was used.

The study findings from the study by Ogbari *et al.* (2016) showed that overall cost leadership strategy affects product/service quality and employees' satisfaction. Differentiation strategy affected employees' satisfaction but the significance of its effect on process improvement could not be ascertained. The effect of focus strategy on customer service and community development could not be established indicating the effectiveness of these business strategies depended on the component of the mission that the organization is set to achieve. The study recommended that there is need for thorough environmental scanning in order to select the appropriate business strategy to be adopted in accomplishing the specific aspect of the organization mission. Unlike the current study this study was done in the manufacturing sector and the sample of only two firms was inadequate for representation and inferences.

Mwangi and Ombui (2013) studiedthe effects of competitive strategies on theperformance of mission hospitals in Kenya,taking the caseof Kijabe Mission Hospital.The overall objective of the study was to establish theeffects of competitive strategies on the performance ofmission hospital in Kenya. It sought to establish the effects of cost leadership on theperformance, how differentiation affected the performance,the extent to which market focus affected theperformance and the extent to which corporate growth anddevelopment affect the performance of Kijabe missionhospital.Using a descriptive survey design the population for the study was 132managers at Kijabe Mission Hospital and a 45% sample of 59 respondents taken using stratified random sampling. Primary data was collected using questionnaires while secondary data was collected from newspapers, published books, journals and magazines as well as other sources such as annual reports. Data was analyzed using descriptive statistics such as frequency, percentages, and measure of central tendency, and multiple regression analysis conducted to establish the relationship between the competitive strategies and performance. Factor analysis was also be used to test the factors variability.

In their study, Mwangi and Ombui conceptualized the dependent variable as performance of mission hospitals while the independent variables were cost leadership, competitive advantage, and differentiation and growth strategies. Promotion, distribution, price, place and product characterized differentiation. Corporate growth and development were characterized by innovation and capability, product replacement and product line extension. Performance of the mission hospital, on the other hand, was conceptualized by market share, profitability, and number of employees, customer service and recognition by relevant bodies.

Mwangi and Ombui further compared the effect of cost leadership with differentiation and market focus strategies.The effect of differentiation on the performance of the mission hospitals was insignificant compared to the effect of cost leadership that had the greatest effect on the performance of the mission hospitals, followed by product/market development strategies, then market focus. The study recommended that firms using the differentiationshould concentrate on investing in and developing such things that are distinguishable and those that customers will perceive. Though the study was conducted in mission hospitals, it only evaluated a single entity, which was insufficient to make conclusive inferences about mission hospitals in Kenya.

**Statement of the Problem**

Hospitals owned by faith-based organizations (FBO), hereby referred to as mission hospitals,are a vital component of health care institutions in Kenya. They form a key component of the private sector healthcare provision with above 40 percent dominance. They contribute significantly to health care service delivery in the country mainly to the medium and low income groups of the population residing in the rural areas (Mwangi&Ombui, 2013).

Despite their vital role, mission hospitals are currently unable to guarantee continuous availability of services and medicines in addition to stiff competition from private commercial practitioners (Kusemewera, 2012). The hospitals are also faced with high staff turnover, increased health care costs, inadequate staffing levels and limited subsidies among other inadequacies (Mwangi&Ombui, 2013). Falling government subsidy,

poor human resource for health employment and distribution, coupled with financially poor citizenry that seek their services are also common features of the sector. If this state of affairs persists without being addressed, it will not only see these hospitals get out of operations thus disenfranchising the rural poor but the government is also likely to lose a great deal of a vital component of the health care institutions

Prior studies (Ogbari, Dayo&Ibidunn, 2018; Kowo, Sabitu&Adegbite, 2018; Mwangi&Ombui, 2013) have shown that in dynamic and competitive environments firms have been compelled to implement diverse competitive strategies to boost not only their performance but also their competitive positioning. However, the effects of these strategies on performance have not been unanimously agreed and reviewed literature has posted mixed results. Therefore, the question on how competitive strategies employed by mission hospitals affect their performance draws an urgent need to address. This paperthus presents and discusses research findings on the effects of differentiationstrategies on performance of mission hospitals in Kisumu county Kenya.

## II.    Materials And Methods

This study was conducted through an ex post facto research design. The target population for the study was all the mission hospitals in Kisumu County, Kenya. However, the accessible population comprisedfacilities ranked as level two and above, licensed and operational in Kisumu County. As such, the target population was 15 hospitals consisting of6 level two, 7 level three, 1 level four and 1 level five hospitals.The study sample size of 14 hospitals was determined by the formula below as proposed by Yamane (1967).The respondents weredrawn from these 14sampled hospitals and comprised departmental and sectional heads and their staff that are key in strategy development and implementation of competitivestrategies in addition to participating in decision making pertaining to the hospital operations. To arrive at thedesired sample size, the researcher used multi-stage sampling technique. At first, proportionate stratified random sampling method was used to sample hospitals in each category. Table 1 below shows the sample size as drawn from the different hospitals.

**Table 1: Sample Size**

| Hospital Category | Hospitals per Category | Sampled hospitals | Sampled respondents |
|---|---|---|---|
| Level 5 | 1 | 1 | 5 |
| Level 4 | 1 | 1 | 5 |
| Level 3 | 7 | 6 | 30 |
| Level 2 | 6 | 6 | 30 |
| **Total** | **15** | **14** | **70** |

Questionnaire was the main tool for primary data collection while document analysis guide was used for secondary data collection. In order to ensure that the questionnaires collected the required data, the tool was subjected to validity and reliability tests. The filled questionnaires received from the field were sorted, serialized and coded beforebeing fed into the SPSS software to facilitate analysis. The data was summarized and presented by descriptive statistics.Descriptive statistics were, further, used to provide a profile of each hospital demographics by applying averages, frequencies and percentages. Frequency tables were used to present data, which explained the prevailing situation in the hospitals. The study employed analysis of variance (ANOVA) to test the research hypothesis.

## III.    Results

**Descriptive Statistics for Differentiation Strategies and Performance of Mission Hospitals**

The study sought to determine the effect of differentiation strategies on organization performance of mission hospitals in Kisumu County, Kenya. The study focused on exclusive features that clients valued and were ready to pay a premium fee, quality added by the uniqueness of superior service provision, quality added by the uniqueness of technology, uniqueness of customer service provision, uniqueness of dealer network, coordination mechanism of functions, mobile clinic for ease of access and service delivery. The results were as shown in Table 2.

**Table 2: Descriptive Statistics for Differentiation Strategies**

| n=73 | | SD | D | FA | A | SA | Mean | Std. Dev |
|---|---|---|---|---|---|---|---|---|
| Exclusive features | F | 7 | 9 | 18 | 29 | 10 | 3.3562 | 1.15914 |
| | % | 9.6 | 12.3 | 24.7 | 39.7 | 13.7 | | |
| Uniqueness of superior service provision | F | 7 | 12 | 21 | 27 | 6 | 3.1781 | 1.10984 |
| | % | 9.6 | 16.4 | 28.8 | 37.0 | 8.2 | | |
| Uniqueness of technology | F | 7 | 16 | 21 | 23 | 6 | 3.0685 | 1.12211 |
| | % | 9.6 | 21.9 | 28.8 | 31.5 | 8.2 | | |
| Uniqueness of customer service | F | 6 | 13 | 24 | 18 | 12 | 3.2329 | 1.17285 |
| | % | 8.2 | 17.8 | 32.9 | 24.7 | 16.4 | | |

| | | | | | | | Mean | Std. Dev. |
|---|---|---|---|---|---|---|---|---|
| Uniqueness of dealer network | F | 5 | 12 | 25 | 20 | 11 | 3.2740 | 1.12126 |
| | % | 6.8 | 16.4 | 34.2 | 27.4 | 15.1 | | |
| Coordination mechanism | F | 3 | 16 | 15 | 23 | 16 | 3.4521 | 1.17900 |
| | % | 4.1 | 21.9 | 20.5 | 31.5 | 21.9 | | |
| Mobile clinic | F | 4 | 6 | 13 | 15 | 35 | 3.9726 | 1.22443 |
| | % | 5.5 | 8.2 | 17.8 | 20.5 | 47.9 | | |
| Service delivery is fast and reliable | F | 1 | 1 | 14 | 22 | 35 | 4.2192 | .90134 |
| | % | 1.4 | 1.4 | 19.2 | 30.1 | 47.9 | | |
| Composite values | | | | | | | **3.4692** | **1.12375** |

The respondents were askedto state whether the hospitals offered services with exclusive features that their clients valued and were ready to pay a premium fee. In response, 7(9.6%) of the respondents strongly disagreed, 9(12.3%) disagreed, 18(24.7%) fairly agreed, 29(39.7% agreed while 10(13.7%) strongly agreed. The sub-construct had a mean of 3.3562 and a standard deviation of 1.15914. In regards to whether the quality added by the uniqueness of superior service provision enabled the hospital command a premium fee, 7(9.6%) strongly disagreed, 12(16.4%) disagreed, 21(28.8%) fairly agreed, 27(37.0%) agreed while 6(8.2%) strongly agreed that the quality added by the uniqueness of superior service provision enabled the hospital command a premium fee. The item recorded a mean of 3.1781 and a variation in responses of 1.10984.

In relation to whether the quality added by the uniqueness of technology enabled the hospital command a premium fee, 7(9.6%) strongly disagreed, 16(21.9%) disagreed, 21(28.8%) fairly agreed, 23(31.5%) agreed while 6(8.2%) strongly agreed. The sub-construct had a mean of 3.0685 and a standard deviation of 1.12211. The study also sought to find out whether the quality added by the uniqueness of customer service provision enabled the hospital command a premium fee. To this statement, 6(8.2%) strongly disagreed, 13(17.8%) disagreed, 24(32.9%) fairly agreed, 18(24.7%) agreed while 12(16.4%) strongly agreed. The parameter had a mean of 3.2329 and a standard deviation of 1.17285.

The study further examined whether the quality added by the uniqueness of the dealer network enabled the hospital command a premium fee. In response, 5(6.8%) strongly disagreed, 12(16.4% disagreed, 25(34.2%) fairly agreed, 20(27.4%) agreed while 11(15.1%) strongly agreed that the quality added by the uniqueness of the dealer network enabled the hospital command a premium fee. The sub-construct had a mean of 3.2740 and a variation in responses of 1.12126. The researchalso endeavoredto determine whether the hospitals had strong coordination mechanisms of functions, especially in research and development hence high quality services. The results showed that 3(4.1%) strongly disagreed, 16(21.9%) disagreed, 15(20.5%) fairly agreed, 23(31.5%) agreed while 16(21.9%) strongly agreed that their hospitals had strong coordination mechanisms of functions, especially in research and development hence high quality services. The item recorded a mean of 3.4521 and a standard deviation of 1.17900.

In relation to whether the hospital provided mobile clinic for ease of access by their clients unlike competitors, 4(5.5%) strongly disagreed, 6(8.2%) disagreed, 13(17.8%) fairly agreed, 15(20.5%) agreed while 35(20.5%) strongly agreed that the hospital provided mobile clinic for ease of access by their clients unlike competitors. The sub-construct had a mean of 3.9726 and a standard deviation of 1.22443. Lastly, the study sought to determine whether service delivery wasfast and reliable in the hospital compared to competitors. To this item, 1(1.4%) strongly disagreed, 1(1.4%) disagreed, 14(19.2%) fairly agreed, 22(30.1%) agreed while 35(47.9%) strongly agreed. The sub-construct had a mean of 4.2192 and a variation in responses of 0.90134. In Summary, differentiation strategy had a composite mean of 4.4692 and standard deviation of 1.12375.

**Descriptive Statistics for Performance of Mission Hospitals**
The study further analyzed the performance of mission hospitals using minimum, maximum, mean and standard deviation. The results were as presented in Table 3.

**Table 3: Descriptive Statistics for Performance of Mission Hospitals**

| | N | Min | Max | Mean | Std. Dev. |
|---|---|---|---|---|---|
| No. of Complaints | 14 | 5 | 10.00 | 8.1918 | 1.43040 |
| Staff turnover rates | 14 | 6 | 10.00 | 8.8082 | 1.18624 |
| Valid (List wise) | 14 | | | | |

The results above show that staff turnover rates had the highest mean of 8.8082 with a standard deviation of 1.18624. Number of complaints had a mean of 8.1918 and a standard deviation of 1.43040.

**Correlation Analysisand Hypothesis Test for Differentiation Strategiesand Performance**
The results showed that differentiation strategies had a fairly strong positive relationship with performance (r=.562*, p=0.008), as shown in Table 4.

**Table 4: Differentiation Strategies and Performance**

| Correlations | | | |
|---|---|---|---|
| n=73 | | Performance | Differentiation |
| Performance | Pearson Correlation | 1 | |
| | Sig. (2-tailed) | | |
| Differentiation | Pearson Correlation | .562[*] | 1 |
| | Sig. (2-tailed) | .008 | |

The study hypothesizedthat Differentiation strategies have no significant effect on performance of mission hospitals in Kisumu County, Kenya. The hypothesis was tested at a predictable level of 0.05. The results were as summarized in Table 5.

**Table 5: Hypothesis Test Results**

| | Hypotheses | Coefficient result | P-value | Interpretation |
|---|---|---|---|---|
| $H_{01}$ | Differentiation strategies have no significant effect on performance of mission hospitals in Kisumu County, Kenya. | 0.09 | 0.000 | Significant effect |

The results in Table 5 show that differentiation strategies had significant effect on performance ($p<0.05$) of mission hospitals in Kisumu county Kenya. The study results on whether service delivery was fast and reliable in the hospitals compared to competitors had the highest mean of 4.2192 and a variation in responses of 0.90134. This implied that the speedy and reliability of service delivery in the hospital compared to competitors has the greatest impact on its performance. Differentiation by provision of mobile clinic by the hospital for ease of access by their clients unlike competitors was the second feature that had the greatest impact on performance. The aspect that had the least impact on performance was the quality added by the uniqueness of customer service provision to enable the hospital command a premium fee with a mean of 3.2329 and a standard deviation of 1.17285.

## IV. Discussion

On the effect of differentiation strategies on performance, the study revealed that hospitals offered services with exclusive features that their clients value and are ready to pay a premium fee. The study results resembled that of Ogeto *et al.* (2016), that the hospitals offer services with exclusive features that their clients value and are ready to pay a premium fee. In regards to whether the quality added by the uniqueness of superior service provision enables the hospital command a premium fee. The study results revealed that quality added by the uniqueness of superior service provision enables the hospital command a premium fee. The results were intandem with the findings of Ogbari *et al.* (2018) that the uniqueness of superior service provision adds quality that enables hospitals command a premium fee.

The study also examined whether the quality added by the uniqueness of technology enabled the hospital command a premium fee. It was found that quality added by the uniqueness of technology enables hospitals to command a premium fee. Theseresults reiterated those of Gorondutse and Hilman (2017), that uniqueness of technology adds quality, which enables hospitals to command a premium fee. On whether the quality added by the uniqueness of the dealer network enabled the hospital command a premium fee. The study results revealed that quality added by the uniqueness of the dealer network enabled the hospital command a premium fee. The study results were similar to that of Spencer *et al.* (2009) that the uniqueness of the dealer network adds quality that enables the hospital command a premium fee.

The research further investigated whether the hospitals had strong coordination mechanisms of functions, especially in research and development hence high quality services. The study results revealed that indeed the hospitals had strong coordination mechanisms of functions, especially in research and development, which led to high quality services. The study results were intandem with those of Chang *et al.* (2017), that hospitals with a strong coordination mechanism of functions, especially in research and development, experience high quality services.

Moreover, the study explored whether the hospitals provided mobile clinic for ease of access by their clients unlike competitors. The study results revealed that indeed the hospitals provide mobile clinic for ease of access by their clients unlike competitors. This study results were similar to that of Kowo *et al.* (2018), that hospitals provide mobile clinic for ease of access by their clients unlike competitors. On whether service delivery was fast and reliable compared to competitors, the results showed that service delivery was fast and reliable compared to competitors. The study results resembled that of Rwemalika *et al.* (2018), that service delivery is fast and reliable in hospitals that differentiate compared to competitors without differentiation.

# V. Conclusion And Recommendations

The study concluded that differentiation strategies have improved the performance of mission hospitals. This is attributed to the services the hospitals offer that have exclusive features that clients value and ready to pay a premium fee. Quality added by the uniqueness of superior service provision, uniqueness of technology, uniqueness of customer service provision, and uniqueness of dealer network havehelped the hospitals to charge a premium fee. High quality services owing to a strong coordination mechanism of functions, especially in research and development, have also enhanced the hospitals' performance. Provision of mobile clinics by the hospitals for ease of access by clients has been another fruitful differentiation strategy. Similarly, fast and reliable service delivery in the hospitals compared to competitors have enhanced performance.

On differentiation strategy, the study recommends that the management of the mission hospitals should continue offering services with exclusive features that their clients value and are ready to pay a premium fee. The hospitals should have a strong coordination mechanism of functions, especially in research and development. The study also recommends that the hospital management should continue providing mobile clinics for ease of access to medical care by their clients.

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