

EFFECTS OF CUSTOMER RELATIONSHIP MARKETING ON CUSTOMER LOYALTY OF GLOBAL SYSTEM OF MOBILE COMMUNICATION SERVICES. (A STUDY OF NETWORK SERVICE PROVIDERS IN NIGERIA)

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ABSTRACT

The study was on the effects of customer relationship marketing on customer loyalty of global system of mobile communication services; A study of the network service providers in Nigeria. The objectives of the study was to investigate the effects of customer relationship marketing existing between; complaint handling and customer loyalty, lower call rates and customer loyalty, lower interconnectivity rates and customer loyalty and bonus offer on calls and customer loyalty of the network providers. The study adopted a survey research method. The population of the study consisted of the subscribers of both MTN, AIRTEL, 9MOBILE and GLO networks in the South-East Nigeria and the sample size was 400. The questionnaire was designed in 5 likert scale and was administered to the respondents through face to face contact. Out of the 400questionnaires, 351 of these questionnaires were properly filled and returned. The hypotheses were tested using the Spearman Product Moment Correlation Coefficient (SPMCC) statistical tool. This was facilitated through the use of statistical package for social sciences (SPSS) version 17. The findings of the study revealed high level insignificant relationship existing between complaint handling and customer loyalty while weak relationship existed between lower call rates, lower interconnectivity rates and bonus offer on calls with customer loyalty. This implied that subscribers will stay with their network providers as long as the network providers are able to satisfy the subscribers' various needs and meet customer requirements within their expectations. The study recommended that the network providers should sensitize the operators on the better ways of dealing with customers' complaints in order to create loyal customers. The national communication commission should be pro-active in their control and oversight functions with the network providers in order to improve the overall quality of their services. The operators should make their customer relationship marketing packages to be more interactive and participatory, carryout research to identify the different needs of the subscribers, create awareness of the customer relationship marketing benefits and losses, create new lines for busy subscribers, and develop new customer relationship marketing packages that will attract, hold and maintain long term relationship with their subscribers.

KEYWORDS

Customer relationship marketing, customer loyalty, complaint handling, service providers.

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1. Introduction

The telecommunication industry is an important economic sector that has a growing impact on the lives of the people. It is an industry that deals with information development and dissemination through electronic machine or instruments by network service providers. The Telecommunication industry consists of many sub-classes of industries or firms which network service providers is one of the sub-classes known as Global system of mobile communication (GSM) firms. The GSM network service providers are those companies that are described as retail firms that provide network lines to subscribers. The network service sector is highly competitive as many new firms are trying to gain entry into the industry. In Nigeria, the firms that have entered the sector include; Mobile telephone network (MTN), Globacom communication (GLO), and 9mobile and Airtel communication. The challenge confronting the firms in the industry is on how to manage service quality to attract, retain and satisfy their customers. Hence, the development of the various types of marketing strategies to improve their service quality as well as the organizational market performance. Among such marketing strategies for improving market performance is customer relationship marketing.

Relationship marketing according to Kotler and Armstrong (1997) involves treating, maintaining and enhancing strong value laden relationship with all stakeholders of the organization. They stakeholders of an organization consist of customers, channel members, shareholders, employees, government and general public. Thus, customer relationship marketing is one of the elements of relationship marketing. That is why customer relationship marketing aims at key customers who are targeted to be made loyal buyers to the organization. Customer relationship marketing is the process of building and maintaining customer relationship by offering superior and unique services to key customers.

Berry (1996) stated that "it is easier and cheaper to keep existing customer than to get new ones". The service providers should not only be interested in acquiring new customers but should be interested in retaining old customers who are likely to repurchase the firm's products and recommend to others. Customer retention, customer trust, and better word -of- mouth are therefore, products of customer loyalty and value which in turn is a function of the level of customer satisfaction or dissatisfaction (Reichheld;1996). Subscribers usually compare their service outcome to their expectations in relation to competitors. Customers may not have the intention to switch until when their expectations are not met before switching can occur.

Customer relationship marketing is a strategic tool any business organization can employ to build, hold and retain key customers of the organization. Martin, Oliver and Jacqueln (2010) defined customer relationship marketing as a firm's practice to systematically manage its customers to maximize value across relationship circle. In the same vein, Kotler and Armstrong (2010) defined

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customer relationship marketing as the overall process of building and maintaining profitable customer relationship by delivering superior customer value satisfaction. To deliver superior value to customers and achieve customer satisfaction, the GSM service providers should develop customer relationship services such as complaint handling mechanism, lower call rates, lower interconnectivity rates and bonus offer on calls.

Customer loyalty is the feelings or the attitudes that would make a customer to consider the repurchase of a particular product, service or brand or revisit a particular company or shop. A subscriber who is satisfied with the services of a particular network provider will always continue to patronize such a service provider. Lovelock (1996) defined customer loyalty as the willingness of a customer to continue patronizing a firm's goods and services over a long period of time and on a repeated and preferably exclusive basis, and voluntarily recommending the firm's products to friends and associates. According to Reichheld (1996), and Lee and Cunningham (2001), the perception of a customer affect his judgment as this will turn his loyalty towards the product or service. Loyalty provides the foundation of a company's sustained competitive edge. By developing and increasing loyalty, the GSM service firms can increase growth and economic performance. Loyalty is the output of satisfaction, trustworthiness, good image and reputation.

The introduction of Global System of Mobile Communication (GSM) into the country brought a relief to Nigerians because it removed the monopoly enjoyed by Nigeria Telecommunication (NITEL) in the past. This made telephone lines easily available to many Nigerians. However, the subscribers hoped that as the monopoly has been broken in the telecommunication industry, they will enjoy high quality service delivery but this seemed not to be the case, as cases of customer dissatisfaction, disloyalty, portability, mistrust and interconnectivity problems were witnessed in the industry as a result of operational drawback confronting network providers (Agbaje;2014). This implied that there are some operational drawbacks from the GSM service providers. The consequence of this operational drawback was subscribers attempting to subscribe to many network lines or switch from one network line to another network providers with the hope of enjoying GSM services all the time of the day. Again Obijiofor (2003) observed that the subscribers systematically received the network providers in Nigeria; rudeness, disrespectful treatment as well as poor quality services such as drop calls, charging of unconnected calls, over congestion of lines, low network coverage etc. These negative developments endangered in the subscribers' feelings of gross dissatisfaction leading to; subscribers switching over to other networks entirely, subscribers started having multiple network lines for effective communication and their number decreased. The current marketing practices were aimed at strategizing on how to hold, maintain, and retain such customers but unfortunately, most of the

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marketing efforts were focused on attracting new customers rather than retaining the existing ones (Hassani: 2008)

The general objective was to investigate the effects of customer relationship marketing on customer loyalty in the GSM services in Nigeria, Specifically the objectives include: To investigate the effects of complaint handling, lower call rate, lower interconnectivity rate and bonus offer on calls on customer loyalty of GSM services in the south east Nigeria. Questions were asked on the effects of these variables on customer loyalty of the GSM services providers. Also, null hypotheses were formulated using these sub variables.

2. LITERATURE REVIEW

Relationship Marketing

Relationship marketing concept is an important marketing strategy a marketing organization can employ to develop a long lasting relationship between customers of an organization and its stakeholders. This is done by offering a consistent satisfactory service that will match with or above the customers expected needs. Every organization has internal and external customers and to satisfy these needs, marketers should develop an enduring long term relationship with the stakeholders of the organization. Relational exchange describes a situation in which the buyer and the seller are tied together by social and economic bonds, where the act of exchanging goods and money is but a small part of the extended interaction between the two parties. Subscribers express their dissatisfaction with the firms when their expectations are not met. Such complaints should be appreciated by the service providers to avoid subscribers switching from one network to another. Intermittently, the service providers should conduct customer complaints research to identify complaint behaviour, obtain information on how to improve the quality of their products and services to increase customer satisfaction and loyalty through complaint management.

Achieving the objectives of the service providers involves a mutual exchange and fulfillment of promises by the GSM service providers to the subscribers to ensure that the economic goals of that relationship are achieved. By acting promptly to their complaints, closer relationship is established with the subscribers. Agbonifoh, Ogwo, Nnolim and Nkamnebe (2004) supported the above when they stated that "relationship marketing seeks to establish long term, committed, trusting and co-operative relationship with customers, characterized by openness, genuine concern for the delivery of high quality goods and services, responsiveness to customer suggestions, fair dealings and willingness to sacrifice short term advantage for long term gains". Firms in the industry should not maximize profit on each transaction but should try to establish solid, dependable and above all

permanent relationships with the people they serve to achieve a long lasting relationship and profitability.

The GSM service firms can cultivate and possibly nurture the relationship marketing orientation in their organization to improve performance and achieve the targeted objectives. Relationship can be established by creating awareness and enabling environment, active search for prospects, increase interdependence and maintain a valuable relationship. Relationship marketing focuses on customers, employees, shareholders and the general public .Indeed, literature on relationship marketing seem to put more emphasis on customer relationship marketing, as the engine room of relationship marketing practice. Customer relationship marketing can provide benefits to customers and to the business organization. To the subscribers of GSM services, relationship marketing provides them with valued products that will be assessed as a bundle of utilities including high quality services, satisfaction, confidence, social and other benefits. The organization will benefit through increased turnover as loyal customers will buy more of the firms product. It helps organization to incur cheaper cost of managing the old customers than new ones. The firms will also enjoy countless publicity by word of mouth from their customers. They can get financial assistance from customers to maintain sound relationship. These variables can be used to measure the level of market performance including increased sales volume, increased market share, increased customer loyalty and increased profitability.

Brassington, and Pattit (2000) stated that customer relationship marketing has developed as an approach that is based on maintaining positive relationships with customers, increasing customer loyalty and expanding customer lifetime value. Martin, Oliver, Jacquelyn (2010) defined customer relationship marketing as "a firms practices to systematically manage its customers to minimize value across the relationship lifecycle. The firms in the industry can cultivate and possibly nurture the relationship to improve performance to achieve targeted objectives. Relationship can be established by creating awareness, enabling environment, active search for prospects, increase interdependence and maintaining valuable services.

Relationship Marketing Tool in GSM Firms

GSM firms can use different kinds of customer relationship marketing tools to attract, hold and retain its subscribers as loyal customers. The study will use complaint handling, lower call rate, lower interconnectivity rate and bonus offer on calls as its customer relationship marketing variables.

Complaints Handling

Every organization that is customer oriented should provide customers with easy access to make suggestions, critics, opinions and complaints to the organization whenever the need arises. Objections from the subscribers will help the service providers to improve their relations with the disappointed customers, avoid negative publicity, understand aspects of the service that need to be improved upon to satisfy the customers, know the source of their operational problems and motivate their workers to deliver quality service to their customers. Customer complaint is a dissatisfaction a customer receives after using the services of a service provider. It can also be described as a report from a consumer providing documentation about a problem with a product or service. Gallagher (2011) stated that customer complaints are informal complaints directly addressed to a company or public for service provider to resolve problems arising from product or service usage. Bhatt and Bamrara (2012) further stated that customer complaints can be described in a positive sense as a report from a consumer providing documentation about a problem with a product or service.

The increase in the demand for mobile services and the proliferation of the service offerings has resulted in many problems to the subscribers such as poor quality service, increased electromagnetic radiation levels, customer dissatisfaction, over plan information and rampant switching behavior among mobile users. These resulted to intense competition, serious price wars, increased promotional campaigns, attractive calling plans to win more subscribers, and a host of other customer retention strategies among the mobile service providers. When the subscribers are not satisfied with the services of any service provider, there are number of possibilities that may happen (Tjiptono; 2006) including;

- 1. Stoppage from the use of the services of the service provider. This can lead to delivering negative word of mouth to others including current and potential customers
- Making complaints to the firm on their experience or can make a demand for compensation.
 When this occurs, the firm is favored as they can give valuable feedback from the complaints.
- Move to other suppliers without complaining to anyone. This is dangerous to the firm as the identification of the actual cause of the switching may not be easily ascertained by the service provider.
- 4. Making complaints through the mass media, customer board or prosecute the firm through legal action.
- 5. Unsatisfied customers may purposely decide to hurt or destroy the firm's image by hiding and removing anything that will project a bad image of the firm and its services to prospective buyers.

The way to hold and retain customers is to treat them well even though no firm can achieve 100% customer satisfaction. When a subscriber is dissatisfied with the services he consumed, driven by the dissatisfaction emotion, he would take series of behavioral or non-behavioral responses and not all dissatisfied customers express their dissatisfaction directly toward the service provider. Some subscribers may take no action, some may complain to their friends and relatives or even the third parities (consumers association or courts).

Singh (1988) classified consumer complaint behavior into three types; direct complaint, private complaint and the third party complaint behavior. Direct complaint means that subscribers will complain to individuals or organizations involved in the dissatisfying consumption and external to his social circle such as the shopkeepers ;Private complaint represent subscribers complaint to individuals or organization that are not directly involved in the dissatisfying exchange and they are internal to the consumer's social circle such as friends and other relations. Third-party complaint represents consumer complaints to individuals or organization that are not directly involved in that are external to the consumer's social circle such as friends and other relations. Third-party complaint represents consumer complaints to individuals or organization that are external to the consumer's social circle and that are not directly involved in the dissatisfying exchange such as law institution or media.

A well and effective complaint handling provide opportunity to change an unsatisfied subscribers to become satisfied subscribers and even loyal subscribers .Attending to customer complaints and promoting consumer complaints according to Singh and Wilkes(1996)may assist managers in avoiding reputational and market damage. Responding to subscribers views according to them builds goodwill and promotes customer satisfaction. Service providers that promote favorable types of complaint behavior, such as voicing through specially designed channels, can increase customer satisfaction.

In Nigeria, the subscribers that use the services of MTN, GLO, Airtel and 9mobile are provided with the avenues to receive the best in their customer care service. The subscribers dial 180 for MTN, 121 or 200 for GLO, 111 for Airtel and 200 for 9Mobile or by sendings an e-mail to their customercaremtnnigeria.net or customercareglonigeria.net orcustmercareairtelnigeria.net andcustomercare9mobilenigeria.net respectively to reach out its customer care service centres. They can also log on their queries through its customer feedback form. These service providers have provided some useful tips and information for its customers on their websites.

Lower Call rates

The different service providers in Nigeria have their various call rates for their subscribers. These call rates are based on the quality of services offered to subscribers, location of the call, available service as well as the time of the call. Subscribers patronize these service providers based on the kind of service they obtain from them. These services are used by the network providers to attract, hold and retain the subscribers to continue patronizing them.

Call rates refers to the amount charged for a call or the sum of the values that customers exchange for the benefits of using the service. In a competitive market, network providers are expected to compete on both price and quality of their services and also it is necessary for the service providers to meet the customers' requirements and expectations in price and service quality (Melody,2001). Due to the competition currently going on in the industry, operators should offer innovative services as well as competitive prices to attract, hold and retain their prospective customers. The price is not limited to a SIM card, but covers the price of recharge voucher, call rate, SMS charge, internet charge, price of phone etc. A network provider with a lower price has a high tendency to attract a large subscriber base leading to an impressive market and financial performance. The income from the number of call minutes determines the basic commercial success for the network providers. The success of the telecom firm in a marketplace depends on the continuous usage and pricing policies which need to be considered on several levels. This means that offering a high service quality is not sufficient to attract and retain customers in the telecom market.

Adeleke and Aminu(2012) stated that offering the service at an attractive and affordable price is important to achieve a competitive advantage in the marketplace. Xia etal(2007) also stated that price fairness refers to consumers' assessment of whether a sellers' price is reasonable, acceptable and justifiable. Subscribers are satisfied and become loyal when they feel that the price they pay corresponds to the quality of service they receive. Choi etal(2006) stated that disloyal customers are more sensitive, in the sense that changes in price motivate them to move to other organization, whereas loyal customers were not affected by price.

The different network providers have different packages for their subscribers of which they compete among themselves in the marketplace. The mobile telephone network (MTN) offers different call rate packages to their subscribers including; MTN xtra value, MTN start pack and MTN beta talk. The Globacom communication offers these packages to their subscribers; Glo 11k/s prepaid plan, G-BAM and GLO easy share. 9, Mobile offers their subscribers with these packages including; Easy starter, Easy click, Easylife, Easyflex and 9Mobile talk zone and Airtel communication offers their subscribers the following offerings; AirtelsmartTRYBE, AirtelsmartTRYBE JOUNIOR, AirtelsmartCONNECT, PLAN, AirtelsmartPREMIER AirtelsmartVALUE PLAN, and AirtelsmartTALK. These are sourced from their different customercare units.

Lower Interconnectivity Rates

Troi (2010) stated that a company's most important success factor is the ability to deliver better customer value than competitors do, as their objective is to deliver value to the customers in order to provide the required returns to the shareholders and employees. A company that offers lower charges in their connectivity rates would be able to attract more subscribers committing themselves to the network providers and significant numbers of "call minutes" might be achieved. Presently, subscribers base are nearing saturation point and the rising competition from globalization in the industry needs to adopt strategies that will defend their market and understand the impact of their retention strategies on the customer and business performance. This is in regard to their sales, market share, profitability and customer satisfaction. Understanding how to create sustainable competitive marketing environment through retention strategies is very important to the network providers as this will help the firm to have a competitive advantage over others. Lower interconnectivity rate is the cost of using one network to connect to another network by a subscriber. The rates vary from one network to another as the network providers have different packages for their subscribers.

Achieving customer satisfaction is the main goal of the network providers. This is because increasing customer satisfaction has direct effect on company's market share which can lead to improved profits, positive word of mouth, and lower marketing expenditure. When the perceived value outweighs the subscribers overall cost, the customer will be satisfied and vice-versa. The perceived value is significant determinant of customer satisfaction and the degree of perceived value is a key factor affecting customer satisfaction. In their different studies (Booz and Hanilton,1995; Danaher and Rust,1996; Bolton,1998; and Gerpott,1995) stated that the key drivers of customer value are the service value, price, customer care, and personal benefits. Offering quality services, lower prices when connecting to other networks, and offering personalized services will attract, hold and retain subscribers to their network providers. This means that the determinant of customer satisfaction is the level of benefits the customer will receive from the product or service in comparison with what was spent.

MTN offers to their subscribers different interconnectivity rates including awuf4u package and PAYG(pay-as -you-go),GLO offers their subscribers Gloinfinito and Glo bounce tariff plan, Airtel offers its subscribers AirtelsmartconnectandAirtelsmartvalueplan,and 9Mobile offers to its subscribers recharge and get MB for browsing, unlimitedsms and easylife postpaid.

Bonus Offer on Calls

The bonus offer on calls is one of the customer relationship marketing variables that was used in the study to determine whether customer loyalty depends on it to achieve the firm's objectives. Bonus offers can be described as an added value to the actual value of a service a subscriber demanded from the service providers. The added value influences the subscribers to use more of the network providers' services. This reduces the cost per unit of the service and as well increase the quantity of services to be used by the subscribers. Hossain and Suchy(2013) Stated that value-added services comprises of SMS, MMS, GPRS facilities, various caller tunes and alerts offered by the service providers that rapidly come into focus and were considered important by the users in attracting loyalty to the service providers. They went further to state that the network providers should consider value-added services as a rising star as more and more subscribers find satisfaction in it and have an influence on its usage. But the nature of services and information offered by the network providers as value-added services should be more rational and justified with subscribers' desire. As the competition has escalated in the industry, the network providers should endeavor to learn how their subscribers perceive service quality, call services, facility, price, customer care, service providers' capabilities and other important factors that may have been affecting the subscribers' perception to select the services of the network providers.

MTN offers to their subscribers Awuf4u and beta talk packages, Glo offers to its subscribers Glo jolific8,Glofree tomorrow and Glo bounce forsmart guys and babes,Aitel offers its subscribers AirtelsmartTRYBE,AirtelsmartTRYBE JOUNIOR, and AitelssmartPLAN

Customer Loyalty

Mellroy and Barnette (2000) defined customer loyalty "as a customer's communication to do business with a particular organization purchasing their goods and services repeatedly, and recommending the services and products to friends and associates". Customer loyalty may not be easy to gain or maintain as customers who are satisfied with a service may continue to defect when they believe that they can get better value, convenience and quality elsewhere. Customer loyalty occurs when a customer is faithful to a particular business and product brand. This makes the customer to return back to do business even when the marketer do not have the best product, price or even delivery service. Mei-lien and Green (2010) supported the above definition when they stated that customer loyalty is "a deep-held commitment to re-buy or re-patronize a preferred product in the future despite situational influence and marketing efforts having the potential to cause switching behavior and recommending the product to friends and associates". They went further to state that loyal customers are willing to re-buy products despite the fact that there are competitive alternative that may cause

switching. Loyalty is the development of positive experience with an individual and having that person return back to that individual as many times as possible due to their experience. The competition going on in the industry demand that, the service providers should monitor switching behavior of their subscribers to find the best strategy that could be used to hold and retain them.

The GSM services market is a subscription market where the consumers subscribe with no intention to switch but can do otherwise when some factors trigger them to switch. Such factors include low quality, high price, unavailability of the product, dissatisfaction after product use etc. Aminu and Hartini (2008) stated that when customers are satisfied, they tend to have favorable behavior and remain with the current service provider but when they are dissatisfied, the exhibit unfavorable behavior and defect. They are of the opinion that when the customers are satisfied after using a product this can lead to customer loyalty, repeat purchase ,positive word of mouth, recommendations, paying less attention to competitors advert, trust, increased market share, profitability etc.

3. METHODOLOGY

The research design for this study was a survey research design. The area of the study covers Ebonyi, Enugu, Anambra, Abia, and Imo states. These areas were chosen for the convenience of the researcher. The population of the study consists of the subscribers of the GSM service providers in the south east Nigeria (MTN, GLO AIRTEL and 9,MOBILE). The numerical strengths of the subscribers was 14,197,260. As the population is finite, the statistical tool of Yamane(1967) was used to determine the sample size of 400 subscribers. The technique that was used in this research work is simple random sampling of probability sampling. The questionnaire was the main research instrument adopted in this study for the requisite data collection. The likert scale format was used in constructing the questionnaire. This was used to determine the level of agreement or disagreement to the questions under investigation. It has 5 point scale. The study requested the respondents to grade each item in the questionnaire by assigning values of 5= strongly agree, 4= agree, 3= undecided, 2=disagree and 1=strongly disagree.

The researcher administered the questionnaire to the subscribers at the institutions of higher learning in the south east where majority of the subscribers who patronize the GSM service providers were located. The administration was achieved with the assistance of research assistants. Test-retest activity was conducted on few samples that were selected and the obtained results were the same showing that the research instrument was reliable.

| Questionnaire Variables | Cronbach's Alpha | Number of Items | |
|------------------------------|------------------|-----------------|--|
| Complaint Handling | .886 | 5 | |
| Lower Call Rates | .837 | 5 | |
| Lower Interconnectivity Rate | .896 | 5 | |
| Bonus Offer On Calls | .877 | 5 | |

Table 1: Result of the Reliability Statistics test of the Instrument

Source: field survey, 2017

Table 1 revealed that the CRM variables used in this study have high reliability measures using Cronbach Alpha analytical tool. The result of the test revealed that in the five items used complaint handling had 0.886, lower call rate had 0.837, lower interconnectivity rate had 0.896, and bonus offer on calls had 0.877 respectively. This is an indication that all the instruments are above 0.70, indicating their suitability and reliability for the study. Pearson Product Moment Correlation Coefficient (PPMCC) was the statistical tool used in this study. The instrument was used to measure the level of relationship between the two variables (dependent and independent).**Hypothesis formulated for the study**

H1: There is no significant relationship between complaints handling and customer loyalty

H₂: There is no significant relationship between lower call rates and customer loyalty

H3: There is no significant relationship between lower interconnectivity rates and customer loyalty

H4: There is no significant relationship between bonus offer on call and customer loyalty

| Table 2: Summary | of Hypotheses | Test |
|------------------|---------------|------|
|------------------|---------------|------|

| | | TotalCH | TotalCR | TotalIR | TotalBO | TotalCL |
|---------|----------------------------|---------|---------|---------|---------|---------|
| TotalCH | Pearson Correlation | 1 | | | | |
| | Sig. (2-tailed) | | | | | |
| | Ν | 351 | | | | |
| TotalCR | Pearson Correlation | .005 | 1 | | | |
| | Sig. (2-tailed) | .927 | | | | |
| | Ν | 351 | 351 | | | |
| TotalIR | Pearson Correlation | .161** | .125* | 1 | | |
| | Sig. (2-tailed) | .002 | .019 | | | |
| | Ν | 351 | 351 | 351 | | |
| TotalBO | Pearson Correlation | 019 | .277** | .124* | 1 | |
| | Sig. (2-tailed) | .728 | .000 | .020 | | |
| | Ν | 351 | 351 | 351 | 351 | |
| TotalCL | Pearson Correlation | .057 | .302** | .170** | .229** | 1 |
| | Sig. (2-tailed) | .286 | .000 | .001 | .000 | |
| | Ν | 351 | 351 | 351 | 351 | 351 |

Correlations

- **. Correlation is significant at the 0.01 level (2-tailed).
- *. Correlation is significant at the 0.05 level (2-tailed).

4. ANALYSIS AND DISCUSSION

Complaint Handling and Customer Loyalty

Hypothesis one was tested with Pearson Product moment correlation coefficient to examine the relationship existing between complaint handling and customer loyalty. The correlation coefficient shows a weak relationship (0.057) with an insignificant value of 0.286 which is higher than 0.05. This implied that there is a negative and an insignificant relationship between complaint handling and customer loyalty of GSM services in the south east, Nigeria which led to the non- acceptance of the null hypothesis. This revealed that complaint handling may be a contributory factor to customer loyalty but not that it is a major factor that can influence customer loyalty. With the availability of modern telecommunication breakthroughs such as facebook, whatsapp, twitter instagrametc, Subscribers can have access to GSM services not minding the financial implication as it may not mean much to them. The result supported the views of Adeleke and Aminu (2012), Jessy(2011) and Supriaddinetal (2015) in their separate related studies in which they concluded that subscribers may be satisfied with a service but may not be loyal to the network provider. This entails that the situation faced by a subscriber can make the subscriber to subscribe for such a service not minding the involvement.

From the result obtained, that complaint handling has weak relationship (0.057) with an insignificant value of .286 higher than 0.05 does not mean that the network providers should not improve their service delivery to remain competitive. The reviewed literature revealed that better complaint handling can increase customer's satisfaction, loyalty, trust, attraction, and retention. The study suggested that the acceptance of alternative hypothesis and null hypothesis rejected.

Lower Call Rates and Customer Loyalty

Hypothesis two was tested with Pearson product moment correlation coefficient to examine the relationship existing between lower call rates and customer loyalty of GSM services in the south east, Nigeria. The correlation coefficient shows a strong relationship (0.302) with a significant value of 0.000 which is less than 0.05. This revealed that there is a positive and significant relationship existing between lower call rates and customer loyalty of GSM services in the south east, Nigeria. The positive values of relationship (0.302) implied that a unit increase would amount to 30.20% increase in the level of customer loyalty of the network service providers. The result supported the views of Agbaje (2014) and Ogunnaike etal(2014) in their separate related studies which stated that customer

relationship marketing can increase customer loyalty, customer satisfaction, customer retention as well as customer trust. They further stated that offering services that are satisfying, accessible and affordable to the subscribers can make them to be consistent and loyal with their network service providers. The reliability rate of .896 for the variables used in measuring lower call rates is an indication that the instrument was properly constituted for the study. Also, the result obtained after the analysis(r=0.302;p=0.000'n=351) revealed that strong relationship exist between lower call rates and customer loyalty

Today, consumers find interest in products that have unique and differential features that will help them to achieve their esteem needs. Additional benefits to a service will influence the purchase behavior of subscribers. Gifts they say are like hook, that the more value that is added to a product, the more patronage for such a product. The service providers should monitor the different needs of their subscribers to offer the desired satisfaction. Reducing the call rates by the service providers will attract subscribers to make more calls and remain with the network. The study supported the already obtained result in accepting the alternative hypothesis instead of the null hypothesis.

Lower Interconnectivity Rates and Customer Loyalty

Hypothesis three was also tested with Pearson product moment correlation coefficient to examine the relationship existing between lower interconnectivity rate and customer loyalty of GSM services in the south east, Nigeria. The result of the correlation coefficient obtained revealed that there is a strong relationship (0.170) with a significant value of 0.001 which is less than 0.05 existing between lower interconnectivity rate and customer loyalty. This result suggested that the more the rates of connecting to other networks are low, the more the subscribers will be willing to patronize their services. It further suggested that lower interconnectivity rates attract subscribers to different network services as less of their merger resources are spent. This result also supported the theoretical framework of this study that believed in "Give" and "Take". As service providers are offering their services at a lower cost, the subscribers will reciprocate by trusting, being loyal, offering better word of mouth and as well, remaining with the service providers. The result obtained from the computation implied that the null hypothesis would be rejected and the alternative hypothesis accepted as the p-value is below both the flagged value on 0.05 and or 0.01. The positive value of the relationship as 0.170 does implied that a unit increase in support for lower interconnectivity rate would lead to a 17% increase in the level of customer loyalty of the network service providers. Offering lower interconnectivity rate can spur a subscriber not to switch from one network to another. The reliability rate of .896 obtained from the variables used in measuring lower interconnectivity rate is an indication that the instruments were properly constituted for the study. The result of the above

analysis suggested that the null hypothesis should not be accepted but the alternative hypothesis accepted.

Bonus Offer on Calls and Customer Loyalty

Hypothesis four was tested with Pearson product moment correlation coefficient to examine the relationship existing between bonus offer on calls and customer loyalty of GSM services in Nigeria. The correlation coefficient revealed a strong relationship (0.229) with a significant value of 0.000 which is less than 0.05. The result revealed that there is a positive and significant relationship existing between bonus offer on calls and customer loyalty of GSM services in the south east, Nigeria. The result also implied that the null hypothesis would be rejected and the alternative hypothesis accepted as the p-value is below both the flagged value on 0.05 and or 0.01. The positive value of the relationship suggested that a unit increase in bonus offers would lead to a 22.9% increase in the level of customer loyalty of the network service providers. The reliability of .877 using cronbach's alpha analytical tool and 0.000 significant value is an indication that the measuring variables for bonus offer on calls are suitable and reliable for the study.

5 CONCLUSION AND RECOMMENDATIONS.

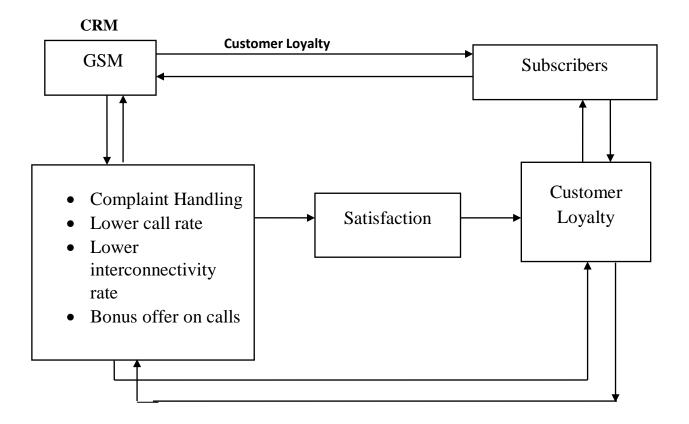
As economic globalization intensifies competition and create a climate of constant change, winning and keeping customers has never been more important. But today, this practice demand that the network service providers should realize the importance subscribers attach to customer relationship marketing if they must survive and grow as customer retention is becoming more important than customer development. Again, customer loyalty is very much vulnerable in service industry as these relationship activities are implemented to develop long term relationship with the network providers and their subscribers. The study has explored some of the areas in which customer relationship can help the network providers to achieve success in building customer loyalty.

From the preceding result of this study, the researcher can conclude that satisfaction can be achieved by offering high quality services including lower call rates, lower interconnectivity rates, prompt attention to customer complaints, bonus offers etc. The provision of the above customer relationship marketing variables and more will increase customer loyalty to the network providers.

Based on the research analysis, it was apparent that a number of initiatives could be taken into consideration by the network service providers in order to ensure that the subscribers are adequately satisfied

1. The GSM service providers should integrate complaint handling as one of the CRM variable to use in attracting subscriber's patronage, though this study revealed that complaint handling cannot make them to be loyal but can be used to improve on its market performance. Complaint handling was insignificant because of other available services of the network providers to the subscribers at the time of the need which they can use without much emphasis on better complaint handling. Such services include facebook, twitter instagram, whatsapp etc which can as well be used by the subscriber to send the message across to others.

- 2. The service providers should continue to offer lower call rates to their subscribers as this can influence them to increase their patronage
- 3. They should offer lower interconnectivity rate to their subscribers to enable them to have access to other networks when the need arises. This was recommended as their services varies from one network to another and from place to place.
- 4. The network service providers should also continue to offer bonus offer on calls to subscribers as this can influence them to patronize their services regularly.



Customer Loyalty

Figure II: Researcher's proposed conceptual model for customer relationship marketing and customer loyalty of GSM Service in Nigeria

The above model stand as what the GSM service providers will get from subscribers and what the subscribers will as well get from the network providers. The subscribers will give customer loyalty to

GSM service providers when they are satisfied with the services they received from the network providers including complaint handling, lower call rates, lower interconnectivity rates and bonus offer on calls. Satisfaction then, is the intervening variable that determines the behavioral pattern of the subscribers which may be positive or negative. The satisfaction received after using the services make the subscribers to be loyal and exhibit positive behavior including trust, repeat purchase, better word of mouth, and consistency in their services.

Reverse is the case whenever the expected outcomes are not met by the parties to the transaction. This proposed model implied that nothing happen by chance as whatever is given should be reciprocated to ensure continuity in the relationship. The subscribers will reciprocate by being loyal to the firm's services once their needs are satisfied. The model also revealed that the motive for entering into relationship among individuals is for mutual benefits of which any deviation will result in none existence of such relationship. The model can be used to determine how customer relationship marketing can affect the behavior of subscribers before, during, and after using the services of the GSM service providers. Providing better CRM services by the GSM service providers will bridge the gap existing between the parties to a transaction. The GSM service providers should compare their services outcome against the level of patronage by the subscribers to determine the level of retention. Blan(1964) stated that in an event where the costs surpass the expected rewards, the opportunity should be ignored and better placement opportunity should be settled for.

The operational model used in this study also contributed to knowledge as it revealed that the use of better customer relationship marketing variables such as lower call rates, lower interconnectivity rates, and bonus offer on calls can help marketers to attract, hold and retain subscribers of telecommunication firms as loyal customers even in the mix of stiff competition. The more subscribers are satisfied with the services of the GSM service providers, the more they will be loyal to the service provider. Satisfaction is then the intervening variable that determines whether the subscribers will be loyal or not.

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