# Effect of Relationship Marketing Strategies on Consumer Loyalty: A Study of Mobile Telephone Network (MTN) Nigeria

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*Abstract:* The paper examined the "Effects of Relationship Marketing Strategies on Consumer Loyalty: A Study of Mobile Telephone Network (MTN), Nigeria". The study adopted the survey method to conduct the investigations. The study examined previous literature on the same or related studies against the backdrop of the set objectives. The study found out that Mobile Telephone Network (MTN), Nigeria could not cope with providing quality telecommunications services following the reported cases of unabated poor services and disrespectful treatment of subscribers (customers) that could not match the type of efficient network and warm customer service relationships required to create and maintain loyal customers in telecommunications sector in Nigeria. The implication of the findings is that Mobile Telephone Network (MTN), Nigeria should be more pro-active in providing quality services as well as improving the overall welfare of customers (subscribers) in Nigeria. The paper recommended massive sensitization and education of Mobile Telephone Network (MTN), Nigeria workers on better ways of dealing with customers and their complaints in order to increase the required confidence and trust that would help to retain loyal customers. It also recommended that the National Communications Commission (NCC) should be pro-active in their control and oversight functions in order to improve the overall quality of Mobile/cell phone services in Nigeria.

Keywords: Relationship marketing strategies, customer loyalty, MTN, operational activities, profitability.

# 1. INTRODUCTION

# Background of the Study:

The telecommunications industry of which Mobile Telephone Network (MTN), Nigeria is one, is fast becoming one of the most important industries of the world. It delivers voice communications, data, graphics and video coverage at everincreasing speed. In other to obtain sustainable competitive advantages, telecommunications firms are forced to make innovations and do their best to satisfy their numerous customers. This demands the establishment of strong relationship oriented strategies such as service quality that guarantees extra value, opt-in system, viral marketing, price perception, brand image and value offers (Anyanwu, 2013).

Rapid changes are recently occurring in terms of generating new opportunities and challenges of infrastructure and service delivery in the Telecommunication Industry the world over. Extant written record had shown that the global telecommunications market is really growing and changing (ITU Publications, 2002). In Nigeria, Mobile Telephone Network (MTN), Nigeria is the largest member of the MTN Group, a South African Company with more than twenty-one subsidiaries in twenty-one countries of Africa and the Middle-East. The company's vision is to be Nigeria's leading provider of telecommunications services, while their mission is to provide first class quality services and values which relationship marketing can guarantee.

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The company was one of the three initial GSM companies licensed by the National Communications Commission (NUC) to provide telecommunications services to the Nigerian public. It started operations in August, 2001. In terms of reach among all other mobile phone networks in Nigeria, Mobile Telephone Network (MTN) has been the most widely spread in terms of coverage and availability with over thirty-five million (35M) subscribers in 2002 (MTN Annual Report, 2002), and currently with over 58Million (58,355,855) subscribers in 2014 (Mobipedianigeria:Facts:http://mobility.ng/quick-facts/last accessed on 8/8/2014). Other major service providers in Nigeria include Globacom, Etisalat, Airtel and Visafone.

In modern marketing practice, companies are moving towards attracting and maintaining customers in a situation where markets are growing and maturing leading to both the increase of the cost of competition and attracting new customers (Kotler and Armstrong, 1999). However, it seems today that many companies have not completely succeeded in developing effective and efficient strategy for attracting new customers and as well as maintaining old ones.

As a result of the above, the competitive environment is becoming more turbulent and the most important issues marketers are now facing is no longer only how to provide excellent goods and services, butin addition how to increase and retain loyal customers who would contribute to the long term profitability of organizations.

To achieve this feat under such overcrowded and dynamic market place, marketers are forced to look beyond the four Ps of the marketing mix by applying additional marketing principles, and theories such as relationship marketing. Morgan and Hunt (1994) stated that relationship marketing strategy consists of all marketing activities that are designed to establish, develop and maintain successful relationship with customers. Companies therefore, move towards attracting and maintaining customers through managing relationships as against managing transactions and products in the past.

In other words, relationship marketing strategy is an all-time winning strategy for marketing oriented organizations to build strong, mutual and continuous understanding with their customers and this calls for;

- i. Superior customer value delivery by firms.
- ii. Firms going extra miles to understand the needs, wishes and aspirations of their customers.

iii. Firms using relationship marketing strategy as the new age competitive strategy which leads to customer retention which eventually leads to customer loyalty.

Andaleeb (1996) added that relationship marketing strategy seeks to acquire and retain customers by providing good quality customer services, thereby making it the key to success in acquiring strong competitiveness in current market because of its implications for;

- i. Access to markets;
- ii. Generation of repeat purchase;
- iii. Creation of barriers for intending customers wishing to switch to other products and
- iv. Being beneficial to all parties concerned.

By implication, relationship marketing strategy is the new age competitive strategy that does not only create long-term mutual relationship with customers, but consequently attracts customers and make them loyal to the organizations.

#### **Statement of the Problem:**

The problem of mobile telecommunication networks in Nigeria stem from the fact that there are many lapses being observed from the quality of their service delivery. Obijiofor (2003) observed that subscribers systematically receive from mobile telecommunications networks 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, among others. These negative developments could engender in the subscribers' feelings of gross dissatisfaction leading to; subscribers switching over to other networks entirely; subscribers having multiple networks for effective communications and; the numbers of subscribers for MTN services decreasing or remaining static.

There is urgent need for telecommunications networks in Nigeria to consider the adoption of relationship marketing strategies to improve performance with a view to wriggling out from the ugly warnings of National Communications

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Commission (NUC) to the effect that "more Nigerian subscribers may be dumping Mobile Telephone Network because of their arrogance and poor services (NCC, 2014).

There is also the issue of gap in research and literature that needed to be addressed. As observed by Obijiofor(2003) little research has been conducted by the Academia in Nigeria evaluating the service quality of MTN. Most of the existing information on MTN quality of service to and relationships with Nigerians were results of official commentaries and publicity. There is therefore need to undertake empirical research on the character and quality of MTN services to its subscribers in Nigeria in relation to the effects of relationship marketing in creating consumer loyalty.

# **Objectives of the Study:**

The general objective of the study is to examine how relationship marketing helps to improve the performance of Mobile Telephone Network (MTN) and other networks.

The specific objectives are to;

- i. To identify reasons why Mobile Telephone Network (MTN) Nigeria should adopt relationship marketing strategies in her operational activities.
- ii. Evaluate the performance of Mobile Telephone Network (MTN) Nigeria in terms of offering quality services as part of its relationship marketing strategies that would guarantee customers getting extra value for their money.

#### Significance of the Study:

The study will bring greater understanding to the academics on how the service provider-customer relationship could deliver customer values given the importance of these roles in the relationship between them.

It will also showcase the enabling as well as inhibiting attributes of relationship managers in delivering customer value. Students would also find it very useful especially those undertaking similar studies on related topics.

It will provide greater understanding of the customer's perspective of the relationship marketing roles and how these are related to the customer goals. It will provide the necessary information that would help managers to select and train people for successful relationship marketing operations.

It will help the government in the policymaking process regarding policies relating to telecommunications industry in the country.

# 2. REVIEW OF RELATED LITERATURE

This chapter involves the comprehensive review of well researched journal articles on the impact of relationship marketing strategies and customer loyalty in telecommunications business in Nigeria. During the last decade of the 20<sup>th</sup> century, many discussions have taken place on relationship marketing strategies both in consumer and industrial marketing (Tseng, 2007).

#### **Conceptual Review:**

# Meaning and Definition of Relationship Marketing:

Morgan and Hunt (1994) defined relationship marketing "as all marketing activities that are designed to establish, develop and maintain successful relationships with customers". Relationship marketing goals most of the time is to provide increased value to customers which in the long-run results to life time value for service providers. The reason for this is that high customer values will raise consumer satisfaction which will in turn create customer loyalty which will also lead to higher profit due to the increased volume of sales. Liu (2008) posited that customer value creation is at the heart of relationships between service subscribers and service providers.

#### Rationale for Relationship Marketing:

Relationship marketing is achieving mutual relationship with one's customers. It is therefore, important to note that building strong relationship with customers is very necessary for the company to succeed. Concentrating company's activities directed towards its important customers and suppliers whom it must develop in order to build long-lasting relationship is worthwhile. This is the only way a company can obtain a permanent competitive advantage which will ensure its growth and survival.

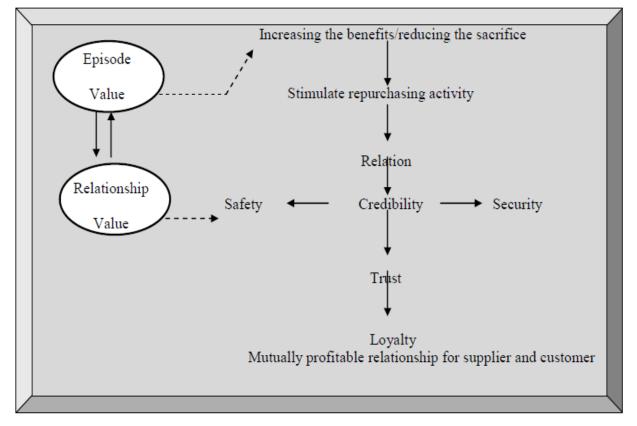
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In other words, it implies that relationship building is considered to be the key factor to success of firms (Jorgensen, 2001). Izquierdo, Cilian and Gutierrez (2005) stated that since relationship marketing strategies include all activities directed towards the establishment, development and maintenance of exchange relationships, the activities of relational strategy should comprise of; Attraction – which has to do with creating relationship, Loyalty – which has to do with developing relationships and Interactions – which has to do with maintaining genuine relationships.

However, Wulf, Odeker and Lacobucci (2001) suggested that different levels of relationships duration would result in different levels of consumption experience, producing different results, satisfaction and loyalty when set against different relationship marketing strategies.

# The Effect of Value-Adding Strategies in Long-Term Marketer-Customer Relationship:

Ravald and Gronroos (1996) described the effect of value-adding strategies in a long term relationship employed by firms. See fig. 1.



Source: Ravald and Gronroos (1996), "The Value Concept and Relationship Marketing" European Journal of Marketing, 30(2), 19-30.

# Fig. 1: The Effect of Value-Adding Strategies in a Long-Term Relationship.

A look at the figure above, shows that it is clear that companies execute certain value-adding strategies which increase perceived customers' benefits and reducing customers' perceived sacrifices, which in turn stimulates customers' repurchasing activities and making them to remain with the same producers or service providers. In a long-time relationship, customers perceive value offered as related to both "Episode and Relationship Value or expectations" (Ravald and Gronroos, 1996). Usually, when customers' expectations are satisfied, an element of safety, credibility and security are perceived which in the long-run increases trust and confidence and consequently enthrone customer loyalty. Companies should therefore, concern themselves with customers' values from customers' point of view, and making sure that they understand customer's value chain in order to be able to reduce customer-perceived sacrifice (Wilson and Jantrania, 1995). It could be seen in the argument of Ravald and Gronroos(1996) that increasing the customers benefits means adding something to the core product that the customer perceives as important, beneficial and of unique value. In telecommunications sector in Nigeria, it is essential for operators to offer something valuable to customers' satisfaction and trust which are expected to enhance customer loyalty.

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# The Impact of Relationship Marketing Tactics on Customer Loyalty:

Xuan and Yuanyuan (2009), in their study developed an analytical model after considering the significant importance of relationship marketing in modern marketing. They stated that it will make sense if people understand how relationship marketing is executed in practice and how that type of marketing takes place – such as influencing long-term relationship and customer loyalty.

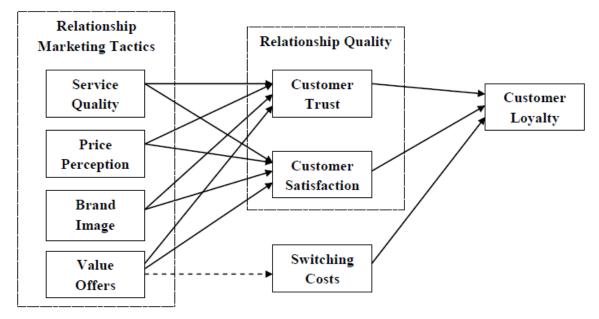


Fig. 2: The Impact of Relationship Marketing Strategies on Customer Loyalty.

Source: Xuan and Yuanyuan (2009), "The Impact of Customer Relationship Marketing on Customer Loyalty in Sweden Mobile Telecommunication Industry: Masters Dissertation in International Marketing". Hamstad University.

Here, the authors developed and examined how an analytical model regarding the field of relationship marketing will work in practice, based on reviewed literatures and theories about relationship marketing tactics, relationship quality and customer loyalty.

# **Relationship Marketing Strategies:**

There are many ways available to marketers to implement relationship marketing strategies in order to impact on customers' retention and loyalty. Bansal, Taylor and James (2007), posited that relationship tactics could be executed through service quality, price perception, brand image and value offers.

# i. Service Quality:

In order to retain loyal customers, who will bring about the long-term profit to the firms, is the key issue the marketers must tackle is to manage customers by surpassing the customers' perceived expectations. This service quality is subjectively perceived by customers during interactions with producers (service encounter) (Gronroos, 2000; Parasuraman, 1988).

Parasuraman, Zeithamal and Berry (1988), developed the famous measurement model of service quality "SERVQUAL" which measures the differences between customer-expectations and perception across five determinants of Reliabilities, Assurance, Tangibles, Empathy and Responsiveness (RATER). High service quality is regarded as the key to success in competitive service markets. Many studies conducted in the past showed that service quality perceived by customers influence customers satisfaction as well as their trust in the service firm (Aydin and Ozer, 2005).

#### ii. Price Perception:

Price represents the monetary value, customers pay for goods and services. It is important to note that customers usually select their service providers strongly relying on perceived price.However, perceived price differ among customers and for some, it may affect their purchase negatively (Peng and Wang, 2006). On the other hand, price perception is related to price searching as some customers are attracted by perceived high quality competitive prices. Oliver (1997), posited that

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consumers often judge price relating to service quality which consequently generate either satisfaction or dissatisfaction, depending on the equity principle. If consumers perceive price as fair, they would be willing to conduct their transactions with the service providers. However price perception is based on two dimensions

- i. Reasonableness of price compared with that of competitors and
- ii. Value of money which implies the relative status of service providers in terms of price.

#### iii. Brand Image:

Brand image is a vital issue for service firms. O' Loughlin, Szmigin, and Turnbull (2004) defined brand imagine as "perceptions about a brand as reflected by the brand's associated attributes held in consumers memory". In other words, brand image is what consumers think a particular brand will do for them overtime. Relationship marketing within services sector, displays the importance of one to one relationship between business and customers and the brand.

Finally, the positive brand image makes it easier for a firm to convey its brand values to consumers. The more customers consider a brand valuable, the more sales it will generate.

# iv. Value Offers:

Customers evaluate the value of services after consumption by comparing benefits gained with the cost of service. In other words, service firms do provide superior values through enhanced offers which improve customers satisfaction by increasing the customers perceived benefits and reducing their sacrifices so that customers retention is improved (Ravald and Gronroos, 1996).

### **Relationship Quality:**

Relationship quality is usually used to assess the effectiveness of relationship marketing tactics. It is regarded as the antecedent of achieving customer loyalty. However, customer satisfaction and trust represent the two basic measuring components for relationship quality. Therefore, higher levels of relationship quality are reflected by higher levels of customer satisfaction and trust (Ravald and Gronroos, 1996).

#### Switching Costs:

Switching costs represents the cost incurred by the customers when trying to go to a new service provider. Such costs could either be monetary or non-monetary – such as time, efforts, risk or psychological. All these act as barriers that could influence customers' decisions to change service providers, or their willingness to remain loyal to current service providers (Ravald and Gronroos, 1996).

# **Customer Loyalty:**

Customer loyalty was defined by Oliver (1997) as "deeply held commitment to rebuy or repatronise a preferred good or service consistently in the future irrespective of other situational influences and marketing efforts which have the potential to cause switching behavior". It is therefore, believed to be the final goal for applying relationship marketing tactics by firms and which builds long-term mutual relationships with customers. In other words, managers should develop creative ways to attract new customers and keep them for a life time. One of the most popular marketing tools used for this purpose is the loyalty instrument which is found in every industry such as bonuses, contexts, awards and customer satisfaction.

Commitment to customers and service qualities enhance satisfaction, which leads to close and successful relationship if we admit that, it is more profitable holding on to existing customers than winning new customers (Berry, 2005, Izquierdo and Cilian, 2004).

# Proposed Analytical Framework for Managing Customer Relationship Effectively:

However, Helander and Hirvonen (2001), in order to build a lasting and successful customer relationship introduced an "Analytical framework model" for managing customer relationships based on value creation Approach.

The basic idea in the value creation approach is that by knowing the customers' value creation process, the providers would be better equipped to identify the problems that the customers had faced in their past business activities and consequently provide solutions to these problems in a more valuable relationship to the customers than other competitive providers could.

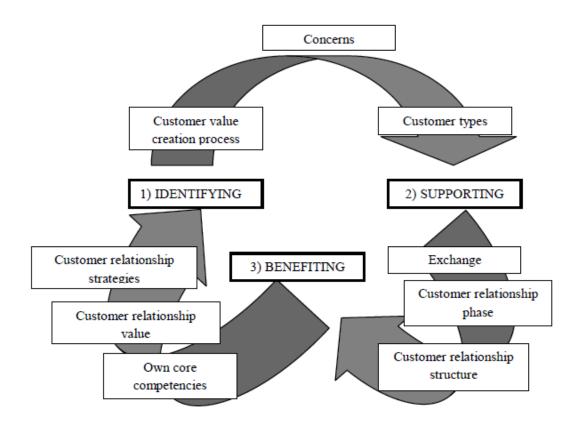


Fig. 3: The Proposed Analytical Framework for Managing Customer Relationship Effectively

Source: Helander and Hirvonen (2001), "Towards Joint Value Creation Processes in Professional Services". The TQM Magazine, 13(4), 281-291(11).

In figure 3, Helander and Hirvonen (2001) introduced an analytical framework that is based on value creation approach. In the three phased model, providers first need to identify their customers value creation processes before putting efforts to support them. The supporting process should be done in a profitable way so as to enable both the providers and customers to benefit from the relationship. Value creation and value sharing represent the reason for collaborative relationship. The purpose for the interaction between suppliers and customers is to create and share values. Previous researchers studied relationships from the customers' point of view and analysed how relationship marketing helps to create value to customers. The process of developing customer-firm relationships normally start when the firm invests in activities directed towards attracting customers and positioning their products in their minds.

However, a greater percentage of efforts is needed to make these customers loyal to the company's products (goods and services). However, Izquierdo, Cilian and Gutierrez (2005), stated that attraction and loyalty programmes are important in the process of creating customers-firm relationships that would be valuable to both the customers and the firm. Attraction and Loyalty Programmes has something to do with the firm's programmes in terms of bonuses, contests and other promotional activities such as those of Mobile Telephone Network (MTN) and other telecommunications companies in Nigeria.

# Functions of Mobile Telephone Network (MTN), Nigeria:

The Mobile Telephone Network (MTN) Nigeria offers the following services to their subscribers. They include; various prepaid call plans, FunLink reloaded, MTN Bundles, MTN Happy hour, MTN Family and Friends expanded, MTN Super Saver, Auto Top Up among others. It also provides internet browsing, international roaming (which allow Nigerian subscribers to use their lines in selected countries when not in Nigeria, Enterprise solutions and Airtime services). The most common among its services include internet browsing from which they have the MTN Blackberry service, data bundles, data usage, MTN Video calling, MTN FunLink, MTN GPRS, MTN Mobile internet, e.t.c (MTN Profile, 2014).

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# **Operations of Mobile Telephone Network (MTN), Nigeria:**

In discharging their function stated in 2.1.6 above, Mobile telephone Network (MTN), Nigeria adopted some aspects of relationship marketing tactics that would increase the quality of services meant to guarantee extra value to their customers such as;

a) Opt-in system, which give subscribers the chance to belong to a programme of their choice, and the availability of needs satisfying services that would guarantee extra value for customers.

b) Viral marketing which is a way of advertising in which information about the company's services are sent by e-mail to people who would then send it further by e-mail to other people for them to be aware. (Anyanwu, 2013).

c) International roaming which allows Nigerians subscribers to use their lines in selected countries when not in Nigeria (MTN Profile).

# **Empirical Review:**

Pantea Pezeshkan Jalili (2008) conducted a study focusing on issues and challenges relating to relationship marketing and market performance. This study was conducted in Iran and was titled "The Impact of Customer Relationship Marketing on Market Performance – a study among Iranian Telecommunications Service Providers". The objective of the study was to produce some evidence of the association between customer relationship marketing strategies which are attractive activities and loyalty programmes such as bonus, contact, customer satisfaction and the market performance. The study used quantitative method and deductive approach to execute the research. The study sourced and collected primary data from 105 managers of telecommunications companies in order to understand the relationship that exists between attraction and loyalty programmes with market performance of the companies. The hypothesis was evaluated using SEM analysis, which associates relationship between attraction activities and loyalty and interaction programmes with market performance (i.e. customer's perception, market position and loyalty) by using Partial Square (PLS) techniques.

The findings suggested that the effect of attraction and loyalty programmes are greater than service quality on market performance. The study therefore, concluded that loyalty and interaction programmes are more influential on companies' awareness and penetration in the market. On the other hand, that attraction activities (service quality) has greater impact on customer's perception and finally, that bonus and customer satisfaction is more associated with customers' loyalty, while customer satisfaction has greater impact on customer's loyalty than service quality.

There is a gap of knowledge created because the result of the research in Iran may not be applicable in Nigeria since the environment are not the same thus creating the need to research on Nigerian environment.

Secondly, Zhang and Feng (2009) conducted a study on issues and challenges relating to the impact of relationship marketing tactics on customer loyalty. This study conducted in Sweden was titled "The Impact of Customer Relationship Marketing Tactics on Customer Loyalty – within Swedish Telecommunication Industry". The study's objectives was aimed to investigate the impact of relationship marketing tactics on customer loyalty by focusing on Swedish Mobile Telecommunications sector. Primary data was collected through questionnaire administered to students of Halmstad University. A quantitative method with deductive approach was used for the study. The SPSS Statistical tool was used to process the primary data. The findings showed that there was relationship between them. The study therefore concluded that service quality, price perception, and value offers have impact on customer loyalty indirectly through the customer satisfaction and trust. Secondly, that brand image is positively and directly related to customer loyalty. And finally, that switching costs was found to have less correlation with customer loyalty as well as satisfaction and trust.

The gap of knowledge is that the result of the study carried out in Sweden may not be applicable in Nigeria since the environment are not the same thereby creating the need to research on Nigerian environment.

# 3. THEORETICAL FRAMEWORK

Theoretical framework for this study lies on the "means-end theory" propounded by Gutman in 1982, otherwise known as "the means-end chain". The means-end theory is a simple knowledge structure containing inter-connected meanings through which product attributes are seen or identified as the means to an end, and as satisfiers of personal values. The means –end theory is described in the customer value hierarchy in which products attributes serve as motivation for their purchase. Embodied in the model is the concept of levels of abstractions: the lower level attributes (concrete) which links with higher level of "consequences" which, in turn links with the higher level of "values" (abstracts). Although, it is

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represented as the means-end theory, it is a hierarchical model which links values that are the ends to basic feature components of products or brands representing the means (Gutman, 1982). This theory assumes (assumptions) that customers are motivated to achieve the goals they value by purchasing or using given products (goods and services) offerings based on specific products attributes sought and the consequential benefits and product value provided by the attributes. In other words, it was developed with the aim of understanding buyer behavior and decision processes through personal values. This theory has mostly been operationalised in consumer research relating to developing advertising strategies and the analysis of a number of markets such as in medication, telecommunications and services.

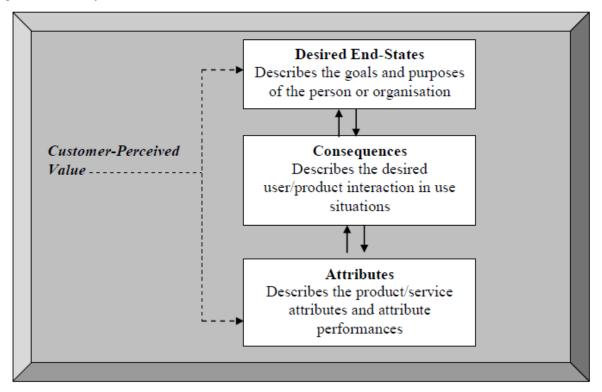


Fig. 4: The Customer Value Hierarchy Model

Source: Woodruff and Gardial(1996:65) and Woodruff (1997:142), "Know your customer: New Approaches to Understanding Customer Value and Satisfaction". Blackweel Business Cambridge.

This model shows how attributes, consequences and desired end goals are linked together in a means-end model that ultimately allows the determination of customer-perceived or desired values.

The assumption of this theory is that customers are motivated to achieve the goals they value by purchasing a given good/service based on specific good/service attributes. Customers are goal oriented and as such, seek the means that would enable them to achieve these goals (ends) (Woodruff, 1997).

In other words, the model shows that products could be related to customers in three basic levels – attributes, consequences and desired-end states. Desired or perceived value is composed of value preferences and consequences linked to goals for use situations. The levels become more abstract with movement from lower to higher levels, as well as becoming increasingly important to the customers. Woodruff posited that it is possible to explore a "top-down and bottom-up" view of the hierarchy.

By starting at bottom up view of the hierarchy, customers learn to see products as bundles of specific attributes, performances and consequently buy products (goods and services) on the strength of the attributes and their ability to achieve desired goals. By starting at the top-down view of the hierarchy, customers use goals and purpose to attach importance to consequences which guide customers to attach the importance of attributes and attribute performances to their already desired benefits.

# Attributes:

Attributes are the physical characteristics, features or components of products (goods and services) that customers desire and this is what customers would describe a good or service to be if asked.

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### **Consequences:**

Consequences are the outcomes experienced by customers through consumption of the offering and remain the customers more subjective considerations of the consequences that result from the product use and what the product does for the user in terms of outcomes (desired and undesired).

#### **Desired End-State or Goals:**

Desired end-states are the users' core values, purposes and goals which act as the most basic and fundamental motivators of the individual, the buying centre or the organization to buy from producers/providers who satisfy these values.

Means-end Theory defines this most abstract level (highest level) as including values that are deeply held and enduring beliefs that motivate the customer. Desired end-states must identify and satisfy customers in order to generate adequate returns on investment through customer loyalty.

# 4. **DISCUSSION**

This section dealt with the discussion of the study in terms of how the strategies employed by the study, helped in accomplishing the stated objectives of the study. It also discussed the theoretical framework of the study in terms of its strengths and weaknesses, as well as discussed the literature reviewed in the study in terms of gaps observed during the process of the review. The matter of interest that would to generate new and original thought was also discussed.

#### **Discussion of Strategies (methods) for Achieving Objectives:**

The strategies adopted in the study in order to accomplish the stated objectives includes; the use of primary data through self-administered questionnaires against the backdrop of similar or related studies and the set objectives of which the study sought to: identify reasons why Mobile Telephone Network (MTN) should adopt relationship marketing strategies in her operational activities; evaluate the performance of Mobile Telephone Network (MTN) Nigeria in terms of offering quality services as part of its relationship marketing strategy that would guarantee customers getting extra value for their money; demonstrate how relationship marketing strategies could help Mobile Telephone Network (MTN) in Nigeria retain its loyal customers to gain long-term profitability.

Since the study aims towards the examination of the effects of relationship marketing strategies on consumer loyalty and how relationship marketing strategies could help to improve the performance of Mobile Telephone Network (MTN) in retaining customer loyalty, the survey method is the most appropriate methodology to adopt.

Interviews of a given sample of customers would be taken to elicit their opinion on the services of Mobile Telephone Network (MTN) Nigeria. Data on the services of Mobile Telephone Network (MTN) was sourced in order to determine their performance. 250 customers were administered questionnaire in order to ascertain their response. However, out of the copies of questionnaire administered, 243 copies were properly filled and returned. Finally, the ANOVA statistical tool was used to analyze the data collected.

# **Discussion of Theoretical Framework:**

The Means-end Theory propounded by Gutman in (1982) is a knowledge structure that contains inter-connected meanings through which product attributes are seen or identified as the means to an end and as satisfiers of personal values. Although, it is represented as means-end theory, it is a hierarchical model that links values that are the end to basic feature components of products or brands representing the means.

It provides the way to structure messages, identify product features and consequently link them to the benefits that fulfill personal value states. This can equally be used to gain customers' insight on ways of mitigating the risks of marketing failures in product designs and positioning.

The strength of the theory lies on its capacity to enable marketers to reverse the technical/engineering aspects of products (goods and services) through knowing the value-end states required by customers and consequently working backwards to modify or build new features or create new products of value.

The weakness of the theory lies on the fact that it could not be applied effectively in all businesses especially in "Business to Business" because business to business marketers operate under the assumptions that business to business (B2B) purchases are rational. In reality, buying decisions are influenced by "Emotive-Propositions".

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# **Discussion of Gaps in Literature:**

The literature review revealed some basic gaps resulting from the fact that most of the studies on relationship marketing and customer loyalty were conducted in foreign countries. It further revealed that the gaps between the potential expectations of customers and the actual operations and performance of Mobile Telephone Network (MTN) Nigeria is very wide. The poor services and disrespectful treatment of customers by Mobile Telephone Network (MTN) Nigeria, pointed towards gross dissatisfaction from subscribers (customers). Furthermore, the fact that Mobile Telephone Network (MTN) Nigeria accepted in their 2012 annual report that they anticipated lower "Earnings Before Income Tax Depreciation and Amortization (EBITDA) rates between 2010 and 2012 operational period confirmed the gap (MTN Annual Report, 2012).

In empirical review, the first study conducted by Pantea Pezeshkan Jalili in 2008 on the impact of customer relationship marketing on market performance among Iranian Telecommunications service providers collected data from 105 managers only, leaving out other stakeholders. There is a gap for not collecting data from other stakeholders.

In the second study conducted by Zhang and Feng in 2009 on the impact of relationship marketing tactics on customer loyalty in Swedish Telecommunications Industry collected data from University students only. There is the gap for not collecting data from other stakeholders which would have given more information to the study.

Finally, the difference in knowledge gap between Iran and Nigeria as well as between Sweden and Nigeria created a knowledge gap that needs to be taken care of. There is the need to research on the Nigerian environment.

#### Discussion of Areas of Interest that May Generate New Knowledge:

The study revealed that the quality of telecommunications services is still below acceptable level. The literature equally revealed that telecommunications industry has become the world's most important sector that promotes dissemination of information and the economy in general. The sector delivers voice communications, data, graphics and video coverage at ever increasing speed.

# 5. ANALYSIS

#### Table 1: Mobile Telephone Network (MTN) Nigeria Adopts Relationship Marketing Strategies in her Operational Activities

widone Telephone Network (WTN) Algeria Adopts Kelationsinp Warketing Strategies in her Operational Activities							
	Sum of Squares	df	Mean Square	F	Sig.		
Between Groups	298.219	4	74.555	793.651	.000		
Within Groups	23.391	239	.094				
Total	321.610	243					

# ANOVA

#### Mobile Telephone Network (MTN) Nigeria Adopts Relationship Marketing Strategies in her Operational Activities

Source: field survey, 2015

The above statistical tool (ANOVA) was adopted to critically examine whether Mobile Telephone Network (MTN) Nigeria adopts relationship marketing strategies in her operational activities. From the analysis carried out, it was revealed that the F-value of 793.651 and with a P-value of 0.000 shows that the statistical examination is significant. This implies that Mobile Telephone Network (MTN) Nigeria adopts relationship marketing strategies in her operational activities. These strategies been adopted by this telecommunication giant in Nigeria should be strengthen to ensure that consumers of their goods and services enjoys the value for their money.

# Table 2: Evaluate the Performance of Mobile Telephone Network (MTN) Nigeria in Terms of Offering Quality Services as Part of its Relationship Marketing Strategies that Would Guarantee Customers Getting Extra Value for their Money.

ANOVA						
The Performance of Mobile Telephone Network (MTN) Nigeria in Terms of Offering Quality Services						

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	293.995	4	73.499	441.653	.003
Within Groups	41.438	239	.166		
Total	335.433	243			

Source: field survey, 2015

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To achieve objective II, the study equally adopted ANOVA statistical tool in the examination of the performance of Mobile Telephone Network (MTN) Nigeria in terms of offering quality services as part of its relationship marketing strategies that would guarantee customers getting extra value for their money. From the analysis carried out, it was revealed that the F-value of 441.653 and with a P-value of 0.003 shows that the statistical examination is significant. Therefore, the performance of Mobile Telephone Network (MTN) Nigeria in terms of offering quality services as part of its relationship marketing strategies that would guarantee customers getting extra value for their money is not fully realized and should be improved upon to ensure customers satisfaction.

# 6. CONCLUSION AND RECOMMENDATIONS

Sequel to the above, it became more important to devote special studies on telecommunications services, its implications to the economy as well as how operating telecommunications service provider could improve their services to the benefit of all. This area is expected to generate new knowledge that would help to improve the services of telecommunications services in the country.

The study therefore recommended massive sensitization of telecommunications service workers of Mobile Telephone Network (MTN) Nigeria on the better ways of dealing with customers and their complaints in order to create loyal customers and retain them. The National Communications Commission (NCC) should equally be pro-active in their control and oversight functions over telecommunications service providers in order to improve the overall quality of mobile/cell phones in the country Nigeria.

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