

CORRELATES OF CUSTOMER LOYALTY AMONG PREPAID
MOBILE PHONE SUBSCRIBERS IN KANO METROPOLIS,
NIGERIA.

BY

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BEING A DISSERTATION SUBMITTED TO THE DEPARTMENT
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DECLARATION

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CERTIFICATION

This is to certify that the research work for this dissertation titled, Correlates of Customer Loyalty in the Nigerian Telecommunication Industry: a Study of Customers in Metropolitan Kanoby Adewale Adekiya (SPS/11/AMS/00033) and the subsequent preparation of the dissertation were carried out under our supervision and has met partial requirement for the award of the Degree of Master of Science (M.Sc.) in Management in the Department of Business Administration and Entrepreneurship, Faculty of Social and Management Sciences, Bayero University, Kano.

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ABSTRACT

Empirical evidences have shown that customer satisfaction, trust and corporate image can act as precursor to customer loyalty. In this study, the predicting power of these factors on customer loyalty among the subscribers of Nigerian mobile telecommunication industry was investigated. A survey design was employed to pick three hundred and eighty four (384) respondents from the eight local government areas of Kano metropolis through the multi-stage sampling techniques. Further a self administered and structured questionnaire, consisting of numerical likert scale was employed to elicit responses from respondents. Out of the three hundred and eighty four (384) copies of questionnaire distributed, a total of three hundred and eighty (380) were retrieved (4) were discarded for improper completion and the final (376) copies were used for final analysis representing a response rate of 98.3% which was consequently used for analysis. The Pearson product moment correlation and multiple regressions were employed as tools of data analysis. Findings revealed that all the three variables: (customer satisfaction, corporate image and trust) have a positive and significant effect on customer loyalty. Customer satisfaction has the strongest effect with Beta coefficient of 0.421 while corporate image and trust have Beta coefficients of 0.270 and 0.106 respectively. Overall, about 0.467 of the variance in customer loyalty was jointly accounted for by the three predictor variables. It was therefore recommended that in building a robust loyalty base among subscribers, telecommunication companies should focus on improving customer satisfaction, customer perception of trust and a desirable corporate image through interactive marketing mediums in addition to corporate social responsibility gestures.

CHAPTER ONE

INTRODUCTION

1.1 Background to the Study

With the advent of deregulation and a break up in industry barrier, consequent to the need to achieve liberalization and efficiency, most previously State Owned Enterprises (SOE) in Nigeria including the Nigerian telecommunication industry have in recent years, been witnessing tremendous decrease in entry barrier. Taking advantage of the opportunities provided by this deregulation, many investing companies both local and foreign have secured the required license for operation thereby making the level of activities in the sector to increase significantly over the past ten years.

According to the National Communication Commission (2015) the telecom industry is probably Nigeria's most vibrant and competitive industry after the petroleum sector. In their opinion, the most prominent of these brands are the Global System for Mobile Communication (GSM) companies: Mobile Telecommunication Network (MTN), Globacom, Airtel and Etisalat. Among these corporate brands is shared a whopping 95% of the Nigerian telecommunications business, valued at over 2 trillion naira, and an enviable subscriber base of 140,822,483 (National Communication Commission, 2015).

In what is seen as a hot contest to win more subscribers on their networks, each of the major operators are always on their toes in introducing new offerings to the market. While these offerings often come with a facade of innovation, the underlining motivation is the quest to get more subscribers by surpassing what the competitors are doing (IT and Telecom Digest, 2013). In their opinion, after such ground breaking products, the other competitors come out with other products that surpass the previous and the battle for supremacy continues. They further maintained that anytime one flips through the pages of dailies, or watch TV programs, one thing that is most probably seen is an advert or a commercial from a telecom operator announcing one new product or the other and that the next day, one is bound to see another operator coming out

with another exciting offer. So goes the battle to win the heart of the teeming subscribers, who now have a high bargaining power, coupled with an ability to switch from one service provider to the other. For instance, a recent snap poll conducted by NOI limited (2014) an opinion polling and research organization established by the previous Nigerian finance minister, Ngozi Okonjo-Iweala on the perception of subscribers to the major mobile networks operators (MNOs) across the country with regards to their services and price tariffs, revealed that the majority of respondents (45%) use dual lines, while the minority (26%) either use a line or multiple lines, furthermore, it was found that 19% of the respondents use 3 lines, while 9% and 1% of the respondents use 4 lines and 5 lines respectively. meaning that customers only respond to a particular network because of the short time rewards that comes from different promotional offers. Once the offer ends, the customer will switch to another network with better rewards and promotions which leaves very small numbers of loyal customers on each network.

From an average industry tariff rate of N50 per minute across networks in the year 2000 today, subscribers can make call for as low as N6 per minute depending on which network and what tariff plan they have chosen (IT and telecom Digest, 2013). Though this might be a good bargain for these customers, unfortunately, the end result may not be too palatable for the operators. For instance the National Communication Commission (2013) says that the industry's average revenue per user (ARPU), which is a financial performance benchmark that measures the average monthly revenue generated by operators from each customer, was put at approximately N1,800 in 2010. However, another reports from the commission in 2015 shows that this figure has fallen to N1000 as at January 2013 thus showing a 45 per cent slide which invariably means drop in revenue for the operators. Furthermore, it is been projected that this current figure of ARPU will slide down to N769 by the ending of 2016 mainly due to competition and prize war.

According to Almosawi (2012) the winner company in such situation, would be those who have the necessary potential and architecture to differentiate their products/services, win customers, draw customers from rivals, and retain existing customers. Hence the concept of customer loyalty. For instance Tseng (2007) insisted that as the competitive environment increasingly becomes fierce, the most important issue the sellers face is no longer only to provide excellent, good quality products or services, but also to keep loyal customers who will contribute to long-term profitability of the organizations.

Jahanzeb, Fatima & Khan (2011) indicated that there are evidences from research to prove that customers, who exhibit loyalty not only reduce the marketing costs of doing business but also, lessen the need to incur customer acquisition costs. They further maintained that it is possible to increase organizational profits by 60 per cent by averting potential migration of 5 per cent. Their argument was further complemented by Dithan (2011) who is of the view that transforming indifferent customers into loyal ones and establishing a long term relationship with customers is critical to organizational success. In other words, a viable measure of organizational performance can be in term of its ability to retain existing customers at a faster rate as against the acquisition of new ones.

Upon the realization that the traditional marketing Ps can no longer provide the antidote for enviable customer loyalty, researchers and business leaders have started shifting their focus to other organizational related factors which is presumed as capable of performing this function (Zhang & Feng, 2009). In other words, if we must concede to the argument by Khatibi, Ismail & Thyagarajan (2002) that the customer is the main focus for any successful business, then business success would depend on organizations understanding of customers, and its ability to modify its overall attribute to meet the needs and aspiration of these customers. Among these critical organizational attribute as evidenced by the literature are customer satisfaction, perception of trust by customers and brand image (Akrofi, Akrofi & wellbeck, 2012; Jahanzeb, Fatima & Khan, 2011 & Almosawi, 2012).

Most research on these concepts such as (Zhang & Feng, 2009 & Pervais, 2012) has been restricted to the telecommunication sector, and business environments of Asia, America and Europe. In other words, there is dearth of relevant literature on developing country like Nigeria, which has been covered by research. Against this backdrop, the objective of the present investigation will be centered on the aforementioned as it influences the loyalty of subscribers in the Nigerian telecommunication industry. Specifically, it seeks to determine the power of customer satisfaction, corporate image, and customer trust as drivers of customer loyalty, both individually and collectively.

1.2 Statement of the Problem

Confronted with the fierce competition in the Nigerian telecom sector and the need to secure competitive edge, each of the players companies in the industry have introduced all sorts of competitive offerings: reward programs, discount pricing, and bonanzas. In contrary to the purported objectives of these offerings, subscribers have capitalized on the bargaining power at their disposal and have engaged in constant network switching with no viable commitment to a specific network. For instance a report NOI (2014) shows that a significant number of Nigerian subscribers are in possession of more than one mobile phone lines with the majority of them having between two and four lines. This indicates that subscribers engage in switching their usage of network to the other in the presence of a more favorable offering from a rival telecommunication company. Studies have shown that the cost of keeping steady customers is significantly higher than that, incurred in the acquisition of new ones and that organization can increase its profit base up to 60% by averting the migration of just 5% of its customer base (Dithan, 2011) thereby indicating the importance of customer loyalty in organizational settings.

Peng and Wang (2006) have pointed that it can be theoretically argued that relationship marketing strategies can aid in promoting customer retention and loyalty. Empirically, Shang and Feng (2009) found that the value offer of a company has an indirect impact on customer loyalty through the mediating power of customer satisfaction and trust which indicates that both customer satisfaction and trust have predicting power on customer loyalty. However, their study was limited to the student market of Halmstad University in Sweden and did not consider the opinion of the general population. They therefore identified the need for future researchers to address this limitation by giving attention to all relevant market segments of the industry. Hence, this study will examine the predicting power of these two concepts by focusing on all relevant segments of the telecom market: students, employees, unemployed, owners of private businesses etc.

Furthermore, while the study by Yacoob, Ismail, & Ismail (2009) among the post paid fixed line users of the telecom industry of Malaysia found that corporate image have a predicting power on customer loyalty, their study was limited to the post paid customer segment of the market. Since it can be theoretically argued that customers in the fixed post paid lines are fewer in number, have the tendency to exhibit more purchase involvement, and are more likely to subscribe to the

service of a well recognized brand as compared to the pre paid mobile service subscribers, it therefore seem reasonable to focus attention on the later by examining if the corporate image of their respective telecom service providers can equally act as a determinant of their willingness to continue to subscribe to the service of such provider or switch to others.

Overall, to the knowledge of this researcher, there seems to be scanty evidence within the Nigerian telecommunication industry most especially, the area that encompasses Kano metropolis regarding the issue in focus and it is yet to be determined that these concepts can be used as a precursor to customer loyalty among subscribers in the area. Hence, to fill such gap in knowledge, this research will take further step by examining the impact of customer satisfaction, corporate image and trust as they collectively and individually contribute to loyalty among the subscribers of the major telecom companies in this geographical location.

1.3 Objectives of the Study

The main objective of the study is to examine the correlates of customer loyalty in the mobile phone companies in Kano. However its specific objectives are to determine:

- i. If there is a significant relationship between customer satisfaction and loyalty among subscribers of mobile telecommunication companies in Kano
- ii. If there is a significant relationship between customer perception of trust and loyalty among subscribers of mobile telecommunication companies in Kano.
- iii. If there is a significant relationship between corporate image and loyalty among subscribers of mobile telecommunication companies in Kano.

1.4 Research Questions

From the objective formulated, the following research questions are asked as a guide to the study

- i. Is there any significant relationship between customer satisfaction and loyalty among subscribers of mobile telecommunication companies in Kano?
- ii. Is there any significant relationship between customer perception of trust and loyalty among subscribers of mobile telecommunication companies in Kano?

- iii. Is there any significant relationship between corporate image and loyalty among subscribers of mobile telecommunication companies in Kano?

1.5 Research Hypotheses

To further provide a guide to this study, the following Null hypotheses are formulated for testing.

- There is no significant relationship between customer satisfaction and loyalty among subscribers of mobile telecommunication companies in Kano.
- There is no significant relationship between customer perception of trust and loyalty among subscribers of mobile telecommunication companies in Kano
- There is no significant relationship between corporate image and loyalty among subscribers of mobile telecommunication companies in Kano.

1.6 Significance of the Study

Customer loyalty has been defined by Kim & Yoon (2004) as the tendency of customers to remain with a supplier of products/services even in the face of more competitive offering, situational influences or marketing communications from competitors. Hence a panacea to the current situation in the industry might be a good understanding of the framework that guides the loyalty of subscribers and how such framework can be manipulated to achieve a desired level of loyalty among them.

This research seeks to determine the effect of customer satisfaction, brand image, and trust on customer loyalty. Thus, knowledge of such may serve as guidance on how best to allocate marketing resources among these factors when implementing marketing strategies.

Second, it is expected that the findings may serve as a guide and help, to telecommunication managers in making informed judgment and decisions about the optimum mix of these factors that is most relevant to customer's need, which will in turn yield increase in revenue and profit for the organization.

Finally, it will serve as a means of validating or refuting existing literature on customer satisfaction, brand image and trust as they individually and collectively affect customer loyalty in the mobile telecommunication industry.

1.7 Scope of the Study

The scope of the study is in the area of relationship marketing specifically, it relates to customer loyalty and its determinants. It focuses on correlates of customer loyalty among the prepaid mobile phone subscribers of the major telecommunication companies in Kano. The three critical factors, as evidenced by the literature that will be considered as correlates are customer satisfaction, corporate image and trust.

It must be noted that this study does not make attempt to probe into the technical or operational processes of the mobile telecommunication companies. In other words, it only focuses on the perception of the subscribers as regards the companies and services being offered. Furthermore, the study is restricted to the areas within the eight local governments, Fagge, Nassarawa, Tarauni, Dala, Kano municipal and Gwale, which constitute Kano Metropolis.

1.8 Limitations of the Study

A research of this nature, with a focus on mobile telecommunication market in Nigeria can hardly be perfect. For instance Nigeria is reputed to be the most populous black nation in the world and the largest market for telecommunication products in Africa (IT & Telecom Digest, 2013). Thus, drawing conclusion on the basis of the result generated from a single city in the country might likely be an error of judgment.

Second the research intends to employ the convenience sampling method as a sampling technique in picking the primary sampling units. Hence this might serve as an impediment to generalizing findings to all research population as indicated by the researcher.

Third as the survey questionnaire is the only instrument of primary data collection in this study, Tuckman (1972) is of the opinion that such data collection instrument does not measure what a

person believes or like but only measures what he feels he believes or likes. This suggests that some of the responses that will be generated from the administration of instrument might not be an absolute/objective representation of the true nature of respondents. Hence caution must be taken in the application of the findings especially in the study especially in managerial settings.

1.9 Organization of the Study

This study consists of five chapters. The first chapter presents the background to the research, the problem statement, the research objectives, including hypotheses, the scope of the study, the significance and limitations of the study.

The second chapter is a review of existing literatures relevant to the research topic. It also highlighted the conceptual framework based on the hypotheses earlier formulated.

The third chapter discusses how the research was carried out. Specifically, it addresses such issues as the methodology employed in gathering the research information: the research design, the source of primary data, the sampling plan, the research instrument, and data analysis method.

The fourth chapter presents the analysis of data according to the objectives of study. The researcher employs the use of both descriptive and inferential statistics in the processing of data; In addition, results were presented and discussed.

The fifth chapter presented the summary and conclusions on major findings. Also, it made recommendations based on these findings. Finally, the limitations of the study and suggestions for future researches were discussed.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This chapter identifies and highlights the important variables; it documents significant findings from earlier researches, which will serve as the foundation on which the theoretical framework for the current investigation can be built. Hence, it presents a review of previous studies on the concept of customer loyalty, its critical antecedents and its relationship with such antecedents as evidenced from literature. In addition, it provides a theoretical background which can serve as a foundation for the hypotheses that were earlier formulated.

2.2 Customer Loyalty

The literature has placed a lot of importance on customer loyalty in the achievement of organizational success. For instance Vesel & Zabkar (2009) are of the opinion that customer loyalty is focal point for numerous business organizations. Lin & Wang (2006) also maintained that the success of company sales are ensured by customer loyalty and this would go a long way to determine the market competitiveness of the organization. As a follow up on Lin & Wang (2006), Chen & Hu (2010) further decried that customer loyalty is a vital element for the continued existence and operation of firms business while Ganesh, Arnold & Reynolds (2000) equally posited that loyal customers build businesses by buying more, paying premium prices and providing new referrals through positive word of mouth over time.

According to Achour, Pujawati & Boerhannueddin (2010) a critical issue for the continuity of organizations is the capability to retain current customers while making them loyal to its brands. They equally stated that companies in telecommunications are losing 2-4 percent of their

customers monthly and that disloyal customers can amount to millions of lost revenue and profit. In addition, they posited that 20% of customers of the mobile phone operator, "Orange" defects each year and, on average it costs "Orange" £256 in 1996 to recruit each new customer, with cost of introductory offers, subsidized phones and advertising all taken into account. Hence with almost a million customers, reducing churn rate from 20% to 10% would bring about annual savings of over £25 million. According to Suleiman, Mat, Adesiyun, Mohammed, & Jamal (2012) customer loyalty is the key driver in a company's profitability and business performance thereby setting it as one of the key strategic goals of the company. Thus superior customer loyalty will lead to increased sales, increased profitability, and consequently, increased financial performance (Ishaq, 2011).

Customer loyalty according to Jahanzeb, Fatima & Khan (2011) is a deeply held commitment to rebuy or repatronize a preferred product or service consistently in the future, thereby causing repetitive same-brand or same brand-set purchasing despite situational influences and marketing efforts having the potential to cause switching behavior. hence we can deduce from this that a loyal customer is one that re-bought a brand, considered only that brand, and seeks no information on pricing, product quality, and promotional activities that is related to other brands.

Following the above definition, a loyal customer within the framework of this study is defined as the subscribers of mobile telecommunication companies in Nigeria who have the tendency to stick to such company even in the face of constant competitive offerings in form of discounts, free airtime, bonanza, advertisement and other promotional offerings from rival mobile telecommunication companies.

2.3 Determinants of Customer Loyalty.

Given the enormous importance of customer loyalty to organizational success, including the mobile telecommunication industry, it is considered imperative to have a good knowledge and understanding of the relevant constructs which can act as a precursor to the loyalty of subscribers in the sector. In response to such need, researchers, academics and industry players strives to determine the various antecedents of the concept and the relevant roles that are being played by each of these antecedents. Among the notable factors that have been proposed according to the literature are Customer Satisfaction: for instance: (Khatibi, Ismail & Thyagarajan 2002; Dithan

2011; Almosawi 2012; & Khan 2012). Corporate image: (Zhang & Feng 2009; Akrofi, Akrofi & wellbeck, 2012) trust: (Akbar & Parvez 2009; Jahanzeb, Fatima & Khan 2011; Sarwar, Abbasi & Pervaiz 2012). Service Quality: (Yaacob, Ismail & Ismail 2009; Jahanzeb et al.2011; and Ishaq 2012). However, for the benefit of achieving the objectives of this study, three most frequent factors in the literature: customer satisfaction, corporate image and trust will be adopted as issues of focus.

2.3.1 Customer Satisfaction

According to Kotler and Keller (2009) customer satisfaction is a person's feeling of pleasure or disappointment resulting from comparing a product's perceived performance (or outcome) in relation to his/her expectations. Another means by which the concept of customer satisfaction can be explained, according to Skogland & Siguaw (2004) is through the confirmation/disconfirmation theory which opined that customers would tend to be satisfied with a product or services when their expectation from such product or services becomes confirmed by the perceived performance derived from its usage, and would tend to be dissatisfied when there is an imbalance/significant difference between their expectation and perceived performance of the product/service. In other words, when the expectation of customers from product/services is confirmed, there is tendency of repurchase intention and behavior, vice versa.

To buttress the above points, Ojo (2010) defined customer satisfaction as the result of a cognitive and affective evaluation, where some subjective standard is compared to the actually perceived performance. In other words, if the perceived performance is less than expected, customers will be dissatisfied. On the other hand, if the perceived performance meets or exceeds expectations, customers will be satisfied. He therefore suggested that customer satisfaction can be evaluated on the basis of understanding of customers' needs and wants, and then translating them into the capability to make provision for such needs and wants. By following this definition, I define satisfied customers in this study as those subscribers whose perception, is such that their expectations prior to the purchase of their main lines have been fully or excessively met by their mobile phone service provider.

2.3.1.1 Customer Satisfaction and Customer Loyalty

The relationship between customer satisfaction and customer loyalty has been a subject of interest within academic literature and services marketing industry. For instance Anderson & Sullivan (1993) found a positive relationship between the two concepts in that an increment in customer satisfaction would most likely yield a corresponding increase in customer loyalty. Akbar & Pervez (2009) further added that one of the conditions of true customer loyalty is total satisfaction. In addition, the argument by Mosahab, Mahamad & Ramayah (2010) indicated that service quality has a direct and indirect impact on customer loyalty in that variation in the quality and value of products and services provided to customer creates variation in customer satisfaction which in turn create a variation in customer loyalty. Furthermore, Vuuren, Lombard & Tonder (2012) concluded that it is in the best interest of business owners to keep customers happy in a bid to win and sustain their loyalty. However, Keavency (1995) in an attempt to disrepute this earlier claim declares that better prices and service delivery from competitors might break down loyalty and that there is no guaranty of absolute loyalty from customers.

In a study of the Swedish telecommunication industry Cheng & Feng (2009) examined the mediating impact of customer satisfaction on the relationship between (Value offer, service quality, positive brand image, price perception and switching cost) on one hand, and customer loyalty, among Swedish mobile telecommunication subscribers, on the other hand. It was found that all the factors have a direct impact on both customer satisfaction and customer loyalty. However, customer satisfaction exhibited a higher level of direct impact on customer loyalty when compared with the other independent variables thereby signifying the mediating impact of customer satisfaction. i.e an increase in the positive perception of these factors by subscriberstends to result in higher satisfaction, which consequently lead to an increase in their loyalty thus indicating the possible effect of customer satisfaction on customer loyalty. The outcome of this study is that companies might likely derive maximum output from their customer relationship strategieswhen targeted towards cultivating customer loyalty by placing emphasis on the improvement of customer satisfaction.

Another study by Akbar & Pervez (2009) investigated the direct and indirect effects of customers' perceived service quality, trust, and customer satisfaction on customer loyalty in the telecommunication industry of Bangladesh among (271) subscribers of a major private telecommunication company in the country. Results from the analysis indicated that all the dimensions of services quality were positively and significantly correlated with customer satisfaction and customer loyalty. However, when customer satisfaction and service quality dimensions were treated as independent variable in the model, it was revealed that customer satisfaction has the highest correlation with customer loyalty. This according to the them indicates a mediating impact and the importance of customer satisfaction in securing loyalty in the presence of perceived favorable service quality. It was therefore suggested that company should focus on increasing customer satisfaction when using favorable service quality as a means of securing higher customer loyalty.

A related cross sectional study by Mahamad & Ramayah (2010) designed to clarify the relationship between three variables, service quality, customer satisfaction, and customer loyalty among Bank customers in Iran, employed a self administered structured questionnaire that measures service quality, customer satisfaction and customer loyalty in generating response from 147 respondents that are drawn through a convenience sampling technique. The Results from the regression analysis indicated that customer satisfaction plays an important mediating role in the relationship between service quality and customer loyalty. Thus a favorable service quality will tend to lead to customer satisfaction, which will henceforth lead to an improved customer loyalty. A major shortcoming of this study however, is the adoption of 147 respondents out of an unlimited customer population and the convenience sampling method adopted in picking the respondents. Hence these impedes on the generalization of the findings to the total research population.

In another study intended to examine the predicting power of trust, commitment, communication, word of mouth and customer satisfaction on customer loyalty within the Uganda telecommunication sector, Dithan (2011) found that the combination of trust, commitment, communication, satisfaction and word of mouth, are good predictors of customer loyalty. However, satisfaction was found to be the greatest predictor of the variation in relation to the

magnitude of the beta coefficient thus indicating the paramount importance of the need to ensure that customer's expectations are met and even surpassed in any attempt by companies to promote customer retention.

Also, the study by Khan (2012) which aimed to build a model for customer relationship management in the telecommunication industry of Pakistan, examined the impact of customer satisfaction and customer retention on customer loyalty among subscribers of different mobile telecommunication companies who are students of different universities situated in the country. The convenience sampling method was employed in picking 86 respondents, with responses generated by administering a structured questionnaire through the usage of electronic mail and personal interviews. A regression analysis was conducted with customer satisfaction exhibiting a positive, strong and significant relationship with the loyalty variable in an upward direction. However, customer retention was found to have an insignificant impact in the model. Hence this implies that organizations must be aware that customer retention without satisfaction would eventually lead to switching behavior.

Divergently a number of studies are of the opinion that there is no direct relationship between satisfaction and loyalty. For instance Kotler (2003); and Hokanson (1995) have argued that being satisfied does not mean being loyal, and that the two concepts have different determinants. Empirically, Khatibi, Ismail & Thyagarajan (2002) in their attempt to determine the credibility of the above claims employed the use of personal interview, telephone interview and mail survey in a structured format, and generated responses from 150 customers out of a total sample size of 245, that were selected by using a simple random technique. Results from the correlation analysis performed indicated that the correlation coefficient between customer satisfaction and customer loyalty is insignificant. This finding is noteworthy in that it refutes the earlier findings on the positive relationship between customer satisfaction and higher customer loyalty.

In another attempt to ascertain the importance and consequences of satisfaction in the competitive telecom industry in Bahrain, Almosawi (2012) conducted a survey involving 228 self-administered structured questionnaires on mobile phone users across different age groups. From his findings, it was revealed that 79% of the customers who claimed they are very satisfied

with their current mobile phone company admitted they will switch in the presence of better offer from other phone service providers thereby indicating the insignificance of customer satisfaction in preventing switching behavior from customers when there are better offers from rival companies. These are findings from different mobile telecom market hence the impossibility of generalizing such to the Nigerian business environment, being characterized by different social-economic and cultural factors. In other words, it is unclear as to the result that might be uncovered here.

2.3.2 Trust

Trust is a central component in the development of relationship between organizations and customers and a condition that exists when one party has confidence in an exchange partner's reliability and integrity (Dithan, 2011). It is the basis of building a mutually beneficiary relationship with customers in order to enhance competitiveness (Barney & Hansen, 1994). This is to indicate that trust is an essential element and condition that must be satisfied between customers and organizations in order to make provision for successful long term relationship.

Morgan & Hunt (1994) define trust as a condition that exists when one group has the confidence to engage in a relationship with another trustworthy and honest party. This definition infers that such elements as confidence and reliability are crucial in building trust. Mayer, Davis and Schoorman (1995) in their own view provided one general definition on the concept of organizational trust and defined it as the willingness of a party to be vulnerable to the actions of another party based on the expectation that the other will perform a particular action important to the trustor, irrespective of the ability to monitor or control the other party.

According to Dithan (2011) Theories of social psychology assert that trust consists of two essential elements: trust in the partner's honesty and trust in the partner's benevolence. He further maintained that honesty is the belief that one's partner stands by its word, while benevolence according to his argument is the belief that one's partner is interested in the company's welfare and will not take unexpected actions which will negatively impact the company. As indicated by Ruyter, Wetzel & Bloemer (1998) if partners in a relationship trust each other more, they are more emotionally involved and less consciously weighing the benefits

against the costs of that relationship. this implies that customers would tend to be more emotionally involved with a brand in the face of increased sincerity and honesty from the part of the brand even when they perceives the costs/benefits outcome of such relationship as not much favorable.

As argued by Jahanzeb, Fatima & Khan (2011) trust is found to increase customer's commitment, which weakens customers' propensity to switch. They also concurred that trust serves as a key element to build customer loyalty and that it is measured in terms of brand promise, communication and experience. Brand promise works best in an environment marked with uncertainty, in that customer feels vulnerable and hence, relies upon trusted brand (Jahanzeb, Fatima & Khan, 2011). This is in consistency with the earlier argument of Mayer, Davis & Schoorman (1995) on the vulnerability of customer and their submission that the other will perform a particular action irrespective of the ability to monitor or control the other party.

In the view of Dithan (2011) customers will be loyal to telecom companies if they trust that service providers will meet their needs and provide what they promise. They equally pointed that customers are likely to switch from one service provider to another in search of trustworthiness. Results from earlier studies for instance Berry (2002) stressed that in telecom services, trust is the basis for loyalty, and that the biggest cause of failure to retain customers and make them loyal is the lack of trust. In a similar vein, Ian (2011) posited that if customers trust a company, there is high tendency that they will make recommendations about its products and services to their friends.

Furthermore, Liang & Wang (2008) maintains that trust or distrust often takes place with a relationship built up. they declares that as a supplier of product/service actively and consistently makes sincere relationship efforts, such efforts provides evidence to customers that the supplier can be trusted, is concerned about customers' interests and is willing to make sacrifices for satisfying customers' needs in the relationship. An act, which they argued, will consequently increase customer's trust in the supplier. This implies that in order to secure customer trust to a brand, such brand must be consistent in the exhibition of concern and sincerity to customers. Hence companies that are not honest and inconsistent in its sincerity and concern about

customers might find it difficult securing their trust. In order to relate trust to the loyalty of customers, Dithan (2011) suggest that a high level of trust may turn a satisfied customer to be loyal which implies that companies can secure customer loyalty through the indirect influence of customer satisfaction by concentrating on the mediating power of trust.

2.3.2.1 Trust and Customer Loyalty

A lot of empirical evidence exists on the impact of trust on customer loyalty. For instance while trying to develop an understanding of the influence of customer satisfaction, trust and commitment on customer loyalty within an optometric practice in South Africa, Vuuren, Lombard & Tonder (2012) collated primary data from 357 patients who had visited the practice twice or more within the past six years, through a structured and self administered questionnaire. After the employment of multiple regression analysis, their conclusion was that the combination of customer satisfaction, trust and commitments is a strong predictor of customer loyalty while the direct relationship between trust and customer loyalty was equally strong and significant

Within the telecommunication industry, Zhang & Feng (2009) in another attempt at determining the mediating impact of customer satisfaction and trust in the relationship between some selected relationship marketing strategies on one hand, and customer loyalty among Swedish mobile subscribers on the other, employed the use of internet survey to sample the opinion of 101 randomly selected students of Halmstad University. A multivariate regression analysis was performed and it was discovered that such relationship marketing tactics: service quality, price perception, and value offers all have a positive and significant relationship with customer loyalty through the mediating power of customer satisfaction and trust. This implies that relationship marketing tactics might likely be used to increase customer loyalty indirectly through the mediating power of customer satisfaction and trust. Their research was however characterized by three major limitations: the total number of 101 responses generated out of 700 targeted subjects and a consequent response rate of 14.4% is too low, the consequent margin of error of 10% that results from a total student's population of 7000 is quite high, the research cannot be generalized to the whole Swedish population of mobile subscribers in that only the students of a particular university were considered.

Jahanzeb et al. (2010) with the aim of replicating an empirical model for measuring customer Loyalty in the telecommunication industry of Pakistan examined such factors as telecommunication service quality, trust, staff loyalty, and switching cost. In achieving the objective of the study, primary data were collated from 146 customers of 5 mobile services providers within the Pakistani telecom industry. Though the Pearson product moment correlation results revealed that trust has a significant positive correlation with customer loyalty. However, the regression analysis conducted revealed that trust has the least predicting power among the explanatory variables considered. Hence a divergence from the position of Berry (2002) who highlighted trust as the most important predictor of subscriber's loyalty in telecom companies.

Similarly, Dithan (2011) conducted a study to demonstrate the effect of specific relationship marketing orientations on the customer loyalty of subscribers to selected telecommunication companies in Uganda. He conveniently selected 400 subscribers whose opinion was sampled through a self administered structured questionnaire on relationship marketing orientations: trust, commitment, communication, reciprocity and satisfaction as they relates to loyalty. The Pearson product moment correlation and the multiple regression analysis were conducted with results indicating that the combination of all relationship marketing orientation considered, have a significant and positive relationship with customer loyalty. Furthermore, the multiple regression analysis indicated that the independent variables: trust, commitment, communication reciprocity and satisfaction jointly account for about 51.1% of the variance in customer loyalty while trust accounted for the least predictive power. A result, which seems in contrast with Akbar & Pervez (2009) findings which highlight trust as the most important antecedent of customer loyalty after customer satisfaction.

Another study, Shawar, Abbas, & Parvais (2012) designed, to clarify the effect of customer trust on customer loyalty and retention, including the moderating role of cause related marketing in such effect, was focused on the cellular services industry of Pakistan. Primary data were collated from 150 university students via personally administered questionnaire. Further, the results from the correlation matrix indicated that both customer trust and cause related marketing has significant relationship with customer loyalty. Other results from a linear regression model revealed that though customer trust has an effect on customer loyalty but such effect is however moderated by cause related marketing with both trust and cost related marketing. This indicated

that in securing customer loyalty from the view point of customer trust, telecommunication companies must equally focus on improving cause related marketing activities, such cause related marketing might be in form of corporate social responsibility endeavors and other related social welfare packages. These are findings from other environment being characterized by different social, cultural and economic phenomenon and it is yet to be decided if such will be the case in the Nigerian mobile telecom industry.

2.3.3 Corporate Image

Dichter (1985) defined corporate image as the overall impression created by a firm or corporate body, on the mind of the public. In order to make up for the shortcoming in this earlier definition which failed to consider the outcome of the generated impression in form of attitudinal or behavioral manifestations, Kotler & Keller (2009) opined that it is the perceptions about a brand as reflected by the brand associations held in consumers' memory which subsequently translate into attitude, that could either be negative or positive.

Another definition by Nguyen and Leblanc (2001) posits that corporate image can be explained in terms of physical and behavioral attributes of the firm such as business name, architecture, variety of products/services, and the impression of quality communicated by each person interacting with the firm's clients.

In the view of Dithan (2011) customers are likely to form corporate image in their mind in addition to experiencing the brand directly, from indirect mediums such as word of mouth, other consumers, a company's reputation in public and its marketing communication. He is also of the opinion that a positive brand image will in addition to making it easier for a firm to convey its brand value to consumers, generates favorable word of mouth among people, while a negative image will affect them in opposite direction. He thus concluded that the more customers consider a brand valuable, the more sales, that can be expected to achieve.

The above is in line with the earlier contribution by Zhang & Feng (2009) who argued that a positive corporate image is supposed to meet customer's expectation and offers them more benefits. They also maintained that it may lead to customer satisfaction, repurchase intentions

and customer loyalty. It will also position consumers to be less considerate of information from rival brands as a result of the feelings of continuous relationship with the brand (Malik, Yaqoob & Aslam, 2012). In addition, Berglind & Nakata (2005) concluded that an enhanced reputation of the corporation lead to increased profit, social impression and customer loyalty.

Since corporate image involves attitude as a result of cognitive beliefs which in turn translates to behavioral intention, corporate image would affect behavioral intentions including customer loyalty (Johnson; Gustafsson; Andreassen; Lervik; & Cha, 2001). According to Kandampully & Suhartanto (2003) there is a significant positive relationship between image and customer loyalty and a desirable image of an organization can strengthen the relationship between customer satisfaction and customer loyalty.

2.3.3.1 Corporate Image and Customer Loyalty

Various studies across industries and countries have uncovered the existence of empirical evidence on the relationship between the corporate image of a firm and the loyalty of the customers of such firm. Toyin, David, & Michael (2008) in their study of drivers of customer loyalty (measured in terms of the willingness of customers to recommend products to others) in the retail industry of the United States, employed the use of 972 customers of a large retail store. The drivers of loyalty considered in the study were service quality, product quality and brand image. To achieve the objective of the study, an ordered logistic regression was adopted as a means of analysis to model a customer's choice of how strongly they would recommend the retailer to a family or friend on a 7 point scale. Findings from the analysis indicated that the coefficients for the entire high brand image responses are positive and statistically significant with customer loyalty. Thus as customer level of positive corporate image perception increases, it consequently leads to a corresponding increase in customer loyalty. Furthermore, a comparison between brand image and the other two antecedents of product quality and service quality considered revealed that the tendency that a loyal customer will exhibit strong brand image perception is 18.4 times and 23.2 times more than a customer with strong product and service quality perception respectively thereby indicating a strong predicting power of image. It is however imperative to note that this specific research relates to the retail industry of the United

States and on whole, only customers of a single retail store in the country was considered in the investigation.

In an attempt to refute the claims from these previous studies, Malik, Yaqoob & Aslam (2012) investigated the various determinants of customer loyalty in the hospitality industry of Pakistan. The respondents in the study comprised 200 customers of hotels and restaurants that were selected through a simple random sampling technique. A self administered structured questionnaire that measures service quality, price perception and corporate image was employed in eliciting responses from the respondents and findings from both the correlation and regression analysis conducted revealed that corporate image is strongly correlated with customer loyalty. Put in another way, about 77.8% of the variance in customer loyalty is being explained by the combination of these three independent variables.

Within the mobile telecommunication industry, Yaacob, Ismail & Ismail (2009) conducted an investigation of the determinants of customers' loyalty among the subscriber of the largest telecommunication company in Malaysia. In this particular study, corporate image was considered as one of the antecedents of customer loyalty and a total of 118 post paid customers of the company were selected through the non probability sampling technique. Results from the Pearson product moment correlation of the primary data obtained from respondents revealed that there is a strong and significant positive correlation between corporate image and customer loyalty.

Divergently, Ishaq (2012) in a bid to determine the antecedents of customer loyalty in the lucrative telecommunication sector of Pakistan employed the use of convenience sampling method in sampling the opinion of subscribers of five cellular phone companies regarding perceived value, service quality, and corporate image. A stepwise regression was used to determine the impact of the three independent variables on the dependent variable, customer loyalty. Results from this analysis is noteworthy in that corporate image was found to be insignificant in the model. This outcome is in contrast with earlier arguments and findings regarding the critical role played by corporate image in stimulating loyalty from customers but in absolute support of the findings from Achour, Pujawati & Boerhannueddin (2010) study on the concept of customer loyalty among staffs and students of mobile phone users of a Malaysian

university where it was revealed by the responses from 150 subscribers that out of the three antecedents of customer loyalty considered: service quality, switching barriers, and corporate image, only service quality and switching barriers was found to have a significant positive effect on customer loyalty.

Much recently, Akrofi; Akrofi & Wellbeck (2013) in their study of the Ghanaian mobile telecommunication industry examined the effect of service quality, price perception, brand image and value offered by companies on the loyalty of subscribers. A self completion questionnaire was use in eliciting responses from 40 respondents who were selected through the non probability convenience sampling method. In order to test for the existence of relationship among variables and the strength of association between paired variables, the spearman rank correlation was adopted as an instrument of statistical test. From the result of the analysis, though all the factors are significant and positively correlated with customer loyalty, the correlation coefficient between corporate image and customer loyalty appear to be the least. This finding is inconsistent with Toyin, David, & Michael (2008) who positioned corporate image as a better predictor of customer loyalty when compared with service quality. All these were obtainable in telecom markets that are different from the one under focus in this study hence we are yet to be clear of what the case will be in the lucrative market of the Nigerian mobile telecommunications industry.

2.4 Theoretical Issues.

Theoretically, the concept of customer loyalty can be seen from different perspective and or orientations. For instance, the transaction cost theory posited that loyalty results when a customer tries to reduce or eliminate switching costs, which might be psychological, physical and economic in nature. Thus indicating that customers are more likely to remain loyal to a brand when there is a perceived high switching cost associated with available alternatives.

Perceived risk theory according to Mitchel (1993) affirmed that consumers are more often motivated to avoid mistakes than to maximize utility in purchasing. As argued by this theory, the goal of a consumer is that of avoiding mistakes and he is characterized by feelings of certainty that the consequences of buying a product/service will be unfavorable and he is afraid of the

amount that would be lost in form of finance, time, social and other damages if the consequences were not favorable (Carmen, 2007). Furthermore, it has to do with lack of confidence on the stated attribute of a product/service (Hornibrook & Fearn, 2003). From this theory we can imply that consumers are more likely to exhibit loyalty to a brand if they perceive the brand as trustworthy and less risky to do business with, regardless of the stated attributes of other alternatives.

The rational consumer theory according to Khan (2012) proposes that in the presence of asymmetric information, consumer looks around for a comparatively rational method to get higher income with lower cost. It infers that consumers make a rational choice of a product/service that will lead to outcomes associated with the highest expected value. In other words, preferences regarding the outcomes of a choice plus the probabilities associated with the outcomes were all that was needed to evaluate choice alternatives (Oppenheimer, 2008). This implies that consumers will tend to develop loyalty to a brand based on the beliefs of a superior outcome, and the level of probability associated with the deliverance of such outcome.

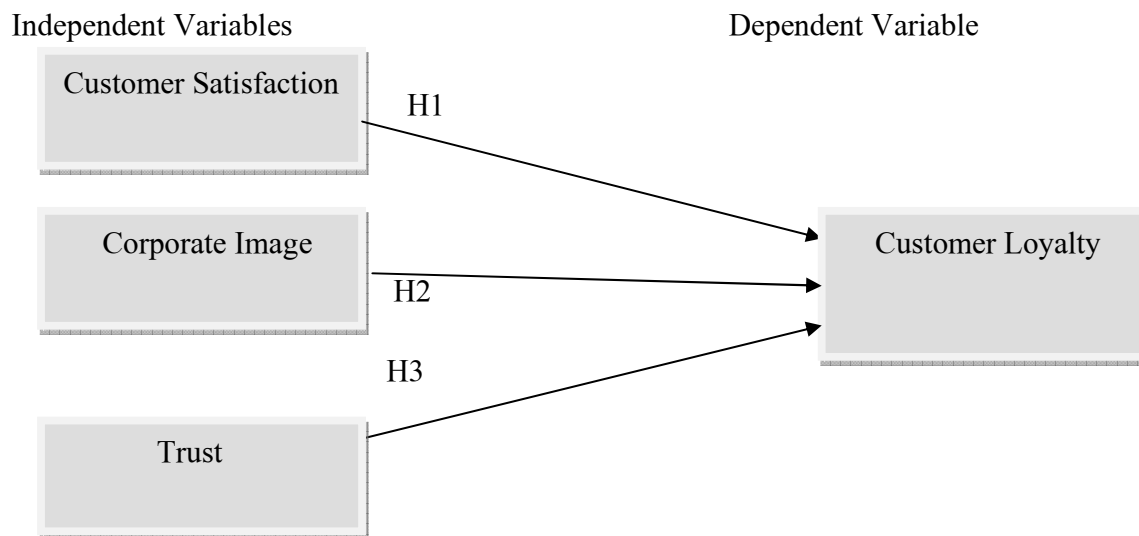
Finally, the resource based View (RBV) theory in the area of strategic management according to Khan (2012) views customer loyalty as one of the unique characteristics of an organization that is valuable, rare, inimitable and organized in such a manner that it might serve as a competitive advantage. In their view, it is a distinctive capability that distinguishes one firm from another and thus allows it to compete more favorably against other firms. Thus a firm with a superior Customer loyalty will tend to be better positioned to compete with rivals, generate more sales, hence a higher business performance. This study evaluates customer loyalty from the stand point of strategic management, where contemporary research has undergone a shift of focus from customer acquisition to customer retention because of two main reasons: First, there is an incremental profit impact of a loyal customer base and second, customer retention is relatively less costly than customer acquisition (Khan, 2012). This aforementioned shift in focus draws its support from resource based view that captures the loyalty of customers as one of the unique bundle of resources that competitors may find difficult to imitate, and helps an organization create distinction and survive in the dynamic environment. It views customers as rare resources,

constituting a source of revenue over the life time of a firm rather than on the basis of an individual interaction that has taken place at one point in time only.

2.5 Conceptual Framework

The research model is developed based on the problem statement, hypotheses that have been formulated, and the review of existing literature on customer loyalty including its critical antecedents. In the model, there are three independent variables customer satisfaction, corporate image and trust which act as correlates/precursor to a dependent variable, customer loyalty. An analytical model is developed and presented graphically below in fig 2.2.

Fig: 2.2: showing the proposed relationship between customer satisfaction and customer loyalty, corporate image and customer loyalty, trust and customer loyalty.



Source: Author

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

This chapter describes the procedures involved in conducting the research. It specifically highlights the research design, the population of the study, the sample size and its techniques. It further describes the method employed in data collection, (instruments of data collection and its administration procedure), the validity/reliability of research instruments, and the technique of data analysis.

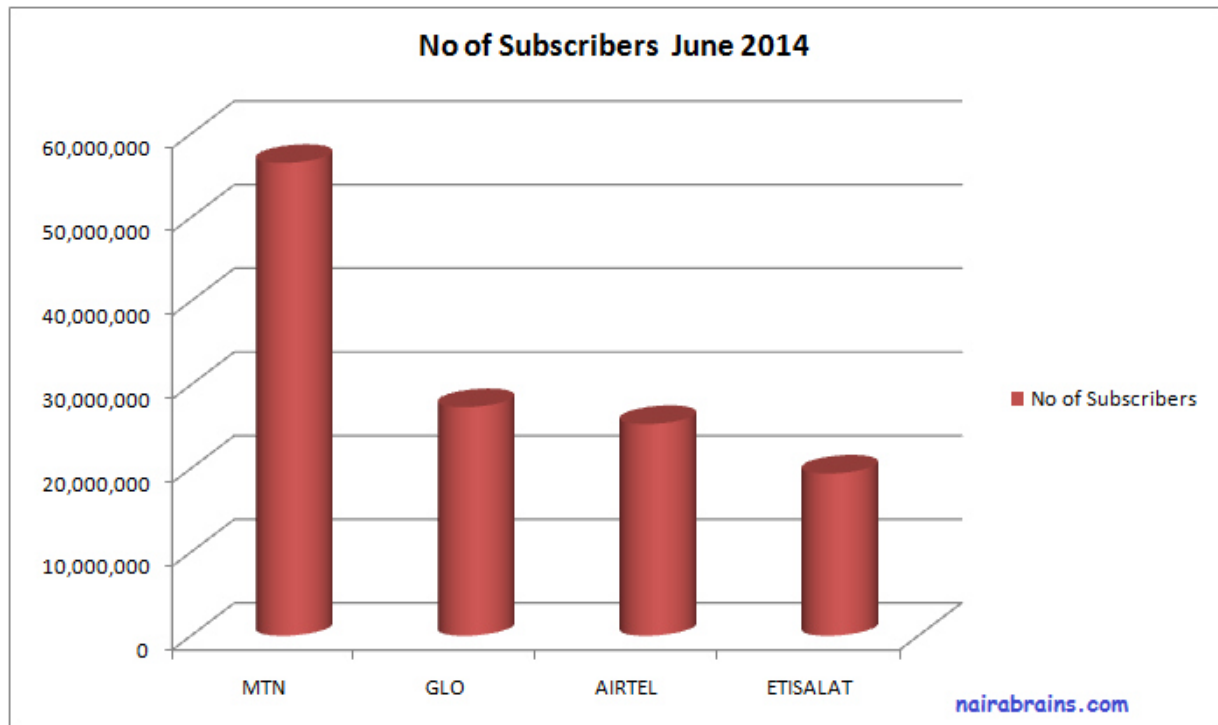
3.2 Historical Background of the Nigerian Telecommunication Industry

With the introduction in 1992 of the National Communications Commission (NCC) which has the role of creating an enabling regulatory environment for efficient supply of telecommunications services and facilities, the industry began to witness the entry of private participants. The reform, which opened up the market to local and private operators, injected competition into the market.

Though some companies were issued operating licenses before 1999, full market liberalization only commenced in earnest with government enacting a new telecom policy document in September 2000 (Tooki, 2011). After full stakeholder consultations, a new law, the Nigerian Communications Act was enacted in 2003 to boost investor confidence and provide clear rules of engagement for industry stakeholders. Consequently, private investment in the sector has grown from about \$50m in 1999 to over \$25 billion by 2010 with commensurate rapid growth in subscriber lines (Tooki, 2011).

As at June 2014, the active operators in the GSM sector are nine (9) in totals. However, over 98% of the total market share in the industry is jointly shared by its major companies: MTN, Glo mobile, Airtel, and Etisalat as indicated by the diagram below:

Figure 3.1: Active operator data in the Nigerian Mobile Telecommunication Industry as at June 2014



Source: National Communication Commission (NCC). Operator’s data as at June 2014.

Accessed at www.ncc.gov.ng (April, 2nd 2015).

According to Tooki (2011) the high level of competition and an increasing demand and pressure on the management of these companies to deliver on shareholders earnings and justify increasing investment have resulted in a war fought with neither swords, guns nor nuclear weapons but a stiff competition cloaked in the garment of war which continues unabated as each operator roll out new offers and products in a bid to outsmart the other while the target remains: to get the larger chunk of the over 100 million mobile subscribers in the country. Hence this has culminated in a barrage of promos and offers that left the subscribers spoilt for choices (Tooki, 2011).

For instance MTN Nigeria kick-started the revolution with the launch of its extra cool in 2006, (particularly introduced to capture the youth market with free mid night calls). Zain Nigeria, (now Airtel) responded to this by also introducing Zain Tru, which offer subscribers one of the cheapest GSM on-net call rates at 25 kobo per second (Monday to Friday) and 21 kobo/second on weekends.

Etisalat on the other hand rolled out its easy cliq, another exciting package targeted at youths. The package came with innovative and exciting features like unlimited SMS, free midnight calls, talk n share, bonus on incoming calls, one cliq, one tune, Facebook update service by SMS and cliq ring back tune. With easy cliq, subscribers are automatically rewarded with free airtime for calls received from other networks and Etisalat lines that are not on easy cliq with the innovative bonus on incoming calls feature. Aside this, Etisalat recently announced that it has revamped its easy life tariff based service with the introduction of return of access fee and easy life postpaid. This package offers subscribers cost effective and affordable call rates as well as free text messages to other Etisalat lines on both prepaid and postpaid lines.

Glomobile, launches its Glo Flexi, Glo yarn-me-more and Glo wonderful in 2011. The Glo Flexi is said to offer up to 99 per cent discount on calls made, depending on the time of day and geographical location of the subscriber. The Glo yarn-me-more came with propositions that after the first 60seconds/1minute (daily) call charged at the rate of 55k/s, the subscribers can enjoy 15k/s Glo to Glo calls and 25k/s Glo to other networks calls. Finally, the Glo wonderful rewards the customer with free minute on every call being made irrespective of the call being on net or off net.

All these are buttresses to the argument by the National Communication Commission (2012) which positions the mobile telecomm market in Nigeria as among the most competitive market in Africa. To further promote efficient competition, the commission has initiated several proceedings which allow conduct that reduces competition in the market to be duly penalized. For instance there are a number of regulatory frameworks such as the Nigerian Communication Act, 2003 Section 91(1) which prohibits licensees from engaging in conduct which has the purpose or effect of lessening competition in the industry.

The consequential effect of this intense competition is a substantial bargaining power for subscribers coupled with tendencies to switch service provider at will. This seem to be in line with the view of Amusu & Olayinka (2006) who noted that as the number of offering within a category multiplies, the differences between them start to become increasingly trivial and loyalty, to the best value replaces any previous loyalty to a brand.

3.3 Research Design

Bergqvist & Esping (2003) are of the opinion that research designs are the procedural framework within which the research is conducted. Research design guides the investigator as he collects analysis and interprets observation and makes it possible to draw inferences for the purpose of generalization to a larger population (Nachmais & Nachmais, 1996). Hence, a survey design was adopted for this study. In the view of Zigmund (2005) survey design is the best method available to a researcher when the objective of his research is to sample the opinion or perception of his respondents on issues of concern. This research seeks to determine the opinion of subscribers as regards their perception on service satisfaction, corporate image, trust, as they affect on their willingness to remain loyal to their present main subscriber and thus find the survey design approach most appropriate.

3.4 Population of the Study

The populations of this study are the subscribers of Mobile telecommunication companies in Kano. The study examined the eight local government areas within Kano metropolis. It focuses on the subscribers of mobile telecommunication companies that are working or resident in these local government areas. Unfortunately, due to the nature of mobile telecommunication network which allows subscribers to move freely with their mobile phones from one geographical location to the other, it was impossible to get the correct figure of subscribers that are presently residing in these eight local governments from the offices of the companies under consideration hence an estimation of this figure was made by utilizing the statistics on average mobile phone ownership in major cities of Nigeria. According to the National Bureau of Statistics (2013) over 90% of the population in major cities of Nigeria has access to mobile phone. As such, the total population of the subscribers in focus is twenty five million, four hundred fifty nine thousand and seventy three (2545973) and its calculated on the basis of 90% of the total population of the eight local governments aforementioned. The populations of these eight local governments from a report by National Population Commission (2006) are as follows:

- Kano municipal – $365,525 \times 90\% = 328,972$
- Tarauni – $221,367 \times 90\% = 199,230$
- Fagge – $198,828 \times 90\% = 178,945$
- Nassarawa – $596,669 \times 90\% = 537,002$
- Gwale – $362,059 \times 90\% = 325,853$
- Dala - $418,777 \times 90\% = 376,899$
- Kumbotso – $295,979 \times 90\% = 266,381$
- Ungongo – $369,657 \times 90\% = 332,692$.

They also agreed that the city is one of the most populated cities in

Nigeria and thus, have a cosmopolitan nature that represents all ethnic groups and tribes in the country hence it can provide a representative sample for major cities, tribes, and ethnic groups in the country.

3.5 Sample Size and Sampling Technique

Osuala (2005) opine that an important factor to be considered in sampling procedure is the issue of adequate representation of the population units. In addition, Zigmund (2005) argued that research result would tend to provide for more reliability and generalisability when sampling technique allows for large population elements that represents all the diverse characteristics in the population. Hence, the multi stage sampling technique, which according to Asika (1991) assures precision and thoroughness, was adopted in this study.

First, the cluster sampling method was employed in clustering the geographical boundary of Kano metropolis into eight secondary sampling units: Kano municipal, Tarauni, Gwale, Dala, Nassarawa, Fagge, Ungongo and Kumbotso. Cluster sampling is most appropriate when the objective is to investigate a large number of research elements that are scattered across a wide range of geographical location while operating in an atmosphere of financial constraint, and there is a need to retain the characteristic of probability sampling (Zigmund, 2005).

Second, the determination of sample size from each cluster was carried out with the aid of proportional sampling technique. The proportional sampling is such that the items selected for the sample from clusters reflects the proportion of the cluster in the population (Zigmund, 2005). Hence this is done to ensure that subscriber in each local government are proportionally represented according to the population strength of the local governments.

The total sample size for the research is determined by drawing inference from the work of Krejcie & Morgan (1970) which has been adopted by the universal accreditation Board (2003) according to them, for a population that ranges from 100,000 to an upward of 10,000,000 a sample size of 384 is appropriate. Hence a total of 384 subscribers that are resident or working in the 8 local governments were employed as the sample size of this research. They were picked by adopting the convenience sampling technique.

Below in table 3.1 is the sample size to be drawn from each local government and the formula employed in arriving at such size

Table 3.1:The Population Statistics for the Subscribers in Each Local Government Areas and the Basis for Sample Selection.

| Local Government Areas | Total Population | Number of Subscribers (N) | Sample Size Determination/Formula $N/LGA \text{ Total population} \times 384$ | Sample Size |
|------------------------|------------------|---------------------------|--|-------------|
| Kano municipal | 365525 | 328,972 | $328972/2545973 \times 384$ | 50 |
| Tarauni | 221367 | 199,230 | $199230/2545973 \times 384$ | 30 |
| Fagge | 198828 | 178,945 | $178945/2545973 \times 384$ | 27 |
| Nassarawa | 596669 | 537,002 | $537002/2545973 \times 384$ | 81 |
| Gwale | 362059 | 325,853 | $325853/2545973 \times 384$ | 49 |
| Dala | 418777 | 376,899 | $376899/2545973 \times 384$ | 57 |
| Ungongo | 369657 | 332,692 | $332692/2545973 \times 384$ | 50 |
| Kumbotso | 295979 | 266,381 | $266381/2545973 \times 384$ | 40 |
| Total | 2828861 | 2545973 | | 384 |

Source: National Population Commission (2006). Population of Kano by Local Government Area. Accessed at www.nigeriastat.ng/nbsapps/annual. (24th November,2013)

3.6 Methods of Data Collection

The choice of the data collection method is crucial to the research process. According to Ader, Mellenberg & Hand (2008) the nature of the research question; the methodology, strategy and the theoretical approach all influence the research choice of data collection. This study employed the use of a multiple choice structured questionnaire that is designed for the purpose of collecting

the primary data that are considered crucial for the success of the study. The reason for the choice of survey questionnaire is as a result of the fact that the study is aimed at measuring subscriber's perception on satisfaction, brand image, and trust in relation to the attitudinal and behavioral loyalty to the telecommunication companies. Moreover, Awang (2008) argued that it is the best method for such study that involves large sample elements in that it can be administered and collected very fast within a short period of time.

3.7 Questionnaires Design

A poorly written questionnaire will not provide the data that are required or worse, will provide data that are incorrect (Musbah, 2010). As the questionnaire is the chief data collection tool in this study, it is essential that the questions are appropriate to what the study is intending to achieve. For such provision the questionnaire adopted in this study was divided into three parts.

Section A: contain 6 questions that measures demographic characteristics of respondents.

- i. Sex/gender in the categories of male/female
- ii. Marital status in the categories of married/single/divorced
- iii. Respondents were asked to indicate their age.
- iv. Level of education in the categories of SSCE, OND, HND/BSC, and Post graduate.
- v. Respondent's occupation in the categories of civil servant, business, student, private sector employer and unemployed.
- vi. Respondent's income level was asked on a range of less than 15 thousand naira, 16-31 thousand naira, 32-47 thousand naira, and 48 thousand naira above.

Section B: contains 4 questions on mobile communication attributes of respondents. Such mobile telecommunication attributes as respondent's main service provider, their motivation to use the network, if they have any another provider apart from their main provider were asked.

Section C: contains close ended questions that measures respondent's level of satisfaction, (8 items) perception of corporate image, (7 items) trust, (8 items) and loyalty exhibited towards service providers (8 items).

3.8 Reliability

Reliability of a study or research is necessary to minimize errors, biases and to overcome copy of another research (Yin, 1994). The objective of reliability is to make a study in a way that if someone else makes the same research, under the same situation, then he/she will find the same results. Zigmund (2005) further maintained that it is the degree of obtaining a consistency across different measures of the same test and the degree to which measures are free from errors and therefore yield consistent results. Hence the researcher conducted a pilot administration of all instruments on fifty (50) mobile phone users in Tarauni local government after which unclear questions were duly rephrased and restructured to be in line with their comments and suggestions. In addition, Cronbach alpha was used to measure the internal consistency of the items after administration on respondents.

3.9 Validity

Validity means “Does the research focuses on what it is meant to”? (Oulton, 1995). According to Walonick (2005) validity refers to the accuracy or truthfulness of a measurement or the extent to which a test measures what it is purported to measure. in the opinion of Walonick (2005) there are no statistical tests to measure validity in that all assessment of validity are subjective opinion based on the judgments of the researcher and other experts in the field. As such in addition to adopting instruments from the work of experts and researchers in similar field, all items were reviewed at the department by the academics and professionals who have in-depth knowledge in the area of focus in this study

3.10 Administration of Research Instrument

The administration of instruments in this study was carried out in a period of one month and two weeks (1 ½) months specifically between June 2014 and August 2014. In carrying out the administration, the researcher focused on the public/private offices, apartments and business centers that are scattered across the eight local governments under focus in order to pick the subscribers that constitute his sample elements. In conjunction with an assistant; his student at the Kano state school of management, questionnaires was hand distributed to respondents after which they were enlightened on the benefit of the research and the need for them to give objective

answers as it represents their true perception on the subject matters. Each respondents was given ample time of a range of 1 to 2 hours to ensure that all question are adequately answered so as to minimize incidence of missing data and omissions.

3.11 Measurement of key Variables

The key variables included in the study are independent variables: customer satisfaction, trust and corporate image which are hypothesized to be having no relationship with customer loyalty. To satisfy the objective of measurement, the following items were employed.

3.11.1 Customer Satisfaction

Eight items from the original work of Sin (2005), Mouri (2005); Oliver (1997) and Fornel (1992) was adopted and modified to suit the specific need of the research, and the present environment. These items measures customer's satisfaction with financial charges, satisfaction with the proximity of provider's location, satisfaction with provider's employees and satisfaction with overall services/products offered.

3.11.2 Trust

Eight items from the work of Sharma & Peterson (2000) was utilized after necessary readjustment for suitability to the Nigerian environment. These instruments were designed to measure such attributes as customer's level of risk perception, beliefs in the consistency of service providers, employee's fairness, and in addition, company's sincerity and honesty

3.11.3 Corporate Image

Corporate image was made up of (seven) items from the original work of Ravald & Grönroos (1996) Aydin & Ozer (2005); and Souiden, Kasim & Hong (2006). These items jointly measures such attributes as company's past ethical practices and records, its overall achievements, its level of popularity, its corporate social responsibility endeavors, and the overall perception of customers towards the company and were equally redesigned for suitability to the environment in focus.

3.11.4 Customer Loyalty

To measure the loyalty exhibited by customers in the study, (eight) items from the original work of Lam, Shanker, Eramilli & Murphy (2004); Morgan and Hunt (1994); and Zethaml (1988), was adopted and readjusted for local suitability. These items are designed to suit the need of the two major dimensions of loyalty namely attitudinal and behavioral loyalty. It measures the extent, to which respondents are willing to spread positive words of mouth about a brand both in the present and in the future, their tendency to stick with a brand even in the face of more competitive offers from rival brands, and their willingness to continue using the brand for a long period of time.

3.12 Rating Scale

Rating Scales have several response categories and are used to elicit responses with Regard to the object, event, or person studied (Sekaran, 2008). In this study, the researcher adopted the use of one type of scales, which is the 5-point likert scale in eliciting responses to section C of the questionnaire. Respondents rated their perception on a 5-point likert scale ranging from 1 = Strongly disagree to 5 = strongly agree

3.13 Methods of Data Analysis

For the benefit of this study, the researcher employed the use of both descriptive and inferential statistics in the processing of data collected. Descriptive statistics is statistics such as the frequency distribution, mean, median and the standard deviation, which provide descriptive information on a set of data (Sekaran, 2008). Such analysis was employed in the processing of section A and B of the questionnaire which deals with both demographic profiles and the communication behavior of the respondents. The type of analysis that was used in the processing of section C of the questionnaire, which deals with the relationship between customer satisfaction, brand image, trust and customer loyalty, was the inferential analysis. Specifically, Pearson product moment correlation was used in determining the strength of association among the variables while the multiple linear regression analysis was adopted to determine the predicting power of the independent variables on the dependent variable. All data processing was carried out by using the statistical package for social sciences (SPSS) 20th edition.

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS AND DISCUSSION

4.1 Introduction

This chapter presents the data collected, analyzed and interpreted. In other words, answers to all research questions raised, as well as the result of the three hypotheses formulated are presented and discussed.

4.2 Features of Respondents

A total of 384 copies of questionnaire were administered to respondents, however, only 380 copies were returned. From the returned copies, 4 copies were found to be badly filled and incomplete thereby rendering them unusable leaving the total usable copies to 376 which were consequently employed in statistical analysis.

Table 4.1: The Distribution and Retrieval of Research Instrument

| Local Government Area | Number Distributed | Number Retrieved | No. Retrieved as % of Distributed | Number Retrieved as % of Total Sample |
|------------------------------|---------------------------|-------------------------|--|--|
| Kano municipal | 50 | 49 | 98% | 12% |
| Tarauni | 30 | 30 | 100% | 7.81% |
| Fagge | 27 | 27 | 100% | 7% |
| Nassarawa | 81 | 80 | 99% | 20.83% |
| Gwale | 49 | 48 | 98% | 12.5% |
| Dala | 57 | 56 | 98% | 14.5% |
| Ungongo | 50 | 50 | 100% | 13% |
| Kumbotso | 40 | 40 | 100% | 10.41% |
| Total | 384 | 380 | | 98.9% |

Source: Field Survey,2014

Table 4.1 shows the breakdown of the distribution and retrieval of the research instrument. It reveals that out of the 384 copies of questionnaire distributed, a total of three hundred and eighty (380) were retrieved, (4) were discarded for improper completion and the final (376) copies were used for final analysis representing a response rate of 98%. The reason for this high response rate is that throughout the process of administration, the researcher devoted ample time to the respondents, and ensured that questionnaires are properly filled and consequently returned.

4.3. Demographic Characteristics of the Respondents

First, respondents were classified on the basis of gender given the fact that gender could have influence on customer loyalty. The analysis indicated that 194 or 51.6% of the respondents were

male while 182 or 48.4% of the respondents were female. This suggests that both gender groups are fairly represented in the study.

Furthermore, they were classified on the basis of marital status. Here, analysis revealed that 167 or 44.4% are single, 206 or 54.8% are married, while 3 or 0.8% are divorced.

They were further classified on the basis of age. It was found that 89 or 23.7% of the respondents are between 15-25 years, 195 or 51.9% are between 26-36 years, 64 or 17% are between 37-47 years, while 28 or 7.4% are 48 years and above.

Similarly, they were classified on the basis of occupation and it was equally found that 168 or 44.7% are civil servants, 12 or 3.2% of are self employed, 103 or 27.4% are students. Furthermore, 82 or 21.8% are employed by the private sector while 11 or 2.9% are unemployed.

Regarding educational qualification, 47 or 12.5% have the senior school certificate (SSCE) qualification, 74 or 19.7% have the ordinary national diploma (OND) certificate, 168 or 44.7% have the higher national diploma or bachelor degree, while 87 or 23.1% have post graduate qualifications.

Finally, the respondents were classified on the basis of their monthly income. As was revealed by data analysis, 95 or 25.3% earns less than N15,000, 86 or 22.9% earns between N16,000-N31,000, 53 or 14.1% earns between N32,000-N47,000, while 142 or 37.8% earns N48,000 and above.

4.4: Mobile Communication Subscription Behavior of the Respondents

In order to have in depth knowledge of the respondents in relation to their mobile phone services subscription, analysis was carried out on their main telecom provider, factors that attracted them to use the network, and possession of alternative GSM line. Apparently, 289 or 76.9% of the respondents have MTN as their main provider, 22 or 5.9%, have Airtel as their main provider, 33 or 8.8% have Globacom as their main provider, while 32 or 8.5% have Etisalat as their main telecom service provider. This result seems to be in line with the argument by the Nigerian

Telecommunication Communication that MTN is the dominant telecommunication company in the industry.

Respondents were further classified on the basis of reasons for choosing their main telecom provider. Here, data analysis revealed that 82 or 21.8% are attracted by the relatively good price of products and service offered by the company, the majority, 101 or 26.9% are attracted through recommendations by friends and family members, Furthermore, 86 or 22.9% are attracted by efficient network, 13 or 3.5% indicated promotional offerings in form of products and service from the company as their reason for using their respective network, 80 or 21.3% are attracted by wider coverage, 13 or 3.5% indicated they subscribed to the line because it was the only network available at that time, while 1 or 0.3% indicated that their subscription was based on the fact that the company is customer focused. These results are interesting in that it revealed the strong influence of word of mouth marketing and the insignificance of promotional offerings in the industry.

Finally, they were classified on the basis of alternative line ownership. The analysis revealed that, the majority of respondents, 296 or 78.7% responded that they have an alternative GSM line aside their main line while the minority, 80 or 21.3% indicated that they do not have any alternative GSM line. This finding is in tandem with the report of the Nigerian Telecommunication Commission (2014) which indicated that subscribers in the mobile telecom market possess more than one line.

4.5 Reliability Test of Major Variables

In the opinion of Sekaran (2008) the value of .7 and above is considered acceptable and reliable. To ensure that the items are reliable all, comprising of a total of 31 were tested. Below is a table of the reliability statistics for the items.

Table 4.2: The Reliability Statistics for the Instrument Employed in the Study

| | Cronbach Alpha | No of items |
|-----------------------|----------------|-------------|
| Customer Satisfaction | .821 | 8 |
| Trust | .820 | 8 |
| corporate Image | .798 | 7 |
| Customer Loyalty | .858 | 8 |

Source: Field Survey,2014

The Cronbach Alpha results for all the major variables in table 3.2 above shows that all the items are over the 0.70 threshold recommended by Sekaran (2008) and thus, had good reliability. See Appendix 5 for details.

4.6 Descriptive Statistics of Major Variables

According to Zigmund (2005) the descriptive procedure is useful for obtaining summary comparisons of approximately normally distributed scale variables and for easily identifying unusual cases across those variables. To give a descriptive outlook of the major variables in this study, a descriptive statistics of the four variables in focus were carried out. The tables are presented below. See appendix (6) for details.

Table 4.3: Descriptive Statistics of Customer Loyalty

| Items | N | Minimum | Maximum | Mean | Std. Deviation |
|-----------------------|-----|---------|---------|--------|----------------|
| customer satisfaction | 376 | 1.00 | 5.00 | 3.2074 | 1.20645 |
| customer satisfaction | 376 | 1.00 | 5.00 | 3.4574 | 1.13057 |
| customer satisfaction | 376 | 1.00 | 5.00 | 3.3191 | 1.08530 |
| customer satisfaction | 376 | 1.00 | 5.00 | 3.4096 | 1.08680 |
| customer satisfaction | 376 | 1.00 | 5.00 | 3.3723 | 1.10257 |
| customer satisfaction | 376 | 1.00 | 5.00 | 3.2686 | 1.08796 |
| customer satisfaction | 376 | 1.00 | 5.00 | 3.0160 | 1.25847 |
| customer satisfaction | 376 | 1.00 | 5.00 | 2.9867 | 1.16268 |
| Valid N (listwise) | 376 | | | | |

Mean Average: 3.2546375

Source: Field Survey, 2014

Table 4.3 above presents the results on the descriptive statistics of satisfaction as perceived respondents in this study. According to the table, the mean average score for respondents in the construct is 3.2546375, the minimum mean score for items is 2.9867 while the maximum mean score is 3.4574 and it's for the second item in the construct. Hence this indicates that the respondent in this study are above average in customer satisfaction.

Table 4.4: Descriptive Statistics of Trust

| | N | Minimum | Maximum | Mean | Std. Deviation |
|--------------------|-----|---------|---------|--------|----------------|
| Trust | 376 | 1.00 | 5.00 | 3.6356 | 1.03934 |
| Trust | 376 | 1.00 | 5.00 | 3.4016 | 1.06878 |
| Trust | 376 | 1.00 | 5.00 | 3.2261 | 1.13347 |
| Trust | 376 | 1.00 | 5.00 | 3.5053 | 1.03278 |
| Trust | 376 | 1.00 | 5.00 | 3.6356 | 1.02902 |
| Trust | 376 | 1.00 | 5.00 | 3.6011 | 1.03042 |
| Trust | 376 | 1.00 | 5.00 | 3.3803 | 1.06410 |
| Trust | 376 | 1.00 | 5.00 | 3.3856 | 1.05714 |
| Valid N (listwise) | 376 | | | | |

Mean Average: 3.4714
Source: Field Survey, 2014

Table 4.4 above presents the results on the descriptive statistics of trust as perceived by respondents in this study. According to the table, the mean average score for respondents in the construct is 3.4714; the minimum mean score for items is 3.226, for item (3) while the maximum mean score is 3.6356 and for both items (1) and (5). This also indicates that the respondents are moderately high in perception of trust towards their telecom providers.

Table 4.5: Descriptive Statistics of Corporate Image

| | N | Minimum | Maximum | Mean | Std. Deviation |
|-----------------------|-----|---------|---------|--------|----------------|
| Brand Image | 376 | 1.00 | 5.00 | 3.6330 | 1.01371 |
| Brand Image | 376 | 1.00 | 5.00 | 3.8085 | .92982 |
| Brand Image | 376 | 1.00 | 5.00 | 3.6037 | .91790 |
| Brand Image | 376 | 1.00 | 5.00 | 3.9043 | .87720 |
| Brand Image | 376 | 1.00 | 5.00 | 3.7713 | .96101 |
| Brand Image | 376 | 1.00 | 5.00 | 4.1197 | .89385 |
| Brand Image | 376 | 1.00 | 5.00 | 3.5771 | 1.08291 |
| Valid N (listwise) | 376 | | | | |

Mean Average: 3.7739
Source: Field Survey, 2014

Table 4.5 above presents the results on the descriptive statistics on corporate image as perceived by respondents in this study. According to the table, the mean average score for respondents in the construct is 3.7739; the minimum mean score for items is 3.5771, for item (7) while the maximum mean score is 4.1197 and for item (6). Hence this is an indication that the respondent in this study are very high in perception of positive brand image regarding their telecom providers.

Table 4.6: Descriptive Statistics of Customer Loyalty

| | N | Minimum | Maximum | Mean | Std. Deviation |
|--------------------|-----|---------|---------|--------|----------------|
| Customer Loyalty | 376 | 1.00 | 5.00 | 3.7340 | .97898 |
| Customer loyalty | 376 | 1.00 | 5.00 | 3.5824 | 1.09233 |
| Customer Loyalty | 376 | 1.00 | 5.00 | 3.2580 | 1.23718 |
| Customer Loyalty | 376 | 1.00 | 5.00 | 3.2819 | 1.18897 |
| Customer Loyalty | 376 | 1.00 | 5.00 | 3.6250 | 1.01735 |
| Customer Loyalty | 376 | 1.00 | 5.00 | 3.7101 | .95135 |
| Customer Loyalty | 376 | 1.00 | 5.00 | 3.6463 | 1.02756 |
| Customer Loyalty | 376 | 1.00 | 5.00 | 3.3564 | 1.15959 |
| Valid N (listwise) | 376 | | | | |

Mean Average: 3.5242

Table 4.6 above presents the results on the descriptive statistics on customer loyalty as perceived by respondents in this study. According to the table, the mean average score for respondents in the construct is 3.5242; the minimum mean score for items is 3.2580, for item (3) while the maximum mean score is 3.7340 and for item (1). Hence this is an indication that the respondent in this study are equally high in loyalty towards their telecom providers.

4.7 Normality Statistics of Major Variables

According to Cooper &Schindler (2003) normality statistics are those statistics that is used to assess if a distribution of scores is normal and not asymmetric. They also posited that notable means of testing for normality in a distribution is through the statistics of Skewness and Kurtosis. Below in table 4.6 is the statistics on Skewness and Kurtosis of the major constructs in this study.

Table 4.7 Statistics on Skewness and Kurtosis of Major Variables.

| | | CUSTOMER SATISFACTION | TRUST | CORPORATE IMAGE | CUSTOMER LOYALTY |
|------------------------|---------|-----------------------|-------|-----------------|------------------|
| N | Valid | 376 | 376 | 376 | 376 |
| | Missing | 0 | 0 | 0 | 0 |
| Skewness | | -.419 | -.647 | -.713 | -.518 |
| Std. Error of Skewness | | .126 | .126 | .126 | .126 |
| Kurtosis | | -.101 | .824 | 1.387 | .368 |
| Std. Error of Kurtosis | | .251 | .251 | .251 | .251 |

Source: Field Survey, 2014

According to Jahanzeb, Fatima & Khan (2011) large values of Skewness and Kurtosis indicate non-normality while downward slides of such values indicate movements towards normality. As revealed by table 4.6 above the four constructs under investigation are negatively skewed, while the highest Kurtosis value is 1.387 and for corporate image. Hence it can be concluded that the entire construct employed in this study have to a great extent, satisfied the assumption of normality in distribution. See appendix (6) for the graphical output on this statistics.

4.8.1 Relationship among the Major Variables

Pearson’s product moment correlation analysis was used to determine the nature (direct or inverse) and the degree of association between and among variables while the multiple regressions were employed to determine the explanatory power of the independent variables on the dependent variable. Pearson’s correlation analysis was preferred for the former since in the opinion of Zigmund (2005) is a common measure of the relationships between numerical variables measured on likert scale. The correlation matrix showing the strength of association among the variables is presented below in table 4.8 (a)

Table 4.8(a): A Correlation Matrix of the Main Variables: Customer Satisfaction, Trust, Corporate Image, and Customer Loyalty. (Correlation Coefficient).

| 1 | 2 | 3 | 4 |
|-------------------------|--------|--------|--------|
| 1 Customer Satisfaction | | | |
| N | | | 376 |
| 2 Trust | .628** | | |
| N | | 376 | 376 |
| 3 Corporate Image | .532** | .563** | |
| N | 376 | 376 | 376 |
| 4 Customer Loyalty | .620** | .510** | .551** |
| N | | | 376 |

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

Source: Field Survey 2014

As indicated by 4.4(a) above, the correlation coefficient between customer satisfaction and customer loyalty is .626, $P = .000$ ($p < 0.01$). In the opinion of Attar & Sweis (2010) value of Pearson correlation coefficient lying in the range of (0.1 – 0.29) suggest a small correlation. Value in the range of (0.3 & 0.49) suggest moderate correlation while the coefficients between (0.5- 1) suggest high correlation. Thus strong positive correlation has been established between customer satisfaction and customer loyalty. In other words, those mobile phone subscribers who expressed higher level of satisfaction with their main service provider tend to be equally higher in customer loyalty. Specifically, about 39% of the variance in customer loyalty is associated with the variance in customer satisfaction.

Similarly, the table reveals that trust is significantly and positively correlated with customer loyalty at the 0.01 significant level, correlation coefficient $r = .520$, $p = 0.000$ ($p < 0.01$). This

indicates a strong relationship between the two concepts. In other words, the variance in trust across subscribers is associated with about 27% of the variance in customer loyalty. The subscribers who perceive that they can trust their provider are those who exhibited a higher level of loyalty towards such provider.

Finally, It was also uncovered that corporate image has a strong and significant positive correlation with customer loyalty correlation coefficient. $r = .551$, $p = 0.000$ ($p < 0.01$). This indicates that 30% of the variance in customer loyalty among subscribers is associated with the variability in the perception of brand image that is associated with the telecom companies.

4.8.2 Regression Analysis

According to Hair, Black, Babin, & Anderson (2010) among the major statistical assumptions that should be satisfied in any multiple linear regression models are the assumption of collinearity, linearity and homoscedasticity. These assumptions apply to the independent variables, dependent variable and to the relationship as a whole (Hair et al, 2000). To ensure that the data set in this study are suitable for a multiple linear regression analysis, they are subjected to these tests.

4.8.2.1 Multicollinearity Testing

According to Koop (2005) multicollinearity is a problem that arises in a regression model if some or all of the explanatory variables are highly correlated with one another. In their opinion, if it is present, the model has difficulty in explaining which explanatory variables are influencing the dependent variable. To test for the absence of any potential multicollinearity problem in this model, it was subjected to appropriate tests highlighted below in table 4.4(b).

Table 4. 8(b): Statistics on Tolerance, Variance Inflated Factor and Eugen-Value

| Predictor Variables | Collinearity Statistics | | |
|-----------------------|-------------------------|-------|-------------|
| | Tolerance | VIF | Eugen-Value |
| Customer Satisfaction | 0.5561.799 | 0.033 | |
| Trust | 0.5331.8750.016 | | |
| Corporate Image | 0.6391.5660.015 | | |

Source: Field Survey 2014

First, as suggested by Cooper & Schindler (2003) the general rule of thumb for determining if correlation value is free of serious multicollinearity problem is that the correlation coefficient among the independent variables in focus must not exceed 0.75. Since the highest correlation coefficient in table (4a) above is 0.631, between customer satisfaction and trust, the absence of multicollinearity problem can be implied.

In addition to the value of correlation coefficient, other means of investigating multicollinearity problems in a model are: tolerance statistics, variance inflated factor and the statistics on Eigen-value. In the opinion of Koop (2005) the tolerance is the percentage of the variance in a given predictor, that cannot be explained by the other predictors. It is presumed that a tolerance value that is less than 10% is an indication of potential multicollinearity. As evidenced by table 4.4(b) above, all tolerance statistics for the three independent variables are well over 0.50 which indicates that over 50% of the variance in each given predictor can be explained by the predictor with the exception of others. A variance inflated factor greater than 2 is usually considered problematic (Hair, Black, Babin & Anderson, 2010). The table shows that the values of variance inflated factor for the three independent variables are below the value of 2. Finally, it is in their opinion that Eigen values less than 0.010 indicate a serious multicollinearity problem. Since the Eigen values for all three predictor variables are over 0.010, the absence of any serious multicollinearity can be reasonably implied. See appendix 8(a) for details.

4.8.2.2 Homoscedasticity

Homoscedasticity implies that the variance of the distribution of the dependent variable should be constant for all values of the independent variable. As argued by Zigmund (2005) a data set is free from heteroscedasticity when there is no pattern to the data distribution and residuals are scattered randomly around the horizontal line through zero of the residual plots. To satisfy this assumption, the residual scores of the independent variable were examined through the histogram plot and the normal p-p residual plot, as displayed below in Figure 4.1 and 4.2 respectively.

Figure 4.1 Histogram plot of Dependent Variable: Customer Loyalty

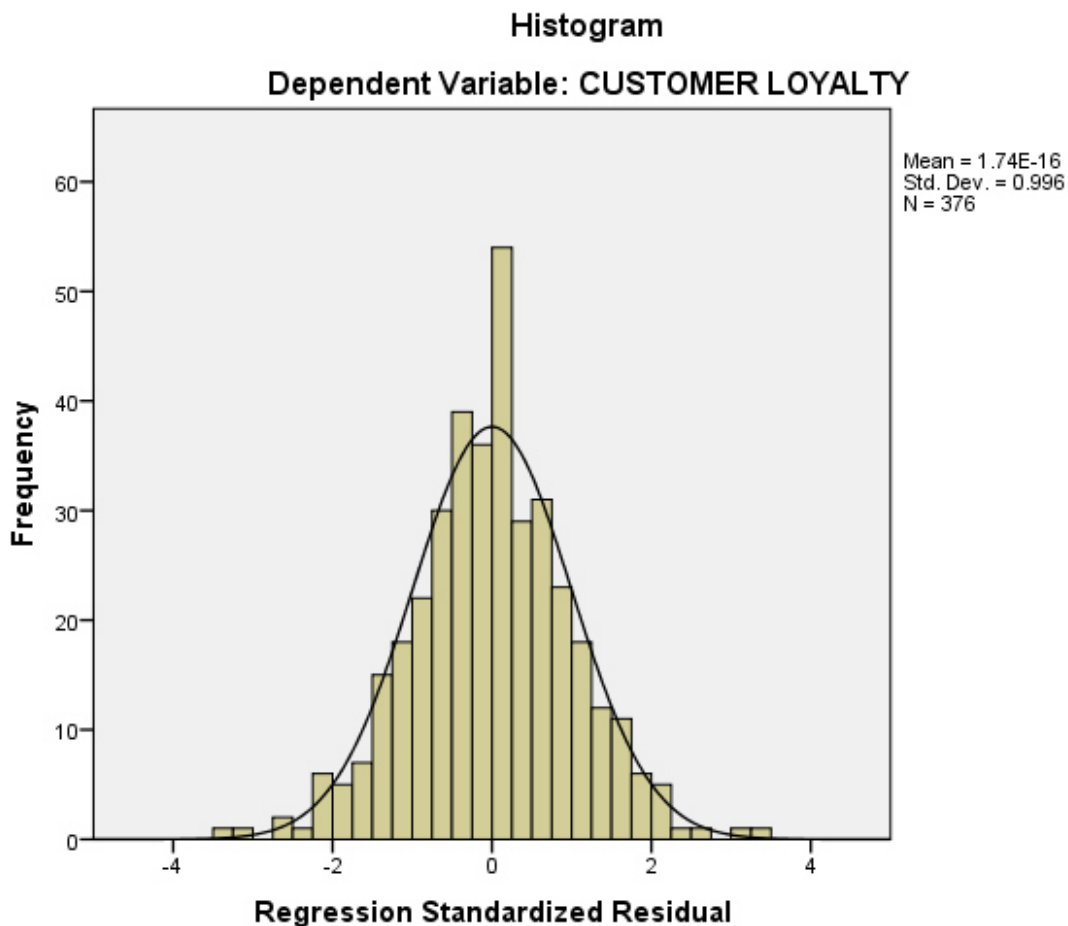
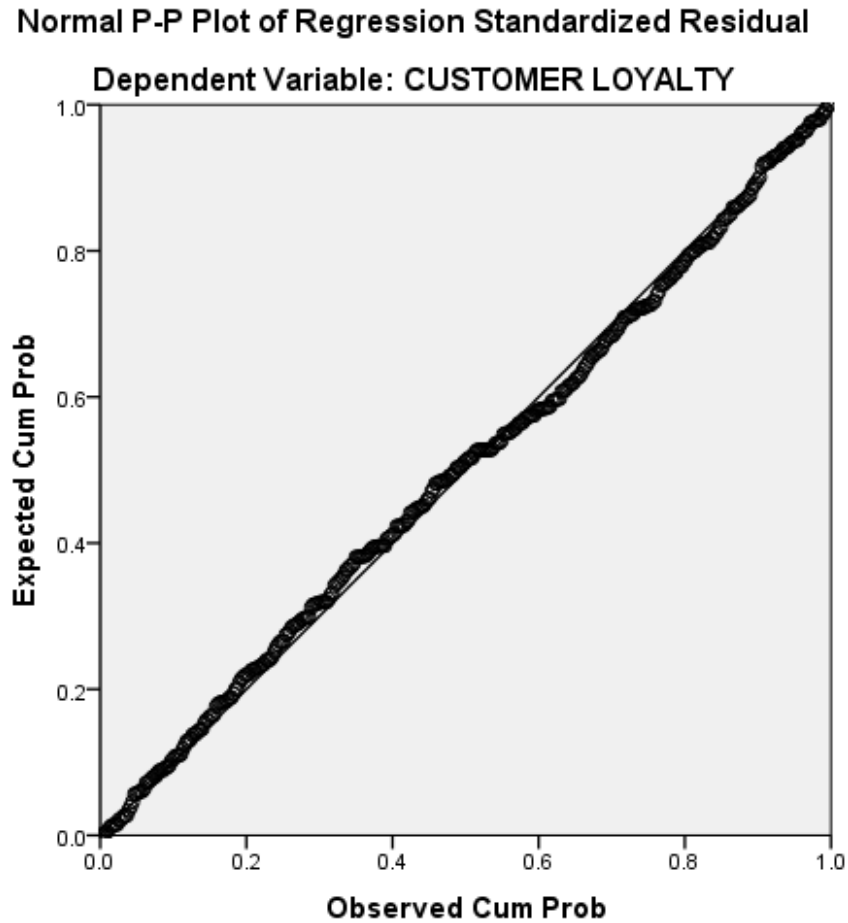


Figure 4.2 Normal P-P Plot of Regression Standardized Residual



In figure 4.2 above, the p-p plot of the residual of the dependent variable under investigation is displayed. As indicated by the table, the residual scores are concentrated at the center along zero (0) point along the diagonal line thereby indicating that the model is free from any serious heteroscedasticity and the assumption of homoscedasticity is satisfied to a large extent.

4.8.2.2 Linearity

Linearity refers to the degree to which the relationship between the independent variables and the dependent variable is linear. As posited by Norusis (2004) if the analysis of residuals does not exhibit any non linear pattern to the residuals, it is assumed that the overall equation is linear and

can be examined through residual plots. He maintained that the points should be symmetrically distributed around a diagonal line in the P-P plot. As evidenced by the evaluation of the assumption of linearity in figure 4.2, no non linear pattern is exhibited to the residual thereby indicating that the overall equation is linear.

Now that the assumption of multicollinearity, homoscedasticity, and linearity has been satisfied, it is better to investigate the nature of the hypothetical model in a more sophisticated way by conducting a regression analysis to determine if the explanatory variables under study can be used as a predictor of customer loyalty. In any simple linear regression, the general form for the equation of any straight line on the graph is: $Y = a + bx + e$ where “Y” is the dependent variable, “a” is the intercept on “Y” “b” is the beta or slope of the line, x is the dependent variable, while e stands for the error term in the model. However, since we have more than one explanatory variable in this present study, a multiple regression model is deemed appropriate. Hence our multiple regression model is presented below.

$Y = a + b_1x_1 + b_2x_2 + b_3x_3 + e$ where Y is the dependent variable, customer loyalty, b_1 is Beta 1, X_1 is customer satisfaction, b_2 is Beta 2, X_2 is trust, b_3 is Beta 3, X_3 is corporate image, and e is the error in the model.

Table 4.8(c): Results of the Multiple Regressions Analysis Showing the Effect of the predictor variables: Customer Satisfaction, Trust, and Corporate Image on Customer Loyalty.

| Coefficients ^a | | | | | | |
|---------------------------|-----------------------|-----------------------------|------------|---------------------------|-------|------|
| Model | | Unstandardized Coefficients | | Standardized Coefficients | t | Sig. |
| | | B | Std. Error | Beta | | |
| 1 | (Constant) | 4.761 | 1.466 | | 3.249 | .001 |
| | CUSTOMER SATISFACTION | .408 | .049 | .421 | 8.313 | .000 |
| | TRUST | .119 | .058 | .106 | 2.047 | .041 |
| | BRAND IMAGE | .358 | .063 | .270 | 5.728 | .000 |

a. Dependent Variable: CUSTOMER LOYALTY

Source: Field Survey, 2014

Table 4.8(d): Summary Model of the Analysis Showing the R square and the Adjusted R square.

| Model Summary | | | | |
|---------------|-------------------|----------|-------------------|----------------------------|
| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
| 1 | .684 ^a | .467 | .463 | 4.76788 |

a. Predictors: (Constant), BRAND IMAGE, CUSTOMER SATISFACTION, TRUST

Source: Field Survey, 2014

Table 4.8(e): Summary Model of the (ANOVA) Showing the relationship between the Independent Variables and the Dependent Variable.

| Model | | Sum of Squares | df | Mean Square | F | Sig. |
|-------|------------|----------------|-----|-------------|---------|------|
| 1 | Regression | 7423.306 | 3 | 2474.435 | 108.849 | .000 |
| | Residual | 8456.563 | 372 | 22.733 | | |
| | Total | 15879.870 | 375 | | | |

a. Dependent Variable: CUSTOMER LOYALTY

b. Predictors: (Constant), BRAND IMAGE, CUSTOMER SATISFACTION, TRUST

b. Predictors: (Constant), BRAND IMAGE, CUSTOMER SATISFACTION, TRUST

4.8.3.1 Relationship between Customer Satisfaction and Customer Loyalty

Hypothesis (1) which states that there is no significant relationship between customer satisfaction and customer loyalty was tested using the multiple regressions. According to table 4.4(b) above, customer satisfaction has a significant and positive impact on customer loyalty at the 0.01 significant level with the T statistics at 8.313, $p = 0.000$ ($p < 0.01$). Hence a rejection of this null hypothesis. In addition, it has a standardized beta value of 0.421 indicating that every unit or 100% change in customer satisfaction will lead to a corresponding change of .421 or about 42.1% change in customer loyalty. It therefore means that if telecom companies focus on improvement of customer satisfaction, such action might likely make subscribers to be more committed to the products/services on offer by the companies.

4.8.3.2 Relationship between Trust and Customer Loyalty

It was also considered appropriate to determine the effect of trust on customer loyalty. Hence null hypothesis 2 which states that there is no significant relationship between trust and customer loyalty was also tested by using the multiple regressions. The multiple regression analysis indicates that trust has a significant and positive impact on customer loyalty at 95% confidence level with the T statistic at 2.047, $p = 0.041$ ($p < 0.05$). Similarly, its standardized beta value is 0.106 which implies that every unit or 100% change in customer's perception of trust will tend to lead to a corresponding increase of .106 or 10.6% in customer loyalty. Hence a significant positive relationship has been established between customer's perception of trust and customer loyalty. Hypothesis two is hereby rejected. In other words, an increase in customer's perception of trust for their telecom service provider will tend to have a consequent positive impact on their loyalty.

4.8.3.3 Relationship between Corporate Image and Customer Loyalty

In the same vein, the multiple regression analysis displayed in table 4.4(b) revealed that corporate image has a positive and highly significant impact on customer loyalty at the 99% significant level with T statistic at 5.728, $p = 0.000$ ($p < 0.01$). Its beta coefficient is 0.270 which implies that a unit or 100% change in the positive image associated with a telecom brand will consequently lead to a 0.270 or 27% increase in customer loyalty. Thus, corporate image can be

used as a predictor of customer loyalty. Hence null hypothesis three (3) which stated that there is no significant relationship between corporate image and customer loyalty is equally rejected.

Furthermore, as shown in table 4.4(d) the R square value is 0.467. This means that the combination of the predictor variables, customer satisfaction, trust and corporate image predicts about 0.467 of the variance in customer loyalty. Thus about 46.7% of the variability in customer loyalty among the subscribers in this study is accounted for by the variability in the combination of customer satisfaction, trust and corporate image. Also, the one way ANOVA in table 4.4 (e) shows an observed large value of “F” ratio, with a value much greater than one, significant value 0.000 and less than 0.01 indicating a strong and significant relationship between the three independent variables on one side and the dependent variable, customer loyalty on the other side. See appendix (8) for details.

4.9 Discussion of Major Findings

Three major hypotheses have been tested in this study. Hypothesis one which stated that there is no significant positive relationship between customer satisfaction and customer loyalty was rejected based on the findings that a positive and highly significant (0.01) relationship between the two. This seems to be in line with the empirical result from Anderson & Sullivan (1993) which uncovered a positive relationship between the two concepts, while indicating that an increment in customer satisfaction would tend to yield a corresponding increase in customer loyalty. It is also in support of the argument by Mosahab, Mahamad & Ramayah (2010) which maintains that service quality has a direct and indirect impact on customer loyalty in that variation in the quality and value of products and services provided to customer creates variation in customer satisfaction which in turn create a variation in customer loyalty. Overall, my findings in this study reveal the paramount importance of perceived products/services quality in the context of mobile phone industry. It indicates that companies can increase the commitment of their subscribers by making provision for quality products/services with a view to increase customer satisfaction.

Remarkably, the perception of trust exhibited by subscribers in this study was equally found to be in co-variance with their loyalty for their various telecom providers. In other words, if subscribers perceive that their service provider has always delivered on its promises in the course of their relationship over the years, and they have never experienced disappointment in such a relationship, such perception might likely translate into a continuous relationship with the provider as against switching to other providers whose intentions and future actions are yet to be determined. This finding is in tandem with Ruyter, Wetzel & Bloemer (1998) who are of the opinion that if partners in a relationship trust each other more, they are more emotionally involved and less consciously weighing the benefits against the costs of that relationship. It is also in line with the submission by Jahanzeb, Fatima & Khan (2011) which maintains that brand trust is found to increase customer's commitment, which weakens customers' propensity to switch. Finally, it shares the same view with the results from the empirical study by Shawar, Abbas, & Parvais (2012) among mobile phone users in Pakistan which uncovered that 56% of the variance in customer loyalty is accounted for by the customer's perception of trust towards their service provider.

Thus telecom companies who are consistent in sincerity and honesty in the delivery of promises to their subscribers are likely to enjoy a superior and favorable loyalty from such subscribers. On the contrary, if subscribers perceive that their service provider is not trustworthy, such might lead to a search for an alternative provider that could be more trusted. What is more is that such subscribers are likely to spread negative word of mouth regarding their experience to others. The implication of these is a dwindled market share for the company, a significant reduction in its rate of return, and consequently, company failure.

Furthermore, it was also revealed that a superior positive brand image, associated with a telecom company will tend to lead to a corresponding increase in customer loyalty and vice versa. According to Kotler & Keller (2009) corporate image is the perceptions about a brand as reflected by the brand associations held in consumers' memory which subsequently translate into attitude that could either be negative or positive. Drawing inference from the argument by Malik, Yaqoob & Aslam (2012) which positioned that a positive brand image would likely position consumers to be less conscious of information from rival brands, subscribers are thus, likely to pay less attention to the various marketing campaigns: advertisement, public relations and

promotional campaigns on offer by rival telecom companies if a desired, favorable and positive brand image is associated with their present service provider.

The finding agrees with that reported by Toyin, David, & Michael (2008) in the United States which uncovered a positively and statistically significant relationship between all the coefficients of brand image responses considered, and the willingness of customers for a continuous relationship with their provider. Also, it shares similarities with the study by Yaacob, Ismail & Ismail (2009) where it was discovered that 20.4 % of the variance in customer loyalty among the subscribers of the largest Malaysian telecom company was wholly explained by brand image. Thus, corporate image will reinforce an attitude either positive or negative as a result of cognitive beliefs, which will in turn be translated to behavioral intentions, in form of either to switch telecom brand or continue to stay.

It is interesting to note that three explanatory variables were considered in this study and it was found that all three account for about 0.467 of the variance in the model as indicated by the R^2 value in table 4.4(c). It is equally noteworthy that of the three variables, customer satisfaction has the strongest predicting power with a Beta value of 0.421. This implies that subscribers in the Nigerian mobile telecom market are more focused on their expectations in terms of quality products and services and will continue doing business with their provider if such expectation is consistently met and surpassed even if they perceive that such provider is not trustworthy on its ability to deliver on future promises.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Summary of Findings

The researcher investigated the impact of three independent variables: customer satisfaction, trust and customer loyalty on a dependent variable, customer loyalty, among the subscribers of the major mobile telecommunication companies in Nigeria specifically, Kano metropolitan areas. All the three independent variables were found to be a good predictor of customer loyalty among the subscribers. Customer satisfaction has a beta coefficient of 0.421 which indicate that every unit increase in customer satisfaction among the subscribers will lead to a corresponding increase of 0.421 in their intention to remain with their service providers. Also, trust has a beta coefficient of 0.106 indicating that a unit or 100% increase in customer perception of trust towards their service provider will lead to about 10.6% increase in customer loyalty among them. Finally, corporate image has a beta coefficient of 0.270 which means that about every unit of increase in positive perception of image of the telecom companies by their providers will lead to 27% increase in customer loyalty. The implication of these findings is that the subscribers in the environment in focus consider these three customer relationship marketing tactics quite important in their choice to stay with their main service provider, or switch to another.

5.2 Conclusion

Based on the findings summarized above, one can conclude that subscribers in Kano metropolitan areas place much emphasis on the three explanatory variables considered. In other words, an increase or decrease in these critical relationship marketing strategies would tend to determine if they will maintain their current provider or switch to another, whom they perceive will deliver more on the attributes.

In addition, subscribers in the environment in focus tend to consider the ability of their service provider to meet and surpass their expectations in terms of quality products/service as most important for them to either stay or leave. They also consider positive and desirable brand image, sincerity and honesty, as condition, for them to stay with their provider.

5.3 Recommendations

Based on the above findings and conclusions arising there from, the following recommendations are put forward.

- i. For the companies in the Nigerian telecommunication industry to attract customers, retain them, and discourage churning behavior, efforts should be made to continue to strengthen themselves on the attributes of customer satisfaction, trust and a desirable corporate image. The inability to do these might lead to deterioration in the attributes which might consequently lead to a significant drop in commitment from the subscribers, a consequent drop in market share, and company failure.
- ii. In promoting the attribute of customer satisfaction, it is recommended that companies in the industry should strive to provide a platform through which customer's opinions and desires can be determined and accessed through an opinion survey. Such opinion survey can be conducted by encouraging subscribers to send free short message service (SMS) through their phone, express their perception regarding the product/service and the general relationship quality offered by the telecom company. In addition, social networking medium such as Facebook, Yahoo mail can be devised as a platform. In the former, the companies can make use of Banner Ads by placing it in strategic positions on the site. Finally, the main issues in such responses should be used as a basis of designing products and services.
- iii. In the present Nigerian legal and business environment that is being characterized by high level of uncertainty, customers are more likely to feel more vulnerable and thus, rely on trusted brands in transacting business. The telecom companies can thus capitalize on this opportunity by exhibiting those business actions that will distinguish them as a trusted brand. For instance, the situation in this industry is such that subscribers are

promised quality and uninterrupted services at the onset of their subscription. However, due to periodical upgrading of facilities and equipment, subscribers are usually subjected to experiencing drop in services quality as against what was earlier promised to them. This could prevent the subscribers from continuing to perceive such provider as a trusted partner. Hence telecom companies must strive to initiate a program which will allow them to communicate to subscribers during periods of facilities upgrading as being done in the more developed telecom markets of Europe and America.

- iv. Positive brand image, in addition to making it easier for a firm to convey its brand value to consumers, can also generate favorable word of mouth among people while a negative image will affect them in opposite direction. More so, it is recommended that telecommunication companies must initiate programs that are aimed at building a strong and positive reputation in the public place. This might be in form of corporate social responsibility programs, endorsement of popular celebrities, and sponsorship of popular sporting events.
- v. In conclusion, the mobile telecom industry of Nigeria is a very important segment of the national economy with the capacity to employ a significant portion of its labor force hence it is recommended that stakeholders and other regulatory agencies such as the federal government, national assembly and the National Communication Commission (NCC) must embark on regulatory measures to promote commitment from subscribers and thus, reduce the incidence of switching behavior among them. It should be noted that a high switching rate will impact negatively on the profit of these companies, their rate of returns, and their ability in continuing to maintain their current work force.

5.4 Suggestions for Further Research

The following are some of the probable areas that might call for further investigation by potential researchers in order to further broaden knowledge on the concepts under focus in this particular study.

- i. As stated earlier in the methodology, this study devised the means of convenience sampling technique in picking its primary sampling units. in order to reduce the probable

bias that might be associated with this sampling technique, and thus provide a better platform through which findings can be generalized to a larger population, it is suggested that potential researcher might increase the sample size employed in the current study, while a more sophisticated sampling technique can be employed in picking primary sample elements.

- ii. Furthermore, the respondents that constitute the research sample are wholly drawn from Kano metropolitan areas hence the results uncovered are inconclusive. It is hereby suggested for future researcher to do more justice by replicating the study in other cities of Nigeria so as to make a comparative assessment with our findings.
- iii. Lastly, the predicting power of trust on customer loyalty in this study though, significant is mild when compare with that, found for other explanatory variables. This suggests the probable influence of a mediating or moderating variable in the relationship. Hence an area of concern to future researcher might be embarking on further investigation and determining those variables that might be a moderator or mediator in this relationship.

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APPENDIX (1)

The Population Statistics for the Subscribers in Each Local Government Areas and the Basis for Sample Selection.

| Local Government Areas | Number of Subscribers (N) | Sample Size Determination/Formula $N/LGA \text{ Total population} \times 400$ | Sample Size |
|------------------------|---------------------------|--|-------------|
| Kano municipal | 328,972 | $328972/2545973 \times 384$ | 50 |
| Tarauni | 199,230 | $199230/2545973 \times 384$ | 30 |
| Fagge | 178,945 | $178945/2545973 \times 384$ | 27 |
| Nassarawa | 537,002 | $537002/2545973 \times 384$ | 81 |
| Gwale | 325,853 | $325853/2545973 \times 384$ | 49 |
| Dala | 376,899 | $376899/2545973 \times 384$ | 57 |
| Ungongo | 332,692 | $332692/2545973 \times 384$ | 50 |
| Kumbotso | 266,381 | $266381/2545973 \times 384$ | 40 |
| Total | | | 384 |

Source: National Population Commission (2006). Population of Kano by Local Government Area. Accessed at www.nigeriastat.ng/nbsapps/annual. (24th November, 2013)

APPENDIX 2: RESEARCH QUESTIONNAIRE

Department of Business Administration
And entrepreneurship,
Bayero University,
P.M.B 11,
Kano.

Dear Sir/Madam,

***CORRELATES OF CUSTOMER LOYALTY AMONG PREPAID MOBILE SUBSCRIBERS
IN KANO METROPOLIS, NIGERIA***

With reference to the above, I would like to seek your kind assistance in the project that I am undertaking as a partial fulfillment for the award of the Masters of Science in management, at the Department of Business Administration, Bayero University, Kano.

By participating in this study, you will help your mobile communication service provider with knowledge on how to make provision for better and more efficient products and services. The research is purely academic and all information provided will be treated with strict confidence. Please provide a frank and sincere opinion of yours on each of the statement provided in the questionnaire.

Thank you for your willingness to participate.

Best regards.

Adekiya Adewale .A

08169231070

THE QUESTIONNAIRE

SECTION A:

Please tick (✓) as appropriate in the space provided below

1 Please indicate your sex

(A) Male [] (B) Female []

2 Please indicate your marital status

(A) Single [] (B) Married [] (C) Divorced []

3 Please indicate your age range

(A) 15-25yrs [] (B) 26-36yrs [] (C) 37-47yrs [] (D) 48yrs and above []

4 Which of the following represent your highest educational qualification?

(A) SSCE [] (B) OND [] (C) HND/BSC [] (D) Post graduate []

5 Which of these is your occupation?

(A) Civil servant [] (B) Self employed [] (C) Student [] (D) Employed by Private sector [] (E) Unemployed []

6 Total income per month

(A) Less than N15,000 [] (B) N16,000-31,000 [] (C) N32,000-47000 []
(D) N48,000 and above []

SECTION B:

Please tick (✓) as appropriate in the space provided below.

7 Which among the following is your main telecom provider?

- (A) MTN [] (B) Airtel [] (C) Globacom [] (D) Etisalat []

8 Which of the following factors attracted you to the service provider indicated in (7) above?

- (A) Relatively good price [] (B) Recommendation by friends/families []

- (C) Efficient network [] (D) Promotional offerings [] (E) Wider coverage []

(F) Others (Pls, specify)

9 Do you have an alternative GSM line? (A) Yes [] (B) No [] If yes,

SECTION C: Please indicate the extent of your agreement to the questions below

| S/N | STATEMENT | Strongly disagree | Disagree | Not sure | Agree | Strongly Agree |
|-----------|--|-------------------|----------|----------|-------|----------------|
| 11 | Customer Satisfaction Items | | | | | |
| a. | My main telecom service provider always meets my expectations. | | | | | |
| b. | I enjoy my relationship with my main service provider. | | | | | |
| c. | I am satisfied with the overall product/service quality offered by this operator. | | | | | |
| d. | My main service provider and all its service centers are easily accessible | | | | | |
| e. | My main service provider always place emphasis on customer satisfaction. | | | | | |
| f. | Employees of this service provider make sure that problems do not arise in our business relationship | | | | | |
| g. | I am satisfied with the service charges from my main provider | | | | | |
| h. | I am extremely satisfied with the overall conduct | | | | | |

| | | | | | | |
|-----------|--|--|--|--|--|--|
| | of this service provider. | | | | | |
| 12 | Items on Trust | | | | | |
| a. | The staff of my main service provider are quite knowledgeable about their products and services | | | | | |
| b. | This telecom company is consistent in providing quality service | | | | | |
| c. | I perceive very little risk when dealing with this company | | | | | |
| d. | The staff of this telecom company is prepared to be asked questions on what is not being done right. | | | | | |
| e. | If I share my problems with staff in this telecom company, I know they would respond with care | | | | | |
| f | The staff in the company are fair and just in their dealings with customers | | | | | |
| g | I am delighted to do business with this company because of its sincerity and honesty. | | | | | |
| h | Overall, whenever my main service provider makes a promise it always delivers on such promise. | | | | | |
| 13 | Corporate Image Items | | | | | |
| a. | I consider that the reputation of this service provider is quite high. | | | | | |
| b. | The company is successful and self-confident. | | | | | |
| c | The company is consistent in bringing out new products and services.. | | | | | |
| d | The company is quite transparent in its business dealings. | | | | | |
| e | The brand of this telecom provider is well admired by many | | | | | |
| f | Customers love to be associated with this telecom provider | | | | | |
| g | This telecom provider is among the most popular around here. | | | | | |
| h | I admire this telecom provider for its efforts at helping the society here. | | | | | |
| 14 | Customer Loyalty Items | | | | | |

| | | | | | | |
|----|---|--|--|--|--|--|
| a | I will continue to do business with this service provider for a long time | | | | | |
| b. | My service provider is the best in the industry | | | | | |
| c | Even if the price charges of another operator is lower; I will go on using this provider. | | | | | |
| d | Even if there are more attractive promotional offers from rival telecom providers I will choose to continue using this provider | | | | | |
| e | I am willing to say positive things about my main service provider to other people. | | | | | |
| f | I have said positive things about the company to other colleagues | | | | | |
| g | I have encouraged others to patronize the company | | | | | |
| h | No matter what happened, I am willing to continue using this provider. | | | | | |

Thank you for your cooperation.

Appendix (3a)

Frequency Distribution of Respondents According to Gender

| GENDER | | | | |
|--------|-----------|---------|---------------|--------------------|
| | Frequency | Percent | Valid Percent | Cumulative Percent |
| | "MALE" | 194 | 51.6 | 51.6 |
| Valid | "FEMALE" | 182 | 48.4 | 100.0 |
| | Total | 376 | 100.0 | |

Source: Field survey 2014

Appendix (3b)

Frequency Distribution of Respondents According to Marital Status

| MARITAL | | | | |
|---------|-----------|---------|---------------|--------------------|
| | Frequency | Percent | Valid Percent | Cumulative Percent |
| | 1.00 | 167 | 44.4 | 44.4 |
| | 2.00 | 206 | 54.8 | 99.2 |
| Valid | 3.00 | 3 | .8 | 100.0 |
| | Total | 376 | 100.0 | |

Source: Field survey 2014

Appendix (3c)

Frequency Distribution of Respondents According to Age

| AGE | | | | |
|-------|-----------|---------|---------------|--------------------|
| | Frequency | Percent | Valid Percent | Cumulative Percent |
| | 1.00 | 89 | 23.7 | 23.7 |
| | 2.00 | 195 | 51.9 | 75.5 |
| Valid | 3.00 | 64 | 17.0 | 92.6 |
| | 4.00 | 28 | 7.4 | 100.0 |
| | Total | 376 | 100.0 | |

Source: Field survey 2014

Appendix (3d)

Frequency distribution of Respondents According to Income Level

| INCOME | | | | |
|------------|-----------|---------|---------------|--------------------|
| | Frequency | Percent | Valid Percent | Cumulative Percent |
| 1.00 | 95 | 25.3 | 25.3 | 25.3 |
| 2.00 | 86 | 22.9 | 22.9 | 48.1 |
| Valid 3.00 | 53 | 14.1 | 14.1 | 62.2 |
| 4.00 | 142 | 37.8 | 37.8 | 100.0 |
| Total | 376 | 100.0 | 100.0 | |

Source: Field Survey 2014

Appendix (3e)

Frequency Distribution of Respondents According to Occupation

| OCCUPATION | | | | |
|------------|-----------|---------|---------------|--------------------|
| | Frequency | Percent | Valid Percent | Cumulative Percent |
| 1.00 | 168 | 44.7 | 44.7 | 44.7 |
| 2.00 | 12 | 3.2 | 3.2 | 47.9 |
| Valid 3.00 | 103 | 27.4 | 27.4 | 75.3 |
| 4.00 | 82 | 21.8 | 21.8 | 97.1 |
| 5.00 | 11 | 2.9 | 2.9 | 100.0 |
| Total | 376 | 100.0 | 100.0 | |

Source: Field Survey 2014

Appendix (3f)

Frequency Distribution of Respondents According to Education

EDUCATION

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|------------|-----------|---------|---------------|--------------------|
| 1.00 | 47 | 12.5 | 12.5 | 12.5 |
| 2.00 | 74 | 19.7 | 19.7 | 32.2 |
| Valid 3.00 | 168 | 44.7 | 44.7 | 76.9 |
| 4.00 | 87 | 23.1 | 23.1 | 100.0 |
| Total | 376 | 100.0 | 100.0 | |

Appendix (3f)

Frequency Distribution of Respondents according To Main Telecom Provider

PROVIDER

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|------------|-----------|---------|---------------|--------------------|
| 1.00 | 289 | 76.9 | 76.9 | 76.9 |
| 2.00 | 22 | 5.9 | 5.9 | 82.7 |
| Valid 3.00 | 33 | 8.8 | 8.8 | 91.5 |
| 4.00 | 32 | 8.5 | 8.5 | 100.0 |
| Total | 376 | 100.0 | 100.0 | |

Source: Field Survey 2014

Appendix (g)

Frequency Distribution of Respondents according to Reason for using Network

ATTRACTION

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|------------|-----------|---------|---------------|--------------------|
| Valid 1.00 | 82 | 21.8 | 21.8 | 21.8 |
| 2.00 | 101 | 26.9 | 26.9 | 48.7 |
| 3.00 | 86 | 22.9 | 22.9 | 71.5 |
| 4.00 | 13 | 3.5 | 3.5 | 75.0 |
| 5.00 | 80 | 21.3 | 21.3 | 96.3 |
| 6.00 | 13 | 3.5 | 3.5 | 99.7 |
| 7.00 | 1 | .3 | .3 | 100.0 |
| Total | 376 | 100.0 | 100.0 | |

Source: Field Survey 2014

Appendix (3h)

Frequency Distribution of Respondents according to Duration of using Network

DURATION

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|------------|-----------|---------|---------------|--------------------|
| Valid 1.00 | 7 | 1.9 | 1.9 | 1.9 |
| 2.00 | 27 | 7.2 | 7.2 | 9.0 |
| 3.00 | 342 | 91.0 | 91.0 | 100.0 |
| Total | 376 | 100.0 | 100.0 | |

Source: Field Survey 2014

Appendix (3I)

ALTERNATIVE

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|------------|-----------|---------|---------------|--------------------|
| Valid 1.00 | 296 | 78.7 | 78.7 | 78.7 |
| Valid 2.00 | 80 | 21.3 | 21.3 | 100.0 |
| Total | 376 | 100.0 | 100.0 | |

Appendix (4)

Frequency Distribution of Research Questions

(4a) Customer Satisfaction

C11.A

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------------------------|-----------|---------|---------------|--------------------|
| Valid "STRONGLY DISAGREE" | 41 | 10.5 | 10.5 | 10.5 |
| "DISAGREE" | 87 | 22.3 | 22.3 | 32.8 |
| "NOT SURE" | 45 | 11.5 | 11.5 | 44.4 |
| "AGREE" | 179 | 45.9 | 45.9 | 90.3 |
| "STRONGLY AGREE" | 38 | 9.7 | 9.7 | 100.0 |
| Total | 376 | 100.0 | 100.0 | |

Source: Field Survey, 2014

C11.B

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------------------------|-----------|---------|---------------|--------------------|
| Valid "STRONGLY DISAGREE" | 34 | 8.7 | 8.7 | 8.7 |
| "DISAGREE" | 50 | 12.8 | 12.8 | 21.5 |
| "NOT SURE" | 53 | 13.6 | 13.6 | 35.1 |
| "AGREE" | 206 | 52.8 | 52.8 | 87.9 |
| "STRONGLY AGREE" | 47 | 12.1 | 12.1 | 100.0 |
| Total | 376 | 100.0 | 100.0 | |

Source: Field Survey, 2014

C11.C

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------------------------|-----------|---------|---------------|--------------------|
| Valid "STRONGLY DISAGREE" | 22 | 5.6 | 5.6 | 5.6 |
| "DISAGREE" | 83 | 21.3 | 21.3 | 26.9 |
| "NOT SURE" | 68 | 17.4 | 17.4 | 44.4 |
| "AGREE" | 181 | 46.4 | 46.4 | 90.8 |
| "STRONGLY AGREE" | 36 | 9.2 | 9.2 | 100.0 |
| Total | 376 | 100.0 | 100.0 | |

Source: Field Survey, 2014

C11.D

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------------------------|-----------|---------|---------------|--------------------|
| Valid "STRONGLY DISAGREE" | 27 | 6.9 | 6.9 | 6.9 |
| "DISAGREE" | 60 | 15.4 | 15.4 | 22.3 |
| "NOT SURE" | 70 | 17.9 | 17.9 | 40.3 |
| "AGREE" | 192 | 49.2 | 49.2 | 89.5 |
| "STRONGLY AGREE" | 41 | 10.5 | 10.5 | 100.0 |
| Total | 376 | 100.0 | 100.0 | |

Source: Field Survey, 2014

C11.E

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------------------------|-----------|---------|---------------|--------------------|
| Valid "STRONGLY DISAGREE" | 27 | 6.9 | 6.9 | 6.9 |
| "DISAGREE" | 57 | 14.6 | 14.6 | 21.5 |
| "NOT SURE" | 101 | 25.9 | 25.9 | 47.4 |
| "AGREE" | 153 | 39.2 | 39.2 | 86.7 |
| "STRONGLY AGREE" | 52 | 13.3 | 13.3 | 100.0 |
| Total | 376 | 100.0 | 100.0 | |

Source: Field Survey, 2014

C11.F

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------------------------|-----------|---------|---------------|--------------------|
| Valid "STRONGLY DISAGREE" | 29 | 7.4 | 7.4 | 7.4 |
| "DISAGREE" | 61 | 15.6 | 15.6 | 23.1 |
| "NOT SURE" | 114 | 29.2 | 29.2 | 52.3 |
| "AGREE" | 144 | 36.9 | 36.9 | 89.2 |
| "STRONGLY AGREE" | 42 | 10.8 | 10.8 | 100.0 |
| Total | 376 | 100.0 | 100.0 | |

Source: Field Survey, 2014**C11.H**

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------------------------|-----------|---------|---------------|--------------------|
| Valid "STRONGLY DISAGREE" | 43 | 11.0 | 11.0 | 11.0 |
| "DISAGREE" | 107 | 27.4 | 27.4 | 38.5 |
| "NOT SURE" | 77 | 19.7 | 19.7 | 58.2 |
| "AGREE" | 134 | 34.4 | 34.4 | 92.6 |
| "STRONGLY AGREE" | 29 | 7.4 | 7.4 | 100.0 |
| Total | 376 | 100.0 | 100.0 | |

Source: Field Survey, 2014**(4b)****C12.H**

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------------------------|-----------|---------|---------------|--------------------|
| Valid "STRONGLY DISAGREE" | 21 | 5.4 | 5.4 | 5.4 |
| "DISAGREE" | 32 | 8.2 | 8.2 | 13.6 |
| "NOT SURE" | 85 | 21.8 | 21.8 | 35.4 |
| "AGREE" | 185 | 47.4 | 47.4 | 82.8 |
| "STRONGLY AGREE" | 67 | 17.2 | 17.2 | 100.0 |
| Total | 376 | 100.0 | 100.0 | |

Source: Field Survey, 2014**C12.B**

| | Frequency | Percent | Valid Percent | Cumulative Percent | |
|-------|---------------------|---------|---------------|--------------------|-------|
| Valid | "STRONGLY DISAGREE" | 28 | 7.2 | 7.2 | 7.2 |
| | "DISAGREE" | 56 | 14.4 | 14.4 | 21.5 |
| | "NIOT SURE" | 75 | 19.2 | 19.2 | 40.8 |
| | "AGREE" | 195 | 50.0 | 50.0 | 90.8 |
| | "STRONGLY AGREE" | 36 | 9.2 | 9.2 | 100.0 |
| | Total | 376 | 100.0 | 100.0 | |

Source: Field Survey, 2014

C12.C

| | Frequency | Percent | Valid Percent | Cumulative Percent | |
|-------|---------------------|---------|---------------|--------------------|-------|
| Valid | "STRONGLY DISAGREE" | 40 | 10.3 | 10.3 | 10.3 |
| | "DISAGREE" | 66 | 16.9 | 16.9 | 27.2 |
| | "NOT SURE" | 76 | 19.5 | 19.5 | 46.7 |
| | "AGREE" | 180 | 46.2 | 46.2 | 92.8 |
| | "STRONGLY AGREE" | 28 | 7.2 | 7.2 | 100.0 |
| | Total | 376 | 100.0 | 100.0 | |

Source: Field Survey, 2014

C12.D

| | Frequency | Percent | Valid Percent | Cumulative Percent | |
|-------|---------------------|---------|---------------|--------------------|-------|
| Valid | "STRONGLY DISAGREE" | 22 | 5.6 | 5.6 | 5.6 |
| | "DISAGREE" | 46 | 11.8 | 11.8 | 17.4 |
| | "NOT SURE" | 84 | 21.5 | 21.5 | 39.0 |
| | "AGREE" | 191 | 49.0 | 49.0 | 87.9 |
| | "STRONGLY AGREE" | 47 | 12.1 | 12.1 | 100.0 |
| | Total | 376 | 100.0 | 100.0 | |

Source: Field Survey, 2014

C12.E

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------------------------|-----------|---------|---------------|--------------------|
| Valid "STRONGLY DISAGREE" | 21 | 5.4 | 5.4 | 5.4 |
| "DISAGREE" | 30 | 7.7 | 7.7 | 13.1 |
| "NOT SURE" | 79 | 20.3 | 20.3 | 33.3 |
| "AGREE" | 197 | 50.5 | 50.5 | 83.8 |
| "STRONGLY AGREE" | 63 | 16.2 | 16.2 | 100.0 |
| Total | 376 | 100.0 | 100.0 | |

Source: Field Survey, 2014

C12.F

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------------------------|-----------|---------|---------------|--------------------|
| Valid "STRONGLY DISAGREE" | 23 | 5.9 | 5.9 | 5.9 |
| "DISAGREE" | 34 | 8.7 | 8.7 | 14.6 |
| "NOT SURE" | 72 | 18.5 | 18.5 | 33.1 |
| "AGREE" | 207 | 53.1 | 53.1 | 86.2 |
| "STRONGLY AGREE" | 54 | 13.8 | 13.8 | 100.0 |
| Total | 376 | 100.0 | 100.0 | |

Source: Field Survey, 2014

C12.G

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------------------------|-----------|---------|---------------|--------------------|
| Valid "STRONGLY DISAGREE" | 26 | 6.7 | 6.7 | 6.7 |
| "DISAGREE" | 46 | 11.8 | 11.8 | 18.5 |
| "NOT SURE" | 112 | 28.7 | 28.7 | 47.2 |
| "AGREE" | 157 | 40.3 | 40.3 | 87.4 |
| "STRONGLY AGREE" | 49 | 12.6 | 12.6 | 100.0 |

| | | | |
|-------|-----|-------|-------|
| Total | 376 | 100.0 | 100.0 |
|-------|-----|-------|-------|

Source: Field Survey, 2014

C12.H

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------------------|-----------|---------|---------------|--------------------|
| "STRONGLY DISAGREE" | 27 | 6.9 | 6.9 | 6.9 |
| "DISAGREE" | 52 | 13.3 | 13.3 | 20.3 |
| "NOT SURE" | 108 | 27.7 | 27.7 | 47.9 |
| Valid "AGREE" | 157 | 40.3 | 40.3 | 88.2 |
| "STRONGLY AGREE" | 46 | 11.8 | 11.8 | 100.0 |
| Total | 376 | 100.0 | 100.0 | |

Source: Field Survey, 2014

4(c) Corporate Image

C13.A

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------------------|-----------|---------|---------------|--------------------|
| "STRONGLY DISAGREE" | 18 | 4.6 | 4.6 | 4.6 |
| "DISAGREE" | 41 | 10.5 | 10.5 | 15.1 |
| "NOT SURE" | 72 | 18.5 | 18.5 | 33.6 |
| Valid "AGREE" | 197 | 50.5 | 50.5 | 84.1 |
| "STRONGLY AGREE" | 62 | 15.9 | 15.9 | 100.0 |
| Total | 376 | 100.0 | 100.0 | |

Source: Field Survey, 2014

C13.B

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------------------|-----------|---------|---------------|--------------------|
| "STRONGLY DISAGREE" | 11 | 2.8 | 2.8 | 2.8 |
| "DISAGREE" | 23 | 5.9 | 5.9 | 8.7 |
| "NOT SURE" | 74 | 19.0 | 19.0 | 27.7 |
| Valid "AGREE" | 202 | 51.8 | 51.8 | 79.5 |
| "STRONGLY AGREE" | 80 | 20.5 | 20.5 | 100.0 |
| Total | 376 | 100.0 | 100.0 | |

Source: Field Survey, 2014

C13.C

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------------------------|-----------|---------|---------------|--------------------|
| Valid "STRONGLY DISAGREE" | 12 | 3.1 | 3.1 | 3.1 |
| "DISAGREE" | 26 | 6.7 | 6.7 | 9.7 |
| "NOT SURE" | 116 | 29.7 | 29.7 | 39.5 |
| "AGREE" | 183 | 46.9 | 46.9 | 86.4 |
| "STRONGLY AGREE" | 53 | 13.6 | 13.6 | 100.0 |
| Total | 376 | 100.0 | 100.0 | |

Source: Field Survey, 2014**C13.D**

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------------------------|-----------|---------|---------------|--------------------|
| Valid "STRONGLY DISAGREE" | 12 | 3.1 | 3.1 | 3.1 |
| "DISAGREE" | 12 | 3.1 | 3.1 | 6.2 |
| "NOT SURE" | 60 | 15.4 | 15.4 | 21.5 |
| "AGREE" | 224 | 57.4 | 57.4 | 79.0 |
| "STRONGLY AGREE" | 82 | 21.0 | 21.0 | 100.0 |
| Total | 376 | 100.0 | 100.0 | |

Source: Field Survey, 2014**C13.E**

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------------------------|-----------|---------|---------------|--------------------|
| Valid "STRONGLY DISAGREE" | 17 | 4.4 | 4.4 | 4.4 |
| "DISAGREE" | 21 | 5.4 | 5.4 | 9.7 |
| "NOT SURE" | 66 | 16.9 | 16.9 | 26.7 |
| "AGREE" | 213 | 54.6 | 54.6 | 81.3 |
| "STRONGLY AGREE" | 73 | 18.7 | 18.7 | 100.0 |
| Total | 376 | 100.0 | 100.0 | |

Source: Field Survey, 2014

C13.F

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------------------------|-----------|---------|---------------|--------------------|
| Valid "STRONGLY DISAGREE" | 10 | 2.6 | 2.6 | 2.6 |
| "DISAGREE" | 14 | 3.6 | 3.6 | 6.2 |
| "NOT SURE" | 32 | 8.2 | 8.2 | 14.4 |
| "AGREE" | 199 | 51.0 | 51.0 | 65.4 |
| "STRONGLY AGREE" | 135 | 34.6 | 34.6 | 100.0 |
| Total | 376 | 100.0 | 100.0 | |

Source: Field Survey, 2014

C13.G

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------------------------|-----------|---------|---------------|--------------------|
| Valid "STRONGLY DISAGREE" | 23 | 5.9 | 5.9 | 5.9 |
| "DISAGREE" | 40 | 10.3 | 10.3 | 16.2 |
| "NOT SURE" | 86 | 22.1 | 22.1 | 38.2 |
| "AGREE" | 169 | 43.3 | 43.3 | 81.5 |
| "STRONGLY AGREE" | 72 | 18.5 | 18.5 | 100.0 |
| Total | 376 | 100.0 | 100.0 | |

Source: Field Survey, 2014

4(d) Customer Loyalty

C14.A

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------------------------|-----------|---------|---------------|--------------------|
| Valid "STRONGLY DISAGREE" | 18 | 4.6 | 4.6 | 4.6 |
| "DISAGREE" | 20 | 5.1 | 5.1 | 9.7 |
| "NOT SURE" | 85 | 21.8 | 21.8 | 31.5 |
| "AGREE" | 192 | 49.2 | 49.2 | 80.8 |
| "STRONGLY AGREE" | 75 | 19.2 | 19.2 | 100.0 |
| Total | 376 | 100.0 | 100.0 | |

Source: Field Survey, 2014

C14.B

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------------------------|-----------|---------|---------------|--------------------|
| Valid "STRONGLY DISAGREE" | 23 | 5.9 | 5.9 | 5.9 |
| "DISAGREE" | 36 | 9.2 | 9.2 | 15.1 |
| "NOT SURE" | 101 | 25.9 | 25.9 | 41.0 |
| "AGREE" | 149 | 38.2 | 38.2 | 79.2 |
| "STRONGLY AGREE" | 81 | 20.8 | 20.8 | 100.0 |
| Total | 376 | 100.0 | 100.0 | |

Source: Field Survey, 2014**C14.C**

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------------------------|-----------|---------|---------------|--------------------|
| Valid "STRONGLY DISAGREE" | 55 | 14.1 | 14.1 | 14.1 |
| "DISAGREE" | 41 | 10.5 | 10.5 | 24.6 |
| "NOT SURE" | 93 | 23.8 | 23.8 | 48.5 |
| "AGREE" | 147 | 37.7 | 37.7 | 86.2 |
| "STRONGLY AGREE" | 54 | 13.8 | 13.8 | 100.0 |
| Total | 376 | 100.0 | 100.0 | |

Source: Field Survey, 2014**C14.D**

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------------------------|-----------|---------|---------------|--------------------|
| Valid "STRONGLY DISAGREE" | 45 | 11.5 | 11.5 | 11.5 |
| "DISAGREE" | 44 | 11.3 | 11.3 | 22.8 |
| "NOT SURE" | 107 | 27.4 | 27.4 | 50.3 |
| "AGREE" | 142 | 36.4 | 36.4 | 86.7 |
| "STRONGLY AGREE" | 52 | 13.3 | 13.3 | 100.0 |
| Total | 376 | 100.0 | 100.0 | |

Source: Field Survey, 2014

C14.E

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------------------------|-----------|---------|---------------|--------------------|
| Valid "STRONGLY DISAGREE" | 22 | 5.6 | 5.6 | 5.6 |
| "DISAGREE" | 28 | 7.2 | 7.2 | 12.8 |
| "NOT SURE" | 77 | 19.7 | 19.7 | 32.6 |
| "AGREE" | 204 | 52.3 | 52.3 | 84.9 |
| "STRONGLY AGREE" | 59 | 15.1 | 15.1 | 100.0 |
| Total | 376 | 100.0 | 100.0 | |

Source: Field Survey, 2014

C14.F

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------------------------|-----------|---------|---------------|--------------------|
| Valid "STRONGLY DISAGREE" | 14 | 3.6 | 3.6 | 3.6 |
| "DISAGREE" | 35 | 9.0 | 9.0 | 12.6 |
| "NOT SURE" | 57 | 14.6 | 14.6 | 27.2 |
| "AGREE" | 225 | 57.7 | 57.7 | 84.9 |
| "STRONGLY AGREE" | 59 | 15.1 | 15.1 | 100.0 |
| Total | 376 | 100.0 | 100.0 | |

C14.G

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------------------------|-----------|---------|---------------|--------------------|
| Valid "STRONGLY DISAGREE" | 20 | 5.1 | 5.1 | 5.1 |
| "DISAGREE" | 35 | 9.0 | 9.0 | 14.1 |
| "NOT SURE" | 69 | 17.7 | 17.7 | 31.8 |
| "AGREE" | 200 | 51.3 | 51.3 | 83.1 |
| "STRONGLY AGREE" | 66 | 16.9 | 16.9 | 100.0 |
| Total | 376 | 100.0 | 100.0 | |

Source: Field Survey, 2014

C14.H

| | Frequency | Percent | Valid Percent | Cumulative Percent |
|---------------------|-----------|---------|---------------|--------------------|
| "STRONGLY DISAGREE" | 39 | 10.0 | 10.0 | 10.0 |
| "DISAGREE" | 39 | 10.0 | 10.0 | 20.0 |
| "NOT SURE" | 115 | 29.5 | 29.5 | 49.5 |
| Valid "AGREE" | 137 | 35.1 | 35.1 | 84.6 |
| "STRONGLY AGREE" | 60 | 15.4 | 15.4 | 100.0 |
| Total | 376 | 100.0 | 100.0 | |

Source: Field Survey, 2014

Appendix 5 (A-D): Reliability Statistics of Major Variables

(A) Customer Satisfaction

Reliability Statistics

| Cronbach's Alpha | N of Items |
|------------------|------------|
| .821 | 8 |

Source: Field Survey, 2014

(B) Trust

Reliability Statistics

| Cronbach's Alpha | N of Items |
|------------------|------------|
| .820 | 8 |

Source: Field Survey, 2014

(C) Corporate Image

Reliability Statistics

| Cronbach's Alpha | N of Items |
|------------------|------------|
| .798 | 7 |

Source: Field Survey, 2014

(D) Customer Loyalty

Reliability Statistics

| Cronbach's Alpha | N of Items |
|------------------|------------|
| .858 | 8 |

Source: Field Survey, 2014

Appendix 6 (A- E): Computer Generated Output of Descriptive Statistics and Skewness of Major Variables

| Descriptive Statistics | | | | | |
|-------------------------------|-----|---------|---------|--------|----------------|
| | N | Minimum | Maximum | Mean | Std. Deviation |
| customer satisfaction | 376 | 1.00 | 5.00 | 3.2074 | 1.20645 |
| customer satisfaction | 376 | 1.00 | 5.00 | 3.4574 | 1.13057 |
| customer satisfaction | 376 | 1.00 | 5.00 | 3.3191 | 1.08530 |
| customer satisfaction | 376 | 1.00 | 5.00 | 3.4096 | 1.08680 |
| customer satisfaction | 376 | 1.00 | 5.00 | 3.3723 | 1.10257 |
| customer satisfaction | 376 | 1.00 | 5.00 | 3.2686 | 1.08796 |
| customer satisfaction | 376 | 1.00 | 5.00 | 3.0160 | 1.25847 |
| customer satisfaction | 376 | 1.00 | 5.00 | 2.9867 | 1.16268 |
| Valid N (listwise) | 376 | | | | |

Source: Field Survey, 2014

| Descriptive Statistics | | | | | |
|-------------------------------|-----|---------|---------|--------|----------------|
| | N | Minimum | Maximum | Mean | Std. Deviation |
| Trust | 376 | 1.00 | 5.00 | 3.6356 | 1.03934 |
| Trust | 376 | 1.00 | 5.00 | 3.4016 | 1.06878 |
| Trust | 376 | 1.00 | 5.00 | 3.2261 | 1.13347 |
| Trust | 376 | 1.00 | 5.00 | 3.5053 | 1.03278 |
| Trust | 376 | 1.00 | 5.00 | 3.6356 | 1.02902 |
| Trust | 376 | 1.00 | 5.00 | 3.6011 | 1.03042 |
| Trust | 376 | 1.00 | 5.00 | 3.3803 | 1.06410 |
| Trust | 376 | 1.00 | 5.00 | 3.3856 | 1.05714 |
| Valid N (listwise) | 376 | | | | |

Source: Field Survey, 2014

Descriptive Statistics

| | N | Minimum | Maximum | Mean | Std. Deviation |
|--------------------|-----|---------|---------|--------|----------------|
| Brand Image | 376 | 1.00 | 5.00 | 3.6330 | 1.01371 |
| Brand Image | 376 | 1.00 | 5.00 | 3.8085 | .92982 |
| Brand Image | 376 | 1.00 | 5.00 | 3.6037 | .91790 |
| Brand Image | 376 | 1.00 | 5.00 | 3.9043 | .87720 |
| Brand Image | 376 | 1.00 | 5.00 | 3.7713 | .96101 |
| Brand Image | 376 | 1.00 | 5.00 | 4.1197 | .89385 |
| Brand Image | 376 | 1.00 | 5.00 | 3.5771 | 1.08291 |
| Valid N (listwise) | 376 | | | | |

Source: Field Survey, 2014

Descriptive Statistics

| | N | Minimum | Maximum | Mean | Std. Deviation |
|--------------------|-----|---------|---------|--------|----------------|
| Customer Loyalty | 376 | 1.00 | 5.00 | 3.7340 | .97898 |
| Customer loyalty | 376 | 1.00 | 5.00 | 3.5824 | 1.09233 |
| Customer Loyalty | 376 | 1.00 | 5.00 | 3.2580 | 1.23718 |
| Customer Loyalty | 376 | 1.00 | 5.00 | 3.2819 | 1.18897 |
| Customer Loyalty | 376 | 1.00 | 5.00 | 3.6250 | 1.01735 |
| Customer Loyalty | 376 | 1.00 | 5.00 | 3.7101 | .95135 |
| Customer Loyalty | 376 | 1.00 | 5.00 | 3.6463 | 1.02756 |
| Customer Loyalty | 376 | 1.00 | 5.00 | 3.3564 | 1.15959 |
| Valid N (listwise) | 376 | | | | |

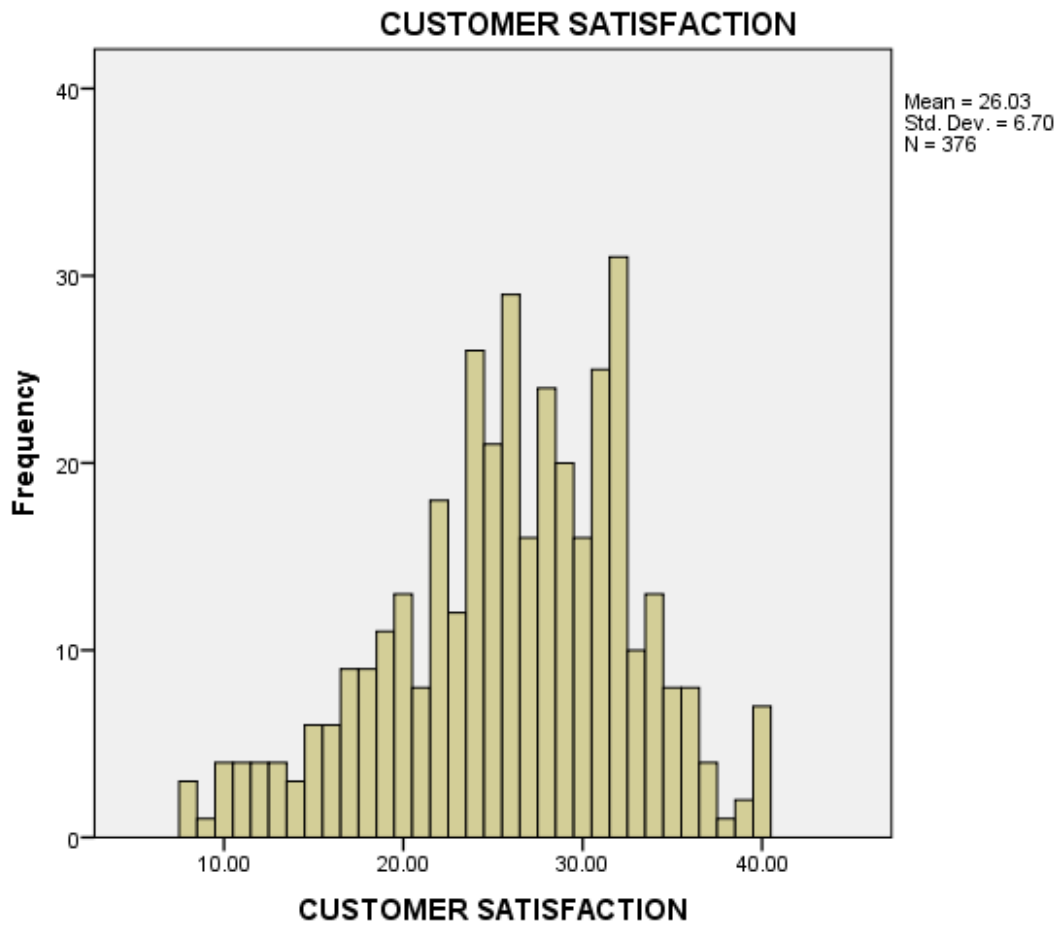
Source: Field Survey, 2014

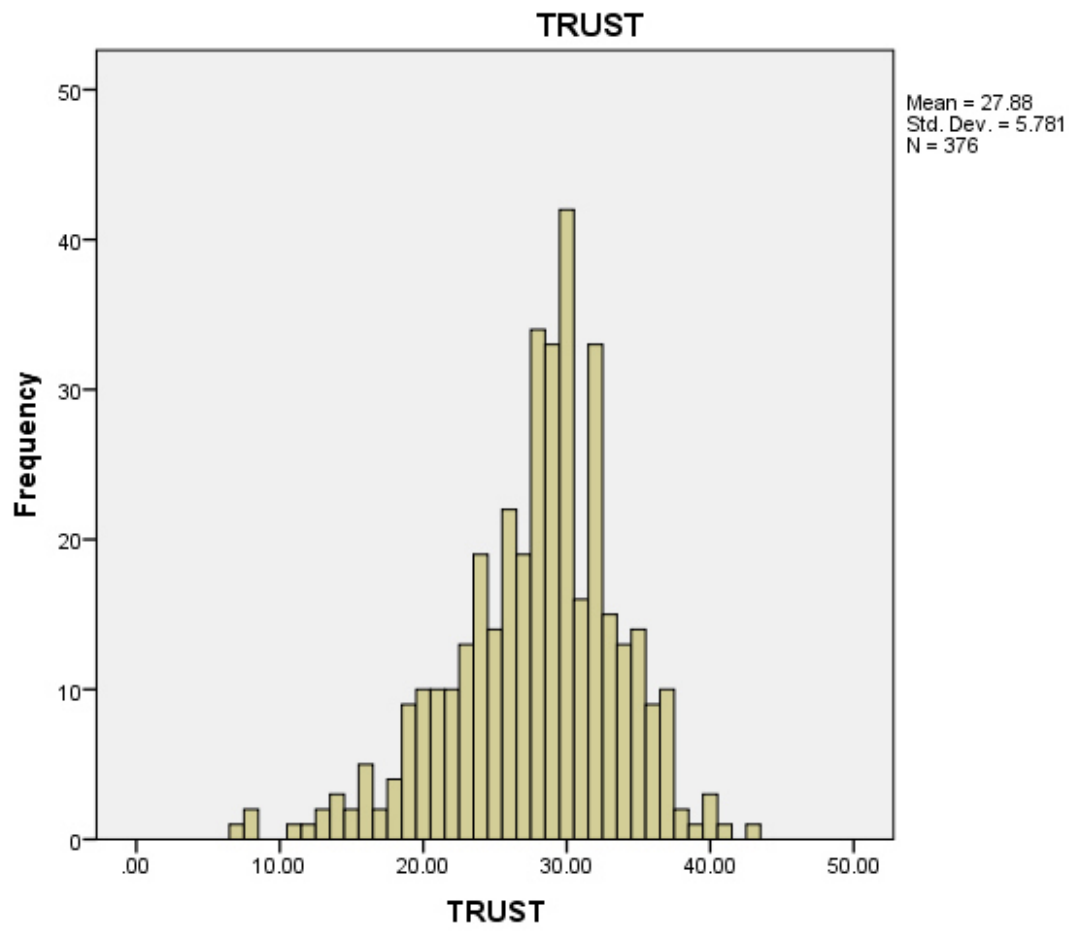
Statistics on Skewness and Kurtosis of Major Variables.

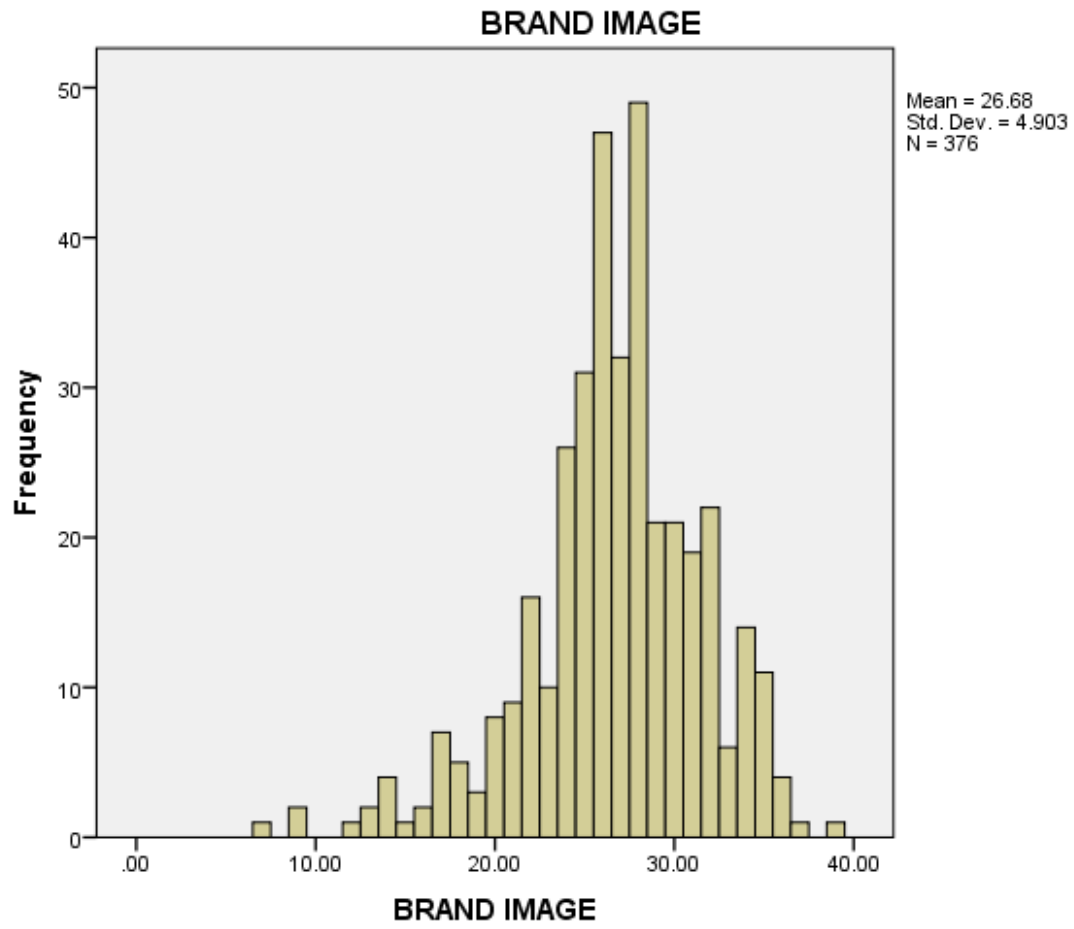
| | CUSTOMER SATISFACTI ON | TRUST | CORPORATE IMAGE | CUSTOMER LOYALTY |
|------------------------|------------------------------|-------|--------------------|---------------------|
| N | Valid 376 | 376 | 376 | 376 |
| | Missing 0 | 0 | 0 | 0 |
| Skewness | -.419 | -.647 | -.713 | -.518 |
| Std. Error of Skewness | .126 | .126 | .126 | .126 |
| Kurtosis | -.101 | .824 | 1.387 | .368 |

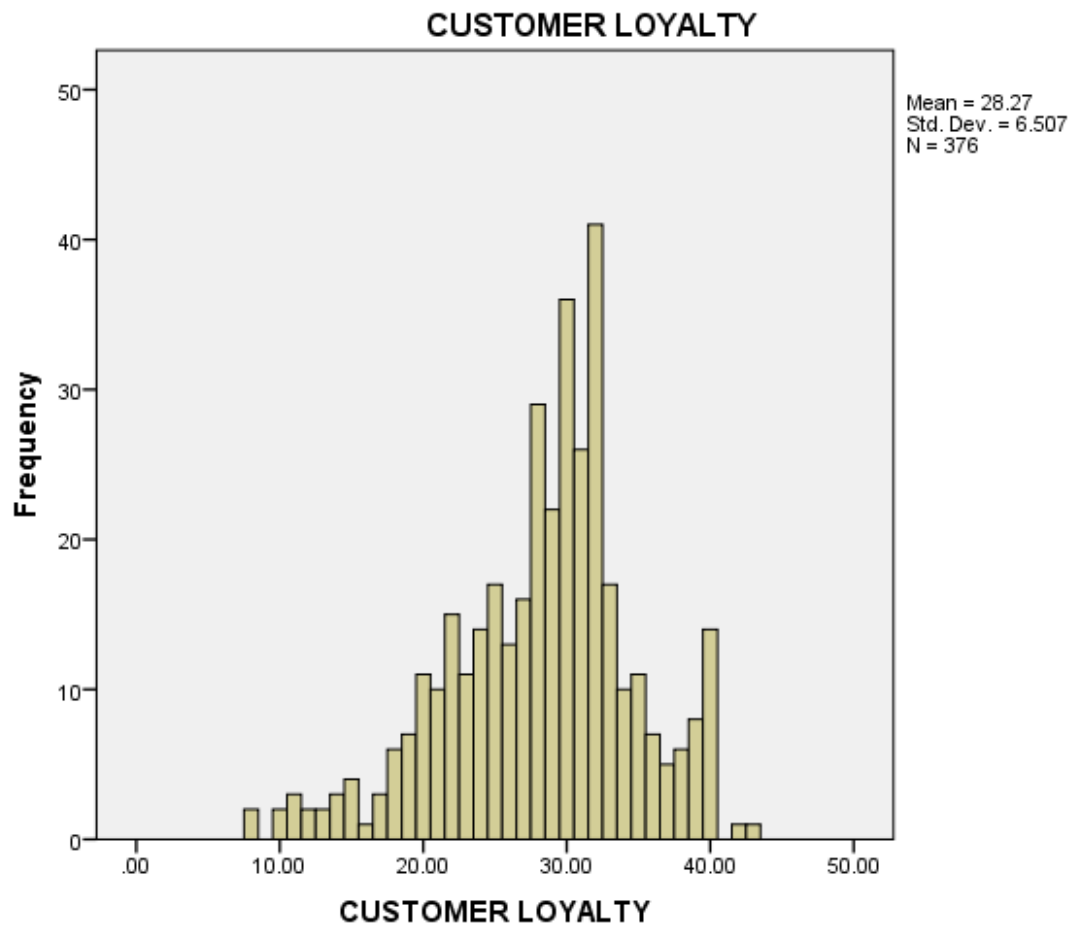
| | | | | |
|------------------------|------|------|------|------|
| Std. Error of Kurtosis | .251 | .251 | .251 | .251 |
|------------------------|------|------|------|------|

Source: Field Survey, 2014









Appendix 7: Correlation Matrix of Customer Satisfaction, Trust, Brand Image and Customer Loyalty

Correlations

| | | CUSTOMER SATISFACTION | TRUST | BRAND IMAGE | CUSTOMER LOYALTY |
|-----------------------|---------------------|-----------------------|--------|-------------|------------------|
| CUSTOMER SATISFACTION | Pearson Correlation | 1 | .628** | .532** | .620** |
| | Sig. (2-tailed) | | .000 | .000 | .000 |
| | N | 376 | 376 | 376 | 376 |
| TRUST | Pearson Correlation | .628** | 1 | .563** | .510** |
| | Sig. (2-tailed) | .000 | | .000 | .000 |
| | N | 376 | 376 | 376 | 376 |
| CORPORATE IMAGE | Pearson Correlation | .532** | .563** | 1 | .551** |
| | Sig. (2-tailed) | .000 | .000 | | .000 |
| | N | 376 | 376 | 376 | 376 |
| CUSTOMER LOYALTY | Pearson Correlation | .620** | .510** | .551** | 1 |
| | Sig. (2-tailed) | .000 | .000 | .000 | |
| | N | 376 | 376 | 376 | 376 |

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

Source: Field Survey, 2014

Appendix 8(a): Collinearity Diagnosticsof Predictor Variables

| Model | Dimension | Eigenvalue | Condition Index | Variance Proportions | | | |
|-------|-----------|------------|-----------------|----------------------|-----------------------|-------|-------------|
| | | | | (Constant) | CUSTOMER SATISFACTION | TRUST | BRAND IMAGE |
| 1 | 1 | 3.936 | 1.000 | .00 | .00 | .00 | .00 |
| | 2 | .033 | 10.939 | .32 | .58 | .01 | .03 |
| | 3 | .016 | 15.491 | .25 | .39 | .89 | .00 |
| | 4 | .015 | 16.298 | .43 | .02 | .10 | .96 |

a. Dependent Variable: CUSTOMER LOYALTY

| Collinearity Statistics | |
|-------------------------|-------|
| Tolerance | VIF |
| 1 .556 | 1.799 |
| 2 .533 | 1.875 |
| 3 .639 | 1.566 |

Source: Field Survey, 2014

Appendix 8 (b): Computer Generated Output (Multiple Regression Analysis for Test of Statistical Relationship between Independent variable, Customer Loyalty and Dependent Variables, Customer Satisfaction, Brand Image and Trust).

Variables Entered/Removed^a

| Model | Variables Entered | Variables Removed | Method |
|-------|--|-------------------|--------|
| 1 | BRAND IMAGE, CUSTOMER SATISFACTION, TRUST ^b | | Enter |

a. Dependent Variable: CUSTOMER LOYALTY

b. All requested variables entered.

| Model | R | R Square | Adjusted R Square | Std. Error of the Estimate |
|-------|-------------------|----------|-------------------|----------------------------|
| 1 | .684 ^a | .467 | .463 | 4.76788 |

a. Predictors: (Constant), BRAND IMAGE, CUSTOMER SATISFACTION, TRUST

Source: Field Survey, 2014

ANOVA^a

| Model | Sum of Squares | df | Mean Square | F | Sig. |
|--------------|----------------|-----|-------------|---------|-------------------|
| 1 Regression | 7423.306 | 3 | 2474.435 | 108.849 | .000 ^b |
| Residual | 8456.563 | 372 | 22.733 | | |
| Total | 15879.870 | 375 | | | |

a. Dependent Variable: CUSTOMER LOYALTY

b. Predictors: (Constant), BRAND IMAGE, CUSTOMER SATISFACTION, TRUST

Source: Field Survey, 2014

Coefficients^a

| Model | | Unstandardized Coefficients | | Standardized Coefficients | t |
|-------|-----------------------|-----------------------------|------------|---------------------------|-----|
| | | B | Std. Error | Beta | |
| 1 | (Constant) | 4.761 | 1.466 | | 3.2 |
| | CUSTOMER SATISFACTION | .408 | .049 | .421 | 8.3 |
| | TRUST | .119 | .058 | .106 | 2.0 |
| | BRAND IMAGE | .358 | .063 | .270 | 5.7 |

a. Dependent Variable: CUSTOMER LOYALTY

Source: Field Survey, 2014

