

# Impact of Electronic Marketing (E-Marketing) on Customer Loyalty to Brand Choice Among Retail Supermarkets in Kisumu City, Kenya

Collins Amimo Lumumba\*, Dr. Fredric Aila

Maseno University, Kenya

\*Corresponding Author

**Abstract:** The global business scene has witnessed transformation in terms of information accumulation in digital form in the recent past thanks to emergence of internet. In turn, marketers have been able to gather customer data and deploy online marketing activities to solicit customer loyalty through platforms such as personalised email, social media networks, and SMS alert among others. Whereas existing studies have shown that such e-marketing platforms are significant in improving customer loyalty, the same has not been proved among retail supermarkets especially in cities such as Kisumu with widespread trends of branches of over 20% in the last two years. This paper explored the relationship between e-marketing and customer loyalty to brand choice among supermarkets in Kisumu city. Specific objectives were to establish the effect of personalised email marketing, social media marketing, and SMS alert marketing on loyalty to brand choice. B.E.S.T. (Behavioral, Essential, Strategic and Targeted) theory formulated by Pulizzi & Barrett, (2009) was used to guide the study. Correlational survey design was adopted on a target population of 371 employees from eight supermarkets. Yamane's formula (1987) was used to obtain a sample size of 193 respondents. Data was analysed by means of descriptive statistics, while the relationship between customer relationship marketing and loyalty to brand choice was estimated using regression analysis. Findings revealed that personalised email marketing ( $B=7.29$ ), social media marketing ( $B=19.277$ ) and SMS alert marketing ( $B=51.39$ ) all have significant ( $p=0.000$ ) effect on loyalty to brand choice. The three variables contribute 25.3% change in loyalty of customers to brand choice ( $R^2 = 0.253$ ;  $p=0.000$ ). This implies that 74.7% change in customer loyalty to brand choice is caused by other factors other than electronic customer marketing practices. The study concludes that SMS alert marketing has the highest effect on loyalty of customer to brand choice. Supermarkets should ensure that SMS alerts are persistently sent relevant customers to enhance their loyalty to brand choice is enhanced. Further studies are recommended on the influence of customer SMS alerts at entry points on loyalty to brand choice and the effect of product discount on customer loyalty to brands merchandised by supermarkets. The study findings might help in formulation of electronic CRM practices capable of enhancing loyalty of customers.

**Key Words:** Loyalty to brand choice; customer; personalised email marketing; social media marketing; SMS alert marketing

## I. INTRODUCTION

In the recent couple of years, internet has enabled massive amount of information to be gathered and saved in digital

form to enable deeply rooted engagement with customers for purposes of accomplishing their specific needs (Arthur, 2013; Hale, 2017). Thus, internet has enabled the achievement of customers' Business (C2B) and Business to Business (B2B) relationship in a successful manner over the years since its emergence (Eshiett, Eshiett & Uwhubetine, 2022). Some of the internet enabled platforms that have been documented to positively relate with business outcomes of organizations include use of personalised email, social media networks or sites, and SMS messages through mobile phone applications (Chigora, 2016; Khuu & Do, 2018; Tubulekas, 2017). While these digital platforms have been studied in relation to their effects on customer loyalty to brand choice in other sectors, focus on retail supermarkets seems to have been overlooked.

According to Kotler, loyalty to brand choice is experienced when customers are committed to a brand and make repeated purchases in disregard of the price offering or convenience on the product or service (Kotler, 2003). Mbugua (2014) further argues that customer loyalty is the situation where customers of a particular organization remain with them in spite of them having other possible options where they can acquire the same goods or services. Developing a strong and stable brand requires a long-term investment, which can be accomplished through regular advertising, promotion and relaunching the product or services (Kotler, 2003). In the views of Kwon et al. (2016) brand loyalty measures the consumers' actual purchasing behaviour with regards to a given brand over its competitors. It is manifested when consumers repeatedly patronizes a brand regardless of offers from competitors (Liu-Thompkins & Tam, 2013). Having a loyal consumer base is essential to any business entity because such patronage improves the brand's sales capacity from existing buyers and in turn, enhances organizations' profit (Kandampully et al., 2015). It is therefore critical to scrutinize how platforms employed in e-marketing relates with customer loyalty to brand choice especially in the retail supermarket sector in Kenya which has remained understudied by previous researchers.

The growth of supermarkets, according to Kamau (2008), is attributed to factors such as urbanization, liberation, the growing middle class and a changing lifestyle among other factors. At present, supermarkets operate in very competitive

environments. Kulmia (2014) asserts that the nature and intensity of this competition is dependent on the number of supermarkets existing in a certain area, availability of goods in that particular supermarket, population in that given area, demographic attributes, supplier channels and promotional activities available.

Kisumu city has realised enormous mushroom of supermarkets in the last decade. According to the Trades Licensing Office (2017), there are currently five supermarkets with national outlook: Uchumi, Naivas, Tuskys, Choppies, Tumaini and Khetias, most of which have at least two branches located within the city. Surprisingly, each of these supermarkets has its loyal customers who have developed unique trust to some of the brands sold in their stores. However, whether brand loyalty noted in these supermarkets are due to quality products, quality services, or customer relations as propagated by CRM scholars is not known.

### 1.1 Statement of the Problem

Relationship marketing stipulates that an organization entirely relies on a proportion of core customers for profitability and financial survival. This implies that essential and deliberate marketing practices like quality products, quality of services, as well as good customer relations must be employed to retain key customers besides attracting new ones. It is however unknown the extent to which supermarkets in Kenya, which operates in a liberalized and highly competitive environment, influence loyalty of their key customers to various brands in their stock. At an annual growth rate of over 20%, the supermarket sector in Kisumu City has five major players: Uchumi, Naivas, Tuskys, Game Store, Quickmart and Khetias most of which have more than 2 branches in various parts of the city. This translates to over 10 supermarkets without accounting for other small outlets fighting for a customer base of less than 10,000 active purchasers. To continue operating in a highly competitive environment, an organization must ensure that key customers are retained at a profitable level alongside seeking for new ones. Studies have established that loyalty of customers is only possible when quality products are offered over time; quality of service is improved continuously, and good relations with customers including fair product pricing are kept each time during interaction. However, limited information is available with regard to how supermarkets operating within Kisumu City employ the aforementioned practices so as to win loyalty of their customers to brands that they sell.

### 1.2 Objectives of the Study

The purpose of the study was to assess the impact of electronic marketing on customer loyalty to brand choice among supermarkets in Kisumu City, Kenya. The specific objectives of the study were to:

- i. Establish effect of personalised email marketing on customer loyalty to brand choice among supermarkets in Kisumu City, Kenya.

- ii. Determine effect of social media marketing on customer loyalty to brand choice among supermarkets in Kisumu City, Kenya.
- iii. Analyze effect of SMS alert on customer loyalty to brand choice among supermarkets in Kisumu City, Kenya

### 1.3 Research Hypotheses

The study tested the following research hypotheses:

- i. There is no significant effect of personalised email marketing on customer loyalty to brand choice among supermarkets in Kisumu City, Kenya
- ii. There is no significant effect of social media marketing on customer loyalty to brand choice among supermarkets in Kisumu City, Kenya
- iii. There is no significant effect of SMS alerts on customer loyalty to brand choice among supermarkets in Kisumu City, Kenya

### 1.4 Scope of the Study

This study covers five supermarkets operating in Kisumu City that have national outlook (have branches in all the major towns in Kenya). It focuses on electronic customer marketing practices including personalised emails marketing, social media marketing, and SMS alert marketing as they relate with brand loyalty. The study involved marketing managers, supplies managers, and sales managers of each supermarket during 2020. Data were collected using questionnaire during the month of November 2020.

## II. THEORETICAL AND LITERATURE REVIEW

### 2.1 Theoretical Review

This study was grounded on the B.E.S.T. (Behavioral, Essential, Strategic and Targeted) theory formulated by Pulizzi & Barrett (2009). This formulation was designed to provide a blue print for transformation of traditional marketing process contingent upon customer relationship marketing to a suitable consumer-centric digital content for an earmarked target market. Pulizzi & Barrett (2009) argued that firms must lay the strategic framework for customer solution-driven content before embarking on a digital content marketing crusade on the product offering. Ettenson, Conrado & Knowles (2013) argued that B.E.S.T. approach viewed the product offering as the necessity such product service is able to accomplish, basically not based on their attributes, purpose, or their technological applicability and ensuring the delivery of vital facts to end-users based on the actual prerequisite on the digital marketing process.

The B.E.S.T formula represents: 1. Behavioral: This represents the aggregation of the broad objective of why a firm communicates with its customers, and to ensure that such intentions are accomplished; 2. Essential: This is the ability of firms to focus on the basic necessities of end users that have direct bearing with their daily activities; 3. Strategic: The total

digital content marketing campaign endeavor should be an essential component of the comprehensive effort must be an integral part of the overall organizational game plan; 4. Targeted: Digital marketing content should be specifically focused on a target market for its importance to be well appreciated by end-users.

Eshiett, Eshiett and Uwhubetine (2022), on their part, posited that there was dire need for a digital content process to avoid the pitfalls of traditional marketing. This approach (digitalizing marketing) is necessitated by the need to enquire deeper into where the potential or existing customers spend their time, socialize, and who they keep company with. This, in turn, will help in elucidating the exact content assortment (mix) that will fit exactly into the customers' need.

### 2.2 Concept of E-Marketing

The emergence of internet opened up ways for a massive amount of information to be collected and saved in electronic or digital form (Khuu & Do, 2018). Up till today, it is believed to be the fastest generated form of information, generally called digital information, interpreted into 'big data' (Hale, 2017). According to Arthur (2013), 'big data' is defined as the data collected by using both traditional and digital approaches from inside and outside of a company in order to serve the ongoing discovery and research of that company. For customer to Business (C2B) and Business to Business (B2B) relationship to be successful, deeply rooted engagement with customers and change of ideas, based on customers' needs, becomes a prerequisite. An information-driven such as the concept of digital is marketing becomes inevitable (Eshiett et al., 2022).

The most crucial need for a successful e-marketing campaign lies in the need to harness the basic ingredients of Customer Relationship Management (CRM) such as; Customer Satisfaction, Customer Loyalty, Customer Trust, and Customer Retention. In a virtual business platform, the worth, value, and nature of information disseminated to end-users is one major factor that influences traffic to a particular site and this could captivate consumer interest, loyalty, and assurance of given product service (Raghunandan, & Parimal, 2015). Business concerns must note that the origin of distinctive and cherished e-marketing marketing content is the quantum of useful information churned out to the consumer, which could increase their awareness of a product service more than competitors, improve content quality as well as increase the rate of the consumer buying decision. One major aspect of digital marketing is to anticipate what customers' requests and expectations are and how to satisfy them. It involves the use of integrated marketing communication platforms to reach a wider range of consumers while publicizing such product services. (Wilson, Zeithaml, Bitner, & Gremier, 2008). Moreover, end-users will prefer a platform that affords them the freedom to make their choice without undue interference by product service owners. The digital platform allows for an unhindered tour around different product services, and the liberty to compare prices, and confirm the quality of products.

Over the years, digital marketing has taken various forms. These include Short Message Service (SMS), which is the transmission of short text messages to and from a mobile phone (Chiguvi, Mahambo & Kgetho, 2020; Darabi, 2017). The approach has also included use of social media sites such as Facebook, LinkedIn, and WhatsApp (Chege, 2017), and email marketing (Ghouse & Khan, 2016; Tubulekas, 2017)

### 2.3 Customer Loyalty to Brand Choice

In today's competitive market, an organization's success is heavily depends upon its capability to develop and enhance long term customer relationships through offering amazing customer experience. Cultivation of loyal customers can lead to increased sales and customer share at lower costs and thus improve the profitability of the organization (Kotler & Keller, 2009). Kotler and Armstrong (2013) described loyalty as customers' intention towards a firm as a function falls within a psychological process. Two dimensions are defined for customer loyalty: behavioral and attitudinal. Attitudinal dimension refers to parameters such as repurchasing imagination, resistant to buy to other firms, tend to introduce, persist and persuade the others to use a company's specific product or service (Yap et al., 2012). Behavioral dimension refers to a behavior of customers on repurchase and illustrates a priority for services or products (Kotler and Keller, 2009). The reason being that behavioral dimension can drive customers to the repurchase of products and the utilization of services from vendors. Hence, consumers' tendency to commit is higher over time, according to Nawaz and Usman (2012). Rasheed & Abadi (2014) concur that repeating purchase is an indication of some classic key factors of attitude, which he considers to be "effectiveness", "evaluative", "cognitive", and "dispositional". In the opinion of Rasheed & Abadi (2014), the loyalty is specified to be the amount of customers' service choice, switching tendency, purchase's regularity and the overall shopping. Commitment and repurchasing decision therefore is influenced by customers' loyalty (Kotler & Armstrong, 2013). Consequently, Aneela & Amer (2015) contend that loyalty of customers is one of the basic concepts in relationship marketing that has obtained a great value because of the fact that it is capable of giving more profits to a business through retained customers as compared to recruiting new customers. The foregoing notwithstanding, the relationship between e-marketing and loyalty to brand choice among supermarkets seems to be limited, based upon existing relevant studies.

### 2.4 Empirical Literature Review

#### 2.4.1 Personalised email Marketing

Tubulekas (2017) analysed the effects personalized communication through email on loyalty programs in Sweden. The methodology consisted of two quantitative case studies in the form of data analysis on eleven personalized newsletters and one activation email for a business in the fuel and convenience industry. The results show that the loyalty members to a large extent accept the communication and are

exposed to the personalized content. The emails in the form of monthly newsletters did not show any consistent positive effects on increased sales, store visits or in upsell. The activation email, which was part of the activation phase in the customer lifecycle, showed greater promise as it increased number of visits and led to a positive overall upsell. Additional effects in the form of switching costs and brand awareness were also identified, as long as the content reaches the customers personalization is deemed relevant.

Khuu and Do (2018) examined whether email marketing alone as a marketing activity could contribute positively to customer loyalty and to which extent, while also collecting in-depth data about the email using behavior of the target group in a time where email users are experiencing a major email overload, to examine the target group's attitude towards email marketing in general. The study adopted the quantitative research method, with data collected using a survey. The target group for this research was Vietnamese email users, aging from 18 – 30 years old. The attitude of Vietnamese email users toward email as a channel of marketing and communication were highly divided, ranging from mixed to negative. While the research results showed that email positively support brand awareness, its effectiveness in boosting value equity and relationship equity were not clear. Hence, the research concluded that email is not a highly effective for gaining customer loyalty.

Eshiett et al. (2022) examined the effect of digital content marketing on customer loyalty in Nigeria. The study designed and administered some digital Content marketing-related questions that could induce customer loyalty to respondents. The data obtained from the study were analyzed using the Pearson Correlation Coefficient technique; the study revealed that the accomplishment of unambiguous and dependable content by business concerns could increase the delight of organizational customers. The analysis of data revealed that there is a link between digital content marketing and customer loyalty in Nigerian Universities. In conclusion, the study appraises the need for effective dissemination of information through digital marketing content to encourage end-users to break away from the grip of traditional marketing platforms and embrace the new concept of digital content marketing in Nigeria.

Murrey (2016) sought to establish the effects of technology adoption on customer loyalty in commercial banks in Kenya. The study adopted descriptive survey design on a target population of 8635 customers, 27 branch managers, and 54 head of departments. A sample size of 449 respondents was used. Data was collected using questionnaires. The study findings revealed that 77.0% variance of customer loyalty is explained by the effect of technology adoption.

### 2.5 Social Media Marketing

Jibril, Kwarteng, Chovancova & Pilik (2019) examined the impact of social media on consumer based loyalty under the lenses of mediation role of online based brand community in the Czech Republic. An online survey via questionnaire was

used to collect data from 122 social media users affiliated to at least one online brand community. The findings showed that online based brand community on the social media platform positively initiates consumer-brand engagement and user-brand relationship. While social media platform indirectly stimulates consumer-brand promise and trust, towards consumer brand loyalty via online based brand community.

Jiaqi, Teo, Tingting & Jiaxun (2021) analysed the influence of social media marketing in building relationship between brand loyalty of tourism products and products service quality in Malaysia. The study used questionnaire to collect primary data from 51 respondents who were operators in the tourism sector. Findings showed a strongly positive relation between tourism brand and product quality in the sector. It was further found that brand awareness, brand loyalty, and tourism product service were integral part of business objects that are related to social media marketing.

Chigora (2016) investigated the effects of social media in branding Zimbabwe's SMEs operating in the accommodation, travel and holiday resorts. The target population comprised of tourism SME operators: 45 accommodation, 50 travel and 9 resort operators. Questionnaires and in-depth interviews for were used to collect data. The findings from the study showed that the majority of SMEs did not appreciate the supremacy of social media in improving brand awareness, image, perceived quality, loyalty and association.

Chege (2017) evaluated the effectiveness of social media marketing on customer loyalty at Equity Bank in Kenya. The study employed a descriptive survey design. Purposive and simple random sampling was adapted to select the 138 respondents although only 94 responded. The data collected was both quantitative and qualitative in nature. The data was analysed using descriptive statistics. Findings showed that majority use social media site to get answers, and use of brand positioning in social media has helped many remember the brand. It was also established that social media site has enabled many users create a strong bond with equity bank as well as exchange information with other online users. The study concluded that Social media site offer valid information to consumers especially from an organization site this has also aided in brand positioning in social media that has helped respondents remember the brand. Social media site help create a strong bond with organizations and facilitate exchange of information with other online users.

### 2.6 Short Messages Alert Marketing

Darabi (2017) explored the effect of SMS advertising on online brand equity using a sample of 311 students in the UK. The positivist perspective was used to examine the hypotheses. Questionnaire was used for data collection. The findings of the research show that while there were statistically significant relationships between SMS advertising and dimensions of online brand equity, their overall effect on brand equity was limited – except for the influence of incentives assessments on brand loyalty. In particular, this study showed that attitude

toward using SMS advertising has direct and significant relationships with both brand trust and brand awareness.

Smutkupt, Krairit & Khang (2012) investigated the impact of SMS (Short Message Service) advertising on consumer perceptions of Au Bon Pain's brand equity in Thailand. Structural equation modeling was utilized to test the hypotheses. SMS marketing was found to have a significant positive impact on brand awareness and perceived quality. Personalized, interactive, and general messages are effective for building brand awareness, and general and personalized messages positively influence perceived quality.

Chiguvi, Mahambo & Kgetho (2020) explored the effectiveness of using (SMS) instalment platform as a way of meeting customer satisfaction at Edgars stores Ltd in Zimbabwe. Causal research design was employed and a simple random sampling technique was used in selecting the respondents. Questionnaires were used to gather data from a sample size of 357 consisting of 342 customers and 15 staff members of Edgars' stores Ltd. The research findings from the hypothesis tests explored that there is a strong significant and positive relationship between SMS installment platform service and customer satisfaction.

Mang'anyi, Khabala & Govender (2017) evaluated the effects of features of electronic customer relationship management (e-CRM) on customer loyalty among commercial banks in Kenya. Using a cross-sectional survey design on 78 customers registered electronically with the Standard Chartered Bank, data were collected from a convenience sample of customers of a major international Kenyan bank using self-administered questionnaires. The findings based on correlation and multiple regression analyses, revealed that pre-service, during (the) service and post transactional e-CRM features have a positive and significant relationship with loyalty, and that the pre-service and during the service features significantly predict loyalty.

### 2.7 Summary of Literature and the Gap

Digital marketing has been proved by studies as a panacea to customer loyalty and profitability among profit making entities. Customer satisfaction is anchored on the fact that consumers make some kind of cognitive comparison between expectations about the product and the perceived product performance, as envisaged by B. E. S. T. theory (Pulizzi & Barrett, 2009). However, the relationship between key forms of e-marketing (personalised email, social media networking, SMS marketing) and loyalty to brand choice seem to have attracted limited attention in research especially among retail supermarkets.

Concentration seems to have been made in sectors such as commercial banks, insurance, and commercial airline with regard to studies concerning components of digital marketing. Similarly, such components of digital marketing have been related with customer satisfaction on one hand, and profitability on the other hand. It was therefore important that the relationship between e-marketing components and loyalty to

brand choice be conducted to bring to light such interplay in this sector.

## III. METHODOLOGY

### 3.1 Research Design

This study adopted a correlational design. This design enabled the researcher to determine whether there is a relationship between the dependent and independent variables of the study, as explained by Crawford (2014). This design also enabled for description of the strength of the relationship between the variables, and to highlight whether an increase or decrease in one variable correspond to an increase or decrease in the other one

### 3.2 Study Area

The study area was in Kisumu County. It is one of the 47 Counties in the devolved government of Kenya. The County has a population of 952,645 with a population density of 474.1. The Kenya National Bureau of Statistics (KNBS, 2020) report indicates that approximately 60,000 households with a population density of between 6,000 and 21,000 persons per km<sup>2</sup> in Kisumu City live in the informal settlements, this being 60% of the City's urban population. Kisumu lies at 0.0917° S, 34.7680° E.

### 3.3 Target Population and Sample Size

The target population of this study was the staff working in the marketing departments at the head offices of Naivas, Quickmart, Khetia's and Tusky's supermarkets. According to Cytonn (2021), Naivas has 86 staffs working in the marketing department, Quickmart has 79, Tusky's has 73, Game Stores has 65 and Khetia's has 78. This makes 371 as the target population. This study adopted Yamane's formula (Israel, 2013) to calculate the sample size for study as shown below.

$$n = \frac{N}{1 + N(e)^2}$$

Where  $n$  is the sample size,  $N$  is the population size, and  $e$  is the level of precision (0.05). The sample size of customers was thus be calculated as:

$$n = \frac{371}{1 + 371(0.05)^2} = 193$$

Where  $n$  is the sample size,  $N$  is the population size, and  $e$  is the level of precision (0.05). The sample size of the study was therefore 193 staff from the marketing department.

Stratified random sampling which involves dividing the population into subgroups (or supermarkets) and then taking a simple random sample of  $f = n/N \times 100\%$  in each supermarket will be used (Patton, 2002). Where  $f$  is the sample size of the sub group;  $n$  is the population of the sub group; and  $N$  is the total sample size. This study therefore had five strata

representing each supermarket. The sample distribution of the study respondents is as shown in Table 3.1.

Table 3.1: Distribution of Sample Size

Respondents	Target Population	Percentage	Sample size
Naivas	82	22.28	43
Quickmart	76	20.73	40
Game Store	65	17.62	34
Khetias	75	20.21	39
Tuskys	73	19.17	37
<b>Total</b>	<b>371</b>	<b>100</b>	<b>193</b>

### 3.4 Instrumentation

#### 3.4.1 Reliability

To attain instrument reliability, test retest method was conducted during a pilot study involving 19 randomly selected staff members from the marketing department. These staff members were later excluded from the main data collection exercise. The instruments were administered on these selected respondents twice, after which data from the two tests was cleaned, and analysed with the aid of Statistical Package for Social Science (SPSS). Table 3.2 presents reliability test.

Table 3.2: Reliability Test

Variables	Reliability Coefficient	No of Items
Loyalty to brand choice	0.832	10
Personalised emails	0.816	8
Social media networks or sites	0.768	8
SMS Alerts	0.822	6
Overall Reliability	.8095	32

Table 3.2 shows the results obtained from a reliability analysis test carried out using test retest. Results revealed very good reliability measures for the constructs which all above 0.7 as recommended by Nunnally (1978).

#### 3.4.2 Validity

The validity before giving them to two independent lecturers from the school of Business studies, Maseno University of research instruments was checked by scrutinizing the questionnaire items during their construction. Questions were discussed with experts in the field of digital marketing for verification, and to assess whether the instrument that adequately addresses the construct or area under investigation.

#### 3.5 Data Analysis

Descriptive statistics were used to analyse predictors of e-marketing, while multiple regression was used to analyse the relationship between the predictors (personalised email, social media sites, SMS alerts), and loyalty to brand choice among the sampled supermarkets as recommended by Hair, Babin, Money

& Samouel (2003). These variables were tested from a general multiple regression equation of the form:

$$Y_i = \beta_0 + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \epsilon_i \text{ (Source: Adopted from Hair et al., 2003).}$$

Where:

$Y_1$  = Loyalty to brand choice

$\beta_0$  = Constant loyalty to brand choice when use of e-marketing is nil

$\beta_1, \beta_2$  and  $\beta_3$  = Beta coefficients

$X_1$  = Personalised email (measured on a summated scale of 1 to 5)

$X_2$  = use of social media (measured on a summated scale of 1 to 5)

$X_3$  = SMS alerts (measured on a summated scale of 1 to 5)

$\epsilon_i$  = Error term

## IV. FINDINGS

### 4.1 Response Rate

The researcher developed and distributed 193 questionnaires to the sampled respondents from five supermarkets. Questionnaire return rate is presented in Table 4.1.

Table 4.1: Questionnaire Return Rate

Respondents	Sample size	Returned Questionnaires	Percentage
Naivas	43	29	67.4
Quickmart	40	32	80
Game Store	34	31	91.2
Khetias	39	33	84.6
Tuskys	37	37	100
Total	193	162	83.94

Source: Research Data (2022)

Table 4.1 illustrates that the questionnaire return rate was 83.94%. Respondents sampled from Naivas had 15.03% return rate; Quickmart had 80%; Game Store (91.2%); Khetias (84.6%); and Tuskys (100%).

### 4.2 Level of Customer Loyalty

The respondents were asked to state the extent of their agreement with some specific customer behaviour that depict loyalty to particular brands as opposed to others. To this end, Very large Extent (5), Large Extent (4), Normal Extent (3), Low Extent (2), Very Low Extent (1) was used to measure the extent of occurrence of the particular customer behaviour. Table 4.2 illustrates the Mean (M) of perceived customer loyalty and standard deviation (SD) obtained through descriptive statistics from the sampled respondents.

Table 4.2: Extent of Customer Loyalty to Brand Choice

	Customer Loyalty Behaviour	N	Mean	SD
1	Repurchase trends	162	3.71	0.981
2	Repurchase recommendation	162	4.18	0.886
3	Customer referrals	162	4.21	0.873
4	Reduction in customer complaints	162	2.71	1.078
5	Diversification in product choice	162	2.51	1.089
6	Lack of desire to change product choice	162	3.58	1.006
	Overall Mean		3.48	0.9855

## Key: Format of Mean Interpretation

1.00 – 1.44:	Very Low Extent
1.45 – 2.44:	Low Extent
2.45 – 3.44:	Moderate Extent
3.45 – 4.44:	High Extent
4.45 – 5.00:	Very High Extent

Table 4.2 illustrates that customer loyalty, as noted in their behaviour towards brands in the supermarket, has occurred to a high extent ( $M=3.48$ ;  $SD=0.9855$ ). This tends to imply that, according to the sampled staffs from the marketing department, customer loyalty is high among the sampled supermarkets. Specifically, the respondents stated that repurchase trends ( $M=3.71$ ;  $SD=0.981$ ); repurchase recommendations ( $M=4.18$ ;  $SD=0.886$ ); customer referrals ( $M=4.21$ ;  $SD=0.873$ ); lack of desire to change product choice ( $M=3.58$ ;  $SD=1.006$ ) have occurred to a high extent. The respondents however stated that reduction in customer complaints ( $M=2.71$ ;  $SD=1.078$ ) and diversification in product choice ( $M=2.51$ ;  $SD=1.089$ ) have occurred to a moderate extent.

## 4.3 Personalised Email Marketing and Customer Loyalty to Brand Choice

Another part of the questionnaire examined how use of personalised email marketing has affected customer loyalty to brand choice among the sampled supermarkets. The sampled respondents were asked to respond to statements related to how use of personalised email marketing has contributed to customer loyalty to brand choice in their respective supermarkets. The Mean (M) and Standard Deviation (SD) of the responses are presented in Table 4.3.

Table 4.3: Personalised email marketing and Customer Brand Loyalty

	Items	N	Mean	SD
1	We use personalised email to relay product values to our customers	162	2.68	1.024
2	Links provided in personalised emails relay product price changes	162	2.49	1.124
3	We use personalised emails to relay new products to customers	162	3.47	0.953
4	Links provided in personalised emails relay product shortage cases	162	3.56	0.931

5.	Links provided in personalised emails relay product quality changes	162	3.76	0.952
6	We use personalised emails to notify changes in shop operations	162	2.67	1.036
	Overall Mean		3.11	1.003

Table 4.3 illustrates that the sampled respondents neither agreed nor disagreed ( $M=3.11$ ;  $SD=1.003$ ) that the components of personalised email practices presented in the study instrument have been effective in influencing customer loyalty to brand choice. This finding tends to suggest that product may not make much difference on the choice of brands in the supermarkets.

## 4.4 Social Media Marketing and Customer Loyalty to Brand Choice

The study questionnaire also examined how social media networks have been applied by supermarkets to win customer loyalty to brand choice. The sampled respondents were therefore requested to respond to statements related to how social media sites deployed by the supermarkets has affected customer loyalty to brand choice in their respective retail outlets. The Mean (M) and Standard Deviation (SD) of the responses are presented in Table 4.4.

Table 4.4: Social Media networks and Loyalty to Brand Choice

	Items	N	Mean	SD
1	Our social network sites matches customer experience & experience	162	4.321	0.841
2	Our social media sites are easy to navigate and download content	162	4.125	0.792
3	Our social media sites are secure and cannot be hacked easily	162	3.246	0.986
4	Our social media networks have relevant content to customer expectations	162	3.653	0.964
5	Most of our products are promoted through our social media sites	162	4.251	0.752
6	Our social media sites enable customers to chat among themselves	162	2.741	1.831
	Overall Mean		3.775	0.9955

Table 4.4 illustrates that the sampled respondents agreed ( $M=3.78$ ;  $SD=0.996$ ) that the social media networks have been effective in achieving customer loyalty to brand choice among the selected supermarkets. This finding tends to suggest that the way customers are served in the sampled supermarkets is effective in arousing loyalty among customers.

## 4.5 SMS Alert Marketing and Customer Loyalty to Brand Choice

Another part of the study instrument examined how SMS alerts have been employed by the sampled supermarkets to influence customer loyalty to brand choice. The sampled staffs from marketing departments were therefore requested to respond to statements related to how use of SMS alerts has affected customer loyalty to brand choice in their respective

supermarkets. The Mean (M) and Standard Deviation (SD) of the responses are presented in Table 4.5.

Table 4.5: SMS Alert Marketing and Customer Loyalty to Brand Choice

No	Items	N	Mean	SD
1	We use SMS alerts to timely inform customers of harmonized prices among different products	162	4.215	0.892
2	We use SMS alerts to timely inform customers of Price differentiation	162	3.732	0.994
3	We use SMS alerts to timely inform customers of Price discounts on purchase of more than one product	162	3.626	1.063
4	We use SMS alerts to timely inform customers of Product discount on purchase of more than one product	162	4.341	0.794
5.	We use SMS to notify on extension of period to return un needed products	162	2.751	1.973
8.	We use SMS alerts to relay Seasonal price reductions	162	3.862	0.942
	Overall Mean		3.7545	1.110

Table 4.5 indicates that the sampled respondents agreed (M=3.75; SD=1.11) that use of SMS alerts is effective in eliciting customer loyalty among the sampled supermarkets. This finding suggests that product pricing has been effective in

eliciting loyalty to brand choice among the sampled supermarkets. They particularly agreed that: use of SMS alerts to timely inform customers of harmonized prices among different products (M=4.22; SD=0.89); use of SMS alerts to timely inform customers of Price differentiation (M=3.73; SD=0.99); use of SMS alerts to timely inform customers of Price discounts on purchase of more than one product (M=3.63; SD=1.06); use of SMS alerts to timely inform customers of Product discount on purchase of more than one product (M=4.34; SD= 0.79) and use of SMS alerts to relay Seasonal price reductions (M= 3.86; SD=0.94) have been effective in eliciting customer loyalty. However, they neither agreed nor disagreed that use of SMS to notify on extension of period to return unneeded products (M=2.75; SD=1.97) has been effective in enhancing customer loyalty.

4.6 Relationship between E-Marketing and loyalty to Brand Choice

The nature and direction of the relationship between relationship marketing (product quality, quality of customer service, and product pricing) and customer loyalty to brand choice was also analysed. Table 4.6 presents results of the relationship.

Table 4.6: Effect of Relationship Marketing on Loyalty to Brand Choice

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.703	.494	.490	51.170	.253	103.377	3	158	.000

Predictors variables: personalised emails, social media sites, and SMS Alerts

Table 4.6 illustrates that the coefficient of determination, R<sup>2</sup> is 0.494 (R<sup>2</sup> =0.494; p=0.05). This relationship is positive and significant. This finding implies that the relationship marketing practices explain only 49.4% of variation in loyalty of customers among the selected supermarkets in Kisumu City. Therefore, unit changes relationship marketing practices result into 25.3% change in loyalty of customers to brand choice.

The stability of this result is reflected by the minimum adjustment in the adjusted R<sup>2</sup> value of 0.490; only showing a decrease of 0.004. Digital marketing predictors investigated therefore explains 49.4%% of loyalty of customers to brand choice among the sampled supermarkets, with a significant model fitting (F=103.377; p=0.000). Consequently, 50.6% of variation in loyalty of customers to brand choice among the five supermarkets is explained by other variables other than relationship marketing practices such as product quality, quality of customer service, and product pricing.

To establish the actual influence of e-marketing practices on customer loyalty to brand choice, linear regression analysis was computed. Table 4.7 presents the regression analysis.

Table 4.7: Model of prediction using regression

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	240.945	5.116		47.093	.000
	Personalised emails	7.292	1.463	0.262	4.984	.000
	Social Media sites	19.277	1.896	.503	10.167	.000
	SMS Alerts	51.390	5.820	.451	8.831	.000
Dependent Variable: <b>Loyalty to Brand Choice</b>						

Table 4.7 illustrates that all the coefficients of the independent variable: personalised emails, social media sites, and SMS Alerts are significant predictors of customer loyalty among the five supermarkets (p=0.05). It is also illustrated that SMS alerts has the highest value of contribution (B=51.390) on customer loyalty among the supermarkets, followed by quality of customer service (B=19.277); and quality products (B=7.292).

The regression equation ( $Y_i = \alpha + \beta_1 x_{i1} + \beta_2 x_{i2} + \beta_3 x_{i3} + e_i$ ) can therefore be fitted as follows:

Customer loyalty to brands = 240.945+ 7.292 (Personalised emails) + 19.277 (Social media sites) + 51.390 (SMS Alerts).

## V. DISCUSSIONS AND CONCLUSIONS

## 5.1 Discussions

Findings in this study denotes that a significant percentage change in customer loyalty is attributed to e-marketing practices among the sampled supermarkets. This relationship could be thriving due to suitable consumer-centric digital content targeting the customers, as espoused in BEST theory articulated by Pulizzi & Barrett (2009). The paper has also revealed significant contribution of SMS alerts in the e-marketing spheres towards customer loyalty to brand choice. This concurs with several previous studies. For instance, Chiguvi et al. (2020) found in a study done in Zimbabwe that there is a strong significant and positive relationship between SMS installment platform service and customer satisfaction at Edgars' stores Ltd. Another study done in Thailand by Smutkupt et al. (2012) also showed that SMS marketing has a significant positive impact on brand awareness and perceived quality. These findings all together therefore tends to imply the e-marketing approaches such as SMS alerts are essential for ensuring that customers are retained for purposes of fostering firm profitability.

## 5.2 Conclusions

The study concludes that e-marketing approaches are significant predictors of customer loyalty to brand choice among retail supermarkets. One approach that has greatest contribution among the e-marketing approaches is SMS alert personalised to the customers. These alerts provide timely and interactive information regarding specific products that arouses trust in the customers. It is also concluded that firms including supermarkets which have adopted such e-marketing practices stand to have more loyal customers towards their brands, thereby ensuring continuous profitability.

## VI. LIMITATIONS

This study collected data from supermarkets in Kisumu City only. This left out other retail supermarkets in urban centers of the county where the same phenomenon could also be in existence. Therefore a comparison analysis of the phenomenon needs to be done among supermarkets in the city and those in the urban centers of the County of Kisumu

## ACKNOWLEDGEMENT

The researcher is grateful to all the supermarkets whose workers in the marketing departments volunteered to provide the valuable data for this paper. Special gratitude also goes to the employees at the marketing departments for volunteering to take their time and fill up the questionnaires which eventually enabled this report to be analysed and compiled.

## REFERENCES

- [1] Chege, M. W. (2017). Effect of social media marketing on consumer loyalty in the banking industry: A case of equity bank. Unpublished thesis submitted to USIU – Africa.
- [2] Chiguvi, D., Mahambo, C. and Kgetho, K. T. (2020). The Effectiveness of using SMS Instalment Alert Platform on Customer Satisfaction in the Retail Clothing Stores in Zimbabwe. *Dutch Journal of Finance and Management*, 4(x), em00xx. <https://doi.org/10.29333/djfm/xxxx>
- [3] Crawford, M. A. (2014). Strengths and Limitations of Correlational Design. *Understanding Forensic Psychology Research*. Walden University.
- [4] Darabi, M. (2017). The influence of SMS advertising on online brand equity among students in the UK. Unpublished dissertation submitted to University of Salford, Salford, UK.
- [5] Ettenson, R., Conrado, E. & Knowles, J., (2013). Rethinking the 4 P's. *Harvard Business Reviews*, January/February publication.
- [6] Eshiett, I. O., Eshiett, O E and Uwhubetine, G. O. (2022). Digital content marketing and customer loyalty in Nigerian University. *UNILAG Journal of Business*, 8 (1), 54 – 72.
- [7] Hale, T. (2017). How much data does the world generate every minute? Accessed on April 15 2022. Retrieved from <http://www.iflscience.com/technology/how-much-data-does-the-world-generate-every-minute/>
- [8] Jiaqi, Y., Teo, B. S-X., Tingting, L. and Jiaxun, Z. (2021). Influence of social media marketing in building relationship between brand loyalty of tourism products and products service quality. *E3S Web of Conferences*, 251(03006): <https://doi.org/10.1051/e3sconf/202125103006>.
- [9] Jibril, A. B., Kwarteng, M. A., Chovancova, M. and Pilik, M. (2019). The impact of social media on consumer-brand loyalty: A mediating role of online based-brand community. *Cogent Business & Management*, 6: 1673640 <https://doi.org/10.1080/23311975.2019.1673640>
- [10] Kendra, T. (2017). Email Marketing Automation For Lead Generation: A starter's guide. *HMC Sales, Marketing and Alliance Excellence Essentials*.
- [11] Kotler, P (2003). *A Framework for Marketing Management*. Upper Saddle River, NJ: Prentice Hall.
- [12] Khuu, V. and Do, P. (2018). The effects of email marketing on customer loyalty: A survey of young Vietnamese consumers. Unpublished thesis submitted to JAMK University of Applied Science.
- [13] Mang'anyi, E. E., Khabala, Q. T. and Govender, K. K. (2017). The relationship between e-CRM and customer loyalty: A Kenyan Commercial Bank case study. *Banks and Bank Systems*, 12(2), 106-115. doi:10.21511/bbs
- [14] Mbugua, M. W. (2014). The Effects of Brand Loyalty on Customer Retention in Kenyan Banking Sector: A Case Study of Barclays Bank, Ruaraka branch Nairobi. (Doctoral dissertation, United States International University-Africa).
- [15] Murrey, P. (2016). Effects of technology adoption on customer loyalty: a case of commercial banks in Uasin Gishu County, Kenya. Unpublished thesis submitted to Kisii University, Kenya.
- [16] Smutkupt, P., Krairit, D. and Khang, D. B. (2012). Mobile marketing and consumer perceptions of brand equity. *Asia Pacific Journal of Marketing and Logistics*, 24 (4), 539 – 560.
- [17] Pulizzi, J. & Barrett N. (2009). *Get content, get customers: Turn prospects into buyers with content marketing*. 1st edition. New York: McGraw-Hill.
- [18] Tubulekas, A. (2017). The effects of personalized email communication within loyalty programs for businesses without possibilities for e-commerce. Unpublished thesis submitted to the Royal Institute of Technology.