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# Sales Promotion Strategies and Retention of Customer Brand Loyalty in Airtel and Globacom in Akwa Ibom State.

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#### **ABSTRACT**

This study examines the relationship between Airtel and Globacom sales promotion strategies such as Borrow and Pay Later and Bonus MB Data on retention of, and advocacy for customer brand loyalty especially in Akwa Ibom State, Nigeria. The study was premised on the Behaviour Theory. The survey research design was used involving 380 respondents who were subscribers to the networks, selected through a multi-stage sampling technique from ten communities, with the availability of the network in the state. The instrument of data collection was the questionnaire. The copies of the questionnaire were administered to the respondents in each selected community for 15 weeks. Descriptive statistics, frequency tables and weighted mean score were used to analyse data. The results of the study showed that the majority (2.88) of the respondents maintained their loyalty to these network services following these strategies; the influence of the sales promotion strategies of Airtel and Globacom on respondents' loyalty to the networks and levels of loyalty to Airtel and Globacom networks vis-à-vis the loyalty indicators: Retention, Advocacy and Repurchasing are significant. These imply that Borrow and Pay Later and Bonus MB Data on customer brand loyalty are very important sales promotion techniques for telecommunication firms. It is recommended that telecommunication firms and similar organisations should put in effective strategies to manage the marketing activities that influence customers' loyalty to their brands.

Key words: brand, customer loyalty, retention, sales promotion, strategies

## INTRODUCTION:

Marketers desire that consumers would always consider their brands when making a purchase decision. However, empirical studies have shown that consumers only take into account a limited number of brands included in their consideration set (Erdem and Swait, 2004; Laroche2005). Most brands excluded from consumers' consideration set are categorised in their hold or reject set. This is why marketers are usually faced with the challenge of attracting consumers' attention, retaining such and altering brand attitudes and purchase intentions in order to move the brands from consumers' hold or reject set to their consideration set (Belch and Belch, 2001). While firms are competing with one another for customers, market share, and long-term survival (Amankwah and Asare, 2019), keenly interested in retaining the loyalty of old consumers as well as attracting the attention and response of prospective new ones (Kotler and Keller, 2012), customers are becoming more cultured, segmented and demanding, and anticipating more in terms of customisation, newness, quality and price (Stark, 2011). To overcome this competitive challenge, marketers endeavour to create love for their brands in the minds of consumers (Malik Ghafoor, Igbal, Reaz, Hassan, Mustafa and Shahbaz, 2013), enhance their innovation capabilities so as to satisfy market demands and customers preferences to maintain a long-term competitive advantage (Panayides, 2006); and in most cases, sales promotion becomes the strategy to enhance or improve consumers' perception regarding the value of their

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products, which will in turn increase sales (Taylor, 2001). Firms view sales promotion as an inducement which plays an important role in the consumer decision-making process (Daniel and Mambu Bayoh, 2017).

In Nigeria, telecommunication firms have developed several sales promotion strategies such as reduced calls/SMS tariffs, borrow and pay later, bonus MB data, price offs or discounts, events marketing/sponsorships, celebrity endorsements, raffle draws, among others, geared toward expanding market share, generating enough sales, profits and retaining customer loyalty to their brands. These sales promotion strategies help to generate customer brand loyalty (Yeboah-Asiamah, Quaye and Nimako, 2016). The wide variety of products and services and promotional offers from telecommunication firms trigger more frequent customer switching behaviour, thus, making the goal of customer loyalty to a specific brand/firm difficult to attain (Egwuonwu, Adeniran and Egwuonwu, 2017). There are evidences of brand switching behaviour among telecommunication subscribers in Nigeria (Aminu and Hartini, 2008; Onyeniyi and Abiodun, 2010). Perhaps, this is why firms strive to achieve customer loyalty because of the perceived potential benefits associated with it.

In Nigeria, the telecommunication industry is highly competitive with several major players – Airtel, MTN, 9mobile, Globacom, Starcomms, Multi-Links, Visafone, M-Tel, among others (Egwuonwu, Adeniran and Egwuonwu, 2017). This study focuses on Airtel and Globacom – two leading GMS network providers in the state. Airtel Nigeria Networks Limited and Globacom Nigeria Unlimited launched commercial GSM services in Nigeria on August 5, 2001 and August 29, 2003, respectively. According to Nigerian Communication Commission (NCC) (2020), Nigeria has 186 million subscribers, a mobile penetration rate of 125% as at April 2020. Out of this figure, Airtel has 51, 298,878, while Globacom accounts for 51,856,114 million subscribers, making the sector Africa's largest mobile market and one of the most vibrant economic sectors in the Nigerian economy.

Despite the apparent customer dissatisfaction with network congestion and service quality of some service providers in Nigeria's telecommunication industry (Lancaster and Lange, 2020), Airtel Nigeria Limited and Globacom Nigeria Unlimited appear to be more market-oriented and endeavour to use innovative marketing sales promotion strategies such as borrow and pay later, bonus MB data, event sponsorship, and corporate social responsibility marketing (Oke, 2017), to gain market share, retain customer share, and survive competition. Specifically, Borrow and Pay Later and Bonus MB Data sales promotion strategies are increasingly becoming a prominent feature in Airtel and Globacom promotional programmes to increase sales as well as stabilise their customer base.

Sales promotion strategies are fundamentally aimed at increasing the sales of products and services within a short period. The high investments in sales promotion activities of companies clearly indicate their importance to business enterprises (D'Astous, Legoux and Colbert, 2004). There are several studies on sales promotion and consumer loyalty (Dawes, 2004; Suri, Manchanda and Lee, 2004; Yeboah–Asiamah, Quaye and Nimako, 2016) but there is limited research which deals with these new sales promotion techniques such as Borrow and Pay Later and Bonus MB Data. Available empirical studies have rarely investigated these promotion strategies, which is now becoming a prominent feature in the sales promotion techniques of telecommunication firms such as Airtel and Globacom. Considering the paucity of studies examining the relationship between Borrow and Pay Later and Bonus MB Data on customer brand loyalty, especially in Nigeria, this study is designed to fill this gap by looking at the relationship between these sales promotion strategies and retention of loyalty to Airtel and Globacom networks in Akwa Ibom State, Nigeria, using the loyalty indicators proposed by Hayes (2015) as yardsticks.

## **Research Questions**

The following research questions guided the study:

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- 1. To what extent do Borrow and Pay Later and Bonus MB Data sales promotion strategies determine subscribers' retention and re-purchasing of Airtel and Globacom networks?
- 2. To what extent do Borrow and Pay Later and Bonus MB Data sales promotion strategies influence subscribers' advocacy for Airtel and Globacom networks?
- 3. What is the level of loyalty that subscribers in Akwa Ibom State, Nigeria, have to Airtel and Globacom Telecommunication networks?

## **Hypotheses of the Study**

The following hypotheses have also been developed for the study:

 $\mathbf{H_1}$ . Sales promotion strategies of Borrow and Pay Later and Bonus MB Data of Airtel and Globacom have positive influence on customer retention, advocacy, and repurchasing of the companies' products.

 $\mathbf{H_2}$ . Sales promotion has significant influence on customer loyalty to Airtel and Globacom networks in Nigeria.

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m H_3}$  Airtel Borrow and Pay Later and Bonus MB Data yield greater loyalty than Globacom Borrow and Pay Later and Bonus MB Data in Akwa Ibom State.

#### **Theoretical Underpinnings**

This study is rooted in Behaviour Theory by Ivan Pavlov and B. F. Skinner in 1957. Behaviour theory holds that changes in behaviour are the result of an individual's response to events (stimuli) that occur in the environment. Ivan Pavlov and B. F. Skinner used classical conditioning and operant conditioning to explain the behavioural forces influencing human beings, especially, the buying attitude. They use classical condition model to demonstrate that hungry dogs would always salivate in the presence of food. When a bell was sounded following the food, after sometime, the sound of the bell alone causes the dogs to salivate. Dogs connect or associate the sound of the bell (conditioned stimulus) with food, (unconditioned stimulus) and make the same response (salivation) to the bell alone without any food arriving in sight. In relation to promotion, it is the idea of association that underlies the concept of branding in modern marketing, and constant repetition can build associations between needs, products and brands.

Sales promotions activities generally use the classical conditioning in practice. A brand often associated with premium and contests (in the case of Airtel and Globacom sales promotion strategies) may serve as the conditioned stimulus and the resulting responses could be excitement in consumers (subscribers) and the development of favourable brand attitudes and hopefully, purchase behaviour. Sales promotion strategies with point of purchase displays as one of its tools, generally leads to increase in sales even when no price cut or any kind of incentive is available. Customers have learned with time that displays are associated with price discounts. The displays thus become conditioned stimulus. Price cuts, coupons, premium, etc., can serve as the unconditioned stimuli for customers. For the incentive associated with sales promotion, customers get conditioned by performing a certain type of behaviour repeatedly in ways which lead to reward.

The operant conditioning explains that behaviour is a function of its consequence. If behaviour is reinforced, such behaviour is more likely to re-occur. In terms of customer purchase behaviour, the marketers (Airtel and Globacom) wish to teach consumers (subscribers) to buy their brand repeatedly, and a premium, coupon, price-off, borrow and pay later or free MB data become the reinforcement tools. A coupon inside the product pack is a good example of operant conditioning. The coupon is the reward that the customer receives. The customer's response by buying the product is reinforced by the coupon, which is the reward.

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Having reinforced the purchase behaviour, it is likely to be repeated. The approach to building associations through voluntary participation suggests that, sales promotion can actively invite the buyer to participate, be rewarded and eventually connect a particular product or service with a particular stimulated need. Having reinforced the purchase behaviour, it is likely to be repeated. The task of sales promotion, therefore, is to energise or stimulate specific needs in order to motivate the consumer towards purchase and subsequently retain the loyalty of the customer.

# **CONCEPTUAL/LITERATURE REVIEW**

#### **Sales Promotion**

Sales promotion is essential to business. It is an accelerated tool which speeds up the selling process and maximises sales volume (Oke, 2017). It is an activity intended to generate a temporary boost in sales which includes several communication activities carried out to provide added value or incentives to consumers, wholesalers, retailers, or other organisational customers (Blythe, 2006). The American Marketing Association (2012) defines sales promotion as a marketing technique focused on consumers, retailers or wholesalers that is applied for a predetermined period, aiming to stimulate consumer demand. According to Shimp (2000), sales promotion is any inducement used by an industry to stimulate the sales of a product to consumers and distributors. It is to induce the present customer to visit the store more often (Ailawadi and Neslin, 2008); arouse consumers' desire and encourage them to try new products (Ndubisi and Moi, 2005) and to increase brand awareness, attract new customers, and increase sales (Blattberg and Neslin, 2000).

Sales promotion offers many benefits to consumers. The obvious benefits relate to monetary economy, but they can also appeal to the desire for quality, convenience, entertainment, and value (Chandon, Wansink, and Laurent, 2000). When effectively implemented, sales promotion often results in an increase in short-term sales figure (Yi and Yoo, 2011). Perhaps, this accounts for the high investment in sales promotion activities (D'Astous, Legoux and Colbert, 2004). However, variations occur in effects of sales promotion based on the attractiveness of the concerned brand (Alvarez and Casielles, 2005). Sales promotion has effects on various aspects of consumer purchase decisions such as brand switching (Nijs, Dekimpe, Steenkamps and Hanssens, 2001) and consumer sensitivity to price (Bridges, Brieseh and Yim, 2006). Its effect is both short-term and long-term (Santini, Vieira, Sampaio and Revin, 2016). While the short-term effects represent the purchase behaviour that results in an immediate effect on sales or consumers' immediate behaviours (Yi and Yoo, 2011), the long-term effects refer to the cumulative impact on consumers perceptual behaviour (Santini et al; 2016). This effect incorporates more stable behaviours such as purchase intentions, perceptions of quality, consumer attitude, loyalty and switching costs (Yi and Yoo, 2011; Santini, et al; 2016).

Sales promotion is a useful tool which acts as demand booster that does not sustain the risk associated with new products (Rizvi and Malik, 2011). It is an important tool for marketing strategy because it invites consumers to a transaction, thereby mitigating the psychological costs related to the purchased process (Liao, 2006). It offers a significant differential advantage when products have other similar attributes (Santini *et al*; 2016). Sales promotion is likely to have abrupt and considerable effect on the volume of sales (Hanssens, Parsons and Schultz, 2001).

There are price and non-price sales promotion (Yi and Yoo, 2011). Price-oriented – coupons, rebates, and price deals are organised to increase sales and market share, entice trial as well as to encourage brand switching (Lee, 2002). Non-price promotions such as contests and premiums add excitement and value to brands which may actually encourage brand loyalty (Yeboah-Asiamah, Quaye and Nimako, 2016). Loyalty or continuity programmes such as frequent user programmes and shoppers' cards, which reward consumers' repeat purchasing of a particular brand or at a particular outlet, have their greatest value in

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encouraging consumers with divided loyalty to purchase a given brand (Shimp, 2000).

## **Customer Loyalty**

Customer loyalty is the probability of positive behaviours and attitudes toward a brand, which could result in positive word of mouth and repeat purchase (Shiffman and Kanuk, 2004). There are three parts to consumer loyalty: re-buy intention, primary behaviour and secondary level behaviour (Jones and Sasser, 1995). Re-buy intention is the future intention of the consumer to re-purchase the product or service (Kotler, 2004). Primary behaviour implies the practical re-visiting behaviour of a customer, while secondary level behaviour indicates the willingness of a consumer to recommend the product to others and enhance customer loyalty through human relationship (Kotler, 2004; Chen, Chen and Hsieh, 2007).

According to Oliver (1999), loyalty is a deeply held commitment to re-buy or re-patronise a product or service consistently in the future, thereby, causing repetitive same brand or same brand-set purchasing, despite situational influences and marketing efforts that have the potential to cause switching behaviour. Loyalty comprises two dimensions: behaviour and attitude (Chen and Ching, 2007). The behaviour dimension is characterised by consequential actions resulting from loyalty, while attitudinal dimension refers to formative behaviour as commitment that is a desire to maintain a valued relationship. More importantly, the consumer's attitude toward a product/service including attitudinal preference and commitment have a greater impact on forming loyalty (Chen and Ching, 2007). The behavioural loyalty explains the repeat buying behaviours of consumers, whereas attitudinal loyalty is the favourable behaviour of the consumers toward a specific product (Quester and Lim, 2003). Loyalty is desired by all business managers because it is cheaper to focus more effort on serving and retaining existing customer base than to win a new one (Hayes, 2015).

It is empirically proven that, sales promotion positively affects customers' loyalty to companies (Laroche,Pons, Zgolli, Cervellon and Kim, 2003; Rajagopal, 2008) and to brands (Pauwels, Silva-Risso, Srinivasan and Hanssens, 2004; Rizvi and Malik, 2011; Omotayo, 2011). The argument is based on the assumption that sales promotion can affect customers' willingness to try a new brand and generate repeated purchases. This process generates loyalty over the long term. As Alvarez and Casielles (2005) observe, consumers in product segments with higher rates of customer loyalty are susceptible to sales promotion because they provide an additional benefit, and for this reason, these actions have a great influence on their loyalty. Lattin and Bucklin (1989) cited in Oke (2017) found that purchases made during a promotion have a positive effect on future purchase intentions, which may be a consequence of strengthening consumer preferences for the purchased brand. Erdem and Sun's (2002) study revealed that continuous use of sales promotion strengthens favourable perceptions and consequently, customer loyalty. Customer loyalty is a tricky sentiment to track and difficult to measure because proof of loyalty, the state of being loyal is most often shown after an action had occurred. However, Hayes (2015) identifies three indicators which could be the determinant indices for customer loyalty – Retention, Advocacy and Re-purchasing.

Retention is a reflection of a customer's willingness to remain with a particular company's brand or service and is useful to measure customer loyalty. Among wireless or other service provider companies, retention is most often determined by the question: How likely are you to switch? This question indicates the relationship the customer has with the company and may also indicate total satisfaction with a company or brand (Hayes, 2015).

Advocacy involves the degree to which customers feel positive towards, or are willing to advocate a company product/service/brand which contains loyalty questions such as: how likely are you to recommend the company's offerings? and how are you satisfied with the company's products? (Hayes, 2015).



Re-purchasing concerns the degree to which customers are likely to increase their purchasing behaviour; and contains these loyalty questions: how likely are you to buy additional products? and increase/expand use of product throughout company? They seek to determine if the amount spent per existing customer will increase or decrease based on additional purchases within or across product lines (Hayes, 2015). These three indicators proposed by Hayes (2015) become the guide posts to determine the loyalty levels of Airtel and Globacom subscribers in Akwa Ibom State, Nigeria, as influenced by the companies' sales promotion activities, they were exposed to.

## **METHODOLOGY**

The survey design was applied in this study. The subscribers (customers) of the two select telecom networks were the respondents in the study. The population of the study was 51,298,878 for Airtel and 51,856,114 for Globacom, amounting to 103,154,992 subscribers of these two telecom service providers resident in Nigeria (NCC, 2020). Thus, with Nigeria's projected population of 200,963,599 as at 2019 and that of Akwa Ibom State 4,785,078, the subscribers' population for Airtel and Globacom in Akwa Ibom State was derived as follows:

(i) National Airtel subscribers = 51,298.878

Proportionately = 200, 963,599/51,298.878

= 3.9 ≈4

For Akwa Ibom State, Airtel subscribers' population figure was = (4,785,078)/4

= 1196,269

(ii) National Globacom subscribers = 51,856,114

Proportionately = 200,963,599/51,856,114

= 3.8  $\approx$  4

For Akwa Ibom State, the subscriber base for Globacom is = 4,785,078/4

=1196,269

The population of the study therefore, was 2,392,538.

The sample size was determined statistically using Yamane's (1967) formula (Uzuagulu, 1998) thus:  $n=N/(1+Ne^2)$ 

where n = sample size,

N = population, and

E =error limit (The standard being either 0.01 or 0.05).

Hence

 $n = 2,392,538/(1+(2,392,538)0.05^2)$ n = 2,392,538/(1+(2,392,538)0.0025)

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n = 2,392,538/(5,982)

n = 399.9

 $n \approx 400$ 

This resulted in an estimated sample size of 400 subscribers. The subscribers who were respondents to the study were drawn using the multi-stage cluster sampling technique. Akwa Ibom State was clustered along the 10 Federal Constituencies, after which a sampling frame based on the number of Local Government Areas in the state was prepared. From the prepared sampling frame, a Local Government Area was selected from each Federal Constituency through a randomisation process, using a two-digit table of random numbers. From the selected Local Government Areas, a community with the availability of Airtel and Globacom networks was purposively selected. The number of respondents from each of these communities was drawn using the purposive sampling technique.

The respondents for the study were those who fulfilled two basic criteria specified before the administration of the instrument: whether the respondents subscribed to the sampled mobile networks and whether they had credited the network(s) with airtime in the last one year. Those considered loyal in this study were those who frequently credited their lines on either or both networks, willing to remain with either or both networks no matter the circumstance, belief in the superiority of either or both networks service compared to competitors' offerings, and derived satisfaction from either or both networks offerings. The loyalty indicators expressed in the instrument of this study were in line with extant literature (Hayes, 2015).

The questionnaire was pre-tested to eliminate inconsistencies and confirm the suitability of the content, structure and design of the items. After the pilot test with 20 persons in Uyo, the 400 copies of the questionnaire were administered. Out of the 400 copies of the questionnaire distributed, 380 copies (95%) were successfully retrieved and used for analysis. The data were analysed using descriptive statistics including weighted mean scores. The hypotheses were tested using the Pearson's Product-Moment Correlation Co-Efficient Statistics.

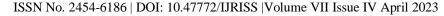
## **RESULTS AND DISCUSSION**

The results and analysis of data which emanated from this study are presented below:

Table 1: Respondents' period of subscription and frequency of crediting lines

David afficient	Airtel		Globacom		<b>Frequency of Crediting Lines</b>		Airtel		Globacom	
Period of Subscription	X	%	X	%		X	%	X	%	
1-2 years	21	33	25	7	Daily	183	48	166	44	
2-3 years	30	8	48	13	Weekly	65	17	69	18	
3-4 years	103	27	110	29	Twice a week	120	32	129	34	
5-6 years	102	26	106	27	In three weeks	7	2	8	2	
6 & above	124	6	91	24	Monthly	5	1	8	2	
Total	380	100	380	100	Total	380	100	380	100	

Table 1 shows the period the respondents had been on the network and how they spent a greater proportion of their credit lines on the networks. The data indicate that all the respondents spent between one and six years and above subscribing to Airtel and Globacom telecommunication networks and the majority (44%) credited their lines daily. These were the criteria used to determine their eligibility in participating in the





study.

Table2: Responses on how the sales promotion strategies determine respondents' loyalty to Airtel and Globacom

Items	Networks	Strongly Agree	Agree	Disagree	Strongly Disagree	WM
		n (%)	n (%)	n (%)	n (%)	
I continue to subscribe to Airtel and Globacom as a result of borrow and	Airtel	115 (30)	186 (49)	63 (17)	16 (4)	3.05
pay later and bonus MB data sales promotion strategies	Globacom	102 (27)	183 (48)	69 (18)	26 (7)	2.95
I will always purchase Airtel and Globacom products because of bonus MB data and borrow and pay later sales promotion strategies	Airtel	67 (18)	150 (39)	95 (25)	68 (18)	2.56
	Globacom	71 (18)	150 (39)	99 (26)	66 (17)	2.62
I remain a subscriber of Airtel and Globacom networks following the borrow and pay later and bonus MB data sales promotion strategies	Airtel	138 (36)	172 (45)	42 (11)	28 (7)	3.10
	Globacom	104 (27)	177 (47)	59 (16)	40 (11)	2.90
I continue to patronise Airtel and Globacom because of bonus MB	Airtel	100 (26)	183 (48)	61 (16)	36 (9)	2.91
data and borrow and pay later strategies.	Globacom	112 (30)	175 (46)	69 (18)	24 (6)	2.98
Total Mean Score						2.88

**Footnote**: N=380; n= number of individual responses; **Significant.** if the weighted Mean is greater than 2.5, since it is a four-point scale.

Table 2 shows that the majority of the respondents (subscribers to Airtel and or Globacom) with 2.88 weighted mean score agreed that they would continue to subscribe, always purchase, remain, and patronise Airtel and Globacom networks as a result of borrow and pay later, and bonus MB data sales promotion strategies.

Table3: Influence of the sales promotion strategies of Airtel and Globacom on respondents' loyalty to the networks

Items	Networks	Strongly Agree	Agree	Disagree	Strongly Disagree	WM
		n (%)	n (%)	n (%)	n (%)	
I continue to tell people about Airtel and Globacom networks because of the borrow and pay later sales promotion strategy	Airtel	81 (21)	176 (46)	64 (17)	57 (15)	2.72
	Globacom	73 (19)	149 (39)	75 (20)	83 (22)	2.55





Airtel and Globacom bonus MB data on every recharge sales promotion	Airtel	93 (25)	182(48)	52 (14)	53 (14)	2.82
strategy influence me to tell others about the networks	Globacom	89 (23)	179 (48)	66 (17)	46 (12)	2.81
I frequently recharge my lines so as to benefit from these offers and share to friends	Airtel	73 (19)	168 (44)	84 (22)	55 (14)	2.68
	Globacom	101 (27)	172 (45)	65 (17)	42 (11)	2.87
I always recommend the services/products of Airtel and Globacom to people because of these offers	Airtel	110 (29)	191 (50)	54 (14)	25 (7)	3.01
	Globacom	96 (25)	172 (45)	68 (18)	44(12)	2.84
Total Mean Score						2.78

**Footnote**: N=380; n= number of individual responses; **Significant.** if the weighted Mean is greater than 2.5, since it is a four-point scale.

In Table 3 the majority of the respondents with 2.78 weighted mean score agreed that these strategies influenced their advocacy for the networks and frequent recharging of their lines.

Table 4: Respondents' levels of loyalty to Airtel and Globacom networks vis-à-vis the loyalty indicators

Issues	Networks	Strongly Agree	Agree	Disagree	Strongly Disagree	WM
		n (%)	n (%)	n (%)	n (%)	
I always recommend my service provider/network brand to other	Airtel	63 (17)	182 (47)	76 (20)	69(18)	2.68
people	Globacom	61 (16)	159 (42)	83 (22)	77(20)	2.53
I would always remain with my service provider/network brand at all costs	Airtel	79 (21)	186 (49)	71 (18)	44(16)	2.78
	Globacom	66 (17)	164 (43)	75 (20)	75(20)	2.58
I belief in the superiority of my service provider/ network brand compared to competitors' offerings	Airtel	72 (19)	194 (51)	63 (17)	51(13)	2.75
	Globacom	68 (18)	147 (39)	91 (24)	74(19)	2.78
I derive satisfaction with my decision to stay with my service provider/ network	Airtel	112 (29)	162 (43)	78 (21)	28(7)	2.92
	Globacom	104 (27)	159 (42)	79 (21)	38(10)	2.86





<b>Total Mean Score</b>						2.81
I love using the services and products of my service provider/network	Airtel Globacom	185 (49) 96 (25)	98 (26) 170 (45)	60 (16) 66 (17)		3.13 2.82
I would always patronise myservice provider/network brand anytime despite any changes	Airtel Globacom	92 (24) 195 (51)	178 (47) 80 (21)	70 (20) 63 (17)	36(9) 42(11)	2.83 3.12

**Footnote**: N=380; n= number of individual responses; **Significant.** if the weighted Mean is greater than 2.5, since it is a four-point scale.

The statistics in Table 4 shows that the majority of respondents with overall weighted mean of 2.81 would always recommend their service provider to others, believe in the superiority of their service provider over competitors' offerings, love and derive satisfaction with their decisions to stay with the networks.

## **Hypotheses Testing**

To test the hypotheses, the Pearson's Product-Moment Correlation Co-efficient statistics was used to determine the relationship between the tested variables. Hypothesis 1 predicted that sales promotion strategies of Borrow and Pay Later and Bonus MB Data of Airtel and Globacom have positive influence on customer retention, advocacy, and re-purchasing of the companies' networks. The result largely supports this proposition. The calculated Pearson's Correlation analysis (r=0.9412; p=7.71) shows a significant relationship between sales promotion strategies of Borrow and Pay Later and Bonus MB Data of Airtel and Globacom with customer retention, advocacy and re-purchasing of the companies' networks in Akwa Ibom State, Nigeria. The second hypothesis predicted that sales promotion has significant influence on customer loyalty to Airtel and Globacom networks in Nigeria. The result affirms this prediction, as the calculated Pearson's Correlation analysis (r=0.9601; p=7.71) shows that sales promotion has significant influence on customer loyalty to Airtel and Globacom in Akwa Ibom State, Nigeria. The third hypothesis stated that Airtel Borrow and Pay Later and Bonus MB Data yield greater loyalty to Airtel network than Globacom Borrow and Pay Later and Bonus MB Data in Akwa Ibom State. The calculated Pearson's Correlation analysis (r=0.964; p=0.666) is greater than the critical value. Since the computed value is higher than the critical value at 0.05% level of significance with 7 degree of freedom the alternate hypothesis is accepted. Thus, Airtel Borrow and Pay Later and Bonus MB Data yield greater loyalty than Globacom Borrow and Pay Later and Bonus MB Data sales promotion strategies in Akwa Ibom State.

## **DISCUSSION OF FINDINGS**

**Research Question 1:** To what extent do Borrow and Pay Later, and Bonus MB Data sales promotion strategies determine subscribers' retention of loyalty and re-purchasing of Airtel and Globacom networks?

The descriptive statistics result in Table 2 shows the weighted mean scores of how sales promotion strategies determined respondents' loyalty to Airtel and Globacom networks vis-à-vis the telecommunication industry in Nigeria. Analysis shows that out of the 380 respondents, 3.05 (Airtel) and 2.95 (Globacom) continued to subscribe to their respective networks as a result of Borrow and Pay Later and Bonus MB Data sales promotion strategies. The respondents who would always purchase these companies' products because of these sales promotion strategies had the weighted mean scores of 2.56

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(Airtel) and 2.62 (Globacom) respectively. From the analysis, respondents with 3.10 (Airtel) and 2.90 (Globacom) stated that they used these networks because of these strategies, while 2.91 (Airtel) and 2.98 (Globacom) patronised these network brands because of these strategies. From the overall weighted mean score of 2.88 which is greater than the level of significant weighted mean score of 2.5, it is inferred that Airtel and Globacom sales promotion strategies of Borrow and Pay Later and Bonus MB Data on every recharge made are effective sales promotion strategies for gaining customer retention and re-purchasing in the telecommunications industry in Nigeria. This result is corroborated by the tested hypothsis1 which showed a significant correlation between sales promotion strategies and customer retention, advocacy and repurchasing of the companies' networks in Akwa Ibom State, Nigeria. Previous studies (Mahmoud and Hinson, 2012; Fennell, 2014) have reported that innovative sales promotion strategies such as Borrow and Pay Later, Bonus MB Data, event sponsorship, and corporate social responsibility marketing help marketers gain market share, retain customer share, and survive competition. Effective marketing communications may include: greater brand awareness, generate sales, customer retention, and repeat business. Blythe (2006) has attested to the fact that sales promotion strategies provide added value or incentives to consumers, wholesalers, retailers or other organisational customers to encourage retention and re-purchasing of products. It is mainly applied to induce current customer to visit the store more often (Ailawadi and Neslin, 2008); arouse consumers desire, encourage trial of products (Ndubisi and Moi, 2005) and increase brand awareness and retention (Blattberg and Neslin, 2000).

This result also supports earlier findings that sales promotion strategies positively affects customer loyalty to companies (Laroche et al., 2003; Rajagopal, 2008) and to brands (Pauwels et al., 2004; Rizvi and Malik, 2011; Omotayo, 2011) because it can affect customers' willingness to try a new brand and generate loyalty over the long-term. It is established in literature that purchases made during a promotion have a positive effect on future purchase intentions, which may be a consequence of strengthening consumers' preferences for the purchased brand. Loyalty or continuity programmes such as frequent user programmes and shoppers' cards, which reward consumers' repeat purchasing of a particular brand or at a particular outlet, have their greatest value in encouraging consumers with divided loyalty to purchase a given brand again and again (Shimp, 2000).

**Research Question 2:** To what extent do Borrow and Pay Later and Bonus MB Data sales promotion strategies influence subscribers' advocacy for Airtel and Globacom networks?

The descriptive statistics result in Table 3 shows the mean scores of how the Borrow and Pay Later and Bonus MB Data sales promotion strategies of Airtel and Globacom influenced respondents' loyalty in the telecommunication industry in Akwa Ibom state, Nigeria. As expressed in the Table, respondents with 2.72 weighted mean score for (Airtel) and 2.55 (Globacom) continued to advocate for the networks and 2.82 for (Airtel) and 2.81 (Globacom) respectively said they were influenced by the sales promotion strategies to carry out the advocacy. It is also stated in the Table that respondents with the weighted mean scores of 2.68 for (Airtel) and 2.87 (Globacom) frequently recharged their lines so as to benefit from these offers as well as share to friends. The weighted mean scores of 3.01 (Airtel) and 2.84 (Globacom) represented respondents who recommended their network brands to others because of these sales promotion offers. The overall data represented by 2.78 weighted mean score suggest that Airtel and Globacom Borrow and Pay Later and Bonus MB Data sales promotion strategies influenced respondents' advocacy of the networks. This result implies that customers' perception of Borrow and Pay Later and Bonus MB Data offer would influence and retain their loyalty in the telecommunication industry in Nigeria. The tested hypothesis 2 supported the finding that the sales promotion strategies had significant influence on customer loyalty. These results validate Shiffman and Kanuk's (2004) conclusion that customer loyalty is a positive behaviour and attitude toward a brand which could result in positive word of mouth (advocacy) and repeat purchase. Customer loyalty has three parts: re-buy intention, primary behavior, and secondary level behaviour (Jones and Sasser, 1995). Re-buy intention means future intention of the customer to re-purchase the product or service

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(Kotler, 2004); primary behaviour is the practical re-visiting behaviour of a customer, while secondary level behaviour indicates the willingness of a customer to recommend the product to others and enhance customer loyalty through human relationship (Kotler, 2004; Chen, Chen and Hsieh, 2007).

**Research Question 3:** What is the level of loyalty that subscribers in Akwa Ibom State, Nigeria have to Airtel and Globacom Telecommunication networks?

The descriptive statistics result in Table 4, contains the weighted mean scores of respondents' opinions vis-àvis the loyalty indicators of re-purchasing, advocacy and retention as expressed in their willingness to recommend, remain, and believe in the superiority of the networks compared to what competitors are offering among others, which could be used to determine the level of customer loyalty in the telecommunication industry in Nigeria. Analysis of the data in Table 4 shows that respondents with weighted mean scores of 2.68 (Airtel) and 2.53 (Globacom) always recommended the service provider/network brands to other customers. Respondents with weighted mean scores 2.78 (Airtel) and 2.58 (Globacom) resolved to remain with the service provider/network brands at all costs. The weighted mean scores 2.75 (Airtel) and 2.78 (Globacom) represent respondents who believed in the superiority of the service provider/network brands compared to competitors' offerings. The result further shows that respondents with the weighted mean scores 2.92 (Airtel) and 2.86 (Globacom) derived satisfaction with their decision to stay with the service provider/network brands. While respondents with weighted mean scores 2.83 (Airtel) and 3.12 (Globacom) would always patronise their service provider/network brands despite changes, 3.13 (Airtel) and 2.82 (Globacom) loved using the services and products of their service provider. Respondents' responses to the items in the Table represented by the total weighted mean score of 2.81 suggests that customers were loyal to Airtel and Globacom with the sales promotion strategies being the driving force. Comparatively, Airtel sales promotion strategies of Borrow and Pay Later and Bonus MB Data yield greater loyalty than that of Globacom as evident in the result of tested hypothesis 3.

## CONCLUSION/RECOMMENDATION

The main objective of this study was to examine the relationship between Airtel and Globacom sales promotion strategies of Borrow and Pay Later and Bonus MB Data and Hayes (2015) brand loyalty indicators. The findings of this study make some contributions to knowledge in marketing communications. The study focused specifically on new sales promotion strategies deployed by telecommunication firms and the relationship with customer brand loyalty indicators in an industry that is fiercely competitive. This study provided empirical evidence that customer retention, advocacy, and re-purchasing behaviour could be retained or determined by the sales promotion strategies of Borrow and Pay Later and Bonus MB Data. In other words, deploying these strategies could bring about or retain customer brand loyalty. There was significant relationship between Borrow and Pay Later and Bonus MB Data sales promotion and brand loyalty.

This study has ascertained the extent to which customer brand loyalty and sales promotion strategies are interrelated in telecommunication services from the developing country perspective, considering the fact that, most studies of this nature were conducted in developed nations (Oliver, 1999; Yoo *et al*; 2000; Lee, 2000; Erdem and Sun, 2002; Prendergast and Thompson, 2008; Hayes, 2015). This study has added to literature on the determinants of customer brand loyalty by confirming that Borrow and Pay Later and Bonus MB Data do influence brand loyalty. The findings of this study further validate the Behaviour Theory by Pavlov and Skinner (1957) that, sales promotion can actively invite a buyer to participate, be rewarded and eventually connect a particular product or service with a particular stimulated need. Having reinforced the purchase behaviour, it is likely to be repeated relating to the behavioural forces influencing human beings, especially the buying attitude. It is recommended that, telecommunication firms and similar organisations should put in effective strategies to manage the marketing activities that influence

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customer loyalty to their brands.

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