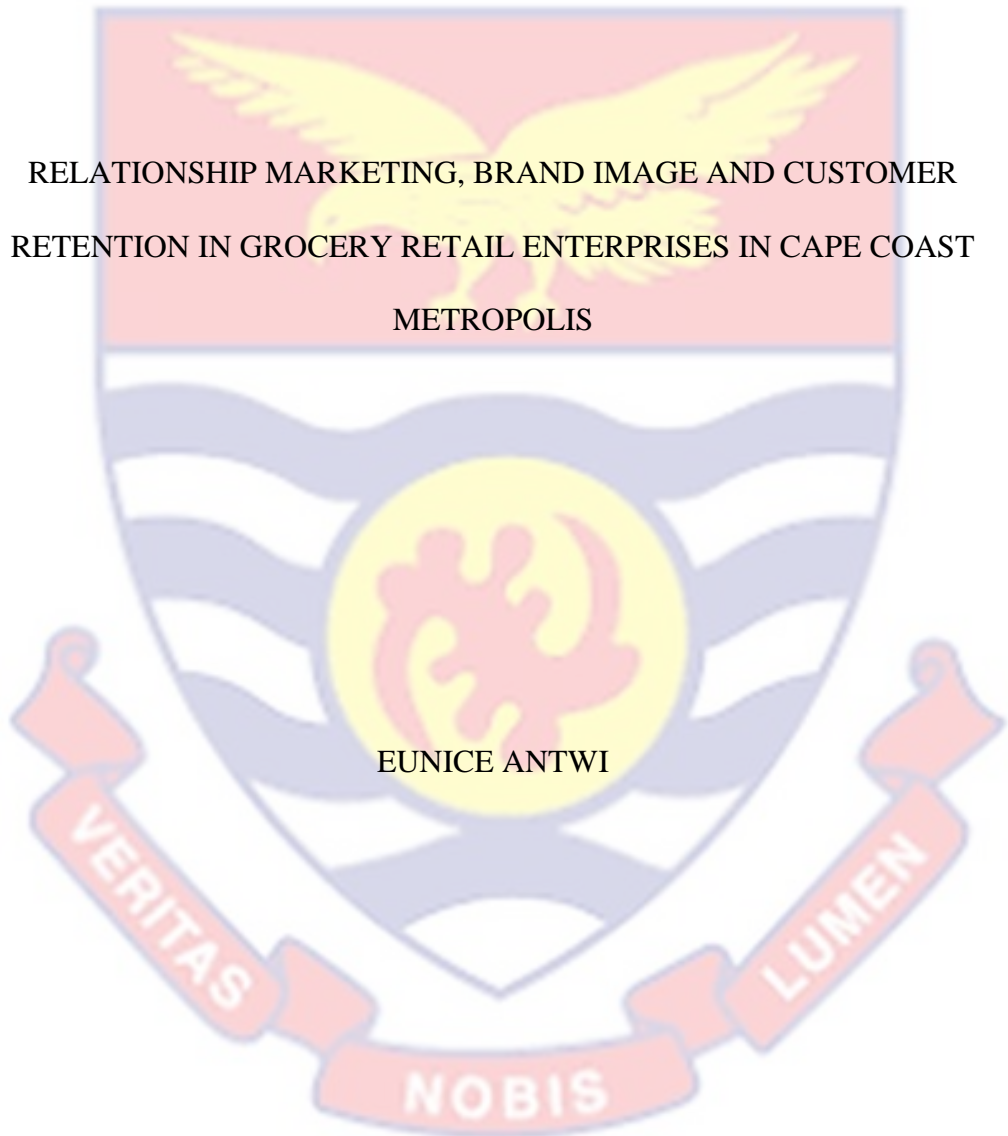


UNIVERSITY OF CAPE COAST

RELATIONSHIP MARKETING, BRAND IMAGE AND CUSTOMER  
RETENTION IN GROCERY RETAIL ENTERPRISES IN CAPE COAST  
METROPOLIS



EUNICE ANTWI

2021

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RETENTION IN GROCERY RETAIL ENTERPRISES IN CAPE COAST

METROPOLIS

BY

EUNICE ANTWI

Dissertation submitted to the Department of Marketing and Supply Chain  
Management of the School of Business, College of Humanities and Legal  
Studies, University of Cape Coast in partial fulfilment for the award of  
Master of Business Administration degree in Marketing

SEPTEMBER 2021

## DECLARATION

### Candidate's Declaration

I hereby declare that this dissertation is the result of my own original research and that no part of it has been presented for another degree in this university or elsewhere.

Candidate's Signature..... Date.....

Name: Eunice Antwi

### Supervisor's Declaration

I hereby declare that the preparation and presentation of the dissertation were supervised in accordance with the guidelines on supervision of dissertation laid down by the University of Cape Coast.

Supervisor's Signature..... Date.....

Name: Prof. Francis O. Boachie-Mensah

## ABSTRACT

The study examined the influence of relationship marketing on customer retention among grocery retail enterprises in the Cape Coast Metropolis through the mediating role of brand image. Specifically, three research objectives were investigated; to analyse the influence of relationship marketing on customer retention; to examine the influence of brand image on customer retention; and to assess the mediating role of brand image in the relationship between relationship marketing and customer retention among grocery retail stores in Cape Coast Metropolis. The study relied on the quantitative approach and explanatory design. A structured questionnaire was used to gather data from a sample of 203 respondents at the selected retail shops. The data was then processed using the IBM SPSS Statistics (version 25) and analysed using inferential statistics through PLS-SEM. The study found that relationship marketing and brand image had a significant influence on customer retention. The study also found that brand image partially mediated the relationship between relationship marketing and customer retention among grocery retail stores in Cape Coast Metropolis. The study, therefore, recommends that retailers in the bit to excel in the competitive environment should first pay attention to the brand image of products they combine to offer the market and second, develop a system such as customer automation to improve on relationship marketing.

**KEY WORDS**

Relationship Marketing

Brand Image

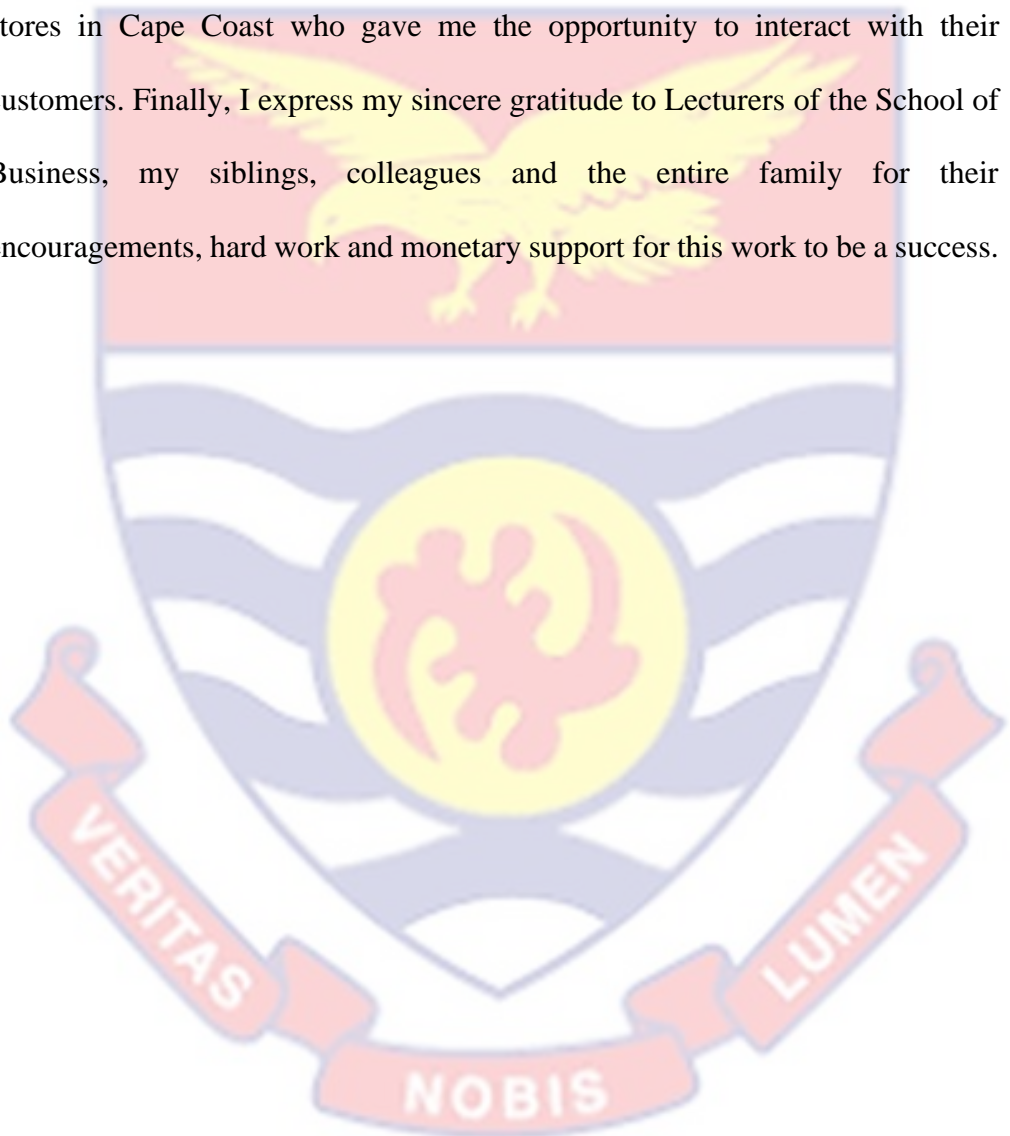
Customer Retention

Grocery Retail Enterprises



## ACKNOWLEDGEMENTS

I am grateful to my supervisor Prof. Francis O. Boachie-Mensah whose inputs, suggestions and prompt responses helped me to finish this research work. Moreover, I am thankful to my parents for their endless support financially and daily inspirational words to me. I am thankful to all managers of grocery retail stores in Cape Coast who gave me the opportunity to interact with their customers. Finally, I express my sincere gratitude to Lecturers of the School of Business, my siblings, colleagues and the entire family for their encouragements, hard work and monetary support for this work to be a success.



## DEDICATION

To my parents, Mr. Patrick Boasiako Antwi and Mrs. Dorcas Amoah.



## TABLE OF CONTENTS

	Page
DECLARATION	ii
ABSTRACT	iii
KEY WORDS	iv
ACKNOWLEDGEMENTS	v
DEDICATION	vi
TABLE OF CONTENTS	vii
LIST OF TABLES	xi
LIST OF FIGURES	xii
CHAPTER ONE: INTRODUCTION	
Background to the Study	1
Statement of the Problem	8
Purpose of the Study	10
Research Objectives	10
Research Hypotheses	10
Significance of the Study	10
Delimitations	11
Limitations	11
Definition of Terms	12
Organisation of the Study	13
CHAPTER TWO: LITERATURE REVIEW	
Introduction	14
Review of Theories Underpinning the Study	14
Relationship Marketing Theory	14



Commitment-Trust Theory	17
Conceptual Review	19
Concept of Relationship Marketing	19
Trust	22
Commitment	23
Conflict Handling	25
Communication	26
Bonding	27
Brand Image	28
Empirical Review and Hypotheses Development	32
Relationship Marketing and Customer Retention	32
Brand Image and Customer Retention	35
Mediating Role of Brand Image on Relationship Marketing and Customer Retention	37
Conceptual Framework	38
Chapter Summary	39
<b>CHAPTER THREE: RESEARCH METHODS</b>	
Introduction	40
Research Design	40
Research Philosophy	41
Research Approach	43
Study Area	44
Population	45
Sampling Procedure	46
Data Collection Instruments	47

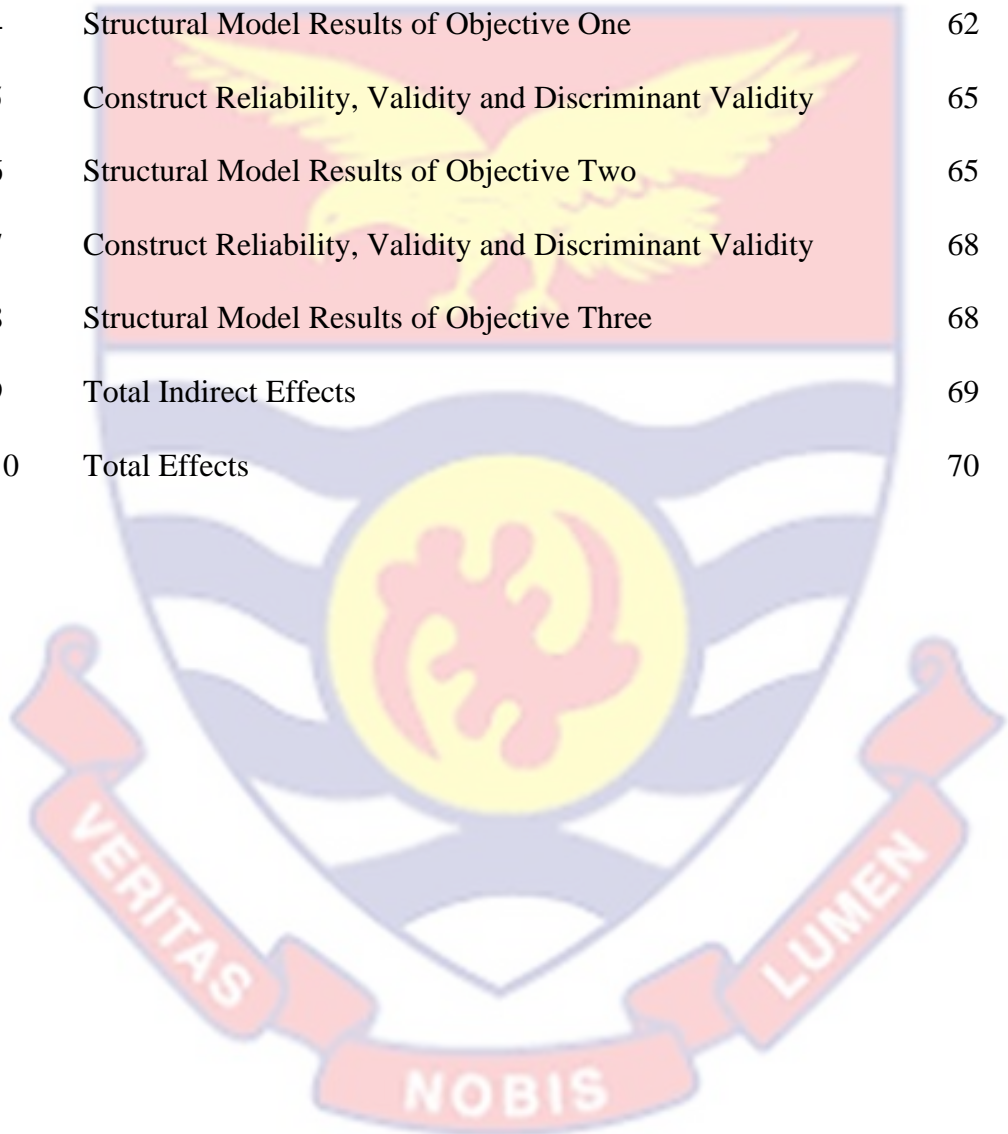
Reliability and Validity	50
Pre-Testing of Instrument	50
Data Collection Procedures	51
Data Processing and Analysis	52
Measurement Model Assessment	53
Structural Model Assessment	55
Mediation	55
Ethical Considerations	56
Chapter Summary	57
<b>CHAPTER FOUR: RESULTS AND DISCUSSION</b>	
Introduction	58
Background Characteristics of Respondents	59
Influence of Relationship Marketing on Customer Retention	60
Measurement Model	60
Structural Model	62
Influence of Brand Image on Customer Retention	64
Mediating Role of Brand Image in the Relationship between Relationship Marketing and Customer Retention	67
Chapter Summary	71
<b>CHAPTER FIVE: SUMMARY, CONCLUSIONS AND RECOMMENDATIONS</b>	
Introduction	73
Summary	73
Conclusions	74
Recommendations	76

Suggestions for Further Research	76
REFERENCES	78
APPENDICES	102
APPENDIX A: Questionnaire	102
APPENDIX B: Introductory Letter	106



## LIST OF TABLES

Table		Page
1	Computed Reliability Coefficients for the Pre-Test Data Collected	51
2	Background Characteristics of Respondents	59
3	Construct Reliability, Validity and Discriminant Validity	61
4	Structural Model Results of Objective One	62
5	Construct Reliability, Validity and Discriminant Validity	65
6	Structural Model Results of Objective Two	65
7	Construct Reliability, Validity and Discriminant Validity	68
8	Structural Model Results of Objective Three	68
9	Total Indirect Effects	69
10	Total Effects	70



## LIST OF FIGURES

Figure		Page
1	Conceptual Framework	38
2	Indicator loadings of Objective One	60
3	Indicator loadings of Objective Two	64
4	Indicator loadings of Objective Three	67



## CHAPTER ONE

### INTRODUCTION

Delivering services that meet the standards of the customers and count on the customers' appreciation to remain loyal to a company has been of significant importance to scholars. Despite this, little efforts have been made by researchers to empirically investigate the antecedents that influence the retention of the customers towards a given product or service of an enterprise. Thus, more specific studies are required to examine the factors that influence customer retention in the grocery retail enterprises, particularly in the context of a developing country. This study seeks to examine how relationship marketing could influence the customer retention in the grocery retail enterprises in Ghana. The chapter comprised the background to the study, statement of the problem, purpose of the study, research objectives, research hypothesis, significance of the study, delimitations, limitations, definition of terms and organisation of the study.

#### **Background to the Study**

Shopping for products or services in retail outlets is being there for a longer time, currently, it does happen. There are various means by which a customer can purchase an item, be it in the bigger stores or the smaller ones. Retail grocery involves all stores from small kiosks to supermarket chains as well as the shopping malls that sell food products or services directly to consumers both for personal and household consumption with 36% market share in the Ghanaian economy (Ward, Smith, & Tran, 2016). Supermarkets, convenience stores, online shopping and the open-markets are the ways a customer can get access to a product or service. Operators of these markets are

galloping for customers without concentrating on how to retain these customers in their individual businesses (Gummerus et al., 2017). An Indian martyr M.K. Gandhi once said in his speech at South Africa in 1890 that, “A customer is an essential visitor on our environment. He is not relying on us; we are relying on him instead. He is not a disruption to our work but the aim of it. We are not doing him a favour by serving him; He is doing us a favour by giving us the opportunity to do so.” Hence, in the retail markets, relationship marketing is used as a modest tool in concentrating on capturing the minds of customers to ensure long term endurance in the retail market (Beck, Chapman, & Palmatier, 2015).

The marketplace today is more dynamic, vibrant, and competitive which makes the customers very smart, well informed, and have access to many channels and choices which they take little time to exercise (Alrubaiee & Al-Nazer, 2010; Ngoma & Ntale, 2019). Researchers have also noted that the present-day business environments are characterised by increasingly saturated markets, caused by changes like competition and an ever-growing imperative to attain a comprehensive appreciation of customer needs (Mkansi, Eresia-Eke & Emmanuel-Ebikake, 2018). Thus, matching the growing complexity of the business environment has led to an ever-more diversified and demanding customer base by businesses regardless of the kind of offering they present to the market. The circumstances surrounding the competitive demand for customers by businesses across the world warrant that companies adopt key strategies to attract and retain customers (Deepak & Jeyak, 2019; Katsikeas, Leonidou & Zeriti, 2019).

Mohammed, Ayalew and Tesfaye (2020) stated that making conscious efforts by businesses to retain customers can contribute to an increase in a firm's revenue, reduce customer defection rate and develop new business through positive word of mouth advertising. Ngoma and Ntale (2019) argue that since customer retention has become an important variable in marketing and particularly in the field of customer relationship management, it is likely to lead to positive attitudes and behaviours such as loyalty, repeat patronage and purchases and positive recommendations which may influence other actual or potential customers. According to Zakaria, Rahman, Othman, Yunus, Dzulklipli and Osman (2014), as competition intensifies, many firms are developing or improving their loyalty programs to deter customers from defecting to their competitors. The authors further noted that a loyal customer base will generate more predictable sales, steady cash flow and an improved profit stream while countering any competitive agitation.

Hafeez and Muhammad (2012) also claimed that customer retention cushions the base of customers' loyalty to a firm which makes them more attached to the brand, store, manufacturer, or service provider. This explains that retained customers are less price-sensitive, reduce marketing expenditures for attracting new customers and improve organisational profitability. Besides, Azila and NoorNeeraj (2011) stated that retained customers serve as a "fantastic marketing force" by providing recommendations and spreading positive word of mouth to other prospects. Usman and Mahmood (2014) reported that customer retention is a vital factor in a firm's marketing activities and a means of sustaining competitive advantage. In view of the authors, customer retention



is defined as the process of sustaining business relationships between organisation and customer over the long term.

According to Kunle, Ganiyu and Nkechi (2020) customer retention is described as a strategy that aims to maintain a reasonable percentage of valuable customers by decreasing customer defections (churn) and foster repeat patronage over a long period. Kunle et al. proclaimed that customer retention benefits the firms in areas of decreasing relationship maintenance costs as both customers and businesses learn more about each other due to declining customer churn tendency and customer replacement costs. Nguyen, Jenni and Margaret (2018) also reported that the benefits enshrined in customer retention are well recognised, because long-term customers are more persuaded to buy more, offer a positive word of mouth communication, and are less sensitive to price increment.

Based on the enormous benefits of customer retention to businesses, scholars, such as Husnain and Akhtar (2016), Brodie (2017), Ogbechi, Okafor and Orukotan (2018), Van Tonder and Petzer (2018) and Kassahun (2019), have reiterated the need for businesses to employ workable marketing practices to retain their loyal customers. The extensive review of the works of the aforementioned authors suggests that relationship marketing is one of the prominent strategies that could manipulate customers to remain with an enterprise's offering.

This is because relationship marketing has been touted as an ingrained philosophy that binds the interest of both the sellers and consumers together in harmony (Brodie, 2017). Relationship marketing is one of the latest and most important marketing approaches that support and strengthen such relationships.

In this regard, many marketing leaders and researchers agreed on the fact that state “losing one customer will cost the organisation five times to attract new one”, that is why any organisation is seeking a long-term relationship and a constant attempt to maintain existing customers rather than seeking new customers (Datta, 2018; Van Tonder & Petzer, 2018; Aldaihani & Ali, 2019).

Itani, Kassar and Loureiro (2019) stated that businesses are increasingly relying on establishing strong relations with their customers not only in terms of better serving and catering to them but also in terms of promoting goodwill. The authors seem to suggest that one of the thrusts of relationship marketing is to take advantage of long-term relationships based on cooperation and alliance between the parties that contribute to conflict-avoidance and promotes retention. From a service perspective, Berry (1983) defined relationship marketing as a strategy for attracting, maintaining, and enhancing customer relationships. This definition tries to illustrate that enhancing customer relationships between parties is not only the goal of relationship marketing but should also be to sustain that relationship, hence, it is viewed as a long-term perspective on the part of the business entities to retain their customers (Gilboa, Seger-Guttmann & Mimran, 2019).

Relationship marketing theory grounded in earlier reflections of Halinen (1994) and Brodie, Coviello, Brookes, and Little (1997) suggests that successful relationship marketing results from certain aspects of cooperative relationships that characterise successful relational exchanges. According to Boateng (2019) and Lembede (2020) studies suggest numerous factors that influence relationship marketing success, three factors consistently identified as important are trust (Dwyer, et al., 1987; Morgan & Hunt, 1994; Sivadas & Dwyer, 2000),

relationship commitment (Moorman, Zaltman, & Deshpande, 1992), and communication (Mohr & Nevin, 1996). Also, satisfaction, bonding, shared value, empathy, dependence and reciprocity have been considered as important components of relationship marketing orientation (Sin, Tse, Yau, Chow, Lee & eLau, 2005; Eisingerich, Andreas & Bell, 2006) which collaboratively influence the retention rate of customers of an enterprise.

Moreover, Cuong and Khoi (2019) reported that although, building a reputed brand image and attracting new customers remains a complicated task for the marketing managers in any organisation, nevertheless, the companies should also focus on brand image to enhance retention with profitable long-term relationships. Neupane (2015) concurred that brand image is very important because the customers always seek branded products or services in this current competitive market environment. According to Al-Hawary and Hussien (2016), a brand is the name, term, symbol or any other features that differentiate one product from other companies' products.

The author further posited that when brand image is managed carefully, it serves as an important asset for the organisation to create values for the shareholders, other associated groups and more importantly customer loyalty. Roy, Datta and Basu, (2017) stated that brand image has an impact on recent businesses on customers' insight and retention. Therefore, many retail businesses have established a way of differentiating company's product or service in the minds of customers (Hanaysha, 2018).

Notably, the grocery retail industry is both dynamic and vast; it has been undergoing rapid changes throughout the world over the past few decades. Both in the advanced countries and developing nations, consumers have witnessed

the emergence of supermarkets, hypermarkets and mega supermarkets as the dominant retail form (Datta, 2017). The main reasons for these are that large retailers have developed a new form of shopping experience by introducing self-service and best service quality provisions to the customers on one hand and the other hand, customers have readily embraced this new high street phenomenon with enthusiasm. Since then, the whole landscape of grocery retailing has steadily been changed. Customers are looking for better quality products with better prices, in essence, good value for money, convenient payment methods, varieties of branded products, parking facilities, convenient locations, other service and product-related factors have all contributed to the changes of consumer behaviours (Jiang, Yang & Jun, 2013).

In Ghana, the retail sector comprises general retailers, Departmental stores, Specialty stores and Discount stores, which provides wide opportunities in the food and grocery retail business owing to fast-growing urbanisation, rising household incomes and change in lifestyle. Ghana is the 11th largest grocery retail market in Africa and the second largest in West Africa after Nigeria. The retail food sector in Ghana consists of three main subsectors: Supermarkets (accounting for approximately 4% of total retail sales), Convenience stores and small grocery stores (36%), and Traditional open-air markets (60%) (Konlan, 2018). More than 90% of the local staple foodstuffs, including fresh fruit and vegetables, meat and frozen fish (imported or local), are sold to consumers at the traditional markets (Ghana Retail Industry Market, GRIM, 2019). Traditional markets organise promotional activities that tend to have a significant consumer impact.

This study is situated in the Cape Coast Metropolis, particularly on the grocery retail stores located within the confines of the Metropolis. The premises of staging the study alludes to the springing of numerous grocery retail stores in the city. Currently, Cape Coast is described as the citadel of tourism and the city of education in Ghana (Annan-Prah, Amewovor, Osei-Kofi, Amoono, Akorli, Saka & Ndadi, 2011); the reasons for the growing establishments of those businesses in Cape Coast. It is prudent that a study of this nature is conducted to assess the role relationship marketing plays in customer retention among the businesses since competition is tightened among the retail operators.

### **Statement of the Problem**

Palto, Fraser and Lebcir, (2018) stated that, the Ghanaian consumer attitude towards shopping behaviours is also affected by various social factors surrounding the consumers, such as changes in consumers' lifestyles, demographic characteristics, eating habits, more conducive shopping behaviour, access to a wide range of better quality imported and branded products, and rapid growth of urbanisation (Palto, Fraser & Lebcir, 2018). These affect the ability of businesses to make and retain loyal customers. Therefore, the grocery retailers need to build and maintain a loyal customer base and increase customer retention to sustain a competitive advantage.

Although, relationship marketing has become an extremely relevant proposal, the comprehension of what it means is still limited. This is because, while some scholars (Datta, 2018; Palto, Fraser & Lebcir, 2018; Aldaihani & Ali, 2019; Amoakoh, Chipunza & Iwuchukwu, 2019) in their studies found a significant relationship between relationship marketing and customer retention, others found no significant relationship between the variables (Nakhleh, 2012;

Van Tonder & Petzer, 2018). For instance, the study of Van Tonder and Petzer (2018) on the nexus of relationship marketing and customer retention discovered that elements such as commitment and empathy had no significant link with customer retention. Jumaev and Hanaysha (2012) and Narteh et al. (2013) agree that the relationship marketing (RM) literature is still inconsistent and highly fragmented due to the lack of a common conceptualisation, proposing a delineation of RM as an ongoing process that involves the development and leveraging of market intelligence for building and maintaining a profit-maximising portfolio of customer relationships.

Again, the inconsistencies may be due to the neglect of other important variables, such as a brand image of the businesses. Since authors, like Neupane (2015) and Cuong and Khoi (2019), have stressed the prominence of brand image at promoting the retention rate of customers, its inclusion may play a significant intervening role in the relationship between RM and customer retention. Moreover, RM needs to be infused with a strategic vision to create value for the stockholder through the development of a good brand image to the relationship marketing strategies that will result in the establishment of profitable long-term customer loyalty and retention (Ernst, Hoyer, Krafft & Krieger, 2011).

Furthermore, studies on the constructs have been done in the developed nations, neglecting developing nation like Ghana, particularly, in the grocery retailing industry. Differences in consumer culture and attitudes across nations and other reasons advanced earlier necessitate the conduct of this study. Hence, this study seeks to examine the influence of relationship marketing and

customer retention, through the mediating role of brand image in the grocery retail stores in the Cape Coast Metropolis.

### **Purpose of the Study**

The overall purpose of this study is to examine the influence of relationship marketing and customer retention, through the mediating role of brand image in the grocery retail stores in the Cape Coast Metropolis.

### **Research Objectives**

The specific objectives of the study are to:

1. examine the influence of relationship marketing on customer retention among grocery retail stores in Cape Coast Metropolis.
2. examine the influence of brand image on customer retention among grocery retail stores in Cape Coast Metropolis.
3. analyse the mediating role of brand image in the relationship between relationship marketing and customer retention among grocery retail stores in Cape Coast Metropolis.

### **Research Hypotheses**

The study has the following hypotheses:

H1: Relationship marketing has a significant positive influence on customer retention.

H2: Brand image has a significant positive influence on customer retention.

H3: Brand image mediates the relationship between relationship marketing and customer retention.

### **Significance of the Study**

The study will benefit the grocery retail stores by determining how the deployment of relationship marketing will promote customer retention. The

findings of the study will also help improvements in relationship marketing practices so as to attract and retain customers. Moreover, being a pioneering study on the topic in Ghana, the results and recommendations from the study will set the pace in developing and discussing contextual solutions to retail marketing issues in another context. There is no doubt that the existing literature will see the contribution of this study as to how relationship marketing contributes to customer retention through the intervention of brand image.

### **Delimitations**

The study is to be conducted on only registered Grocery Retail Stores located within the boundaries of the Cape Coast Metropolis. The target population of the study is customers of the stores although fragmented across. Partial least square structural equation modelling would be used to analyse the data. The grocery retail stores in Cape Coast Metropolis serve as the context for the study.

### **Limitations**

In spite of all the efforts that were made to conduct the study, there were few challenges which were difficult to avoid. First, the tool that was used for data collection for the study was the questionnaire items and it was anticipated that some of the respondents may not attend to some of the items genuinely, hence, the researcher would give the respondents ample time (two days) to fill out the questionnaire to prevent the response rate not being affected as well as, the location and phone number would be taken for the retrieval of the questionnaire. Second, due to the COVID-19 pandemic, some respondents may be reluctant to respond to the questionnaire items for fear of contracting the virus. Third, some respondents would be very busy to even listen to the



researcher or talk of filling a questionnaire. Fourth, some of the respondents would be interested in filling the questionnaire but they might not be able to read, hence, the researcher would have to interpret for them to understand and give their consent which would take a lot of time.

Despite these anticipated limitations, the researcher ensured that due research processes were followed to obtain the results by being ethically considerate.

### **Definition of Terms**

The key terms or variables used in the study are explained briefly in this subsection.

**Relationship marketing:** Some research scholars' definition on RM stated that, the emphasis of RM is by establishing, and maintaining a beneficial agreement among current customers. According to Berry (1983), relationship marketing shows building and on-going relationship with the customer through appealing actions, (Hoque, Awang, & Salam, 2017). Relationship marketing involves creating, maintaining, and enhancing strong relationships with customers and other stakeholders (Kotler & Armstrong, 2018). RM generates more actual method of relating (Ofosu-Boateng, 2020).

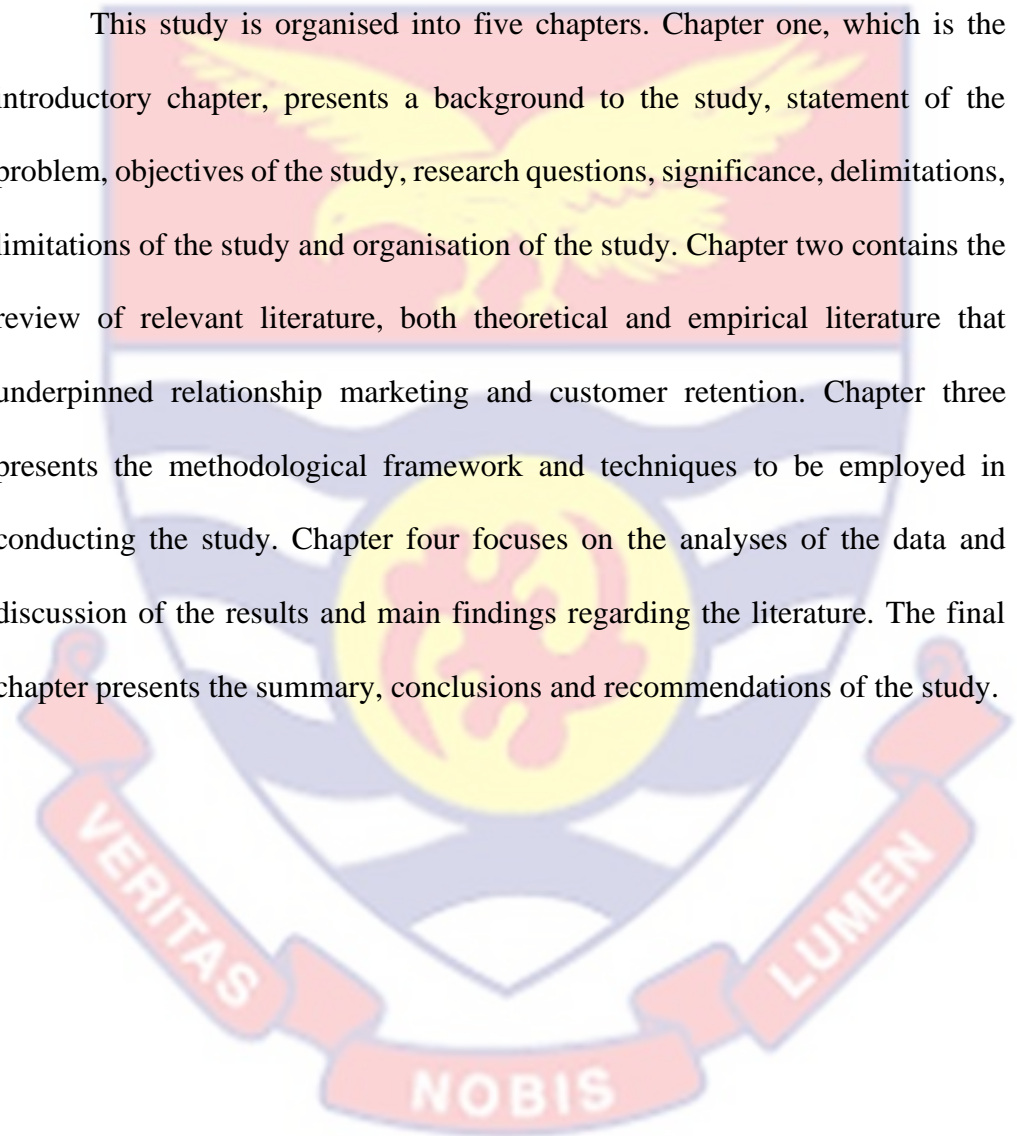
**Brand image:** It is defined as a unique set of associations in the mind of customers regarding what a brand stand for and the implied promises the brand makes (Neupane, 2015).

**Customer retention:** Yu-TeTu and Hsu (2013) reported that customer retention is a vital factor in firm's marketing activities and a means of sustaining competitive advantage. The process of sustaining business relationship between organisation and customer over a long term is labelled as customer retention.

According to Kunle, Ganiyu and Nkechi (2020), customer retention is described as a strategy that aims to maintain a reasonable percentage of valuable customers by decreasing customer defections (churn) and foster repeat patronage over a long period.

### **Organisation of the Study**

This study is organised into five chapters. Chapter one, which is the introductory chapter, presents a background to the study, statement of the problem, objectives of the study, research questions, significance, delimitations, limitations of the study and organisation of the study. Chapter two contains the review of relevant literature, both theoretical and empirical literature that underpinned relationship marketing and customer retention. Chapter three presents the methodological framework and techniques to be employed in conducting the study. Chapter four focuses on the analyses of the data and discussion of the results and main findings regarding the literature. The final chapter presents the summary, conclusions and recommendations of the study.



## CHAPTER TWO

### LITERATURE REVIEW

#### Introduction

The study seeks to investigate the influence of relationship marketing on customer retention through the mediating role of brand image of grocery retail stores in Cape Coast. The focus of this chapter is to outline arguments made by prior researchers concerning the constructs under the study. The chapter opens a discussion on the relevant theories that underpin the study and have been adopted in extant literature to expand knowledge in the field. The chapter further reviews the concepts such as relationship marketing, brand image, customer retention and related concepts. The chapter also covers an empirical review of studies done on the variables whiles presenting the direction of the study on the pictorial conceptual framework to aid readability and understanding.

#### Review of Theories Underpinning the Study

Relationship marketing, brand image and customer retention derive most of their theoretical foundations from several theoretical traditions. Notable among them is the relationship marketing theory and commitment-trust theory. These theories explain how organisations, particularly grocery retailers, can leverage the qualities to exploit the customer retention benefits to their activities. Thus, this study draws inferences and ideas from these theories to help build sound arguments towards the achievement of the purpose of the study. Next is the presentation of the theories.

#### Relationship Marketing Theory

Relationship marketing (RM) theory emerged within the field of service marketing and industrial marketing (Mahmoud, Hinson & Adika, 2018; Palto,

Fraser & Lebcir, 2018) have gained considerable interest among academics and practitioners (Alrubaiee & Al-Nazer, 2010; Malik, Ali & Ibraheem, 2017; Hasan, 2019). A review of the RM theory reveals that, it is conceived in diverse ways by different authors. Proposed by Berry, Shostack and Upah (1983), the authors postulated that RM is a philosophy of managing relationships with stakeholders with emphasis on customer retention. Hunt, Arnett and Madhavaram (2006) opined that the successful relationship marketing theory was created from a number of features of cooperative relationships when marketing activities focus on establishing and maintaining relationships with customers.

In this sense, Salam and Hoque (2019) explain RM as the set of marketing activities oriented to establishing, developing, and maintaining relational exchanges with customers. The relationship marketing theory is a form of marketing developed from direct response marketing campaigns, which emphasises customer retention and satisfaction, rather than a dominant focus on sales transactions (Hennig-Thurau & Hansen, 2013). As a practice, relationship marketing differs from other forms of marketing in that it recognises the long-term value of customer relationships and extends communication beyond intrusive advertising and sales promotional messages (Gilaninia, Almani, Pournaserani & Mousavian, 2011). With the growth of the internet and mobile platforms, relationship marketing has continued to evolve and move forward as technology opens more collaborative and social communication channels (Berglof & Bolton, 2002).

Hoppner, Griffith and White (2015) contend that relationship marketing involves a short-term arrangement where both the buyer and seller have an

interest in providing a more satisfying exchange. This theory tries to disambiguously transcend the simple post purchase-exchange process with a customer to make more truthful and richer contact by providing a more holistic, personalized purchase, and uses the experience to create stronger ties (Hoppner, et al., 2015). Relationship marketing relies upon the communication, trust and a couple of other activities including conflict handling and acquisition of consumer requirements solely from existing customers in a mutually beneficial exchange usually involving permission for contact by the customer through an “opt-in” system (Muhanji & Ngari, 2015).

A key principle of relationship marketing is the retention of customers through varying means and practices to ensure repeated trade from pre-existing customers by satisfying requirements above those of competing companies through a mutually beneficial relationship (Straughan & Albers-Miller, 2000; Muhanji & Ngari, 2015). Scholars in relationship marketing theorise its dimensions as follows: customer trust (Moorman, Deshpande & Zaltman, 1993; Morgan & Hunt, 1994), commitment (Morgan & Hunt, 1994; Ndubisi, 2007); conflict handling (Dwyer, Schur & Oh, 1987; Wang et al., 2005); communication or sharing of secrets (Crosby, Evans & Cowles, 1990), independence (Crosby et al., 1990), fulfillment of promises (Moorman et al., 1993), empathy (Ndubisi, 2007), competence (Roberts-Lombard (2011) and benevolence (Kanyan, Andrew, Ali & Beti, 2015).

This theory is unique and relates to this study because, according to Muhanji and Ngari (2015), other classic marketing theories centered on means of attracting customers and creating transactions rather than maintaining them. The majority usage of marketing communications theories, such as direct

marketing in the past, is now gradually being used more alongside with relationship marketing as its importance becomes more recognisable. Increased profitability associated with customer retention efforts occur because of the several factors that arise once a relationship has been established with a customer (Berglof & Bolton, 2002). Furthermore, the components of relationship marketing, such as trust, conflict handling and commitment, have been identified as the basic building blocks of relationship marketing that influence customer attitudes (Kanyan et al., 2015; Issock, Roberts-Lombard & Mpinganjira, 2020).

### **Commitment-Trust Theory**

The theory by Morgan and Hunt (1994) stresses on the influence of marketing activities that are based on trust and the tendency for customers to stay committed and loyal to the patronage of the product of the company is high. Trust is the confidence both parties in the relationship have that the other party would not do something harmful or risky (Jeans, Parmeteu & Ismail, 2018). Businesses develop trust by standing behind their promises. Commitment on the other hand, involves a long-term desire to maintain a valued partnership (Chen, Chen & Wu, 2017). That desire causes the business to continually invest in developing and maintaining relationships with its customers.

Further, the business could incorporate the feedback to ensure that other customers do not have the same bad experience. In other words, through a series of relationship-building activities, the business shows its commitment to the customer. The results of a relationship based on commitment and trust are cooperative behaviours that allow both parties to fulfil their needs (So, Danaher & Gupta, 2015). Customers do not only get the product or service they are

paying for, but they also feel valued. Businesses receive customer loyalty in return, which is valuable, because you will not have to waste resources acquiring new customers. In other words, investing money in excellent customer service actually can save you money, because one would not have to invest in, for example, numerous marketing campaigns to obtain new customers.

Academic work on the relationship between consumer behaviour, trust, and commitment has proliferated within recent decades. Within the academic research, commitment-trust theory is a newer approach that has been widely adopted by those working within marketing and by academics (So et al., 2015). As recognition of the importance of these elements has grown, specific factors believed to influence trust and commitment have been widely developed through the literature on this subject (Sousa & Alves, 2019). Commitment and trust, according to Morgan and Hunt (1994), have been identified to be the key constructs to the success of any RM efforts. The two constructs are important because they help marketers to become high risk takers, more cooperative and resist attractive short-term alternatives in order to build long lasting relationships. As a result, customers develop trust in these businesses and the mutual loyalty which helps both parties to fulfil their needs.

This theory thus informs and guides major elements of relationship marketing necessary to the attainment of the study's objectives which are the influence of relationship marketing on customer retention. Existing research also supports that, while the relationship between trust, commitment, and consumer behaviour is clearly correlated, it is also driven by a variety of influences, some of which are more traceable than others (Van Doorn et al., 2010; Sousa & Alves, 2019; Issock et al., 2020).

## **Conceptual Review**

This review helps enhance our knowledge concerning the constructs used in this study. The constructs are relationship marketing, brand image and customer retention. The definitions given in the literature concerning relationship marketing was initially addressed, followed by a discussion on its application. Brand image and customer retention would also be discussed with emphasis placed on the different perspectives provided in the literature in defining and measuring it.

### **Concept of Relationship Marketing**

Over the past years, organisations have been changing dramatically to cope with the challenges they are facing continuously due to technological advancement, changes of external global environmental forces, changing behaviours of unpredictable consumers, changing their shopping and consumption patterns (Palto, Fraser & Lebcir, 2018). To cope with these contemporary challenges and complexities, organisations are continuously seeking to adopt new strategies and practices. More and more customer-oriented policies are taken on board by management to survive and achieve competitive advantage and of course, to maximise profits. One of such customer-oriented philosophy is relationship marketing.

The concept of relationship marketing evolved into the mainstream marketing and business literature during the mid-20th century (Datta, Omar & Dixon, 2011). McGarry (1951) is one of the first people who used and discussed the concept of contractual relationships of marketing and argued that marketing cost can be reduced by 10-20 percent by developing and maintaining long lasting mutual and continuous dynamic relationships between organisations and



customers. However, Berry (1983) is the first pioneer scholar who used relationship marketing in service literature and has been identified by various scholars in most of the service marketing literature. Since then, the concept has evolved in an evolutionary way in order to respond to various external environmental factors and the changing nature of consumer's demands (Genc, Hasaballah, Khoa, Ongsakul & Ahmed, 2020).

Berry (1983) considered relationship marketing as the most important strategy for building, maintaining and enhancing relationships with customers. Morgan and Hunt (1994) asserted that relationship marketing is vital to building and managing successful rapport with various stakeholders. Gilaninia, Almani, Pournaserani and Mousavian (2011) asserted that an organisation engaged in proactively creating, developing, maintaining commitment, interactive and profitable exchanges with selected customers (partners) over time is engaged in relationship marketing.

Their modified version defined the term as to "attract, develop and retain a relationship with the customer'. It is clear from the above definitions that enhancing customer relationships between parties are not only the goal of relationship marketing, but should also be to sustain that relationship, hence; it is viewed as a long-term perspective. Although the definition pioneered by Berry (1983) is classical in nature and looks very comprehensive, it does not say much about the purpose of the relationship, nor does it include the various stakeholder groups involved in relationships. However, the later definition by scholars, such as Azar and Mehrani (2017), Grönroos (2017) and Ogbechi, Okafor and Orukotan (2018), made clear that the purpose of the relationship is to retain customers.

Grönroos (2017) explained that relationship marketing is to identify, establish, maintain, enhance and when necessary, also to terminate relationships with customers and other stakeholders, at a profit, so that the objectives of all parties are met, and that this is done by a mutual exchange and fulfillment of promises. From the perspective of Kotler and Armstrong (2018), relationship marketing involves creating, maintaining, and enhancing strong relationships with customers and other stakeholders. The authors noted that relationship marketing is a philosophy orientated for the long term, thus, the goal is to deliver long-term value to customers, and the measure of success is long-term customer satisfaction and retention. According to Armstrong, Adam, Denize and Kotler (2014), relationship marketing is about retaining customers by improving communications, customer data collection and customer service quality. In other words, a key objective of relationship marketing is to foster customer loyalty and retention, which Rizan, Warokka and Listyawati (2014) defined as a deeply held commitment to re-buy or re-patronise a preferred product or service in the future despite there are situational influence and marketing efforts having the potential to cause switching behaviour.

Rizan, Warokka and Listyawati (2014) posited that when long-term relationship exists between organisation and customer, the distance between them becomes shorter and the organisation benefits from repeat purchase and goodwill of the customer. Van Tonder and Petzer (2018) further suggest that firms practicing relationship marketing should focus on the provision of a core service and must ensure the relationship is customised according to the individual's needs. Additionally, the core service must be enhanced with extra benefits and should be correctly priced to foster customer loyalty.

Scholars have identified different orientations of relationship marketing, such as trust (Macintosh & Lockshin, 1997), commitment (Morgan & Hunt, 1994), competence (Smith & Barclay, 1997), equity (Kavali, Tzokas & Saren, 1999), conflict handling (Ndubisi & Madu, 2009), communication or sharing of secrets (Morgan & Hunt, 1994; Ndubisi & Wah, 2005), benevolence (Ndubisi & Wah, 2005), shared values, bonding, and reciprocity (Morgan & Hunt, 1994; Wilson, 1995), and satisfaction (Alrubaiee & Nazer, 2010). Hence, for the purpose of this study, these elements will be holistically explored to determine their effect on customer retention within the retail grocery business in Ghana.

### **Trust**

Trust, which exists when one party has confidence in an exchange partner's reliability and integrity, is a central component in all relational exchanges (Minta, 2018). According to Kaveh (2012), trust is defined as one party's belief that its needs have been fulfilled in the future by actions undertaken by the other party. It is regarded as the willingness to rely on an exchange partner in whom another has confidence (Hadjikhani & Thilenius, 2005). Roberts-Lombards (2011) noted that trust has been identified in several studies as an imperative element in developing relationships with customers. Roberts-Lombard and du Plessis (2012) stated that, before a relationship can exist, both parties must mutually perceive that trust exists.

From a customer's perspective, trust can be seen as a desired product, at a fair price, and an ongoing mutually beneficial relationship between the customer and the company (Leninkumar, 2017). In this regard, Leninkumar is of the opinion that customers will trust organisations which they perceive to be honest. As for Gabler, Rapp and Richey (2014), they defined trust as the ability

of the organisation's staff to clarify the service or product procedures provided to the customer through credibility and professionalism. Researchers believe in trustworthy and credible promises exchanged between others where customer feels satisfied with the service or product, and the organisation achieves the positive results (Al-Hawary & Harahsheh, 2014). Mahmoud, Hinson and Adika (2018) argue that trust is an underpinning of relationship marketing and has a positive influence on customer loyalty, leading to customer retention. Simarmata, Keke, Silalahi and Benková (2017) pointed out that trust has a significant positive impact on customer retention. Santouridis and Veraki (2017) associate higher levels of trust with a higher level of customer retention. Bowen and Shoemaker (2003) found that building customers' trust has an important role in ensuring customer retention.

### **Commitment**

The commitment results from the customer's trust in the organisation, and the quality of its services and products, and the ease of what it deals with (Aldaihani & Ali, 2019). This dimension is as a result of the customer's trust, good communication relations, and excellence in competence. This makes the customer committed to the frequent purchase of services and products from the organisation. Al-Qudah and Al Rubaiee (2012) defined commitment as an implicit indicator of continuity in the success of the marketing relationship between the customer and the organisation indefinitely. Kloub, Wishah, Alzubi, Alaal and Alweshah (2017) refer to commitment as the belief of one of the parties of the interactive relationship that the other party is continuing in this relationship, and that he is doing his best to survive.

Tabrani, Amin and Nizam (2018) agreed that customer commitment is a desire to try to maintain a relationship with the service provider. Commitment is a set of factors that promote this kind of relationships, as it is a commitment based on perceived needs (Al-Hawary & Alajmi, 2017). The importance of the commitment is that it ensures continuous benefit, whether in reducing or increasing value and that the commitment leads to increased sales. In this increase, the organisation achieves increased profits. The commitment also indicates that the relationships between the organisation and the customer are strong and have a direct impact on both (Parawansa, 2018). Hocutt (1998) views commitment as an intention to another strong definition on the emphasises on the willingness to rely on an exchange partner on whom another has confidence in (Hadjikhani & Thilenius, 2005).

Roberts-Lombard (2011) identified commitment as the belief by both parties in a relationship that the relationship is worth working on to ensure that it endures indefinitely. Mahmoud et al. (2018) identified commitment as a psychological sentiment of the mind in which an attitude concerning continuation of a relationship with a business partner is formed. According to Gummesson (2006), if the relationship is important and the parties rely on it, commitment is crucial for it to work. The literature identifies commitment to be higher among individuals who believe that they receive more value from relationships (Fazio, Gong, Sims & Yurova, 2017; Van Tonder & Petzer, 2018). This leads to customers creating positive impressions of the relationship and exhibiting tendencies to stay longer in the relationship creating retention feedback to the organisation (Fazio et al., 2017).

Rather and Sharma (2017) also consider commitment as essential to customer retention. According to Wong and Sohal (2002), a higher level of a service provider's commitment in the relationship will impact positively on customer retention. A study by Evanschitzky, Iyer, Plassmann, Niessing and Meffert (2006) suggested that commitment is seen as an essential antecedent to customer retention. Similarly, a study by White and Yanamandram (2007) concluded that commitment has a role in determining customer retention. Adika (2015) postulate that committed customers have a more positive impression of their relationship with an organisation and their intentions to remain in the relationship.

### **Conflict Handling**

Taleghani, Gilaninia and Mousavian (2011) defined conflict handling as a supplier's ability to avoid potential conflicts, solve manifest conflicts before they create problems, and discuss solutions openly when problems do arise. The conflict management strategies aim to minimise negative outcomes and maximise positive consequences (Roberts-Lombard, 2011). Kuada and Hinson (2014) argue that customer complaint cannot be entirely avoided in the service industry. Conflict handling encompasses all activities by a supplier to avoid potential conflict, solve manifested conflicts before they create problems, and the ability to openly discuss solutions when problems arise (Ndubisi & Wah, 2005). Hinson, Mohammed and Mensah (2006) suggested that the sources of complaints involve mostly inefficiencies on the part of the service providers to provide timely solutions to customer complaints. Hinson et al. (2006) further explained the inefficiencies to include unexplained delays, rudeness, and

inflexibility on the part of the service provider, ineptitude, and incompetent service.

Kuada and Hinson (2014) found that, even though complaints are sometimes undesirable, they serve as an important source of feedback to firms. Ndubisi (2007) suggests that customer retention can be created and reinforced by handling customer conflict efficiently. Miyonga (2019) explained that conflict handling is explicitly a means to restoring and strengthening long-term relationships with customers and by extension fosters the retention process of the customers. Santouridis and Veraki (2017) argue that successful conflict handling has a strong effect on customer satisfaction and retention. In a study by Ndubisi and Wah (2005), they concluded that how conflict is handled will either ensure customer retention or the customer leaving for a competitor retail store.

### **Communication**

According to Zainuddin et al. (2017), communication is defined as the formal as well as informal exchanging and sharing of meaningful and timely information between buyers and sellers. Communication in relationship marketing means, keeping in touch with valued customers, providing timely and trustworthy information on service, service changes and communicating proactively should a delivery problem occurs (Ndubisi, 2007). Communication is one of the most important means of exchanging information about a product or service between the customer and marketers. Ballantyne and Varey (2006) believe that communication is an activity based on dialogue and interaction between the customer and the organisation within the marketing process that extends from production to post.

Al-Hawary and Batayneh (2010) contend that communication is not intended to achieve the purchase process, but aims to clarify about the quality of service or product and the extent of customer loyalty to them. Communication refers to the ability to provide timely information and reliable as well (Al-Hawary, et al., 2016). Nowadays there is a new view that considers communication as an interactive dialogue between companies and customers that take place during the pre-sale, sale, consumption and post-consumption phase (Ndubisi et al., 2007). The importance of communication in relationship marketing is that it acts as an effective means of informing the customer about the product or service provided. This process is usually persuasive so that the marketing agent gives incentives and creates an attractive image in the customer's mind, which may lead the customer to buy and deal with the organisation that has offered the product (Aldaihani & Ali, 2018).

### **Bonding**

Bonding is defined as the dimension of business relationship that results in two parties (buyer and seller) acting in a unified manner toward a desired goal (Affran, Dza & Buckman, 2019). According to Samudro et al. (2018), bonding can be classified into two categories: social bond and structural bond. Social bond has a number of dimensions, including social interaction, closeness, friendship and performance satisfaction. Al-Hersh and Saaty (2014) asserted that bonding is a dimension of a business relationship that results in two parties (the customer and the supplier) acting in a unified manner toward a desired goal. In the dyadic relationship of a buyer and a seller, bonding can be described as a dynamic process that is progressive over time. The bonding process begins with the very basic force of the need for a seller to find a buyer for their product, and



the desire for a buyer to purchase a product that will satisfy their needs (Xu, Cenfetelli & Aquino, 2016).

It was recognised by Alagarsamy, Mehrolia and Singh (2021) in their identification of the bond developing between consumer, supplier and product through the application of relationship marketing. Its application to relationship marketing consists of developing and enhancing consumer loyalty, which results directly in feelings of affection, a sense of belonging to the relationship, and indirectly in a sense of belonging to the organisation or, as Alagarsamy et al. (2021) described, developing and enhancing a long-term relationship (a bonded relationship) with the seller.

### **Brand Image**

A brand is a term, design, name, symbol or any other features that distinguishes one company's product from the others (American Marketing Association, 2013). Branding procedures was initially adopted to differentiate one individual's cattle from other's by means of distinct sign burned into the cattle's skin with a hot stamp made by iron and was subsequently applied in marketing, business as well as advertising (Neupane, 2015). Marakanon and Panjakajornsak (2017) stated it is a set of mental associations in customers' perceptions which increase the value of products or services. The brand is an intangible and conditional asset for a company which has a capability to generate profitability of the firm and compromise the functional and emotional value (Chien-Hsiung, 2011).

Moreover, Neupane (2015) stated that brand is a symbol in every people's mind and it can be illustrated as visible name or symbol which can distinguish the products from the competitors' products. A brand is as well

negotiation of product, packaging, promotion, advertisements and its whole presentation besides to a particular name (Tu & Chih, 2013). Tu and Chih (2013) averred those customers view brands as a guarantor of reliability and equity of a given product or service. Furthermore, Griskevicius and Kenrick (2013) asserted that customer would desire to buy and use products from reputed brand name to draw attention to their behaviours in different situational perspectives. This suggests that when retailers have the best brands of products in their stores, they are most likely to attract the mind of customers regarding the implied promises that the brand is appealing and is of quality.

The implication of the assertions made by the aforementioned scholars is that although retailers do not manufacture the products by themselves, they should however be cognisant of the taste of the customers in respect of the brand of products they prefer (Sulibhavi & Shivashankar, 2017). This means retailers in any business should not be indolent but rather proactive in search of brand of products they should stock in their stores to capture consumer attention. Tran, Mai and Taylor (2021) pointed that reputable brand image enables the customers to distinguish their needs that the brand fulfils, differentiates the company from others and enhances the customer performance over the brand. In addition, Kataria and Saini (2019) indicated that brand image is useful to drive loyalty, brand equity, brand performance and purchasing habits of customers such as retention for repeat purchases and word of mouth recommendations.

The measurement of brand image based on the above facts could assist organisations or marketers to identify the strengths and weaknesses of the particular brand and perceptions of consumers towards their services or

products as well. For instance, a study by Chakiso (2015) asserted that the success of brand could generate customers' awareness regarding dignity of the brand and so optimise the profitability of the enterprise due to their purchase of products and services from the business. Conclusively, brand image can produce values in terms of assisting consumers to precede information, generating reasons to purchase, differentiating the brand from the competitors, provides positive feelings and offers a basis of extensions (Barit, Marasigan & Alusen, 2018; Hasan, 2019; Neupane, 2015).

### **Customer Retention**

Customer retention is still one of the most critical challenges that face firms (Ascarza, Neslin, Netzer, Anderson, Fader, Gupta & Schrift, 2018). The most common word that describes customer retention found in the literature is "continuation" with organisation (Farooghi et al., 2016; Lin et al., 2017; Ascarza et al., 2018), which means a continuous relationship between the organisation and its customers. In relation to customer retention justification, the majority of previous studies cited that retaining customers requires less cost than attracting new customers (Al-Hawary, 2013; Farooghi et al., 2016; Al-Hawary & Alsmeran, 2016; Al-Hawary & Hussien, 2016).

Mahmoud et al. (2018) found that customer retention is an important field of relationship marketing that is mainly concerned with keeping customers. Likewise, Taleghani et al. (2011) see customer retention as the longevity of a client's relationship with a product and/or service provider. This perspective of customer retention is confirmed by Ibojo (2015), who views customer retention as customers' stated continuation of a business relationship with a firm. In a quantitative perspective, Jaiswal et al. (2018) view customer retention as the

number of customers of a firm at the end of a financial year expressed as a percentage of those who are active customers at the beginning of the year.

Rahman and Masoom (2012) noted two reasons to adapt relationship marketing: it requires a less effort of marketing process and financial investment to make prior customers satisfied in addition to the fact that customer loyalty ensures a superior level of profitability for the organization over time. On the other hand, scholars suggested numerous ways to attain customers such as relationship marketing efforts, compatibility management, defection management, service failure management and service recovery (Rootman, Tait & Sharp, 2014; Al-Hawary & Alsmeran, 2016; Al-Hawary & Hussien, 2016;). Customer retention has been defined as an organisation's ability to keep up its customers with no reported cases of customer switch and to achieve customer endurance (Rootman et al., 2014). Accordingly, customer intention to switch and customer repurchase intention can be used as measures of customer retention (Al-Hawary, 2013). Singh and Khan (2012) viewed customer retention as a function of organisation's products, services, methods of service delivery and reputation.

In a study on the impact of customer retention on firm performance by Alshurideh, et al. (2016), Alolayyan, et al. (2018) and Gengswari, et al. (2013), the scholars reviewed the literature on customer retention measurements. Based on their review the following dimensions were identified: retained customers prefer discounts and have no problem with paying little higher prices, retained customers have a continuous intention to purchase from the same firm, retained customers also have a good emotional and psychological linkage with the organisation, retained customers spread a positive word-of-mouth to their close

social network. Therefore, the above researchers used word-of-mouth, price insensitivity, repeated purchase and non-complaining behaviour to measure customer retention.

### **Empirical Review and Hypotheses Development**

This empirical review section is developed in line with the study's specific objectives. The review helps provide arguments and findings of prior researchers as well as outlining areas of consensus and disagreement thereby, help avoid previous errors committed by the earlier scholars. The review also guides refine the problem statement and development of hypotheses.

### **Relationship Marketing and Customer Retention**

A number of empirical studies have indicated the impact of relationship marketing on behavioural loyalty that affects customer retention (Too, Souchon & Thirkell, 2001; Alrubaiee & Al-Nazer, 2010; Abtin & Pouramiri, 2016; Datta, 2018; Mahmoud et al., 2018; Palto et al., 2018; Hasan et al., 2019). Hasan (2019) conducted a study which investigated the impact of relationship marketing practices on customer loyalty of bank customers in Bangladesh. The researcher used loyalty as the dependent variable and the five variables of relationship marketing: namely trust, commitment, conflict handling, communication and commitment as the independent variables. The data collection has been carried out through structured questionnaires. Then the effect of customer loyalty on positive word of mouth communication and customer retention has been analysed. Results show that relationship marketing practices have significant impact on customer loyalty. The results also show that customer loyalty has significant positive association with customer retention and positive word of mouth advertisements.

A sample of 202 grocery food retail customers were selected in a random sample from four selected superstores to offer responses to a questionnaire on the relationship between relationship marketing and customer retention. In this study Palto, Fraser and Lebcir (2018) noted that the results support the hypothesised relationships built on the model comprising trust, commitment, bond, communication and customer retention. The findings indicate that trust, commitment, bonding, communication and customer satisfactions are vital for creating positive customer loyalty which in turn creates customer retention.

Abtin and Pouramiri (2016) conducted a study on the influence of the elements of relationship marketing (trust, satisfaction, management, communication, bond and competence) on customer retention revealed that there was a significant positive relationship between variables. The study was carried out through a survey method using questionnaires as the main instrument. Pearson correlation coefficient was used to assess the relationship. The statistical population of this study consisted of 155 customers of insurance services of the central branch of Kerman Iran insurance company which were selected by simple random sampling.

In a study on the impact of the dimensions of relationship marketing - trust, commitment, empathy, communication, conflict management on customer retention and satisfaction to build a model for marketing relationships in the Egyptian telecom sector using path analysis (Aldaihani & Ali, 2019). Peng and Wang (2006) found that there is a difference in the degree of impact of each dimension of relationship marketing on the customer retention, where the dimensions are in the following order: trust, communication, commitment, empathy and conflict management. The results of the study also revealed that

customer satisfaction as an intermediary variable changed the strength of the relationship between the dimensions of relationship marketing and customer retention.

In an exploratory study by Too et al. (2001) in clothing store managers, the authors examined the relationship between applying of relationship marketing and customer retention in the retail market, found that relationship marketing by way of increasing customer trust and commitment will enhance client loyalty and retention. In a study aimed at determining the impact of trust and the perceived value on customer loyalty in the Jordanian banking sector, Al-Hersh and Saaty (2014) found a statistically significant effect of customer trust, commitment, communication and empathy in the bank and the perceived value of the customer on the customer's loyalty.

On the contrary, Van Tonder and Petzer's (2018) study on the nexus between relationship marketing constructs on customer retention revealed mixed findings. In the said study, the authors specifically examined the relationship between trust, commitment, conflict handling, communication and empathy and found that whereas trust, conflict handling and communication had significant relationship with customer retention, commitment and empathy failed to correlate significantly with customer retention construct.

Based on the foregoing, customer relationship marketing revealed that successful companies are supposed to apply relationship marketing strategies as a competitive advantage to maintain their existing customers, ensure long-term and stable relationships, seek feedback to improve satisfaction and customer loyalty (Al-Hawary & Aldaihani, 2016; Abtin & Pouramiri, 2016). Ndubisi, Malhotra and Wah (2008) asserted that an organisation's customer retention can

be gained through proper marketing plan by developing trust, by showing commitment to the services, making timely dialogue with customer and handling conflict if it arises. Hence, this study hypothesised that:

*H1: Relationship marketing has a significant positive influence on customer retention.*

### **Brand Image and Customer Retention**

Chien-Hsiung (2011) conducted a study on the relationship between brand image and customer satisfaction in catering businesses in Taiwan. A simple random sampling method was used to select 123 customers for the study, while a structured questionnaire was used to collect data from the respondents. The statistical techniques utilised for the data analysis were correlation and regression. The result of the study showed that the brand image of the catering business had a significant influence on customer retention. In their conclusion, the author suggested that businesses that seek to improve on their brand, thus, the appearance and package of their services or products will attract customer loyalty towards retention.

Yu-TeTu and Hsu (2013) also investigated the impact of brand image and customer commitment on loyalty: an empirical study of automobile sector. The researchers employed a simple random technique to select 236 supervisors/subordinate dyads in the sector while a survey instrument was used to gather the data from the respondents. The structural equation modeling technique was adopted for the analysis of the data. The revelation from the analysis of the data indicated that brand image had a significant influence on customer loyalty and retention.



In another study conducted by Kariuki (2015), the objective of the study was to establish the impact of brand image on customer retention in major supermarkets in Kenya. The research design was descriptive survey of the large supermarkets operating in Nairobi. The population of the study was 15 large supermarkets operating in Nairobi. The study adopted convenience sampling technique in which the respondents were picked from the exit corner of the store according to their availability and interest. The study used primary data that were collected through self-administered questionnaires. The data were analysed by the use of descriptive statistics. The regression analysis was used to assess the effects of brand image and customer retention. It was established that customers were satisfied with the reasonable prices, location, availability of products, provision of timely and accurate information to customers, product availability, fresh products, loyalty programs, layout, product quality and shorter time to cash registers. The study further indicated that brand image and customer retention have significant positive relationships.

Pimentel and Heckler (2013) as cited in (Sharma & Varki, 2017) found that brand image has an indirect influence on retention via customer satisfaction. Moreover, brand image could have both direct and indirect effects on retention. Thus, in the service industry context, a positive brand image appears to stimulate customer loyalty. It is accepted that positive brand image contributes to enhanced customer retention and also, customer retention has great roles in building strong brand image of a business. Therefore, the study postulated that:

*H2: Brand image has a significant positive influence on customer retention.*

## **Mediating Role of Brand Image on Relationship Marketing and Customer Retention**

Nakhleh (2012), whose study failed to establish significant positive nexus between relationship marketing and customer retention among retail stores, was of the view that further researchers should direct their investigations on finding other contextual factors that could improve on the relationship marketing and customer retention relationship. Again, Andreani, Taniaji and Puspitasari (2012) agree that relationship marketing literature is still fragmented and that investigating such construct alone on customer loyalty and retention may not reveal the true picture of the customer intention to stay to the products or services of a business. Therefore, inclusion of other variables in the relationship marketing and retention path that may stimulate consumer behaviours is paramount.

According to Marakanon and Panjakajornsak (2017) and Tu and Chih (2013), since customers view brands as a guarantor of reliability and equity of a given product or service, any retail store that emphasises the sale of credible and famous product brands is likely to reap customer retention. Furthermore, Griskevicius and Kenrick (2013) are of the opinion that customers will chose to return to transact business with reputed brand name that draw attention to their behaviours in different situational perspectives. In view of the ongoing perspectives and arguments of scholars, this study hypothesised that:

*H3: Brand image mediates the relationship between relationship marketing and customer retention.*

### Conceptual Framework

One of the important components of the research is how well to represent one's ideas diagrammatically for easy comprehension of readers. Adom, Hussein and Agyem (2016) argued that the conceptual framework forms the “blueprint” of every research and gives clarity and direction to the ideas being expressed in such research. Grant and Osanloo (2014) emphasised the importance of a conceptual framework by stating that, it is the foundation upon which research is constructed. Based on the purpose and the guiding objectives of the study, the conceptual framework for this present study is presented in Figure 1.

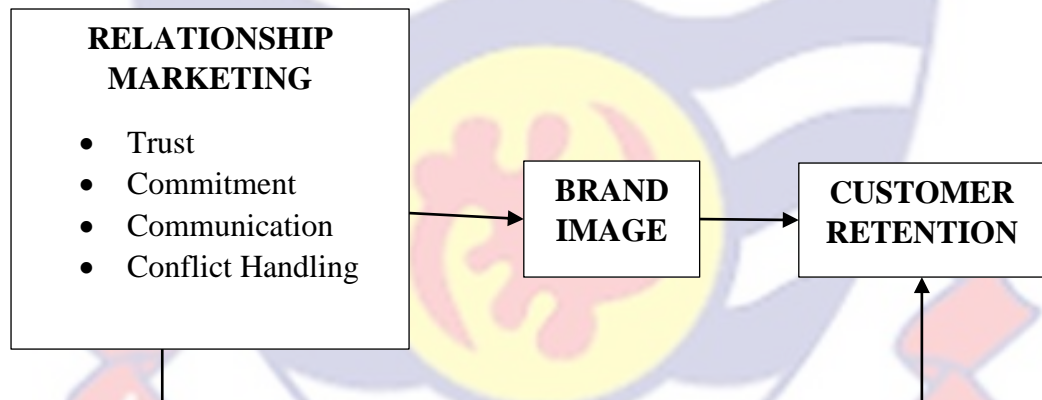


Figure 1: Conceptual Framework  
Source: Author's Construct, 2021.

As illustrated in the conceptual framework, the study proposes that relationship marketing has both direct and indirect influence on customer retention. The direct link is expressed between relationship marketing and customer retention, while the indirect occurs when brand image is introduced in the path. Thus, brand image is serving as the mediating variable in the framework.

## Chapter Summary

The chapter reviewed the literature on theoretical, conceptual and empirical issues relating to relationship marketing, brand image and customer retention. Important issues and lessons from the review informed the conceptual framework of the study. The review further proved beneficial in the research methods section, analyses, presentation of findings, discussions, conclusions and recommendations. In the review, a number of lessons have been learnt. Among these lessons stemmed from methodological use and analytical tools employed in the previous works.

A number of the studies reviewed showed that the scholars used the simple random sampling techniques in drawing the respondents. Few of them relied on non-probability sampling techniques such as purposive for their qualitative approach. Concerning the analytical tools, majority relied on the use of correlation and regression between the two variables. Much was not seen on the use of techniques such as partial least square structural equation modelling. The next chapter presents the study's research methods.

## CHAPTER THREE

### RESEARCH METHODS

#### Introduction

The study sought to examine the influence of relationship marketing on customer retention in the retail grocery stores in the Cape Coast Metropolis through the intervening role of brand image. This chapter presents the research methods used to carry out this study. It therefore identified how the research was undertaken and the rationale behind each of the methods that was used. The elaborated elements under this section included; research design (research philosophy and research approach), research study area, population, sampling procedure (sampling method and sampling techniques), data collection instruments (reliability and validity, pre-testing and pilot testing), data collection procedures, data processing and analysis, ethical considerations and chapter summary.

#### Research Design

Sekaran and Bougie (2016) and Saunders et al. (2016) categorised research design into three broad categories based on the purpose of the study; namely, exploratory, explanatory or casual and descriptive designs. Exploratory research is typically used when a researcher examined a new interest or phenomenon. When the subject of study itself is relatively new, the researcher tries to explore the phenomenon. The major emphasis of exploratory research is on the discovery of new ideas and insights, which can be used as a foundation for further research (Saunders et al., 2016).

For explanatory research, the focus is to connect ideas to understand the cause and effect, that simply means, researchers want to explain the relationship

between two variables. This type of research looks at how things interact. There should be enough understanding to predict what the outcome will be with some accuracy (Saunders et al., 2016). It is concerned with determining Cause-effect relationship. Explanatory research aims to develop precise theory that can be used to definitively explain the phenomena, which leads to the generalisation from the research. The third type of design is the descriptive design.

Here, the research is conducted to describe situations or an aspect of an existing phenomenon or event (Smith, 2007). The researcher observes and then describes what was observed (Babbie, 2004). A descriptive study is one in which information is collected without changing the environment (i.e., nothing is manipulated). Sometimes, these are referred to as correlational or observational studies. According to Cooper and Schindler (2003), a descriptive study is concerned with finding out the what, where and how of a phenomenon.

Although, there are three basic research designs, the design for this research was the Causal research design (explanatory design) because, it primarily focuses on an analysis of a situation or a specific problem to explain the patterns of relationships between variables (Creswell, 2014). Also, informing the decision to approach the study quantitatively was the assertion that the data were quantitative and mostly required the use of a statistical test to establish the validity of the relationships. The research philosophy and research approach to be used for the study have been explained.

### **Research Philosophy**

There are several perspectives of the theory that have influenced the structure, process and direction of social science research. Saunders, Lewis and Thornhill (2016) identified five major philosophies that have shaped social

science research over the years: positivism, critical realism, interpretivism, postmodernism and pragmatism. The authors posited that each of the research philosophies had something unique and valuable to contribute to the research undertaken by the researchers. Therefore, the type of philosophy held by individual researchers will often lead to embracing a strong qualitative, quantitative and mixed-methods approach in their research (Creswell, 2014).

This study was grounded on the positivist approach, which related to the philosophical system that embraced issues that could be scientifically verified and hence provided a basis for generalisation. This meant, positivists focused on procedures that led to the generation of “facts uninfluenced by human interpretation” (Saunders, et al., 2016). The positivists were of the belief that it was through scientific research approach that researchers could unravelled the objective truth that existed in the world. In addition, Sekaran and Bougie (2016) advanced that positivists usually believed in the thoroughness and replicability of research work, the reliability of observations and the generalisability of research observations. In respect of the preceding, the positivists usually relied on large samples and quantitative techniques for data analysis.

The proponents of positivism relied on the deductive reasoning to state theories that they could examined through “fixed, predetermined research design and objective measures” (Sekaran & Bougie, 2016). Saunders et al. (2016) advanced that positivist paradigm supported studies which were quantitative in nature. The assumption behind the positivist paradigm was that “there is an objective truth existed in the world that could be measured and explained scientifically.” The paradigm was appropriate in the study because of the hypothesis that were tested through theory of social exchange.

## Research Approach

According to Saunders, Lewis and Thornhill (2016), there are three broad approaches of research, namely; quantitative, qualitative and mixed methods. While quantitative approach enables the researcher to examine associations between variables, qualitative approach deals with small aspects of social reality (Sekaran & Bougie, 2016). Saunders et al. (2016) advanced that the difference between quantitative method of research and qualitative method of research may be influenced by the nature of data used for the study. Whereas numeric data is used in quantitative research, non-numeric data is utilised in qualitative research.

Neuman (2014) posited that, the two approaches can also be differentiated in terms of the procedure used in data collection and analyses. For example, whereas in quantitative research method, questionnaire is predominantly used by researchers for data collection and also analysing data, in qualitative research method, interview is used by researchers for data collection and the analysis is done qualitatively. Sekaran and Bougie (2016), and Saunders et al. (2016) indicated that the third approach which is mixed method is merely a combination of the earlier two approaches. The authors further asserted that whilst the quantitative research method permits the generalisation of the sample results to the entire population, qualitative research method is not for the generalisation of the sample results to the entire population.

The current study employed the quantitative research approach. This was due to the nature and purpose of the study under consideration. The current study demanded the researcher collected numerical data that would be analysed



quantitatively. The current study also demanded that the study's result was generalised on the entire population. Tashakkori and Teddlie (2010) averred that, quantitative methods were often considered as deductive in nature because, inferences from tests of statistical hypotheses result to general inferences about characteristics of a population. Lincoln, Lynham and Guba (2011) are also of the view that quantitative approach to research is directed towards the development of testable hypothesis and theories which are generalisable across settings. The factors raised earlier were the reasons behind the choice of quantitative research approach against the qualitative research approach.

### **Study Area**

The area under study was Cape Coast which is the capital city of Central Region and Cape Coast Metropolitan Assembly (CCMA). The city occupies an area of approximately 122 square kilometres (CCMA, 2018). It is a city in Ghana that plays host to a lot of tourists and educational activities, hereby making good ground for business growth. Traditionally, Cape Coast is a fishing port and one of Ghana's oldest cities called, 'Oguaa' which translated to mean "Market" in the Fante language. The city is bounded by the Gulf of Guinea and three other districts; Twifo Lower Denkyira, Abura/Asebu/Kwamankese and Komenda Edna Eguafo/Abirem. The city was formerly the capital city of Ghana, the then Gold Coast during the colonial era until 1877 when the capital was moved to Accra.

According to the 2010 Census, Cape Coast holds a population of 169,894 which is 7.7% of Central Regional population with more females 51.3% as against 48.7% males (Ghana Statistical Service, 2014). Currently, Cape Coast is described as the citadel of tourism and city of education in Ghana

(Annan-Prah, Amewowor, Osei-Kofi, Amoono, Akorli, Saka & Ndadi, 2011). Due to the nature of the city, individuals stay there for reasons of recreation and education and for that matter, businesses take advantage of the numerical and economic strength of the people. Thus, many businesses including Grocery retails shops have sprout up to offer various services and products to the populace.

### **Population**

According to Creswell (2014), a population is the total collection of elements about which one wishes to make inferences. An element was the individual on whom the measurement was being taken and was the unit of study. The population of a study is defined as the elements or people to be studied and from whom data is obtained (Keller & Warrack, 2003). In other words, population is the universal set of all the existing people, units, items, or events that contain characteristics of interest as well as all the set of possible data values for a subject under study (Castilo, 2009). Kothari (2008) also defined population as an entire group of individuals, events or objects having common observable characteristics.

For this study, the population was defined as all customers of the registered grocery retail stores in Cape Coast. The number of registered grocery retail stores was three hundred and two (302), though; there were more to this number who have not registered yet. As a result of the fragmented nature of the customers, the study assumed an unknown figure for the target population (respondents) for the study.

## Sampling Procedure

According to Ofori and Dampson (2011), and Sekaran and Bougie (2016), a sample is the representative portion of the population selected for the study. Saunders et al. (2016) advanced that the rationale behind the use of sample surveys instead of census by scholars is that a complete coverage of the entire population is difficult when dealing with large population. This meant that sample surveys helped researchers to conduct studies in a most efficient manner when large population were involved. A sample to Creswell (2014) is a proportion of a large population. Alonge (2010) stated that, a sample is a subset of a population of interest.

Sekaran and Bougie (2016) advanced that sampling can be broadly categorised into two main designs; namely, probability sampling and non-probability sampling. According to the authors, whereas probability sampling design permits each element of the population to have a known and non-zero chance of being selected to be included in the sample, non-probability sampling design does not allow each of the elements of the population to have a known chance of being selected.

Based on the nature of the population and purpose of this study, the non-probability sampling procedure was deemed appropriate. First, the study adopted the purposive sampling under the non-probability technique to select 10 grocery retail stores of which their customers were relied upon to participate in the study. These shops included Melcom, Sonturk Supermarket Limited, De-Fountain Supermarket, Maxi Flaxy, Ebenezer Store, Becks Mart, Jonas Enterprise, Kofi Essuman Enterprise, Rosadom Supermarket and Andy's Trading Enterprise. The choice of these stores was premised on their size and

management structure which to the opinion of the researcher, aided in achieving the purpose of the study. The criteria for the choice of the 10 stores using the purposive sampling was not out of place because Saunders et al. (2016) argued that, researchers may choose to narrow the scope of study when the units of the analysis were not certain.

Kariuki, Wanjau and Gakure (2011), and Sekaran and Bougie (2016) asserted that for an optimum sample size to be determined for a given population, researchers should either consult tables which set out recommended sample sizes for a given population or resort to direct calculation using appropriate statistical formulas. In line with the above claim, the study utilised the recommended table by Krejcie and Morgan (1970) to determine appropriate sample size for the current study. According to Krejcie and Morgan's (1970) Table for sample size determination, the sample size for an unknown population or population above 100,000 is 384. Hence, this study resorted to this recommendation by targeting responses from 384 customers of the selected grocery retail stores.

Furthermore, a sampling technique that was employed was the convenience sampling. This technique was targeted in selecting the individual customers who visited the 10 retail stores within the research period and truly, it worked for the researcher.

### **Data Collection Instruments**

Collecting data for a study involves using certain research instruments and procedures for collecting the data. In this study, a questionnaire was used as the main research instrument in the collection of information from respondents on their respective knowledge on the study's constructs. A

questionnaire is a written document in survey research that has a set of questions given to respondents or used by an interviewer to ask questions and record the answers (Neuman & Kreuger, 2003). A questionnaire could be answered by the person from whom information is sought or through an interpreter. According to Neelankavil (2007), questionnaires guarantee greater uniformity, consistency and objectivity in data collected. They also provide privacy and convenience for respondents during completion while guaranteeing greater anonymity (Neelankavil, 2007).

Groves, Fowler, Couper, Lepkowski, Singer and Tourangeau (2011) posit that, there are distinct advantages in using questionnaires rather than interview methodology. One of such advantages that questionnaires are less expensive and easier to administer than personal interview. The questionnaire included closed-ended items, in which the questions permitted only certain responses such as 'yes' or 'no' or the Likert type to choose from answers provided in the questionnaire, as well as one open-ended question, thus, where the respondents' resided. Close ended questions, according to Becker and Watts (1999), guarantee accurate, unidimensional, exhaustive and mutually exclusive responses. They also save time spent in completing, coding and analysing questionnaires (Becker & Watts, 1999).

The structured questionnaire for this study was divided into four sections; A, B, C and D. Whereas Section A captured information of the demographic characteristics (gender, age, educational background and place of residence), Sections B, C and D gathered information on the key variables (relationship marketing, brand image and customer retention) in the present study. In Section B, the researcher listed the indicators of the dimensions of

relationship marketing under investigation on a 7-point Likert scale; 1 (least agreement) and 7 (highest agreement). These items of the relationship marketing were adapted from scale developed and validated by Ndubisi and Wah (2005). The content of the scale for relationship marketing is meant to address how businesses can leverage trust, commitment, conflict handling and communication strategies to attracting repeat purchases. It includes statements such as “the store is very concerned with security of my transactions, this grocery store offers products that meet customer tastes, the supermarket tries to avoid potential conflicts among clients and the store provides timely and trustworthy information about new groceries in the store”.

With regards to the Section C, the researcher dedicated it to collect data on brand image, developed and validated by Sulibhavi and Shivashankar (2017) to illustrate how brand image of a product could lead to the sustaining customers of a firm. The scale is made of 6 items some of which are: this store has the kind of grocery brands I prefer; I am motivated to purchase from this store because the products have good brand image, the brand of the groceries is one of my primary considerations when purchasing a product from this store or shop.

Section D captured information on customer retention, developed and validated by Too et al. (2001). The items of the instrument were rated on a 7-point Likert scale. Some items used include; I really care about the fate of this store, I am willing to put in extra effort to buy from this store, as long as the product is similar, I could just as well be buying from a different store, etc. (Appendix A). These instruments fit the context of this study since similar recent scholars such as Van Tonder and Petzer (2018) and Hasan (2019) have used them in the same context in the advanced economies.

### **Reliability and Validity**

Administration of surveys should consider the aims of the study, the population under study, and the resources available to enhance the validity and reliability of the study (Mutepfa & Tapera, 2018). Reliability, according to Bless and Higson-Smith (2000), is concerned with consistency of the instrument, and an instrument is said to have high reliability if it can be trusted to give an accurate and consistent measurement of an unchanging value. A Cronbach's Alpha of 0.70 and above are regarded appropriate for checking reliability of a scale adapted (Pallant, 2016). In this study, reliability and validity were checked using the Cronbach's Alpha to be sure the items were able to achieve the measurement threshold they were supposed to measure.

### **Pre-Testing of Instrument**

Pre-testing of the instrument was done using 10 customers from a retail grocery store at Elmina. The pre-testing deemed necessary because the study adapted the items of the instrument from other researchers. Gonu and Agyapong (2016) proposed that research instrument should be put to field-testing with a similar population of subject of the study. The reason was that pre-testing assisted the researcher to correct problematic items of the instrument that were overlooked. This site for the pre-test was chosen because of proximity to researcher. That sample size was deemed appropriate as it conforms to Saunders et al.'s (2016) minimum criteria of 10 for pilot studies by students. Results of the pre-test are reported in Table 1.

**Table 1: Computed Reliability Coefficients for the Pre-Test Data Collected**

Dimensions	No. of items	Cronbach Alpha
Relationship marketing	13	0.896
Trust	4	0.806
Commitment	3	0.774
Conflict handling	3	0.853
Communication	3	0.902
Brand image	6	0.825
Customer retention	7	0.712

Source: Field Data, Antwi (2021)

The pre-test results from Table 1 showed that all the scales were reliable because they met the accepted criteria of a Chronbach’s Alpha of 0.70 or more.

**Data Collection Procedures**

The study made use of primary data due to its reliability and for the reason that, this was the first time a study like this was conducted in Ghana. The primary data was collected through the use of questionnaire. The researcher collected introductory letter from the Department of Marketing and Supply Chain Management which guaranteed the credibility of the researcher as well as educated colleagues on how to collect data from respondents. The researcher, together with other two colleagues stood few meters away from the stores to collect data from respondents. The aim of the researcher in standing meters away from the stores was to aid the customers to purchase products from the stores before they (customers) were approached in order not to interrupt their (customers) buying activities. The goal was to protect the dignity of the participants from all forms of abuse or violations of the data collection process. The researcher visited the selected stores with the assistance of 2 other colleagues and the research study was cautiously explained to the respondents.



Data collection started on 19<sup>th</sup> May, 2021 and ended on 9<sup>th</sup> June, 2021. After the first stage (three days), the team rested for two days before proceeding. The team started the process by seeking permission from the Manager of the grocery store before proceeding to collecting data from customers.

Each team member stood few meters away from the store in order not to distract the purchase of customers. The team stood there for four hours daily starting from, 10:00 am to 2:00pm. The reason being that, the researcher gave out some space to the retail stores from 8:00 am to 9: 59am, and 3:00 pm onwards in order for management not to be annoyed with the team. The team spent three days at each store so the maximum number given could be achieved. This strategy worked for the larger stores but with the mini retail stores, two days were used. Each respondent spent about 15 to 20 minutes on average in responding to the questionnaire.

### **Data Processing and Analysis**

The statistical aid that was employed for this study was the IBM SPSS programme (version 25) and Smart Partial Least Square (version 3.3.3) software. SPSS was used for data entry and processing which made the analysis quicker and appropriate. The responses gathered by the researcher were later entered into the computer using Google form which aided in the extracting of data into Excel. Inferential statistics through partial least squares structural equation modelling (PLS-SEM) was used to address the objectives of the study. Based on the nature and purpose of this study and the arguments made by the pioneer researchers, PLS-SEM approach deemed the most appropriate technique to be adopted for the current study's data processing and analysis.

Structural equation modelling (SEM) is a second-generation statistical technique that enables researchers to incorporate unobservable variables measured indirectly by indicator variables. They also facilitate a counting for measurement errors in observed variables (Hair, Hult, Ringle & Sarstedt, 2016). Partial Least Squares-Structural Equation Modelling (PLS-SEM) uses available data to estimate the nexuses of the path in the model to minimise the residual variance of the constructs originating internally. In addition, PLS-SEM approach helps researchers to comprehend the links that exist among the observed constructs (Hair, Jr et al., 2016). In addition, PLS-SEM determines path model connections that maximize the  $R^2$  values of the endogenous variables (Hair, et al., 2016). PLS-SEM is also more useful under less developed theory conditions (Rönkkö & Evermann, 2013; Ravand & Baghaei, 2016).

PLS-SEM is made up of two key elements; measurement models and structural models. Whereas measurement models are used for construct validation and scale refinement, structural models are used to display the relationships that exist among study constructs.

### **Measurement Model Assessment**

The measurement model in PLS-SEM follows key underlying assumptions: item loadings, construct reliability and validity, convergent validity (average variance extracted) and discriminant validity (Diamantopoulos, Sarstedt, Fuchs, Wilczynski & Kaise, 2012; Dijkstra & Henseler, 2015; Hair, et al., 2016). These assumptions have rules of thumb that serve as guidelines to evaluate model results (Roldán & Sánchez-Franco, 2012). With respect to the item reliability, loadings above 0.708 are recommended, as they indicate that the construct explains more than 50 per cent of the indicator's

variance, thus providing acceptable item reliability. Thus, indicators with loadings below the 0.708 threshold were deleted in the model unless retaining those indicators did not affect the overall reliability of the constructs (Hair, et al., 2016).

For the internal consistency reliability, Jöreskog's (1971) composite reliability is often used. Higher values generally indicate higher levels of reliability. Reliability values between 0.60 and 0.70 are considered "acceptable in exploratory research," values between 0.70 and 0.90 range from "satisfactory to good" (Hair, et al., 2017, p. 112). However, Cronbach's alpha and rho\_A (all should have a 0.70 loading) may also be used if one assumes that the factor model is correct. In this study, the researcher relied on values of all the measures of internal consistency because they all met the satisfactory criteria.

Concerning the convergent validity, which measures the extent to which the construct converges to explain the variance of its items (Hair et al., 2016), the metric used for evaluating a construct's convergent validity is the average variance extracted (AVE) for all items on each construct. To calculate the AVE, one has to square the loading of each indicator on a construct and compute the mean value. An acceptable AVE is 0.50 or higher indicating that the construct explains at least 50 per cent of the variance of its items (Henseler et al., 2016).

Finally, the discriminant validity, which is the extent to which a construct is empirically different or distinct from other constructs in the structural model is evaluated by use of Fornell and Larcker's (1981) criterion or Henseler et al.'s (2015) heterotrait-monotrait (HTMT) ratio of the correlations. However, Fornell-Larcker criterion does not perform well, particularly when the indicator loadings on a construct differ only slightly (e.g., all the indicator

loadings are between 0.65 and 0.85), and that researchers should rely on the HTMT ratio. As rule of thumb value of HTMT ratio less than 0.85 connotes nonexistence of discriminant validity problems (Henseler et al., 2015).

### **Structural Model Assessment**

When the measurement model assessment is satisfactory, the next step in evaluating PLS-SEM results is assessing the structural model. According to Hair et al. (2016), the basic standard valuation criteria, to be considered, include the coefficient of determination ( $R^2$ ), the  $Q^2$  (“blindfolding-based cross-validated redundancy measure”), effect size ( $f^2$ ) and the statistical significance and relevance of the path coefficients. As an acceptable rule,  $R^2$  of 0.25, 0.5 and 0.75 is considered as weak, moderate and substantial respectively. In addition, “a predictive relevance ( $Q^2$ ) of 0.02, 0.15 and 0.35 is considered as small, medium and large respectively.” Furthermore, “effect size ( $f^2$ ) of 0.02, 0.15 and 0.35 is seen as small, medium and large respectively.” Finally, a significance level of 5% or less or a t- statistic of 1.96 or higher is appropriate for a structural model.

### **Mediation**

The mediation effect tested for in this study is based on the procedure developed by Nitzl, et al. (2016) to test mediation effects on PLS-SEM. The mediation analyses begin with testing the indirect effect (through the mediator) to assess the significance. Nitzl, et al (2016) propose that it is not necessary to conduct separate tests for direct and indirect paths by applying PLS-SEM. A significant indirect effect is the only prerequisite for establishing a mediation effect. The significance of the direct effect determines the type of effect and or mediation. Hair et al. (2016) and Ramayah, Cheah, Chuah, Ting and Memon

(2018) emphasised two different types of mediation, full and partial mediation. Partial mediation can be subdivided into complementary and competitive partial mediation.

Carrión et al. (2017) posit that a full mediation occurs when a direct effect is not significant, whereas the indirect effect is significant. Indicating that effect of the exogenous variable on the endogenous variable is completely transmitted with the help of the mediating variable. In a complementary partial mediation, the direct effect and indirect effect point in the same (positive or negative) direction (Baron & Kenny, 1986). In a competitive partial mediation, the direct effect and indirect effect point in a different direction (Zhao, Lynch & Chen, 2010). There is no mediation when the indirect effect is not significant.

Additionally, Hair, et al. (2016) argue that researchers may rely on the value of the Variance Accounted for (VAF, i.e., calculated as;  $\text{total indirect effect}/\text{total effect} \times 100$ ) to interpret the types of mediation. The rule of thumb is, if the VAF is less than 20 percent, one should conclude that nearly zero mediation or no occurs. A situation in which the VAF is larger than 20 percent and less than 80 percent could be characterised as a typical partial mediation and a VAF above 80 percent indicates a full mediation (Hair, et al., 2016). The researcher for the analysis of mediation in this study followed the aforementioned procedure for mediation analysis.

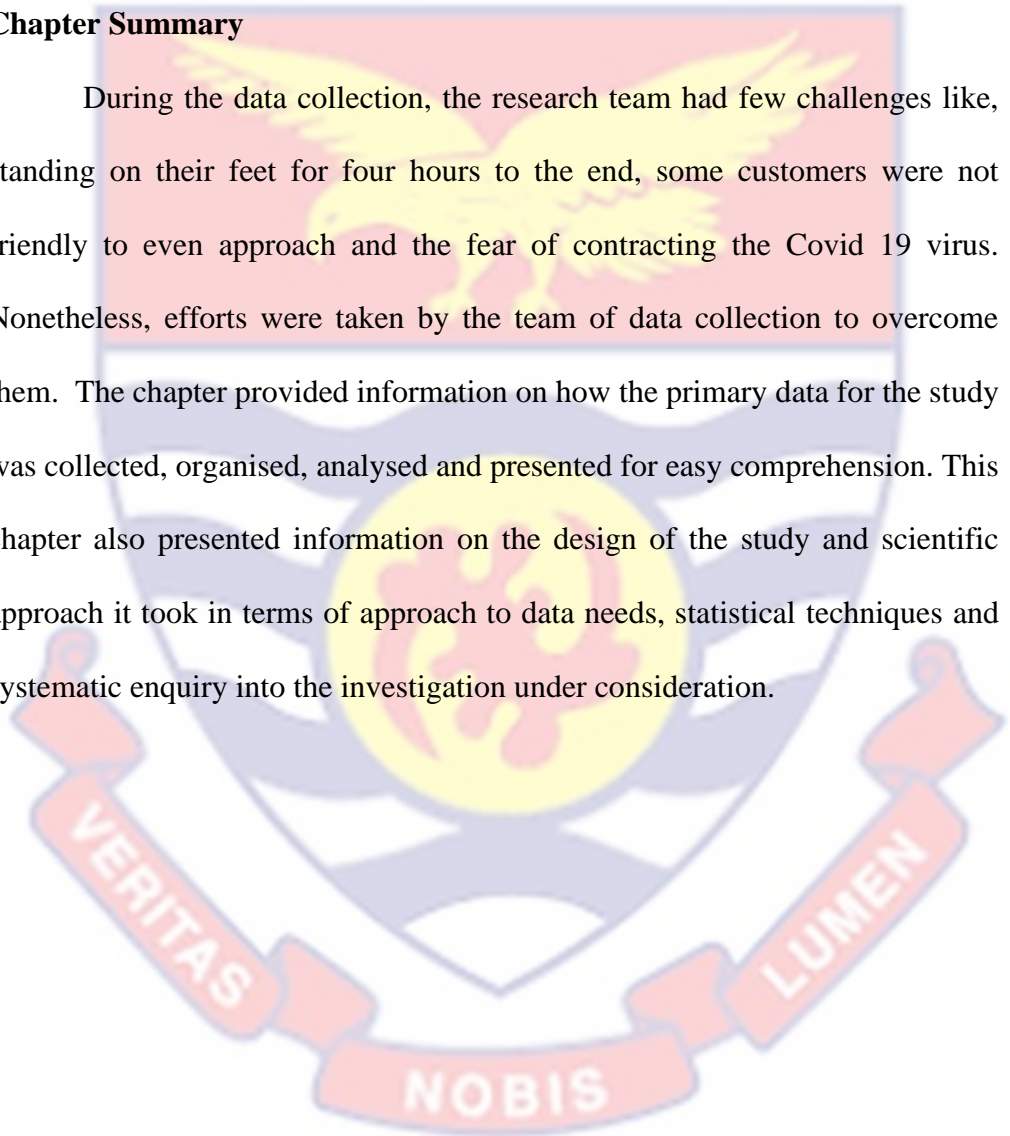
### **Ethical Considerations**

According to Li (2006), ethics is mostly associated with morality and deals with issues of right and wrong among groups, society or communities. It is therefore important that everyone who is engaged in research should be aware of the ethical concern (Rubin & Babbie, 2016). The researcher employed every

effort to avoid as far as possible violation of ethical principles. Edginton, et al. (2012) have identified the basic ethical consideration for research as; respondents being fully informed about the aim's methods and benefits of the research, granting voluntary consent and maintaining the right of withdrawal. The study took all ethical matters into consideration.

### **Chapter Summary**

During the data collection, the research team had few challenges like, standing on their feet for four hours to the end, some customers were not friendly to even approach and the fear of contracting the Covid 19 virus. Nonetheless, efforts were taken by the team of data collection to overcome them. The chapter provided information on how the primary data for the study was collected, organised, analysed and presented for easy comprehension. This chapter also presented information on the design of the study and scientific approach it took in terms of approach to data needs, statistical techniques and systematic enquiry into the investigation under consideration.



## CHAPTER FOUR

### RESULTS AND DISCUSSION

#### Introduction

The study sought to examine how relationship marketing could influence customer retention of retail grocery stores in the Cape Coast Metropolis. The study also mediated the products brand image in the relationship marketing and customer retention nexus. This chapter discussed the study's findings in relation to the research objectives. The chapter specifically discussed the response rate and respondents' demographic characteristics. The chapter further presented the results on the research objectives using the partial least squares (PLS) approach to structural equation modelling (SEM). The results were presented in tables and figures and discussed thereof. The study relied on the quantitative approach and correlational design.

A structured questionnaire was developed from extensive reviews of previous studies to gather data from 384 target grocery retail customers who visited the selected stores in the month of May, 2021. This selected sample was accurate and precise for the research study. The data was then processed using the IBM SPSS programme (version 25) and Smart-PLS (version 3.3.3) software. Inferential statistics (through partial least squares structural equation modelling) was used to address the objectives of the study. Out of the 384 respondents who were targeted, 203 of them responded to the questionnaires making a response rate of 53%.

### Background Characteristics of Respondents

Before the presentation of results which addressed the objectives of the study, few demographic characteristics of the respondents were gathered including the gender, age range and the educational level. Table 2 captured the report on these data.

**Table 2: Background Characteristics of Respondents**

Variable	Option	Frequency (N)	Percent (%)
<b>Gender</b>	Female	105	51.7
	Male	98	48.3
<b>Age</b>	Under 20	28	13.8
	21- 30	127	62.6
	Above 40	48	23.7
<b>Level of Education</b>	No formal education	1	0.5
	Basic education	7	3.4
	SSS/SHS	46	22.7
	Diploma/HND	38	18.7
	First Degree	92	45.3
	Postgraduate	19	9.4
<b>Total</b>		203	100

Source: Field Data, Antwi (2021)

Concerning gender of the respondents, majority, 105(51.7%), of the respondents were females, while 98(48.3%) were males. This result implied that there were more females who attended shopping within the research period than the males. In terms of age group of the respondents, Table 2 revealed that majority 127(62.6%) of them were between the ages of 21 to 30 years, while 48(23.7%) of them attained 40 years and above and 28(13.8%) were between the ages of 20 years or below. Furthermore, apart from 1(0.5%) person who did



not receive any formal education, the results indicate that the rest had educational qualifications including basic education, SSS/SHS, Diploma/HND, First Degree and Postgraduate. This means that, all the respondents have undergone formal education with majority of them having first degree qualification, 92 (45.3%).

### Influence of Relationship Marketing on Customer Retention

This section analysed the first objective of the study which sought to examine the influence of relationship marketing on customer retention of grocery retail stores in the Cape Coast Metropolis. The analysis was done after a successful evaluation of the measurement and structural models of the objective. First, the measurement model was evaluated followed by the structural model.

#### Measurement Model

Indicators evaluated are the item loadings, internal consistency, convergent validity and discriminant validity. Figure 2 depicts the assessment criteria for the item or indicator loadings of relationship marketing and customer retention.

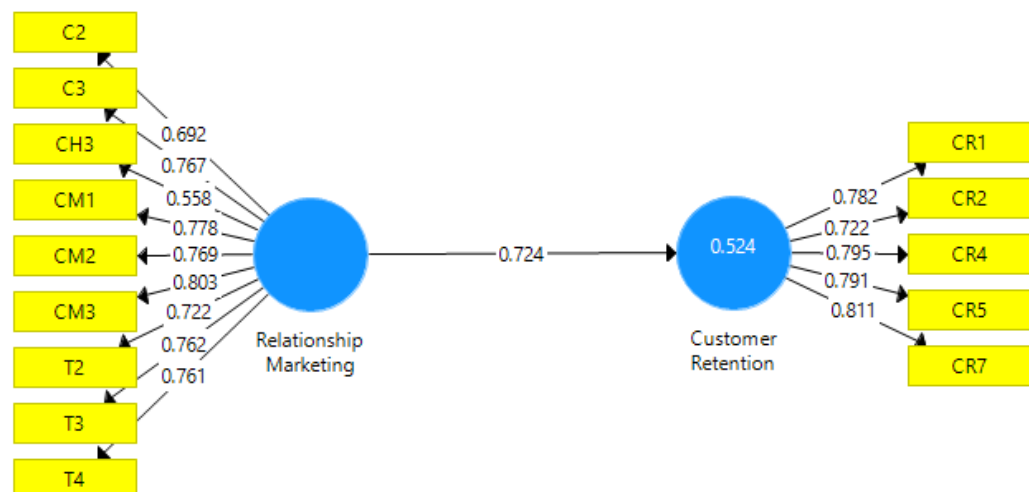


Figure 2: Indicator loadings of Objective One  
Source: Field Data, Antwi (2021).

The loadings on the Figure 2 demonstrate that items used to measure relationship marketing and customer retention constructs of the first objective were reliable. This is because the loadings met the accepted criteria of 0.70 or more for item reliability. Those that loaded below 0.70 were maintained because they did not have effect on the overall reliability of the model. The rest of indicators (T1, C1, CH1, CH2, CR3, and CR6) were deleted to achieve acceptable reliability. Table 3 was used to examine the internal consistency, convergent validity and discriminant validity.

**Table 3: Construct Reliability, Validity and Discriminant Validity**

Construct	CA	rho_	CR	CV - AVE
		A		
CRet	0.840	0.845	0.886	0.610
RM	0.894	0.899	0.914	0.545
<b>Heterotrait-Monotrait Ratio (HTMT)</b>				
	1		2	
CRet				
RM	0.828			

*Notes:* CRet = Customer Retention; RM = Relationship Marketing; CA = Cronbach's Alpha; CR = Composite Reliability; CV = Convergent Validity; AVE = Average Variance Extracted.

Source: Field Data, Antwi (2021)

Although, CR is seen as the best measure of internal consistency, a cursory check at the values of all the other measures shown that the constructs' internal consistency reliability was achieved. Again, the constructs convergent validity was satisfactory because values of AVE were all higher than the minimum 50 percent threshold. In respect of the DV, the table confirmed that relationship marketing and customer retention were two distinct constructs as revealed also by the HTMT ratio of < 0.85 cut-off point.

**Structural Model**

After the measurement model was assessed, the structural model was presented to analyse the findings of the objective. These were captured on Table 4.

**Table 4: Structural Model Results of Objective One**

	Beta (R)	T Statistic	P Values	R <sup>2</sup>	R <sup>2</sup> Adjusted	Q <sup>2</sup>	f <sup>2</sup>
RM -> CRet	0.724	19.262	0.000	0.524	0.521	0.305	1.100

*Notes:* R<sup>2</sup> of 0.25, 0.5 and 0.75 is considered as weak, moderate and substantial respectively; Q<sup>2</sup> of 0.02, 0.15 and 0.35 is considered as small, medium and large respectively; f<sup>2</sup> of 0.02, 0.15 and 0.35 is seen as small, medium and large respectively

Source: Field Data, Antwi (2021)

The results as portrayed in Table 4 indicated that relationship marketing has significant positive influence (R=0.724; t=19.262; p<0.001) on the customer retention of the grocery retail stores in Cape Coast Metropolis. Thus, hypothesis 1 was supported. On the basis of R, the result implied that any unit improvement in the scores of relationship marketing will lead to a 0.724 significant increase in customer retention. Additionally, the result of the R<sup>2</sup> can be interpreted to mean that 52.4% of variations in customer retention was accounted for by changes in relationship marketing in the study. Again, the results shown that the predictive relevance of relationship marketing on customer retention was moderate (Q<sup>2</sup>=0.305) testifying that relationship marketing makes significant contribution to customer retention in retail grocery stores. The value of the effect size (f<sup>2</sup>=1.10) further implied that relationship marketing has large impact on the R and R<sup>2</sup> of customer retention.

The conclusion drawn from the result suggested that when owners or managers of retail grocery stores wish to maintain the customers in the stores, then, there is the need for them to strengthen their relationship with the customers. Owners or managers should pay critical attention to how they can boost trust of their customers, take steps to resolving misunderstanding with clients, develop sustainable commitment, and the communication strategies in the stores. This will make the customers assume the positions of being “the king” in the business and in effect will be willing to stay committed to the business’ offering.

Again, the findings of the objective are not surprising because according to the relationship marketing theory, when customers perceive sellers of their products or service as welcoming, trustworthy and reliable, they (customers) develop the tendencies of repeat purchases and recommend the store to friends and family members (Muhanji & Ngari, 2015). Furthermore, the findings are supported by previous studies (Abtin & Pouramiri, 2016; Datta, 2018; Mahmoud, et al., 2018; Palto, et al., 2018; Hasan, et al., 2019), which exhibited that relationship marketing has significant effect on customer retention in a business. For instance, Palto, et al. (2018) found that trust, commitment, bond and communication were significant predictors of customer retention in grocery food retail stores, USA. Also, Abtin and Pouramiri’s (2016) study revealed that trust, satisfaction, management, communication, bond and competence have positive relationship with customer retention on insurance services of the central branch of Kerman, Iran.

### Influence of Brand Image on Customer Retention

The second objective of the study analysed the influence of brand image on customer retention among Grocery Retail Stores in Cape Coast Metropolis. The findings on the objective were reported and discussed after assessing the measurement and structural model of the objective. The loadings of each indicator of the constructs were checked using Figure 3.

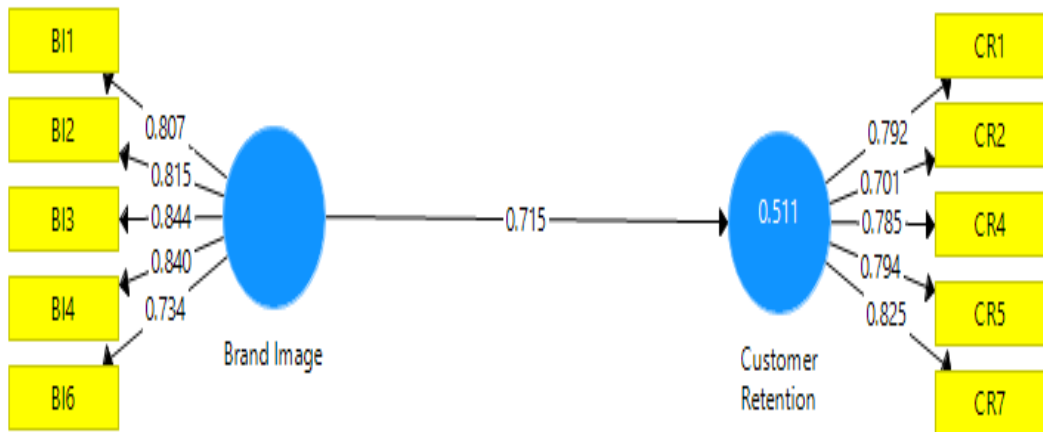


Figure 3: Indicator loadings of Objective Two  
Source: Field Data, Antwi (2021)

According to Figure 3, indicator loadings for brand image were within 0.734 – 0.844 while those of customer retention ranged from 0.701 – 0.825. The rest of indicators (BI5, CR3, and CR6) were deleted to achieve acceptable reliability. Additionally, internal consistency, convergent validity and the discriminant validity of the constructs were assessed using the appropriate values and thresholds displayed in Table 5.

**Table 5: Construct Reliability, Validity and Discriminant Validity**

Construct	CA	rho_A	CR	CV - AVE
Brand Image	0.867	0.868	0.904	0.654
Customer Retention	0.840	0.850	0.886	0.609

**Heterotrait-Monotrait Ratio (HTMT)**

	1	2
Brand Image		
Customer Retention	0.825	

Source: Field Data, Antwi (2021)

From Table 5, the results showed that internal consistency of the brand image and customer retention constructs were achieved. Again, convergent validity of the constructs in the objective was satisfactory since the constructs’ AVEs were above the minimum 50% threshold. Finally, the HTMT ratio which was used to evaluate the discriminant validity of the constructs was endorsed based on the value displayed in Table 5.

Next was the assessment of the structural model which helped in testing the hypothesis two set in the study as reported in Table 6.

**Table 6: Structural Model Results of Objective Two**

	Beta (R)	T Statistic	P Values	R <sup>2</sup>	R <sup>2</sup> Adjusted	Q <sup>2</sup>	f <sup>2</sup>
BI ->CRet	0.715	16.888	0.000	0.511	0.509	0.298	1.045

Note: BI = Brand Image

Source: Field Data, Antwi (2021)

From Table 6, the result revealed that brand image has a significant positive effect on customer retention (R = 0.715; t = 16.888; p < 0.001 < 0.05). This is because; the t-stat of the model was 16.888 which is greater than 1.96.

Hence, the study revealed that brand image significantly influences customer retention in the grocery retail stores in Cape Coast. From the R result, the study found a positive relationship between the exogenous and endogenous variables with a score of 0.715. This means that a unit increase in brand image of the products would lead to a substantial unit increase in customer retention. Furthermore, the result of coefficient of determination ( $R^2 = 0.511$ ) shows that about 51 percent of changes in the customer retention towards groceries in the stores were accounted for by changes in brand image. Thus, the remaining approximate 49 percent could be attributed to errors or other factors not captured in the study. Moreover, the model had moderate predictive relevance between the constructs and a large effect on the  $R^2$  of the customer retention.

The results as signaled from the study can be inferred that brand image has a significant influence on the customer retention towards the groceries in the retail stores in Cape Coast; hence, hypothesis 2 was supported in the study. This means that the brand image of groceries retailers' stock in their stores has the potential of calling back customers to patronise the products several times. Specifically, retail owners or managers should listen to the wishes of the customer and make efforts to selectively shelve their stores with groceries of high quality, good price, value and product image. In support of the findings, scholars such as Chien-Hsiung (2011), Yu-TeTu and Hsu (2013), and Kariuki (2015) found in their studies that brand image of products or services are a "fragrance" that attracts customers to a store. Notably, Kariuki (2015) established in his study that brand image has significant influence on customer retention in major supermarkets in Kenya.

### Mediating Role of Brand Image in the Relationship between Relationship Marketing and Customer Retention

This section assessed the final objective of the study which sought to investigate the mediating role of brand image in the relationship between relationship marketing and customer retention among Grocery Retail Stores in Cape Coast Metropolis. Following the mediation procedures advanced by Nitzl et al. (2016) and Hair et al. (2016), the study analysed the objective based on the various types of mediation. The scholars argue that there is mediation when the direct and indirect effect independent variable (relationship marketing) and dependent variable (customer retention) through an intervening variable (brand image) are significant. Per Hair et al.’s (2016) formular, the VAF is calculated as the percentage of total indirect effect divided by total effect. The study presented results of the objective comprising measurement and structural models in the Figure 4 and the Tables 7, 8, 9 and 10 that ensue.

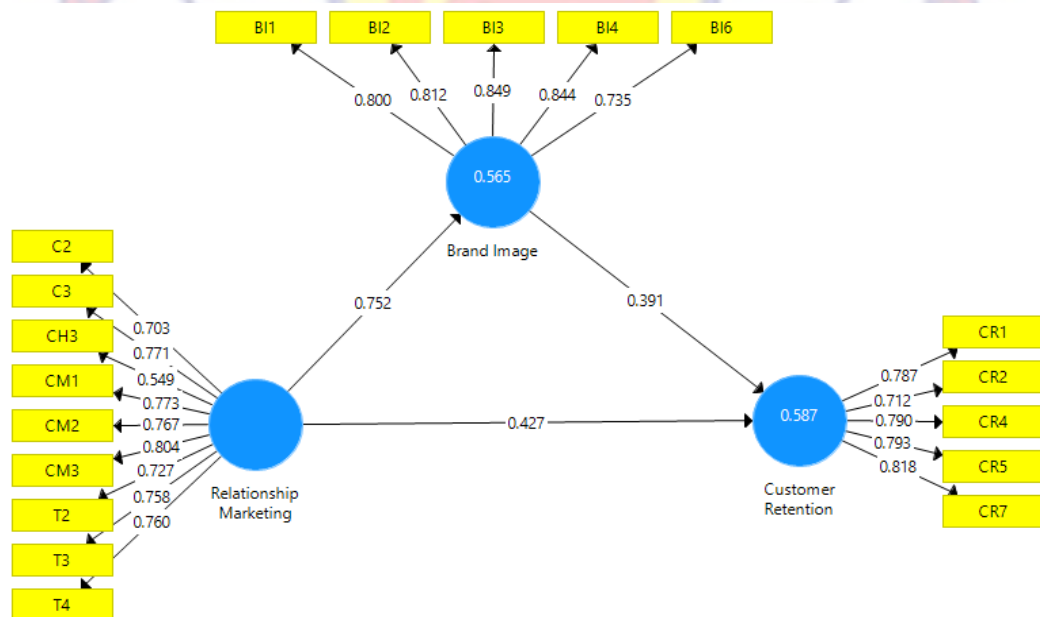


Figure 4: Indicator loadings of Objective Three  
Source: Field Data, Antwi (2021)



According to Figure 4, the indicator loadings for all the three constructs were satisfactory because they all loaded between 0.70 and above.

Next table, Table 7, captured the results of the structural model made-up of internal consistency, convergent validity and discriminant validity.

**Table 7: Construct Reliability, Validity and Discriminant Validity**

Construct	CA	rho_A	CR	AVE
BI	0.867	0.869	0.904	0.654
CRet	0.840	0.846	0.886	0.610
RM	0.894	0.900	0.914	0.545

<b>Heterotrait-Monotrait Ratio (HTMT)</b>			
	1	2	3
BI			
CRet	0.825		
RM	0.848	0.828	

Results from Table 7 portrayed that constructs’ internal consistency (CA, rho\_A and CR), convergent validity (AVE) and discriminant validity (HTMT) of the model criteria were achieved.

After a successful measurement assessment, the structural model of objective three result was followed and presented on Table 8.

**Table 8: Structural Model Results of Objective Three**

	Beta (R)	T Statistics	P Values	R <sup>2</sup>	R <sup>2</sup> Adjusted	Q <sup>2</sup>	f <sup>2</sup>
BI->CRet	0.391	4.658	0.000	0.565	0.563	0.356	0.161
RM->BI	0.752	18.319	0.000				1.300
RM->CRet	0.427	5.007	0.000	0.587	0.583	0.345	0.192

Source: Field Data, Antwi (2021)

Results in Table 8 revealed that there was a significant and positive influence of relationship marketing on customer retention (direct;  $R=0.427$ ;  $t=5.007$ ;  $p<0.001$ ;  $p<0.05$ ) and brand image on customer retention (indirect;  $R=0.391$ ;  $t=4.658$ ;  $p<0.001$ ;  $p<0.05$ ). The results again showed that relationship marketing had a significant positive link with brand image (indirect;  $R=0.752$ ;  $t=18.319$ ;  $p<0.001$ ;  $p<0.05$ ). These results further indicated that relationship marketing and brand image harmoniously accounted for 56.5% percent ( $R^2$ : Table 8) of variation in customer retention in the retail grocery stores. Moreover, relationship marketing and brand image made a statistically significant large predictive relevance ( $Q^2=0.356$ ) on the values of customer retention while relationship marketing made a moderate predictive relevance on customer retention ( $Q^2=0.345$ ). In respect of the effect size, this study averred that relationship marketing ( $f^2=0.192$ ) and brand image ( $f^2=0.161$ ) caused small statistically significant positive variance in customer retention while relationship marketing leads to a large significant change in brand image ( $f^2=1.300$ ).

Tables 9 and 10 provided scores that helped in determining the VAF of the mediation type for the study. First, Table 9 showed the score of total indirect effect.

**Table 9: Total Indirect Effects**

	BI	CRet	RM
BI			
CRet			
RM		0.294	

Source: Field Data, Antwi (2021)

Since there exist both direct and indirect significant positive effect of relationship marketing and customer retention, conclusion can be reached that brand image mediates the relationship between relationship marketing and customer retention. Thus, the result of the VAF was calculated from Tables 9 and 10 to ascertain the extent of the mediation. Thus, total indirect effect/total effect  $(0.294/0.721 \times 100\%) = 40.78\%$ .

Again, Table 10 captured the score of total effects of the variables under study

**Table 10: Total Effects**

	BI	CRet	RM
BI		0.391	
CRet			
RM	0.752	0.721	

Source: Field Data, Antwi (2021)

Based on the VAF score, it can be concluded in this study that brand image partially mediates the relationship between relationship marketing and customer retention. The revelation obtained from the results of the study is that although relationship marketing can influence customer retention of grocery retailers stores, such influence can be improved better when the brand image of the groceries stocked in the stores is appealing to the customers. Concisely, customers will favor groceries which in their nature have been recognised as possessing attributes attractive to them alongside relationship marketing activities such as trust, and good conflict handling practiced by the grocery retail entities. Moreover, the findings implied that grocery retail owners or managers within the Metropolis, Ghana and beyond can leverage on the brand image of

the products they acquire from suppliers to compliment the relationship marketing activities to attract and sustained customer retention.

Empirically, this position has been upheld by previous scholars that since relationship marketing and customer retention literature is flood with inconsistencies in respect of direction and strength, other intervening variables such as brand image is practicable measure to solving the puzzle (Nakhleh, 2012; Andreani, Taniaji & Puspitasari, 2012). Marakanon and Panjakajornsak's (2017) study affirmed these findings by indicating that because customers view brands as a guarantor of reliability and equity of a given product or service, any grocery retail store that emphasises the sale of credible and famous product brands is likely to reap customer retention. Furthermore, Griskevicius and Kenrick (2013) are of the opinion that customers will choose to return to transact business with reputed brand name that draw attention to their behaviours in different situational perspectives. Hence, this study concludes that brand image of products in grocery retail stores is necessary in improving the relationship in relationship marketing and customer retention.

### **Chapter Summary**

The chapter was developed to address the specific objectives of the study. The background characteristics of the respondents of the study were first described followed by the analysis of the various objectives through PLS-SEM. All the objectives of the study were analysed and findings reported and supported by empirical investigations. Major findings were that relationship marketing and brand image influence customer retention and at the same time brand image mediated relationship marketing and customer retention.

The next chapter provides Summary, Conclusions and Recommendations of the research study.



## CHAPTER FIVE

### SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

#### Introduction

This chapter presents the key findings of the research objectives of the study, conclusions drawn from the findings and recommendations for policy considerations. The chapter also provided suggestions for further research. The study was thrived with conceptual opinions in relation to the significant contributions of relationship marketing in improving the customer retention in grocery retail stores in the Cape Coast Metropolis. The study was conducted to ascertain the role of brand image of groceries in the relationship marketing and customer retention nexus. With this purpose, specific objectives were designed to be achieved. These were to: examine the influence of relationship marketing on customer retention among Grocery Retail Stores in Cape Coast Metropolis; examine the influence of brand image on customer retention among Grocery Retail Stores in Cape Coast Metropolis; and analyse the mediating role of brand image in the relationship between relationship marketing and customer retention among Grocery Retail Stores in Cape Coast Metropolis.

#### Summary

In relation to research objective one, the findings indicated that relationship marketing has a significant positive influence on customer retention of grocery retail stores. The result implied that, a unit increase in the relationship could lead to an increase in the customer retention towards grocery retail stores. It is clear that management of grocery retail stores should engage in quality relationships with any customer who step foot in their stores to transact businesses.

The second research objective focused on examining the effect of brand image of groceries on customer retention. The study found that brand image had a significant positive influence on customer retention. It was suggested that grocery retailers should endeavour to sell those groceries that are in the minds of customers as unique and have attained brand image.

The final research objective investigated the mediating role of brand image on the relationship between relationship marketing and customer retention. The findings demonstrated that brand image mediated the nexus between relationship marketing and customer retention partially. The findings further indicated that when management of retail stores sell groceries that already have attracted brand image, then, seeking customer retention by means of relationship marketing will be easier.

### **Conclusions**

The purpose of the study was to investigate the influence of relationship marketing on customer retention of grocery retail stores through the intervening role of brand image in the Cape Coast Metropolis. Based on the findings, some conclusions were drawn. These conclusions have provided significant insights to traders across firms and industries in the Ghanaian economy and beyond. Within the contemporary business environment, customers have been the centre of business success and firms should not tilt this fact by ignoring the importance of relationship marketing. Along with providing superior products, companies will be able to attract customers and increase their market share in the industry they operate. Therefore, retailers in the bit to excel in the competitive environment should first pay attention to the brand image of products they combine to offer the market and second, develop a system such as customer

automation to improve on relationship marketing. Specifically, the conclusions based on each objective were made as follows:

First, the study concludes that relationship marketing activities undertaken by grocery retail store owners or managers are crucial for retaining customers. Hence, customer retention is another most prominent resource to business' success since whatever the customer says concerning a product is a verdict. Sellers of this category of products should develop the commitment to providing security to customers in course of transactions, providing quality groceries, engaging flexible attendants and try to solve manifest conflicts before they create problems.

Furthermore, conclusion was drawn on the second objective that brand image is a significant factor in attracting customer retention. The result has largely been supported by previous empirical studies which indicated that managers or owners of grocery retail stores should sell grocery products that have brand image. Once the customers are satisfied with the brand of groceries sold in a particular store, they are likely to be regular customers to the store.

Finally, the study established that customer retention through relationship marketing variables (trust, commitment, conflict handling and effective communication) can be improved when groceries perceived in the minds of customers are sold in the store. This is premised on the believe that customers are rational and that they (customers) will look for many attributes of a product and the persuasion efforts before making a purchase decision. Thus, retailers who adopt such strategies of playing relationship marketing tactics along with brand image will amass more customers to their stores.



## **Recommendations**

On the strength of the research findings and conclusions made, the following recommendations are made:

First, the study recommends that the retail food sector should work on enhancing the relationship marketing programs of trust, conflict management, communication and commitment to serving the customers. This can be achieved by management training the store attendants to be “friends” of the customer, build customer contact list and connect with customers from time to time through messaging. Thus, the emergence of social media can facilitate creating this touch with the customers.

Second, the study also recommends that grocery retail store owners should liaise with their suppliers or manufacturers to improve upon the brand image of their products since that will also have a positive effect on the sales of the manufacturer. By building mutual relationship between the retailers and suppliers, the retailers will be able to acquire groceries of good quality and of high brand image.

## **Suggestions for Further Research**

The study was conducted on grocery retail stores only which makes it difficult to fully generalise the findings to other business sectors such as the manufacturing and services. This is because grocery retailers may not have control on the kind of products delivered to them from suppliers which have implications on the brand image of the groceries. Therefore, future studies should expand the scope of study to service firms by using the relationship marketing variables and also on producers of grocery products. This would help

ascertain the full glare of how relationship marketing in different sectors influences customer retention in Ghana.



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**APPENDICES**

**APPENDIX A: QUESTIONNAIRE**

**UNIVERSITY OF CAPE COAST**

**COLLEGE OF HUMANITIES AND LEGAL STUDIES**

**DEPARTMENT OF MARKETING AND SUPPLY CHAIN**

**MANAGEMENT**

**QUESTIONNAIRE**

**Dear Sir/Madam,**

I am a student researcher from the University of Cape Coast pursuing an MBA programmed in Marketing and a study on relationship marketing and customer retention. I will therefore be very grateful if you could kindly spare me a bit of your busy schedule to answer these questions to enable me achieve the objectives of the study. This is purely an academic exercise and you can be assured that all information provided herein will be treated with the utmost degree of confidentiality.

**SECTION A: BACKGROUND INFORMATION**

Tick where appropriate (√)

1. Gender: Male [ ] Female [ ]

2. Age Group (Years):

Under 20 [ ] 21 – 30 [ ] 31 – 40 [ ] Above 40 [ ]

3. Highest educational qualification

No formal education [ ] Basic School [ ] SSS/SHS [ ]

Diploma/HND [ ] First Degree [ ] Post Graduate [ ]

**SECTION B: RELATIONSHIP MARKETING**

Kindly indicate by ticking (√), your level of agreement to the statements below on brand elements. A seven-point Likert scale is applicable: 1=least agreement and 7=highest agreement.

N/S	STATEMENT	1	2	3	4	5	6	7
	<b>Trust</b>							
1	The store is very concerned with security of my transactions							
2	The store’s groceries and services are reliable							
3	The store is consistent in providing quality groceries							
4	Attendants of the shop show respect to customers							
	<b>Commitment</b>							
5	This grocery store offers products that meet customer tastes							
6	The store is flexible when its services are changed							
7	The shop attendants are flexible in attending to my grocery needs							
	<b>Conflict Handling</b>							
8	The supermarket tries to avoid potential conflicts among clients							
9	The grocery supermarket tries to solve manifest conflicts before they create problems							
10	The store has the ability to openly discuss solutions when problems arise							
	<b>Communication</b>							

11	The store provides timely and trustworthy information about new groceries in the shop							
12	The store provides information if there are new products or services added							
13	The shop fulfils its promises							

**SECTION C: BRAND IMAGE**

Kindly indicate by ticking (√), your level of agreement to the statements below on brand elements. A seven-point Likert scale is applicable: 1=least agreement and 7=highest agreement.

N/S	STATEMENT	1	2	3	4	5	6	7
1	This store has the kind of grocery brands I prefer							
2	I am motivated to purchase from this store because the products have good brand image.							
3	The brand of the groceries is one of my primary considerations when purchasing a product from this store or shop							
4	The positive brand image of my preferred groceries is reflected in the physical evidence of this shop.							
5	I will decline a purchase in this shop when my preferred grocery brand is not readily available.							
6	The supermarket increases my frequency of visit							

**SECTION D: CUSTOMER RETENTION**

Kindly indicate by ticking (√), your level of agreement to the statements below on brand elements. A seven-point Likert scale is applicable: 1=least agreement and 7=highest agreement.

N/S	STATEMENT	1	2	3	4	5	6	7
1	I really care about the fate of this store							
2	I am willing to put in extra effort to buy from this store							
3	As long as the product is similar, I could just as well be buying from a different store							
4	I am proud to tell others that I buy from this store							
5	For me, this store is the best alternative I expect to stay with this store for a long period of time							
6	As a consumer to this store, I feel that I am prepared to pay more for higher quality products/services							
7	I would recommend this store's brand to others							

THANK YOU.

APPENDIX B: INTRODUCTORY LETTER

UNIVERSITY OF CAPE COAST  
COLLEGE OF HUMANITIES AND LEGAL STUDIES  
SCHOOL OF BUSINESS

**DEPARTMENT OF MARKETING AND SUPPLY CHAIN MANAGEMENT**

Telephone: +233-(0)3321 32440-4 / 32483  
Direct: 03321-91110  
Telax: 2552,UCC, GH.  
Telegrams & Cabels: University, Cape Coast



UNIVERSITY POST OFFICE  
CAPE COAST, GHANA

Our Ref:

Your Ref: **SB/MMK/19/0002**

17<sup>th</sup> May, 2021

The Chairman  
Grocery Retail Stores in Cape Coast  
Cape Coast

Dear Sir/Madam,


**LETTER OF INTRODUCTION –MS. EUNICE ANTWI**

The bearer of this letter, **Ms. Eunice Antwi**, with registration number **SB/MMK19/0002** is a student pursuing **Master of Commerce in (Marketing)** at the Department of Marketing and Supply Chain Management, School of Business.

She is currently conducting a research on the topic: *“Relationships Marketing Brand Image and Customer Retention in Grocery Retail Enterprises in Cape Coast Metropolis.*

We would be grateful if you could help her with the necessary assistance she may need.

Yours faithfully,

  
Prof. Daniel Agyapong  
**HEAD**