

Customer Retention and Services Marketing Strategies Adopted By Selected Fast Food Restaurants in Awka: Anambra State - Nigeria

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Abstract: This study was geared towards discovering the relationship between two variables: marketing strategies, using the 7Ps of the marketing mix, and retention of customers who patronise the restaurants under study. These fast food restaurants, which are all located in Awka, Anambra State, are as follows: Chillers, Crunchies, Nourisha, and Pals Fast food. Two sets of questionnaires were designed; one was distributed to the restaurant managers and staff while the other was given to customers to determine the relationship between the application of marketing strategies and the retention of customers. An overview of the application of marketing strategies as they affect customer retention in restaurants was introduced. The study went on to state the major problem of fast food restaurant owners'/operators' inability to appreciate the relevance and combine the 7Ps of services marketing in the course of trying to satisfy and retain customers. It went further to highlight the objectives of the study which were centred on establishing the relationship between the application of the 7Ps by the restaurant operators and customer retention. As regards methodology, the study applied a survey design to establish the level of significance in the relationship between customer retention and services marketing strategies. The study also gave a detailed account/report of the results of the study. Results showed that the 7Ps were significant in the retention of customers. Finally, conclusions, recommendations, and suggestions for further studies were presented. Based on the findings, recommendations were made on how to improve on service and apply services marketing strategies. Restaurants should apply these strategies in directly connecting with their customers to build retention that measurably increases sales and profit.

Keywords: Marketing Strategies, Marketing Mix, Customer Retention, Restaurant.

I. INTRODUCTION

Background to the Study

Acquiring customers may be easy, once you find the proper media vehicles to advertise your goods and services; however, retaining customers is a challenge many businesses face. Customer retention is finding ways to make the customers who you acquire become repeat buyers who are loyal to your brand. It is advantageous for businesses to retain customers, since retaining customers cost businesses less than acquiring new customers. According to Shcheglova and Shcheglov (2010), there are various studies which state that focus on customer retention is less expensive than acquisition focus and can be more profitable. These authors prove the views on customer retention focus; that it can be less expensive than acquisition focus and can be more profitable. Hence, the need arises to conduct a study on the marketing strategies for retaining customers in restaurants via the 7Ps of the marketing mix.

Scarcely will anyone say that he/she has never seen a bicycle and how the wheels revolve around its hub as it moves. Marketing strategies, in like manner, revolve round the target market, showing that all the marketing activities centre on the consumers or users, who represent the hub of the bicycle.

According to Nkamnebe and Olise (2003), the protagonists that constitute “new school” feel, among other things, that the 4Ps of marketing paradigm would appear inadequate to describe the complex whole of the subject of marketing. They hinged their argument on the proliferation of “Ps” in their journal article as a sign of inadequacy of the 4Ps. This argument buttressed Kotler (1986), who offered a 6Ps framework, while Booms and Bitner (1981) suggested 7Ps namely; product, place, promotion, price, people (personnel), process, and physical evidence. The activities of these 7Ps work harmoniously to satisfy the target market.

Marketing strategies combine all marketing goals into one comprehensive plan aimed at satisfying the target market. The goals of marketing strategies are to increase sales and achieve sustainable competitive advantage. Strategies are dynamic and interactive, which involve careful and precise scanning of the internal and external environmental factors.

Internal factors include the marketing mix and marketing mix modelling plus performance analysis and strategic constraints. External factors include customer analysis, competitive analysis, target market analysis, as well as evaluation of elements of the technological, economic, cultural, or political/legal environment likely to impact success. This study will be centred on the marketing mix elements.

Food, being one of the necessities of human beings, is not often readily available; hence, fast food is very important, especially in Nigeria where people travel a lot and do not have enough opportunity to eat home-made meals. Some people leave their homes as early as five thirty in the morning without taking breakfast. They often rely on fast food restaurants.

The synergistic effect of marketing strategies of fast food restaurants in Nigeria, specifically in Awka, Anambra State, cannot be over-emphasised. This study, therefore, examines how fast food restaurants in Awka combine the 7Ps aimed at retaining their customers at a profit.

Statement of the Problem

Fast food restaurants are expected to combine the 7Ps in the course of trying to retain customers. Since most of the restaurant owners/operators are not professional marketers, it has been noted that they do not appreciate the relevance of these 7Ps of services marketing which work harmoniously to increase sales, attract new customers, reduce costs as well as retain customers. The knowledge of the 7Ps will, of course, precede their application for customer satisfaction and retention. This study, therefore, would seek to establish the relationship between the application of the 7Ps by the restaurant operators and customer retention.

Objectives of the Study

Generally, this study sought to establish the relationship between the application of the 7Ps by the restaurant operators and customer retention. The specific objectives of the study were to find out if:

1. **Food offers** have any significant relationship with customer retention.
2. **Price** has a significant relationship with satisfaction and retention of customers.
3. There is a significant relationship between customer retention and **place**.
4. **Promotion offers** have any significant relationship with retention of customers.
5. There is a significant relationship between **personnel** and customer retention.
6. **Process** has a significant relationship with customer retention.
7. There is any significant relationship between customer retention and **physical evidence**.

Research Questions

Seven research questions guided the study.

1. Do **food offers** have significant relationship with customer retention?
2. Does **price** have significant relationship with retention of customers?
3. Is the relationship between customer retention and **place** significant?
4. Do **promotion offers** have significant relationship with retention of customers?
5. Is the relationship between **personnel** and customer retention significant?
6. Does **process** have a significant relationship with customer retention?
7. Is the relationship between customer retention and **physical evidence** significant?

Research Hypotheses

The following null hypotheses were therefore stated:

1. **Food offers** do not have any significant relationship with customer retention.
2. **Price** does not have a significant relationship with satisfaction and retention of customers.
3. There is no relationship between customer retention and **place**.
4. **Promotion offers** do not have any significant relationship with retention of customers.
5. There is no relationship between **personnel** and customer retention.
6. **Process** does not have a significant relationship with customer retention.
7. There is no relationship between customer retention and **physical evidence**.

Significance of the Study

The purpose of this study was to examine the effect of marketing strategies, using the 7Ps of the marketing mix, on the retention of customers in restaurants. Hence, the findings of this research will significantly create awareness of the marketing strategies for retaining consumers in restaurants, while stimulating observation of the 7Ps. Identification of the significance of marketing strategies for customer

retention will contribute to the successful operations and profitability of the restaurants under study. Hence, the study will serve as a piece of motivation to fast food restaurants wishing to retain their customers and make a profit. The results of the research can be used by marketers especially in the fast food industry in order to better understand what influence customers' behaviour and why they come back to the aforementioned restaurants. It will also be beneficial to managers and customers who patronise these restaurants as these managers can use the findings generated as a tool to increase the retention rates by adjusting relevant restaurants' service elements within their restaurants.

Finally, this study will be of importance to academia as additional literature in the understanding of relationship marketing.

Scope of the Study

This study covered four (4) selected fast food restaurants namely; Chillers, Crunchies, Nourisha, and Pals Fast food. These restaurants are strategically located in Awka, Anambra State.

Subject and Variable Scope: The study's subject scope was delimited to marketing strategies via service marketing mix elements (people, place, price, product, promotion, process, and physical evidence) and customer retention in the fast food sector. The variables of interest in the study are the seven afore-mentioned elements of marketing mix.

Marketing strategies were the independent variable, which was measured via the marketing mix elements, while customer retention was the dependent variable.

Geographical Scope: Awka, a commercial city in the heart of Anambra State, Nigeria is the geographical area of study.

Study Unit Scope/Brand of Interest: The units of study in this research work consisted of customers who patronise the restaurants under study, who at the time of this study, enter the restaurants to make purchases. Respondents comprised individuals who patronise these restaurants to discover which of the marketing mix elements (if any) is responsible for the likelihood to return to the restaurants.

II. Review Of Related Literature

Introduction

This chapter sheds light on previous studies on marketing strategy and marketing mix components, marketing mix in service marketing, and customer retention in the fast food industry. It also provides the theoretical framework which is the premise of this study.

Marketing Strategy and Marketing Mix

Ferraioli (2015) provides some insight into the relationship between marketing strategy and mix. The marketing strategy looks at the big picture of providing a profitable product or service to a customer while taking into account that the same customer is being courted by the competition. To survive against strong competition, restaurants pay attention to their competitors' price and quality; then make decisions on how to win customers. Service marketing mix is composed of seven main components, known as the 7Ps: product, price, place, promotion, people, process, and physical evidence. These are components of the marketing force a restaurant should consider, that is, how much it will charge for the product or service it is selling; as well as when and where the product will be sold, etc.

Marketing Mix in Service Marketing

Marketing mix is an integral part of a service blueprint design. Service marketing mix consists of 7Ps as compared to the 4Ps of a product marketing mix. Simply said, the service marketing mix assumes the service as a product itself. However it adds 3 more P's which are required for optimum service delivery.

Product – The product in service marketing mix is intangible in nature. Like physical products such as soap or detergent, service products can be measured. Tourism industry or the education industry can be an excellent example.

Place - Place in case of services determine where the service product is going to be located.

Promotion – Promotion has become a critical factor in the service marketing mix. Services are easy to be duplicated and hence it is generally the brand which sets a service apart from its counterpart.

Pricing – Generally, service pricing involves taking into consideration labour, material cost and overhead costs. But determining the price for services is much more difficult than that of packaged goods. Also, Zeithaml et al (2006) argue that services marketing is affected more by non-monetary costs such as time costs, search costs, convenience costs and psychological costs.

People – People are one of the elements of service marketing mix. People define a service. If you have a restaurant, your chef and service staff defines you. In case of service marketing, people can make or break an organisation. Zeithaml, Bitner and Gremler (2006) define people as an element of services marketing mix as

“all human actors who play a part in service delivery and thus influence the buyer’s perception: namely, the firm’s personnel, the customer, and other customers in the service environment”.

Process – Service process is the way in which a service is delivered to the end customer. Zeithaml et al (2006), define it as “the actual procedure, mechanism and flow of activities by which the service is delivered – the service delivery and operating systems”.

Physical Evidence – “the environment in which the service is delivered and where the firm and customer interact, and any tangible components that facilitate performance or communication of the service” (Zeithaml et al, 2006). They present the service encounter in tangible platform and therefore reduce the potential risks consumers perceive in the consumption of service (Palmer, 2010). This is the last element in the mix and it is used as a differentiator in service marketing. Physical evidence are the physical structure such as buildings, packing space, store layouts, logos, uniforms of the service personnel, uniformity of operations and packaging.

How to Develop a Marketing Strategy for a Restaurant

According to Lorette (2015), every business requires a strategy for marketing, restaurants are no exception. In fact, some may argue that restaurants have to fight for every customer even more than retail stores. It would be in the best interest of these restaurants if the 7P’s are applied in order to bring about an increase in sales and customer retention.

Customer Retention

Singh and Khan (2012) assert that customer retention is a high profile strategy for reaping enormous organisational profit. As more and more customers are treated with dignity by bringing their requirements to bear; the more their loyalty and the more profit for the firm. Customer retention has become very imperative in improving business performance and as such has become a byword, a buzzword and a catchy word for advertisement for most companies who apply diligent strategies towards attracting customers (Gengeswari, Padmashantini, Sharmeela-Benu, 2013). Many business organisations have come to the consciousness of the benefits of customer relationships, customer retention and have adapted and adopted it to improve their customer lifetime value in the fast food industry (Mornay, 2011). According to him, integrated marketing communication is imperative to ensuring legitimate attraction and retention of customers in order to generate a stream of unending revenues to the company. (The fast food industry has become one of the most profitable and growing industry around the globe. And there occurs the need to attract and judiciously retain customers to their detriment of competing firms (Sabir, Irfan, Akhtar, Pervez and Rehman, 2014). People’s change in lifestyle has contributed to the growing trend of eating out in fast food restaurants in India (Manjunath, and Reginald, 2016). Business must differentiate their services offer in the fast food industry to ensure retention and customer loyalty (Sabir, Ghafoor, Hafeez, Akhtar, and Rehman, 2014). When management deliver quality food and services to customers, they will come back again and again (Baranidharan, 2012).

Ang and Buttle (2006) discover in their research on “Customer retention management processes: A quantitative study “that “excellence at customer retention is positively and significantly associated with the presence of documented complaints-handling processes”. The level of customer retention determines to a large extent the fulfilment of organisational objectives (Ibojo, 2015). Customer retention is the life wire of any profitable and successful business endeavour. It is the nucleus of most services company and serves very significantly in propagating the economic health and viability of such companies that have adopted it as an anchor strategy for satisfying her customer needs and wants (Okolo, Agu, Obikeze and Ugonna, 2015). Many firms have ceased to exist few years after establishment as a result of their inability to develop and deliver adequate customer retention strategies; customer switch to other companies that can guarantee customer satisfaction, and this failure on the part of the company to retain customers through deliberately planned and focused strategies will continue to send more companies packing in the near future (Njoku, Kalu and Okeke, 2015). Many restaurant owners spend a lot of time worrying about how to market their restaurant to a new clientele. Obviously, new customers are always important, but keeping existing customers is less expensive and more profitable than attracting new customers (Nation’s Restaurant News, 2009). Treating front line customers (employees) of an organisation well will definitely translate to their better treatment on the company’s customers. This is because when customers are successful, the company will be prosperous as well (Kotler, Bowen and Makens, 2010). Zineldin (2000) defines customer retention as a rate – percentage of the customers at the beginning of the period which are still remaining customers at the end of the period. Dawes (2009) defines retention simply as a number of customers who stay with the service during the set period of time. Newell (2000) describes customer retention as the return on customer relationship marketing. According to Nworah (2015), successfully implemented customer retention strategies are a point of competitive advantage, which means that the customer should always be treated as a king, and should be at the core or heart of the operations of every business. For some of the fast-food restaurants, customer service is a key competitive strategy, while for some others, customer service is not very high on their agenda, and while the latter operates as if it is still a seller’s world, this may be the case for those restaurants operating in towns where there is less competition.

Best Marketing Strategies for Keeping Restaurant Customers

According to Sonnenshein (2014), maintaining contact with customers offers the highest return on investment, beating out promotional strategies or advertising campaigns that target new customers. Regular contact promotes the restaurant's brand and establishes strong value in the minds of customers. Keeping steady contact is the key to the word of mouth marketing. Of course, word of mouth motivates repeat customers to talk to new customers about a restaurant. Nothing is more effective than a real world recommendation, and nearly all restaurant marketing are meant to support word of mouth marketing.

Strategies for staying connected include archiving personal information about customers and bringing up key facts when people dine in the restaurant.

Restaurants can also recognise birthdays, store information about a customer's preferred foods and menu specials and highlights of coming events and attractions. Acting on this information encourages customers to dine out with friends and families at the restaurant. Email campaigns, social media and rewards programmes make staying digitally connected easy without generating major expenses.

Don't Focus on New Customers at the Expense of Regulars

Many restaurateurs spend far too much time chasing new business instead of building loyalty with established customers. Regular patrons are the chief source of new business for restaurants except for operations that cater to transients and tourists. But tourists are also affected by a restaurant's most loyal customers. Easy communication through mobile devices makes even the tourist trade subject to recommendations from previous visitors. Visiting a restaurant is a social activity, and few people rely on restaurants for basic sustenance. Maintaining a congenial relationship with customers not only helps to ensure loyalty but also serves as the *raison d'être* of restaurant promotions: getting new customers in the door.

Satisfied and appreciated customers bring friends, families and business associates to restaurants, engage facilities for parties, celebrations and catering, recommend their favourite dining venues to casual acquaintances and post favourable comments in online forums. Restaurateurs can't buy cheaper or more convincing endorsements than enlisting customers to promote their operations.

Theoretical Framework

According to Sahney (2013), there are two approaches to the study of learning, viz., the behavioural approach to learning, and the cognitive approach to learning. According to the behavioural theorists, learning takes place in response to events/happenings in a person's external environment. On the other hand, the cognitive theorists believe that learning takes place as a result of a person's conscious and deliberate information processing and storage activity. The behaviourist approach with implications for marketers is explained in this study.

The approach defines learning in terms of an association between stimulus and response, where the stimulus is an external object/person/situation that a person senses and perceives, and response is the behaviour of the person that occurs in reaction to the object/person/situation. The theories are based on the assumption that: - People learn to associate the stimulus and response. - They begin to relate the stimulus and response and they generalise the relationship, across situations; whenever the stimulus occurs, there is a similar response. - Observable and predictable responses to specific external stimuli are reflective and symbolic of learning having taken place. - Thus, these behavioural theories are also referred to as stimulus-response theories. Behavioural theorists do not concentrate on the dynamics of the learning process. Their major concern is on viewing learning as a response to events/happenings in a person's external environment.

The main proponents of this approach were Ivan Pavlov, who proposed the theory of classical conditioning, and Frederic B. Skinner, who proposed the theory of operant/instrumental conditioning. While they both spoke of the relationship between the stimulus and response, they differed on the cause and effect relationship; while Pavlov believed in the Stimulus leading to Response relationship (S - R), Skinner spoke of Response leading to Stimulus relationship (R - S).

The framework of this study is built on the behaviourist learning theory; the independent variable (services marketing strategies) is the stimulus while the dependent variable (customer retention) is the response.

Conceptual Framework

The diagram below shows the extent of relationship between the 7Ps of services marketing strategies and customer retention.

Marketing Strategies

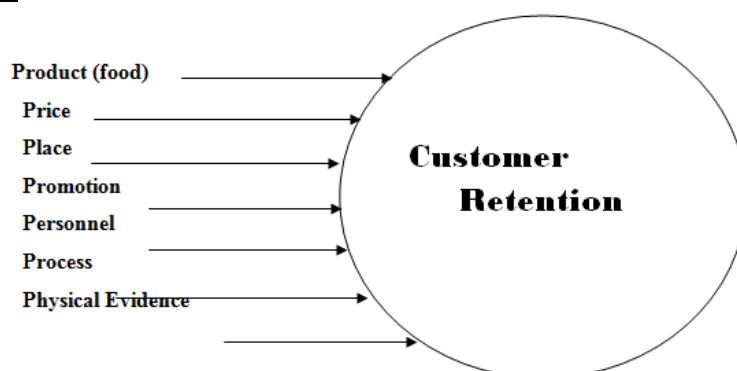


Figure 1: Conceptual Model of the Study

Source: Researcher's Desk, 2015

2.10 Empirical Studies on Services Marketing Strategies and Customer Retention in Restaurants

According to a study carried out by Shcheglova and Shcheglov (2010), which was aimed at describing and analysing the reasons customers come back to restaurants and what influences their decisions, customers retention can be associated with restaurants' service elements adapted from the 8Ps of Service Marketing Model of product, place, price, promotion, physical environment, process, people, and productivity.

The findings of another study on the chain restaurant industry and its purpose were that five dimensions influence restaurant patrons' behaviour. These dimensions are food quality, price, interpersonal service quality, environment, and brand image. (Jin, Lee and Huffman, 2013) Results from a research conducted by Onyeaso, and Adalikwu, (2008), on a paper using times series econometric methods to test the theoretically-grounded link between customer retention and customer perceived quality, suggest that customer retention and quality have a stable positive link binding them together, which allows them to move together in the same direction over time.

Summary

Despite the abundance of literature related to this study, there is a gap in the chain of knowledge. The gap in the case of this study is that previous researchers did not seek to examine the relationship between the 7Ps and customer retention in the fast food restaurant industry.

III. Research Methodology

Introduction

Quantitative methodology as discussed by Malhotra (2007) was adopted for this study. This methodology permits the use of quantitative data obtained through a structured data collection instrument. Unlike qualitative methodology, quantitative methodology permits the use of statistical analysis to make inferences and recommendations.

Research Design

The research design used for this study is the survey method. This involves the use of a descriptive, single cross-sectional design, the convenience sampling method. Since the researcher possesses prior knowledge of marketing strategies, he applied this research design in the attempt to determine the extent of association between the two variables; services marketing strategies and customer retention. The quantitative methodology to be used assumed that the services marketing strategies and retention of customers were regarded as variables from which mean and standard deviation were obtained for statistical analysis.

Population of the Study

The population for this study 160 comprising restaurant personnel / workers and customers of the selected fast food restaurants under study based on current patronage. These individuals were solicited as respondents for this study.

Sampling and Sample Size

Out of the overall population of individuals who work at and patronise these restaurants, the researcher selected a subset of these individuals in the course of this research work. No available database of the qualified population for the study was found at the time of this study. Since there was no sampling frame, the judgement

sampling method was used to obtain a sample size of 40 workers and 120 customers of the selected restaurants, making a total of 160 respondents.

Data, through the judgement sampling method, were obtained from individuals who work at and patronise the afore-mentioned restaurants in Awka, Anambra State, Nigeria.

Two sets of structured questionnaire were used to collect data to determine the relationship between services marketing strategies and customer retention; one for operators and the other for customers.

Measuring Instrument

Influence on customer retention as a result of services marketing strategies can be assessed on continuous likert-type scales. Based on this, two structured questionnaires with continuous scales were used to collect data on the effect of services marketing strategies on retention of customers in restaurants, using the marketing mix elements. In constructing the questionnaires, effort was made to ensure that respondents were able to complete them independently. To this end, explanations were given to question items which seemed technical. The questionnaires comprise two sections. The first section was used to obtain background information on the respondents while the second section was structured to obtain answers to the research questions for testing formulated hypotheses. Items in section one differed for operators and customers, but section two items had the same statements which required the respondents to judge as to the extent of influence of the 7Ps on customer retention in restaurants.

Reliability and Validity of Data Collection Instrument

In order to achieve consistency in the outcome of results, the test re-test reliability or co-efficient of stability was used for the questionnaire as a prototype was distributed to a sample of respondents whose response were instrumental in the test re-test reliability. A correlation co-efficient of 0.89 was obtained using Product Moment Correlation Coefficient. This indicated a high reliability of the research instrument.

The questionnaire items had to undergo face and content validity before being administered on the respondents to determine the level of technicality and language structure which should be easy enough for laypersons to understand. The content validity was estimated as the questionnaire items were scrutinised by ten senior marketing lecturers in Chukwuemeka Odumegwu Ojukwu University (former Anambra State University), Madonna University, and Nnamdi Azikiwe University, all in Anambra State.

Data Collection

Data, in form of questionnaire response were collected on the spot from restaurant operators and customers while members of staff were performing their daily duties and customers were settling down to have a meal or snack. These respondents were approached and given a copy of the questionnaire to be filled. Using the convenience method, the questionnaire was administered to the respondents in a face-to-face or over-the-counter setting in the fast food restaurants. The respondents were politely requested to participate in the study if they chose to. No other means of data collection was used in this study.

Procedure and Analytical Techniques

The hypotheses in this study were tested using the T test analysis. Also, computerised descriptive statistics of frequencies, means and standard deviation were applied in determining level of significance in relationships between marketing strategies and customer retention in selected restaurants via the 7Ps of the service marketing mix. Services marketing strategies of place, price, product, promotion, people, process, and physical evidence, was the independent variable while customer retention was the dependent variable.

IV. Results And Discussion

Introduction

Data collected were analysed using the Statistical Package for Social Sciences (SPSS) software. Data from the research questions were presented in tables as shown in appendix V, computerised descriptive statistics were applied while the research hypotheses were tested using T-test analysis.

Discussion and Interpretation of Findings/Results

Background Information: Bio Data for Operators

Data were retrieved under headings of gender, marital status, age, educational qualification, and place of employment. As regards gender, 16 of the respondents were male while 24 were female. Data on marital status showed that 32 of the respondents were single while 8 were married. Out of this number, a total number of 32 respondents were of ages ranging between 18 – 33 whereas 8 respondents were between ages 34 – 49. Based on educational qualification, participants with a secondary school certificate or its equivalent seemed to be the highest number with 16 respondents. Those with first school leaving certificate were next with a total of 12 respondents. 8 respondents indicated that they had a first degree or its equivalent while those with ordinary national diploma were 3 in number. Only one respondent had a postgraduate degree. Data derived from place of

employment revealed 8 of the respondents work at Chillers, 12 are gainfully employed at Crunchies, 11 are operators at Nourisha, and 9 are staff of Pals Fast food.

Implications/Relevance for this Study

Based on information retrieved from the operators’ responses, it can be implied that majority of restaurant employees are female, single, and within the age range of 18 to 33. As regards educational qualification, majority of these operators have a minimum of secondary school certificate. This implies that most restaurant staff are secondary school leavers.

Background Information: Bio Data for Customers

Data were retrieved under headings of gender, marital status, age, educational qualification, occupation, place and frequency of patronage. Based on data on gender, 58 of the respondents were male while 62 were female. As regards marital status, 94 of the respondents were single while 26 were married. A total number of 82 respondents were of ages ranging between 18 – 33, 34 respondents were between ages 34 – 49, and only 4 respondents were of ages ranging between 50 and above. Participants with a first degree or its equivalent seemed to be the highest number with 64 respondents while those with a secondary school certificate or its equivalent were the next with a total of 33 respondents. Respondents with postgraduate degrees were 11 in total; participants with a diploma or its equivalent were 7, and those with first school leaving certificates were 5 in number. Students comprised 76 of the 120 respondents while 41 respondents were workers with 13 civil servants and 28 self employed. Data on place of patronage shows that 33 of the respondents patronise Pals Fast food, 32 eat at Crunchies, 29 dine at Nourisha, and 26 patronise Chillers. As regards frequency, 36 respondents visit the afore-mentioned restaurants every two weeks, 24 of the respondents indicated that they patronise the restaurants on a monthly basis, 21 respondents make weekly visits, 18 and 17 respondents indicated that they make visits quarterly and daily, respectively. Only 4 respondents patronise the restaurants annually.

Implications/Relevance for this Study

Judging by these figures, it could be assumed that married people do not patronise the fast food restaurants as frequently as those who are single, majority of restaurant customers are female, and most of these customers are within the age range of 18 to 33. Data retrieved from educational qualification and occupation implies that majority of customers who patronise fast food restaurants are undergraduates. Data on place and frequency of patronage imply that individuals patronise Pals Fast Food and Crunchies more and at least fortnightly.

Research Statements for Operators and Customers:

Table 1: No. of Operators’ and Customers’ Responses Based on Extent Attributes Influence Customer Retention

Attributes	No. of Responses based on Extent				
	5	4	3	2	1
Food	45	42	43	17	13
Additional services	45	46	45	13	11
Location	55	44	33	19	9
Affordable price	51	46	38	14	11
Competitive price	53	54	34	12	7
Friendly and helpful staff	46	42	44	12	16
Recognition by the staff	57	49	35	11	8
Who other clients are	52	41	49	9	9
Easy and fast order taking process	42	38	43	22	15
Easy table reservation process	48	40	45	11	16
Payment process	49	53	33	15	10
Service delivery speed	42	37	41	23	17
Special offers, discounts etc.	45	43	43	16	13
Atmosphere	49	42	44	10	15
Aesthetics	51	50	42	8	9

The attributes in table 1 were placed into groups under the 7Ps of the marketing mix based on the level of congruency between some items. Data retrieved from these items were used to test the null hypotheses. Table 1a shows the placement of attributes under the 7Ps.

Table 1a: Congruency between Marketing Mix Elements and Attributes

S/No	Marketing Mix	Attributes
1.	Product	Food and Additional services
2.	Place	Location
3.	People (Personnel)	Recognition by the staff, Friendly and helpful staff, and Who other clients are
4.	Promotion	Special offers and discounts; Service delivery speed
5.	Price	Affordable and Competitive price

6.	Process	Payment process, Easy table reservation process, and Easy and fast order taking process
7.	Physical evidence	Atmosphere and Aesthetics

Table 1b: Average Response Based on the Extent Marketing Mix Elements Influence Customer Retention

S/No	Marketing Mix	Average No. of Responses Based on Extent				
		5	4	3	2	1
1.	Product	45	44	44	15	12
2.	Place	55	44	33	19	9
3.	People (Personnel)	52	44	43	10	11
4.	Promotion	44	40	42	19	15
5.	Price	52	50	36	13	9
6.	Process	46	44	40	16	14
7.	Physical evidence	50	46	43	9	12

Table 1b shows the average number of response based on extent of influence of the 7Ps on customer retention. These figures were derived using descriptive statistics of mean. The mean of the ‘place’ element was not included since it had one attribute.

Testing of Hypotheses:

Table 2

Ho₁ Food offers do not have any significant relationship with customer retention.

T-test Analysis of Data for Relationship Between Product and Customer Retention

Independent Variable	Df	Mean Difference	t	Sig.(2-tailed)
Product	159	3.23	33.81	.00

Dependent Variable: Customer Retention

Note: Significant level: **p < 0.05

Based on results shown in table 2, food offers have significant relationship with customer retention. Since P-value is < 0.05, the null hypothesis was rejected.

Table 3

Ho₂ Price does not have a significant relationship with satisfaction and retention of customers.

T-test Analysis of Data for Relationship Between Price and Customer Retention

Independent Variable	Df	Mean Difference	t	Sig.(2-tailed)
Price	159	3.44	34.40	.00

Dependent Variable: Customer Retention

Note: Significant level: **p < 0.05

As regards price, there is evidence of significant relationship between services marketing strategies and retention of customers. This can be inferred by the significant level as seen in table 3. Thus, the null hypothesis was rejected.

Table 4

Ho₃ There is no relationship between customer retention and place.

T-test Analysis of Data for Relationship Between Place and Customer Retention

Independent Variable	Df	Mean Difference	T	Sig.(2-tailed)
Place	159	3.29	30.39	.00

Dependent Variable: Customer Retention

Note: Significant level: **p < 0.05

Results shown in this table indicate that there is significant relationship between customer retention and place. Thus, the null hypothesis was rejected.

Table 5

Ho₄ Promotion offers do not have any significant relationship with retention of customers.

T-test Analysis of Data for Relationship Between Promotion and Customer Retention

Independent Variable	Df	Mean Difference	T	Sig.(2-tailed)
Promotion	159	3.14	28.43	.00

Dependent Variable: Customer Retention

Note: Significant level: **p < 0.05

The null hypothesis was rejected since the results indicated that the influence of promotion on customer retention was of a significant level. Thus, the restaurants adopt promotion tools to retain customers.

Table 6

Ho₅ There is no relationship between people (personnel) and customer retention.

T-test Analysis of Data for Relationship Between People and Customer Retention

Independent Variable	Df	Mean Difference	T	Sig.(2-tailed)
People	159	3.17	29.82	.00

Dependent Variable: Customer Retention

Note: Significant level: $**p < 0.05$

P-value is less than 0.05, so the null hypothesis was rejected. Hence, there is there is significant relationship between personnel and customer retention.

Table 7

Ho₆ Process does not have a significant relationship with customer retention.

T-test Analysis of Data for Relationship Between Process and Customer Retention

Independent Variable	Df	Mean Difference	T	Sig.(2-tailed)
Process	159	2.99	27.34	.00

Dependent Variable: Customer Retention

Note: Significant level: $**p < 0.05$

Results shown indicate that process has significant relationship with customer retention as p-value is less than 0.05. Thus, the null hypothesis was rejected.

Table 8

Ho₇ There is no relationship between customer retention and physical evidence.

T-test Analysis of Data for Relationship Between Physical Evidence and Customer Retention

Independent Variable	Df	Mean Difference	T	Sig.(2-tailed)
Physical evidence	159	3.41	31.97	.00

Dependent Variable: Customer Retention

Note: Significant level: $**p < 0.05$

The null hypothesis was rejected because of the significant level of influence of physical evidence on customer retention. Hence, there is significant relationship between customer retention and physical evidence.

V. summary of findings, conclusion and recommendations

Summary of Findings

In all, the seven null hypotheses were rejected; hence, services marketing strategies of place, product, people (personnel), promotion, price, process, and physical evidence have significant relationship with customer retention.

Conclusion

Customer retention is the architect of every successful business; be it private or corporate. Judging from the interpretation of results and discussion of findings, this study concludes that there is significant relationship between services marketing strategies, via 7Ps of marketing mix, and retention of customers in restaurants. Consequently, leading restaurants should shift the way they reach their guests and reap the benefits. By leveraging services marketing strategies, restaurants will directly connect with their customers to build retention that measurably increases sales and profit.

Recommendations

Based on the results of the study, the following recommendations were made:

1. Managers should train restaurant staff on how to make a sale, handle objections and complaints, and ensure that they're well-educated on the products and services the restaurant offers. If customer service is favourable, existing customers will refer business to new potential customers. It will also form a more-loyal relationship with existing customers, which will help in retaining them. This recommendation corroborates Brookins (2015).
2. Menu planning should be smarter, and customers should be rewarded for their loyalty. This loyalty programme would go a long way to drive retention of valued customers. This recommendation is in line with Lorette (2015).
3. Every year or so, restaurant managers should go over their menu and determine what is selling well and what needs updating. Determine if there are menu options that can be added, removed or offered to lure in new business. They should publicise their new menu offerings to encourage loyal customers to return and new customers to venture in to try out the restaurant.
4. Not all restaurateurs and managers have excellent social skills. Restaurant managers who recognise their limitations in this area can delegate making personal contact to an assistant, host or maître d' with great people skills. These managers should take advantage of in-person contact to find out key information on each visit, and record the significant issues, and personal details promptly where staff members can use the information.

5. Based on promotion, managers of restaurants should connect with customers via text campaigns with links to advertising to prevent intrusive advertising. Be sure that customers sign up knowing that they will receive messages. Restaurateurs can use mobile marketing to reach established customers and target prospective diners based on their online searching habits, location and other criteria.

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