THE INFLUENCE OF RELATIONSHIP MARKETING PRACTICES ON PERFORMANCE OF REAL ESTATE FIRMS IN NAIROBI CITY COUNTY

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A RESEARCH PROJECT SUBMITTED IN PARTIAL FULFILMENT OF THE REQUIREMENTS FOR THE AWARD OF THE DEGREE OF MASTER OF SCIENCE IN MARKETING, FACULTY OF BUSINESS AND MANAGEMENT SCIENCE, UNIVERSITY OF NAIROBI

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DECLARATION

I hereby attest that the research project I have been working on is an original piece of work that I have created entirely on my own and that it has not been shown at any other academic institution.

Signature: Date: 15/11/2022

Martin Kinyua

D65/19888/2019

This research project has been handed in for evaluation, and I, in my capacity as a supervisor at the University, have given my permission.

Signature: Date: 15/11/2022

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DEDICATION

Ultimately, this investigation could not have been completed without God's help. Furthermore, I would want to express my appreciation to my loved ones for all they've done to help me achieve academic achievement.

ACKNOWLEDGEMENT

First, I would want to offer thanks to the Supreme Being for giving me life and keeping me alive till I have finished my schooling. Glory be to God alone.

Second, I would want to give credit where credit is due and thank my supervisor, Dr. Catherine Ngahu, for her guidance, patience, and wise words, all of which were important in my ability to finish this research. Her thoughts and advice have proven to be really helpful. In point of fact, she served as a motivation for me to further my education.

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ABBREVIATIONS AND ACRONYMS

GDP	Gross Domestic Product
HR	Human Resource
RM	Relationship Marketing
SPSS	Statistical Package for Social Sciences
WHO	World Health Organization

ABSTRACT

The importance of relationship marketing as a component of an organization's overall strategy for the future has grown significantly in recent years. Relationship marketing practices are increasingly taking the center stage as an approach that companies are using to ensure customer loyalty as a means of improving sales and profitability. This is because relationship marketing practices allow businesses to build stronger connections with their customers. The overarching purpose of the research was to determine whether or not real estate companies in Nairobi city County exhibit a positive or negative response to the use of relationship marketing methods. Both the social exchange theory and the resource-based perspectives theory were used as the foundation for this investigation. The research was carried out using a methodology known as descriptive cross-sectional. The number of licensed real estate enterprises that are currently functioning in Nairobi was 255 for the purpose of this research. The research was conducted on a total of 72 different real estate companies. A descriptive study, multiple linear regression analyses, and correlation analyses were carried out. It was determined that communication and commitment had a modest influence on relationship marketing, while trust and the management of conflict were demonstrated to have a major impact on relationship marketing to a large amount. The data suggests a good association between relationship marketing and results. The model of study has significance since it led the researchers to the conclusion that performance and relationship marketing are closely related. According to the findings, it is recommended that Kenyan real estate companies use relationship marketing to improve their overall business success. The research concludes that this is the best course of action. The research suggests that in order to reap the full benefits of relationship marketing, companies must first identify the specific components of these strategies that apply to their sector, and then devote large resources there.

CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

Relationship marketing strategies have taken center stage as a strategy for businesses to secure client loyalty as a means of enhancing sales and profitability. This shift came about as a result of the growing popularity of relationship marketing (Bruhn, 2015). The management of a company takes this strategy, which centers its attention not only on how a consumer would feel about a product, but also on how that customer will act in the future. Organizations that have excellent relationship marketing practices may better serve their consumers by improving the quality of the services hence enhance, as stated by Xu et al. (2012). Relationship marketing is becoming more and more prominent as a strategy that companies are using in an effort to increase sales and profitability by cultivating consumer loyalty (Peterson, 2017).

The research was grounded on two theories: social exchange theory and resource-based views theory, respectively. Social Exchange Theory suggests that people have the heart to remain in relationships because of the rewards that they expect and would voluntarily expect to be rewarded from such relationships. According to research, the characteristics of resources that are deemed to have long-term competitive advantages over their competitors are brought about when companies innovate by either establishing a new market or improving on current items, or by destroying an existing market and creating a new one (Wade & Hulland, 2004).

The real estate market in Kenya has seen significant changes during the course of the recent past. The market has become more varied, and as a result, customers now have access to a greater number of creative items. The establishment of a national government has resulted in the opening of more possibilities in the various counties, which has encouraged individuals as well as corporate groups to enter the sector. In Nairobi, satellite towns at the outskirts of Nairobi Central Business District have opened up and are attracting many investors due availability of land. Karoki, (2013) argues that the real estate industry is critical to a county's development because it generates employment opportunities, makes housing more accessible, helps level earnings, and reduces the occurrence of poverty.

1.1.1 Relationship Marketing Practices

The idea of relationship marketing, in which interactions between two affiliated businesses in a dynamic commercial setting are primarily predicated on the generation of mutual advantages for those organizations (Ahmad & Akbar 2021). In regard to the marketing viewpoint of Bhattacharya (2017), the author posits that a connection is formed when a client feels that a service provider and a customer have a shared interest in one another. Similarly, Adejoke and Adekemi (2012), on their understanding of relationship marketing postulates that, it is an attempt by firms to promote attraction, interaction with, and retention of more important or high valuable customers. Relationship marketing as an activity comprising of establishment, sustaining, and enhancing bold relationships with specific stakeholders and clients.

Relationship marketing practices has been deployed in a range of dyad exchanges which include; buyer and seller, cooperative marketing networks, strategic partnerships and business alliances (Adejoke & Adekemi, 2012). Effective relationship marketing has been established to result in positive outcomes in organizational performance (Ismail, 2009). Relationship marketing more often results in strong social ties because emphasis is in cooperation and social bonding which leads to economic, social and technical solutions, resource sharing and common goals (Ismail, 2009). The result of these interactions is reduced transactions costs and increased efficiencies (Adejoke & Adekemi, 2012).

It's worth noting that Sheth and Parvatiyar (2005) share these views, arguing that relationship marketing centers on the three phases of acquiring, servicing, and keeping clients. However, in view of a firm, Ndubisi (2014) opine that efficient strategies of relationship marketing enables firms to gain access to important information regarding the needs and interests of customers, increased profitability, cost minimization and mutual rewards. Reichheld (2003) suggests that within a period of five years, 5% accounted increase in retention of customers will result into company’s increase in profitability by 60%. In addition, under some conditions, the nature of interactions will be facilitated by connections that have been in existence for a longer amount of time, which will, as a consequence, minimize the cost of either starting a new relationship or sustaining an existing one.

1.1.2 Firm Performance

The degree to which a company has met its stated goals might be considered its performance (Huang, 2018). When resources are used effectively and strategically, companies may achieve their objectives (Daft & Marcic, 2013). According to Bharadwaj, Chauhan, & Raman (2015), a company's success is determined by a complex relationship between factors such as efficiency, reliability, productivity, efficiency, quality work, innovation, and income. According to Bharadwaj, Chauhan, and Raman (2015), there is an intricate interplay between the seven factors below and the success of any given enterprise. Because of this, performance is inextricably related to the realization of all seven of the aforementioned criteria, each of which may be seen as a distinct performance objective. A corporation should set objectives and assess everything based on how well it accomplishes those goals even if there is no commonly acknowledged measure of success.

In addition to production as well as organizational efficiency and effectiveness, organizational performance is a crucial statistic that helps determine the degree of competence of a corporation. One way to look at it is as an indicator of how effectively resources can be put to work producing goods that customers and society as a whole will need in the future (Bain, 2016). Organizational effectiveness contributes to the demonstration of a company's profitability, which can be measured in terms of its revenue and expenses. Due to the fact that companies can only survive if they are successful, managers play a vital part in improving organizational performance (Chakravarthy, 2016).

The balanced scorecard is a framework for developing metrics to evaluate an organization's performance in light of its mission, vision, and strategy. It provides a setting in which comprehensive assessments of the company's performance may be made. It includes the monetary aspect, which influences the economic repercussions of the numerous acts taken by the firm. The levels of satisfaction experienced by customers are also an essential component that is assessed. It places an emphasis on the market and the consumer, measuring essential success criteria that are geared toward these two constituent groups. Another key metric to focus on is the organization's internal procedures. It determines the business procedures in which the corporation excels and identifies those processes. In conclusion, the balanced scorecard places an emphasis on learning and development, both of which are necessary for the sustainable success of the company (Kaplan & Norton,1992).

1.1.3 Real Estate Industry in Kenya

Over the course of the last two decades, the value of investments made in real estate in Kenya has been steadily rising (Koech, 2021). According to the statistics provided by KNBS (2020), the attention of investors has been captivated by the rise of the real estate industry in recent times. In previous times, experts have made a lot of headway in understanding the connection between economic expansion and the display of real estate. Mati and Makori (2014) looked at the presentation of economic metrics relating to Kenyan real estates, whereas Muli (2013) investigated what factors led to the uptick in real estate investment in Kenya. Juma (2019) studied the effect of macroeconomic factors on the expansion of real estate investments in Kenya. As real estate investment in Kenya has increased, Muli (2013) has analyzed factors that have contributed to this trend. Growth projections suggest that the industry will prosper, eventually meeting Vision 2030's need for affordable housing in Kenya while also generating large profits (Republic of Kenya, 2007). However, the daily growth in demand for housing in Kenya has led to a surge in the number of property and land investment firms in a number of the country's main municipalities.

Because profits of 20 to 30 percent are difficult even in the United States of America or Europe, international investors have found the Kenyan market to be very lucrative, according to Ullah and Sepasgozar (2020). Global real estate firms have invested a lot in high-end and luxury property markets targeting people living abroad, envoys and rich Kenyans. The expansion of globalization has made it possible for real estate investors to get access to a wider range of investment options. As a direct consequence of this, real estate development businesses have emerged and are now engaged in the construction of new homes and estates in the surrounding areas of Nairobi as well as in major cities such as Mombasa.

Last year, the Kenyan shilling was weak in comparison to other major currencies. In addition, inflation rose beyond 10% and loan rates rose from 14% to 30%, which had a negative effect on one of Kenya's most resilient economic sectors: agriculture. Chege and Bett (2021) claim that the real estate business is driven by a variety of different forces, the makeup of which differs from country to country due to differences in politics and the economy. There has been an increase in demand as a result of a growing middle class and the availability of mortgage services with low interest rates. These factors all point to the fact that the real estate boom in Kenya is here to stay. Customers of today have the financial wherewithal to pay higher prices for the goods and services of their choosing, and as a result, they have higher expectations regarding the quality of the infrastructure that supports their choices. They want well-designed buildings with high-quality finishes, and they want to do business in areas that are guaranteed to be the sustained economic expansion that has been seen in this area over the course of the last several years lends credence to their capacity to make payments (Kamweru, & Ngui 2021).

1.1.4 Real Estate Firms in Nairobi

Property values in Nairobi have risen precipitously in the recent decade as the city's middle class, whose members have more disposable money, has grown fast. According to the According to the Knight Frank (2020) Prime International Residential Index (PIRI), which monitors price increases in the globe's high-end property sectors, the luxury real estate market in Kenya had the most gain of any country in the world. The value of premium real estate in Nairobi increased by a whopping 25 percent, making it the most in the nation when compared to neighboring towns like Mombasa, where the increase was just 20 percent. Investors have been more interested in the sector as a result of these returns, which has resulted in more real estate businesses launching in Nairobi. Their scope extends from small, locally-owned firms specializing in property management to large, worldwide conglomerates that have made Nairobi home in order to penetrate the market. Companies that specialize in insurance and fund management have also been known to spin out subsidiaries to manage the real estate aspects of their portfolios (Joghee, Alzoubi, & Dubey, 2020).

Knight Frank, Hass Consult, Villacare, Cytton Investments, Ryden International, Home Africa, and Buyrent Kenya are just few of the numerous real estate firms that are now operating today. There are a wide variety of real estate firms currently operating today. Because of the growing number of multinational corporations that have chosen to locate their African headquarters in the city of Nairobi, which is located in Africa, there is a significant expatriate population living there. The reason for this is because of the rise in the number of these corporations. According to research conducted by Knight Frank (2021), the real estate market in Nairobi is seeing the greatest growth rate of any other city in the world. Because of this, the city has emerged as an appealing location for real estate businesses from all over the world, as well as those from the United States. According to the projections made by participants in the real estate industry, the majority of individuals with middle-class earnings and lower incomes will be the primary drivers of demand for real estate investments in the years to come. In addition, the government is granting a tax benefit to developers in order to encourage the creation of low-cost housing.

1.2 Research Problem

For a long time now, relationship marketing has been an essential aspect of any sustainable business strategy. Rather of just selling to clients, businesses in the twenty-first century are establishing more meaningful connections with them by finding innovative ways to provide value for them and to solve their issues (Ashraf 2014). Relationship marketing is a strategy that uses data gathered from a variety of customers in order to get insight into the requirements and preferences of consumers. After that, this information is put to use to assist in the forecasting of future purchase trends as well as the behavior of an individual customer. When considered in a comparative context, the objective of relationship marketing should be to offer customer value for businesses rather than for individual customers (Adejoke & Adekemi, 2012) argue. Relationship marketing is a successful kind of marketing because it provides customers with solid connections by providing timely information that meets their wants, desires, and expectations and by doing it via open communication.

Due to the enormous number of businesses in Nairobi, the real estate market is quite competitive. The industry's major participants, such as property developers, have broadened the scope of their businesses to encompass new services and goods, such as design and building, project management, sales and rental of whole units, and so on (Joghee, Alzoubi, & Dubey, 2020). Because of this, smaller firms face increased levels of rivalry, which forces them to devise tactics that are responsive to the market. The working condition of real estate firms in Kenya today is under rapid changes basing on competitiveness of the market environment. Management teams in the real estate industry understand the need of cultivating meaningful relationships with customers in order to secure steady income streams and ensure the company's continued success (Chege, & Bett, 2021). It has become a strategy that a lot of companies have adopted in the hope that it would assist them in establishing and maintaining long-term connections with their clients and other critical stakeholders. This notion has led to the adoption of this approach by a number of companies.

Several in-depth analyses of relationship marketing have been conducted at the international, national, and local levels of commerce. In order to determine how relationship marketing influences consumers' levels of cognitive dissonance, happiness, and loyalty, Sharifi and Esfadani (2014) surveyed grocery store patrons in Iran. Relationship marketing has been shown to have a positive and significant link with post-purchase cognitive dissonance. According to the findings of a research that was carried out in Poland by Werner Reinartz and Wayne, connection marketing strategies were shown to have a negative effect on performance (2017). Saaty, Al-Hersh, and Aburoub conducted research on how CRM affects satisfaction levels in the Arab banking sector (2014). Following in the footsteps of previous relationship-marketing studies, Ackermann and Ravesteyn (2016) looked at how relationship banking in South Africa affects client loyalty. Although Adesola (2014) projected that relationship marketing tactics would have an impact on corporate performance in Nigeria and discovered a negative link between the two, his findings are at contrast with those of study conducted on commercial banks in Kenya.

Waiganjo (2012) investigated this question by studying the financial performance of large supermarkets in Nairobi, Kenya after they began using a relationship marketing strategy. Supermarkets in Kenya's main city of Nairobi have been proven to benefit from customer reviews, sales help, after-sale care, and loyalty programs. Indeed, Nairobi is Kenya's most populous metropolis. Waiganjo (2012) conducted research in Nairobi, Kenya, to find out whether major supermarkets' use of relationship marketing affected their bottom lines. Findings from a research done in Kenya's capital city of Nairobi suggest that supermarkets might benefit from their customers' opinions, sales support services, after-sale services, and loyalty programs. Nairobi is also the largest city in Kenya. Relationship marketing's many subsets have been shown to improve the performance of big grocery stores across a variety of key performance measures. Gatobu (2019) discovered that a company's market share and competitiveness suffer when the company's interactions with its consumers are poorly managed. There was a striking lack of focus on the correlation between marketing strategies and results.

According to the results of the many studies provided, relationship marketing strategies and service delivery were the primary areas of attention, whereas performance was the subject of just a small number of studies. This study fills a knowledge vacuum by examining how relationship marketing tactics have an impact on the success of Kenya's real estate companies in Nairobi County.

1.3 Research Objective

The objective of the research was to establish the influence of relationship marketing practices on performance of real estate firms in Nairobi city County.

1.4 Value of the Study

The implications of this research for social exchange theory, commitment-trust theory, and resource-based perspectives are open to further investigation. The findings of this study improved our knowledge of relationship marketing and its effect on business outcomes. Relationship marketing and performance may potentially be explored as a starting point in future study.

Investors who see real estate as a hedge against inflation will find the research very useful, since the information may be used to make well-informed judgments. A wide range of data, both qualitative and quantitative, helps managers make better decisions as the representatives of stakeholders' interests.

This research contributes valuable information to policy makers who will use its findings to streamline policies governing the sector to ensure that it thrives. Policy makers including the government are keen to ensure that all sectors thrive since this guaranteed a growth in the economy.

CHAPTER TWO

LITERATURE REVIEW

2.1 Introduction

This section provides a synopsis of the published literature that is relevant to the topic at hand. There's talk of the three foundational hypotheses for the research. Moreover, the study's focal points of relationship marketing are discussed. Furthermore, the chapter reviews prior empirical research that have investigated the correlation between relationship marketing and performance.

2.2 Theoretical Foundation

This section examined the Social Exchange Theory, which was developed by Emerson in 1976, as well as the Commitment-Trust Theory, which was developed by Morgan and Hunt (1994), and Resource-based Views, which were developed by Penrose (1959).

2.2.1 Social Exchange Theory

Emerson (1976) is credited with the development of social exchange theory (SET), which postulates that when people connect with one another over a period of time, they feel the need to return support and aid for each other (Cropanzano, & Mitchell 2005). The SET theory contends that as long as the partners in a relationship adhere to specific "rules" of exchange, the degree of trust, loyalty, and mutual commitment that exists between them will increase as the relationship progresses through time. One way that customers can repay the seller for quality product or service offering is through extending their loyalty to the company. In other words, consumers will choose the extent to which they participate in activities related to a company in direct proportion to the quality of service they get from that company. Loyalty from customers is earned via the development of long-term relationships that improve service quality, customer support, and customer happiness (Balaji, 2015). According to Harrington (2007), the social exchange hypothesis leads to outcomes that are economically as well as socially advantageous to the firm, which in turn benefits the consumers.

The theory used in relationship marketing that claims a customer's loyalty to a brand will improve the closer they feel to the company and its products or services. Therefore, in order for a company to ensure the continued employment of their staff, it is essential that the workplace be conducive to the workers' personal and professional development on a spiritual level. SET suggests that commitments are created through a sequence of connections between parties who are in a condition of combined interdependence. According to Krystallis and Chrysochou (2014), the establishment of customer connections is an example of a social interaction that leads to the production of reciprocal rewards, in that both the firm and the client profit from the relationship.

On the part of the organization, Qwinner et al (2008) suggest that the social exchange relationship results in an organization gaining valuable marketing intelligence sources for better marketing planning strategy. In the same way, the company gains insight into how to enhance client satisfaction and build a base of repeat business. This study's use of the social exchange theory is warranted because of the mutually advantageous nature of the relationship marketing approach. Individuals and organizations evaluate the cost-benefit effect that results from a relationship and determine whether the relationship entered into is worthwhile or not. Chen and Hu (2013) note that, the interpersonal and environmental factors that exist in a relationship define the cost-benefit assessment and will influence whether the relationship will continue on not.

2.2.2 Resource Based View Theory

Penrose (1959) is credited as being the pioneer who originally proposed the idea of Resource-based Views (RBV). Penrose expected that the available productive resources would not be uniform, but rather that there would be a clear exception. A resource-based vision exploits the idea of variation among an organization's available resources as its central point of discussion, and this notion serves as the major focus point of the resource-based vision. Penrose (1959) argues that a company may choose between inorganic and organic growth by redistributing its resources via mergers, acquisitions, and diversification. A firm's competitive advantage can only be derived from its valuable resources if those resources are situated and used in a manner that allows the company to readily reap the benefits of those advantages. These companies need to determine their advantages and disadvantages in order to devise tactics to compete with their competitors using the resources at their disposal (Wade & Hulland 2004).

This study demonstrates how relationship marketing strategies may serve as a competitive advantage for organizations by drawing on the robust theoretical framework of the resource-based theory of competitive advantage (Stiftung, 2002). Relationship marketing practices are invaluable to a business because they free up money that would have gone toward taxes and allow that money to be put toward other, more fruitful endeavors, like the purchase of cutting-edge machinery or the incorporation of novel ideas that ultimately lead to expansion. Finally, the theory will be used in this framework to evaluate how various businesses employ relationship marketing as a resource to their advantage, therefore obtaining a competitive edge and increasing the value of their current resources.

The study will benefit from this theory since it focuses on resources are deployed to implement strategies do they become valuable. The value of the resources can only be evaluated by first assessing the value created by the strategies, then tying the value earned from those strategies to the resources and capabilities. Monitoring the elements that cause change and growth, as well as those that react to demands and threats, is necessary for a firm that want to effectively manage its expansion, development, and further growth. Managers shouldn't simply be alert to external developments; they should also be in charge of coordinating the company's assets to make the most of opportunistic situations and mitigate the negative effects of those that are less desirable. Organizational success depends on whether or whether its culture and values are strong enough to weather the storms of daily operations, and it is the job of strategic responses to make that happen.

2.3 Determinants of Relationship Marketing

De Cannière et al., (2010), opine that trust, commitment, communication, power, conflict resolution and interdependence are the foundation of long term business marketing relationships. Morgan & Hunt (2018), define commitment as “valued relationship spring from enduring desire.” they consider commitment as a psychological state and a key concept in business relationships. The continuous and sincere desire can be linked to brand or product related customer’s experience. The experience is usually ranked highly and rated as more favorable in the customers mind as compared to previous or alternative offerings by competitors in the market. Customers need businesses or organizations they can fully trust to qualify as "suppliers for life "- which is the decisive test for customer loyalty (Moorman et al., 1992). If, due to unavoidable circumstances they lose that supplier, they would be deeply grieved and sad (Gedefaw, 2014). Services that are intangible, hard to assess, sophisticated, and technological have an especially high need for clients to have faith in them.

Power takes two-dimension, behavioral power that relates to the ability to influence the action of others and resource power relates to possession of resources that can enable achievement of expected and intended outcomes (Izogo, & Nwekpa2016). Behavioral power involves both hard and soft power. Hard power refers to the use of reinforcements, particularly rewards and punishment to achieve outcomes while soft power elates to achievement of goals because all share in the objectives. In business marketing relationship, power is a significant factor in commitment and trust based mutual relationship (Flynn et al., 2008). According to Jham & Khan (2008), a firm’s inability to replace a business partner has been considered as an indicator for its dependence on the partner. Interdependence is the ability of parties to profit from each power. Further, human beings have instrumental, social – emotional, spiritual and biological needs which are diverse in nature and which are inherently interpersonal and can be satisfied in the framework of dyads or groups. Conflict refers to manifest behavior where one unit or party pursues his interest at the expense of others (Nevin, 2018). According to Wirtz et al. (2003), the principle of dual entitlement holds that fairness in pricing should include both the interests of consumers and firms, with both benefiting to a reasonable degree; a conflict arises when customers feel unfairly treated when a price increase - in which a firm's goal is to increase profitability - is not due to an increase in cost or product value. This principle hold true in every engagement an organization has with customers while delivering its product and service. They argue that conflict with customers can be resolved by having clear communication on products and services pricing, benefits and attributes as well organization policy and procedures.

Spinosa et Al., (2012) asserts that communication is not only about advertising, alternative media, deploying CRM tools, call center technology, handling customers questions and complaints, or organizational alignment of company functions, but it is all about establishing relationship with the customer. They opine that companies need to communicate and engage effectively with customers. Integrated marketing communication achieves this goal since it is influenced by the relationship perspective of marketing theory. Martin and Claycomb (2011) furthermore highlight the connection between promise and customer loyalty particularly in the service industry since customers always do not purchase a service per se, but instead explicit and implicit service promise.

2.4 Empirical Review and Research Gaps

Canadian SMEs were the focus of a worldwide cross-sectional research by Kapanen (2004), who looked at how customer connection affected service performance. Excellent customer service has been shown to correlate with a higher number of returning clients, according to the study's authors. According to the results of the research, firms should put money into CRM to better serve their customers. For whatever reason, this study did not include an examination of the Kenyan real estate market. According to research conducted in Belgium by De Cannière et al. (2010), customers' perceptions of the quality and strength of external connections affected their intent to make a purchase. Relationship quality and the likelihood of making a purchase were both shown to have substantial effects on consumer behavior. Customers with a stronger relationship with apparel retailers and having a stronger intention to purchase had more buying behavior, however, the study did not focus on real estate sector in Kenya and was not based on regression analysis.

Sharifi and Esfadani (2014) performed a study in Poland with the goal of determining how relationship marketing affects shoppers' levels of cognitive dissonance, satisfaction, and loyalty to grocery chains. When it comes to post-purchase cognitive dissonance, relationship marketing has a favorable, considerable correlation, however, the study did not focus on real estate sector in Kenya and was not based on regression analysis.

According to the findings of a research conducted by Ackermann and Ravesteyn (2006) in South African retail banking, increasing client loyalty might be accomplished through cultivating connections with business account holders at large retail banks. The primary objective of the research was to make a comparison between high value business customers who had personal bankers and business customers who did not have personal bankers. It also established that the bank's relationship marketing offering was meant to promote customer satisfaction, which was to deepen the connection with the client, boost retention and loyalty, and raise the customer's overall contentment. The instrument for collecting data was created with the intention of determining how well account holders understood the core principles of the bank, how they ranked the bank's effort in practicing these principles, how the bank was consistent with following loyalty rules, and finally, what the bank must do to make account holders more loyal to the institution. The real estate market in Kenya was not the primary focus of the research, and it did not make use of regression analysis.

Dzisi and Ofosu (2015) studied how relationship marketing affected the revenue, brand awareness, and market share of SMEs in Ghana. Descriptive research methods were used for this investigation. This study's findings provide support to the idea that relationship marketing is crucial to the success of modern businesses in the face of fierce competition and ever changing consumer tastes. The study's findings also show that conventional marketing strategies are preferred by Ghana's SMEs when trying to gain new consumers and cement their existing ones. The study did not focus on real estate sector in Kenya and was not based on regression analysis.

In a study by Adejoke & Adekemi (2012), it was established that relational benefits are critical in the performance of Nigerian Banks. They suggest that the perceived economic advantages and perceived interpersonal enhancements of being engaged in a relationship are the relational benefits that consumers get from being active in a relationship. Long-term success in a partnership necessitates gains for both parties. Jaakkola et al. (2015) conducted research on the effects that strategic marketing has on enterprises operating in a wide range of sectors within European Engineering Countries. Data was collected using a questionnaire provided to employees, and descriptive statistics were employed for analysis. Researchers in this research revealed a negative relationship between strategic marketing and firm performance, even when examining just developed nations.

In Kenya, relationship marketing's effect on Kenya's banking sector was examined by Minoo and Musyoka (2013). Their findings indicated that relationship marketing makes information available to banks, which they may then put to use in a number of new markets and service areas. Banks rely on in-person interactions, electronic correspondence, and direct phone contact to maintain healthy customer relationships and ensure successful communication. When it comes to relationship marketing, this research focuses on commercial banks. Relationship marketing strategy implementation at Barclays Bank in Kenya was investigated by Odhiambo (2015). The study revealed that some employees resist adopting new technologies, the management were concerned with cost, inadequate training, incomplete structure on the implementation of relationship marketing and lack of real time reports to serve customers faster. This study looked at the challenges in implementing relationship marketing systems failing to link the system to customer satisfaction while also creating a knowledge gap as it did a case study of only one bank, Barclays Bank.

Munga (2016) looked at how marketing strategies affected the success of Kenyan insurance firms and found a negative correlation between the two; this study did not specifically examine the real estate sector. A study that is quite similar to it was carried out. Mokeira (2014) studied the operating strategy and market competitiveness of Kenya's media outlets. While they did find a positive association between the two, their study didn't look into how much of a role marketing had in the companies' successes. Management of client relationships, according to Gatobu (2019), boosts both a company's market share and its competitiveness. The connection that exists between marketing techniques and performance has garnered an extremely insignificant amount of attention. Makau (2018) investigated how different marketing techniques affect the overall quality of service. Marketing practices was shown to increase customer engagement and develop ties between banks and their customers. The study failed to link relationship marketing and performance hence a knowledge gap as it did a case study of only one bank, Barclays Bank.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

The methods of research that will be used in following stages of the study to accomplish the aforementioned aims are discussed in this chapter. The aspects of the research design that are being discussed include the research technique, the population that was the subject of the study, the data collection tactics, and the data evaluation processes. The techniques for analyzing and presenting the data collected are also discussed.

3.2 Research Design

For a research project to be fruitful, the investigator must have a thorough familiarity with the context in which data will be collected and analyzed. Because environmental factors are so crucial to both processes (Maxwell, 2012). The researchers in this study utilized a cross-sectional approach. Researchers have the capacity, via the use of a technique known as a cross-sectional survey, to observe and describe study variables of interest at a certain point in time without having to resort to any kind of manipulation (Frels & Onwuegbuzie 2013). The procedure ensures that the who, when, and where of a study can be analyzed in relation to the key variables and their levels of variation.

3.3 Population of the Study

A target population is described by Kothari (2004) as every member of a real or imaginary group of persons, things, or topics from whom the researcher seeks to draw broad conclusions about the variables that are the focus of the study. The target population of the study was 255 licensed real estate businesses aoperating in Nairobi, according to the Estate Agents Registration Board.

3.4 Sample and Sampling Technique

Selecting a sample that is not too big maximizes the return on time spent researching, while choosing a sample that is not too tiny fosters trust in the study's conclusions (Kothari, 2003). The Slovene's (1978) method for obtaining fixed sample size from a population of 255 was used to establish the appropriate sample size that was used in the research. Below is a rundown of the Slovene formula;

$n = N / (1 + Ne^2)$ where

n = Number of samples

N = Total population

e = Error tolerance

This method yielded a sample size of 72, with a 0.1 percent margin of error and a 95% level of confidence.

3.5 Data Collection

This study relies on information gleaned via interviews and questionnaires, both of which facilitate the collection of first-hand accounts and observations. Most of the data was gathered via administering a set questionnaire. Mugenda and Mugenda (2003) argue that questionnaires are the best approach for gathering detailed, pertinent data. Many of the items on the survey were multiple-choice. The survey included three parts, the first of which asked about the characteristics of the organization. The relationship marketing came in at number two, while performance was the focus of the third section. The questionnaire targeted the marketing managers of the real estate firms. The surveys was distributed using the 'drop and pick' approach, in which the researcher will hand out blank questionnaires to the individuals who are the focus of the study and then collect the filled-out questionnaires on the days that have been predetermined. The questionnaires were be distributed through email and online platforms.

3.6 Data Analysis

When we were done with the data gathering phase, we went back and made sure all of the questions were consistent with one another. Editing, tabulating, and coding are used to clean the data so that any anomalies in the replies may be found and so that particular quantitative data can be included in the responses for later study. The descriptive statistic will be used to analyze the data, which will consist of measurements of the central trend (mean) as well as measures of the dispersion (variance and standard deviations). The results were provided via graphical representations and tabular data. The relationships between the variables will be calculated using the multiple linear regressions model shown below:

$$Y = \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \acute{\varepsilon}$$

Where: **Y**= Performance

β_1 to β_4 are the regression coefficients

X_1 = Trust

X_2 = Commitment

X_3 = Communication

X_4 = Conflict Handling

E=Error term

CHAPTER FOUR

DATA ANALYSIS, PRESENTATION AND DISCUSSION

4.1 Introduction

This chapter will go through the results of the research and the analysis that was done on the data collected. This part provides a discussion of the results in light of the literature discussed in the preceding chapters. The objective of the study was to determine the effect of relationship marketing practices on performance of real estate firms in Nairobi city County.

4.2 Response Rate

The overall response rate was 72.22%, which was calculated based on the fact that 52 of the 72 questionnaires that were given out were handed back. Evidence from this study lends support to the claim made by Mugenda & Mugenda (2013) that pass rates over 50% are possible in exams. Similarly, according to Babbie (2010), a return of 60% is considered good and a return of 75% is outstanding. Adequate findings were obtained for a data analysis to be performed.

4.3 Organizational Characteristics

This part is devoted to the fundamental information on the company. The statistics were helpful in understanding the background information about the firm that was being considered. It inquired into such matters as the company's age, employee count, and chain of ownership.

4.3.1 Period of operation

Responses indicate that the real estate firms in Kenya shown in Table 4.1 below have been operational for the durations of time indicated.

Table 4.1: Period of Operation

Years	Frequency	Percent
Less than 4 years	7	13.46
4-8 years	25	48.08
Above 8 years	20	38.46
Total	**52**	**100.0**

Source: Field Data (2022)

According to the data shown in Table 4.1, the majority of real estate companies in Kenya have been in business for between 4 and 8 years (48.08%), over 8 years (38.46%), and for less than 4 years (13.46%). As a consequence of this, it can be deduced that the vast majority of real estate companies in Kenya have a solid footing in the Kenyan Market.

4.3.2 Number of Employees

The research set out to quantify the size of the Kenyan real estate industry by tallying up the number of people actively employed by the sector. The compiled responses from the respondents are shown in Table 4.2.

Table 4.2: Number of Employees

Employees	Frequency	Percentage
Less than 300	15	28.85
301 – 600	25	48.81
Above 600	12	23.08
Total	**52**	**100.0**

Source: Field Data (2022)

According to Table 4.2, the majority of real estate companies in Kenya have between 301 and 600 workers, which accounts for 48.81% of the total, followed by fewer than 300 employees, which accounts for 28.85%, and then above 600 employees, which accounts for 23.08%. This suggests that the majority of Kenya's real estate companies operate with a big number of staff members.

4.3.3 Number of Branches

The research set out to catalog the various real estate firms operating in Kenya and their relative office distribution. The tallied responses from the survey takers are shown in Table 4.3.

Table 4.3: Number of Branches

Branches	Frequency	Percentage
Less than 5	15	28.85
5-10	25	48.81
More than 10	12	23.08
Total	**52**	**100.0**

Source: Field Data (2022)

Based on the data in Table 4.3, most Kenyan real estate companies have between 5 and 10 branches in the country. This compares to 28.85% of companies that have fewer than 5 branches and 23.08% of companies that have more than 10. This indicates that Kenya's real estate agencies have a broad network of offices.

4.4 Relationship Marketing

In this particular research, the relationship marketing served as the independent elements. Understanding the views of respondents on the different relationship marketing strategies was crucial.

4.4.1 Trust

Participants were shown five statements and asked to score their level of agreement with each statement (from strongly opposing to entirely agreeing) on a seven-point scale relating to trust. Table 4.4 shows the findings from the research.

Table 4.4: Trust

Statement	N	Mean	Std. Dev
The products of the firm have a high level of security.	52	4.20	0.89
The organization provides a superior level of service.	52	3.52	1.08
High dependability may be attributed to the organizational process	52	4.30.	0.92
The behavior of staff members toward customers is satisfactory.	52	4.11	1.10
The firm is dedicated to serving the needs of its customers.	52	3.80	0.99
Composite Statistics	**52**	**4.02**	**0.99**

Source: Field Data (2022)

Table 4.4, the reliability of the organization process is high with a mean of 4.30 and the products of the firm have a high level of security with an average of 4.20 while staff behaviour towards clients is good having a 4.11 as mean. The organization is committed to its clients with an average of 3.80. The service of the petroleum company is high with a 3.52. Overall, the mean was 4.02 which imply that trust influence to a great extent.

4.4.2 Commitment

The participants were asked to assess the extent to which they agreed with five statements pertaining to commitment and to submit their comments using an online form. The findings are shown in Table 4.5.

Table 4.5: Commitment

Statement	N	Mean	Std. Dev
The organization endeavors to see me satisfied	52	4.18	0.95
I am aiming to preserve the existing relationship with the company	52	3.73	1.06
I point out to the company ways of improving of its services	52	3.57	0.99
I am willing to make short-term sacrifices for the sake of the relationship	52	3.00	1.02
I receive communication promptly when service is not available	52	3.52	1.05
Composite mean	**52**	**3.57**	**1.01**

Source: Field Data (2022)

Table 4.5 shows that the organization endeavors to see me satisfied at an average of 4.18. On the other hand, aiming to preserve the existing relationship with the company having an average of 3.73. Similarly, point out to the company ways of improving of its services with an average of 3.57 as mean. Receive communication promptly when service is not available with an average of 3.52 and finally willing to make short-term sacrifices for the sake of the relationship with a mean of 3.00. The overall mean was 3.57 which imply that real estate firms in Kenya embraced commitment to moderate extent.

4.4.3 Communication

Participants were given a set of five communication-related statements and asked to indicate how much they agreed or disagreed with each. Table 4.6 below displays the findings of the probe.

Table 4.6: Communication

Statement	**N**	**Mean**	**Std. Dev**
The company maintains regular contact with customers.	52	4.11	1.17
The Company provides a wide array of information transmission methods.	52	3.73	0.98
The company is attentive to the requirements of its customers.	52	3.34	1.19
The timely resolution of client complaints is one of the company's top priorities.	52	3.90	0.89
All official communication is done through various social media platforms	52	3.23	1.07
Composite Statistics	**52**	**3.66**	**1.06**

Source: Field Data (2022)

In regards to Table 4.6, business keeps in touch with clients had a of Mean 4.11 while when company is prompt in responding to client complaints had an average of 3.90. In addition, the corporate world provides a wide range of communication options by an average of 3.73 and the business is concerned with clients’ needs had an average of 3.34. Finally, all official communication is done through various social media platforms had a mean score of 3.23.

The overall mean was 3.66, which indicates that real estate firms in Kenya embraced communication to moderate extent.

4.4.4 Conflict Handling

The participants were given a set of five statements on conflict resolution and asked to rate their level of agreement with each. Table 4.7 provides an overview of the study's findings

Table 4. 7: Conflict Handling

Statement	N	Mean	Std Dev
I try to avoid conflict with company when sourcing services	52	4.11	.504
Whenever there is a conflict, we resolve it quickly	52	4.54	.505
The company avoids conflict with customer	52	4.23	.798
The company has shared its values with the customers that helps in limiting conflicts	52	4.63	.547
I try to avoid problems before it occurs	52	4.26	.611
Composite Statistics	**52**	**4.35**	**.652**

Source: Field Data (2022)

Table 4.7 shows that company has shared its values with the customers that helps in limiting conflicts by a mean of 4.63. Whenever there is a conflict, we resolve it quickly a 4.54 as mean. Try to avoid problems before it occurs, with a mean of 4.26. In addition to this, the company avoids conflict with customer, the company avoids conflict with customer having a 4.23 as mean. Finally, to avoid conflict with the company when sourcing services with a mean of 4.11. The overall mean was 4.35 which imply that real estate firms in Kenya embraced handling conflict to a great extent.

4.5 Performance

Results were considered a dependent variable because of the nature of the research. It was important to get a sense of how people inside the organization felt about its performance from their point of view.

Table 4. 8: Performance

Statement	N	Mean	Std dev
Sales for the company as a whole have increased during the last three years.	52	3.40	0.456
Keeping existing clients is essential to the company's continued expansion.	52	3.37	0.498
The costs of administration have been cut down significantly.	52	3.40	0.493
Training and development for staff members ultimately results in better abilities.	52	4.50	0.497
Continuous growth in the amount of customers willing to remain loyal as a result of improved services	52	3.63	0.487
Composite Statistics	**52**	**3.66**	**0.4862**

Source: Field Data (2022)

According to Table 4.8, sales for the company as a whole have increased during the last three years has a 3.40 mean. As shown by an average of 4.50, staff training and development leads to improved skills. Additionally, there has been reduction of administration cost at mean of 3.40. Sales for the company as a whole have increased during the last three years with a mean of 3.40. Lastly, maintaining a steady base of satisfied clients is essential to any company's success with a mean of 3.37. The overall mean was 4.46, indicating that most real estate firms in Kenya perform to moderate extent.

4.6 Correlation Analysis

An examination of the link between the predictor factors and the response variables was accomplished by use of a correlation analysis. It was helpful in establishing a connection between relationship marketing management methods and performance. The conclusions of this inquiry are outlined in Table 4.9 below.

Table 4.9: Pearson Product-Moment Correlations Results for Study Variables

		T	**COMM**	**COMU**	**HC**	**P**
T-Trust	Pearson Correlation	1				
	Sig. (2-tailed)					
	N	52				
COMM- Commitment	Pearson Correlation	.613*	1			
	Sig. (2-tailed)	.05				
	N	52	52			
COMU- Communication	Pearson Correlation	.653**	.233*	1		
	Sig. (2-tailed)	.01	.05			
	N	52	52	52		

HC-Handling conflict	Pearson Correlation	.730**	.425**	.225*	1	
	Sig. (2-tailed)	.01	.01	.05		
	N	52	52	52	52	
P-Performance	Pearson Correlation	.723**	.718**	.416*	.505**	1
	Sig. (2-tailed)	.01	.01	.03	.01	
	N	52	52	52	52	52

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

*. Correlation is significant at the 0.05 level (2-tailed).

Source: Field Data (2022)

The Pearson's r=0.723 correlation coefficient between trust and productivity is shown in Table 4.9. While there was a strong positive relationship between commitment and performance (Pearson's correlation coefficient = 0.718, significance level = 0.01), the correlation between communication and performance was only moderately significant (Pearson's correlation coefficient = 0.416, significance level = 0.05). Last but not least, there is a strong association between conflict management and productivity (0.505, p 0.05).

4.7 Multiple Regression Analysis

Relationship marketing and performance were subjected to a regression analysis, during which the determination coefficient (r2) and the correlation coefficient (β) were utilized to draw conclusions regarding the relationships between the two variables. The analysis found a positive correlation between the two factors. The purpose of the multiple regression analyses that were carried out was to determine what share of the dependent variable (performance) could be attributed to each of the four predictor factors (Trust, commitment, communication, handling conflict).

4.7.1 Model Summary

An investigation using multiple regressions was carried out so that the impacts of predictor factors on dependent variables could be uncovered. The summary of the model may be seen in Table 4.10.

Table 4.10: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.889[a]	.790	.653	.645

a. Predictors: (Constant), Trust, commitment, communication, handling conflict

Source: Field Data (2022)

The findings are shown in Table 4.10, and at a significance level of 0.005, it is possible to observe that R and R2 were, respectively, 0.889 and 0.790. These values may be seen in the results. There is a significant connection between performance and relationship marketing, as shown by the fact that R's value is equal to 0.88. In addition, the data demonstrated that the predictors in the model were responsible for 79% of the variation in performance, but other factors were responsible for 21% of the variation in performance that the model could not adequately explain.

4.7.2 Goodness of Fit of the Model

The data were subjected to an analysis of variance, and the researcher determined that the regression model they employed was suitable for the data collection (ANOVA). According to the results shown in Table 4.11.

Table 4.11: ANOVA

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	.134	4	.034	0.507	.015[b]
	Residual	1.347	47	.067		
	Total	1.135	51			

a. Dependent Variable: Performance

b. Predictors: (Constant), Trust, commitment, communication and handling conflict

Source: Field Data (2022)

The findings of the ANOVA are shown in Table 4.11 below. This table illustrates that the f statistic equals 0.507 when the significance threshold is set at α= 5%. This finding is important for determining whether or not the coefficient of determination is statistically significant. The p value is 0.0150.05, which is considered to be statistically significant. This suggests that the variables involved in relationship marketing have an important role in performance prediction.

4.7.3 Model Regression Coefficients

Table 4.12 includes not only unstandardized but also standardized coefficients as well as t statistics and significant values in its presentation.

Table 4.12: Regression Coefficient

Model		Unstandardized Coefficients		Standardized Coefficients		
		B	Std. Error	Beta	t	Sig.
1	(Constant)	.159	.746		0.213	.000
	Trust	.130	.219	.165	.59	.000
	Commitment	.232	.179	.272	1.130	.000
	Communication	.240	.115	.305	2.09	.000
	Handling conflict	.150	.253	.126	.593	.000

a. Dependent Variable: Performance

Source: Field Data (2022)

According to the regression coefficients shown in Table 4.12, there is a correlation between relationship marketing and the success of real estate enterprises in Kenya. Trust posted $p=0.000 < 0.05$, commitment posted ($p=0.000 <0.05$), communication posted ($p= 0.000 < 0.05$) and handling conflict posting ($p=0.000 < 0.05$). At the level of significance assumed by this test ($alpha=0.05$), significance is found when p is less than or equal to <0.05. The findings demonstrate that relationship marketing factors contribute positively to the success of Kenya's real estate agencies.

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Therefore, the linear model may be interpreted as;

$$Y=0.159+0.130X_1+0.232X_2+0.240X_3+0.150X_4$$

The results of the research indicate that real estate enterprises in Kenya should anticipate a change in performance of 0.130 for every unit increase in the trust parameter's relation to performance, nevertheless, despite the absence of the driving variables, their performance stays unchanged at 0.159. In the assumption that all other factors remain same, there will be a change in performance that is proportional to the amount of the trust parameter. The performance of real estate companies in Kenya is predicted to shift by 0.232 percentage points as a direct consequence of a single unit's increased commitment to changing a parameter associated with relationship marketing. The performance of real estate businesses in Kenya will vary by 0.150 percentage points as a direct consequence of an increase of one unit in the communication parameter that relates to performance of real estate firms in Kenya. Finally, the performance of Kenya's real estate enterprises would shift by 0.150 percentage points if the managing conflict parameter were increased by one unit.

4.8 Discussion of Findings

It was found out that most of the real estate firms in Kenya have embraced handling conflict to a great extent. This was backed by the following statements; the company has shared its values with the customers that helps in limiting conflicts, whenever there is a conflict, we resolve it quickly and avoid problems before it occurs. According to the results, as stated by Nevin (2018), conflict is shown when one unit or party prioritizes its own interests above those of others. Wirtz et al. (2003), argue that conflict with customers can be resolved by having clear communication on products and services pricing, benefits and attributes as well organization policy and procedures.

The study shows that communication has a moderate impact on productivity. This was backed by the statements that are listed below: the company maintains communication with its customers, the company provides a diverse range of channels for the dissemination of information, and the company responds promptly to complaints filed by customers.The results agree with Munyoroku (2014) aside from communicating with customers, it is essential that the company's many roles and corporate divisions communicate with one other to ensure that all customers' needs are being met. As a result, it has a more long-lasting effect on these kinds of relationship than just talking with customers to foster connections and create strong ties.

It was found out that most of the real estate firms in Kenya have embraced commitment to a moderate extent. The findings agree with the organization endeavors to see me satisfied, aiming to preserve the existing relationship with the company and point out to the company ways of improving of its services. The findings agree with Morgan & Hunt (2018), define commitment as valued relationship spring from enduring desire that consider commitment as a psychological state and a key concept in business relationships. The continuous and sincere desire can be linked to brand or product related customer’s experience. The experience is usually ranked highly and rated as more favorable in the customers mind as compared to previous or alternative offerings by competitors in the market.

It was found out that most of the real estate firms in Kenya have embraced trust to great extent. This was supported by claims that the organization's processes are very consistent and that employees have a pleasant disposition toward clients. Customers need businesses or organizations they can fully trust to qualify as "suppliers for life " - which is the decisive test for customer loyalty (Moorman et al., 1992). If, due to unavoidable circumstances they lose that supplier, they would be deeply grieved and sad (Gedefaw, 2014). Services that are intangible, hard to measure, sophisticated, and technological place a premium on being able to rely on the provider.

The evidence suggests that relationship marketing is a key to business success. The impact of relationship marketing on the bottom lines of real estate enterprises was examined by doing a regression analysis and analyzing the findings. With an R2 of 0.790, the model fits the data very well, suggesting that the prediction is spot on. The overall significance of the regression model is shown by a p-value of 0.015(<0.05). This finding is consistent with findings from a study by Dzisi and Ofosu (2015) that examined the impact of relationship marketing on the prosperity of SMEs in Ghana. The descriptive method of research was largely used in this study. The findings of this research support the idea that relationship marketing is essential for businesses to survive and prosper in the highly competitive settings of today's highly dynamic marketplaces.

CHAPTER FIVE

SUMMARY, CONCLUSION AND RECOMMENDATIONS

5.1 Introduction

This chapter provides a summary of the findings, as well as the researchers' interpretations, recommendations, and conclusions about those findings. This is done so as to fulfill the requirements of the goal of the research.

5.2 Summary

The purpose of this study was to investigate the role of relationship marketing in boosting the fortunes of real estate firms in Nairobi County. It was found that the vast majority of Kenya's real estate firms have been in operation for more than four years and employ anywhere from 301 to 600 people. Additionally, the majority of these companies have between 301 and 600 employees. The majority of real estate companies operating in Kenya have between five and ten branches around the country.

It was shown that trust and how conflicts are resolved have a substantial influence on the practices of relationship marketing to a large degree. The level of dependability of the procedures at the real estate agency is excellent, and the attitude of the workers toward the customers is positive. Companies in the real estate industry have educated their clients about the company's core principles, which has helped to reduce consumer complaints. One of the major focuses of the real estate company is the prompt settlement of concerns brought up by customers. It was shown that real estate companies only somewhat prioritized communication and commitment in their operations. The company maintains regular contact with its clientele, provides a diverse range of channels via which customers may get information, and, in the event that a client lodges a complaint, the real estate firm promptly addresses that concern.

According to the results, relationship marketing strategies that focus on performance have a positive impact on business success. In the course of the regression analysis, it became clear that the regression model used in this experiment was an adequate predictor. A p-value of less than 0.05 in a variance analysis indicates that the models are significant.

5.3 Conclusion

The following are some of the conclusions that may be drawn from the results of the research: According to the results, a stronger focus on building relationships with customers and staff members in marketing not only produces higher levels of customer loyalty but also leads to improved relationship continuity. In addition, the personnel in real estate were devoted to relationship marketing, which resulted in customer pleasure, loyalty, good word of mouth, and promotion of the firm's products.

According to the results, an efficient marketing connection offers real estate managers in Nairobi, Kenya the chance to establish and execute a relationship marketing strategy with the overarching objective of improving the quality and dependability of the items they sell.

According to the data, it seems that successful connections are more likely to emerge in situations in which the consumer views the relationship as significant.

The marketing relationship findings on trust, commitment, communication and conflict resolution dimensions confirm that relationship-centered marketing tactics influence performance. The results of this research affirm the significance of product performance for two reasons: it creates an environment in which customers are willing to spend as much time as possible with a company, which in turn generates long-term benefits, and it associates a positive brand name with the company's goods and services. Therefore, business units should endeavor to build a long-term relationship with their real estate firms on trust, effective communication, and conflict resolution and commitment.

The research methodology is important since it supports the study's conclusion that relationship marketing techniques are associated with improved business outcomes. In conclusion, the results of the research are compatible not just with social exchange theory but also with the concept of making the most of one's potential given the resources that are now accessible.

5.4 Recommendations

The research advises real estate firms in Kenya to implement relationship marketing to improve company performance. Based on the data, it seems that successful businesses spend heavily on the aspects of relationship marketing tactics that are most applicable to their industry.

Kenyan real estate companies should have policies and processes in place that inspire employee buy-in and teamwork in order to realize the company's stated goals. The reason for this is because employees are the most vital part of any strategy's success or failure.

Managers should communicate to consumers when measuring relationship marketing. Relationship marketing is significant since it has been shown to boost both productivity and competitiveness inside businesses. Managers should put their efforts towards raising consumers' perceived worth as an expression of who they are as people, since this will foster organizational attachment, which is crucial to successful relationship marketing.

5.5 Limitations of the study

The survey included a few caveats, such as the fact that it only polled middle managers. Due to time constraints or job-related stress, several research participants dropped out before completing the questionnaire. After ensuring that the questionnaire's purposes of inquiry are clear, concise, and addressed, the instrument validity was evaluated and the questionnaires were sent out through email, guaranteeing that they would be correctly completed.

One of the study's drawbacks is that it only looked at few aspects of relationship marketing. However, there are additional aspects that have an influence on a firm performance that were not taken into consideration. An organization's ability to provide its services is affected by the aforementioned elements. Technology, human capital, business strategy and finances, and organizational structures are all included in this category. To guarantee the reliability of the findings, their consideration is essential.

5.6 Suggestions for Further Studies

This examination is a cross-sectional study that makes use of a quantitative approach not only to data collection. It only chronicled the thoughts and feelings expressed by people who took part in the activity. The quantitative approach was chosen for the cross-sectional research because it was the technique that offered the best chance of successfully overcoming the hurdles posed by the limitations of both time and resources. This is why the decision was made to use a quantitative method. This calls for comparative study based on qualitative methodologies like depth interviews before any kind of conclusion can be drawn.

Furthermore, this research was limited to solely real estate firms in Nairobi as a subject of investigation. Relationship marketing practices are not being managed as well in other types of businesses, such as hospitals, aviation corporations, large-scale farms, and industrial enterprises, among others. The effectiveness of relationship marketing practices in related industries should be studied in the future.

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APPENDICES

Appendix I: Introduction Letter

May 2022

Masters Student- MSc. Marketing

University of Nairobi

<u>RE: REQUEST FOR RESEARCH DATA</u>

I am now pursuing a degree in Masters of Science in Marketing at the University of Nairobi, where I am also enrolled as a student. As a component of the evaluation for my course work, I am obliged to present a research paper on **"the influence of relationship marketing practices on performance of real estate firms in Nairobi County."** Data from your company will be used in this research in order to accomplish this goal. Neither your name nor any other personal information will be included in this report. The study's findings will be made available to you upon request.

We really appreciate your help and cooperation.

Thank you in advance.

Masters Student – Researcher

University of Nairobi

Appendix II: Research Questionnaire

SECTION A: Organizational Characteristics

1. In which Real estate in Kenya do you work? (Enter below)

____

2. How long has this company been in the market? (tick one)

Less than 4 years [ ] 4-8 years [ ] Above 8 years [ ]

3. What is the total number of staff members at your company? (tick one)

Less than 300 [ ] 301 - 600 [ ] Above 600 [ ]

4. How many different locations does your company have throughout Kenya? (tick one)

Less than 5 [ ] 5-10 [ ] More than 10 [ ]

SECTION B: RELATIONSHIP MARKETING

To what degree do you agree with the following relationship marketing characteristics demonstrated by your company. Select the right response on a scale of 1 to 5 from the alternatives offered.1=No extent,2=little extent, 3=Moderate extent 4=Great extent,5=Very great extent**.**

Component	1	2	3	4	5
Trust					

The products of the firm have a high level of security.					
The petroleum firm provides a superior level of service.					
High dependability may be attributed to the organizational process					
The behavior of staff members toward customers is satisfactory.					
The company makes satisfying the requirements of its clients a top priority.					
Commitment	**1**	**2**	**3**	**4**	**5**
The organization endeavors to see me satisfied					
I am aiming to preserve the existing relationship with the company					
I point out to the company ways of improving of its services					
I am willing to make short-term sacrifices for the sake of the relationship					
I receive communication promptly when service is not available					

Communication	**1**	**2**	**3**	**4**	**5**
The company maintains communication with its patrons.					
The company is attentive to its customers' requirements and provides a number of different modes of information transmission.					
When a client makes a complaint, the company responds to it in a timely manner.					
The company maintains communication with its patrons.					
All official communication is done through various social media platforms					
Conflict Handling	**1**	**2**	**3**	**4**	**5**
I try to avoid conflict with company when sourcing services					
Whenever there is a conflict, we resolve it quickly					
The company avoids conflict with customer					
The company has shared its values with the customers that helps in limiting conflicts					
I try to avoid problems before it occurs					

SECTION 3: PERFORMANCE

To what degree do you agree with the following claims about performance in your company? Use the following scale: 1- Strongly Disagree, 2-Disagree, 3-Neutral, 4-Agree, 5- Strongly Agree.

Performance	**1**	**2**	**3**	**4**	**5**
Over the course of the last three years, the company's total revenues have increased.					
Keeping existing customers satisfied is essential to the company's expansion.					
The costs of administration have been cut down significantly.					
Training and development for staff members ultimately results in better abilities.					
Continuous growth in the amount of customers willing to remain loyal as a result of improved services					

Thank you very much.

Appendix III: Sampled Real Estate Firms in Nairobi, Kenya

1) Aberdeen Properties
2) Amalgamated Properties Ltd
3) Amazon Valuers Ltd
4) Askim Management Services Ltd
5) Blue Nile Properties
6) Blueline Properties Ltd
7) Can Pan Real Estate Ltd
8) Castle Land Property Consultants
9) Charcon Properties
10) Citi Scape Valuers Ltd
11) Crystal Valuers Ltd
12) Daytons Valuers Ltd
13) Deca Shelter Agencies Co. Ltd
14) Developing Africa Ltd
15) Dominion Valuers
16) Eastlands Properties
17) Ena Property Consultants Ltd
18) Gemburg Commercial Agencies
19) Gimco Ltd
20) Green Plots Properties

21) Habitat Realtors International Ltd
22) Hasseris Estate Management Services
23) Hectares & Associates Ltd
24) Highlands Valuers Ltd
25) Holmes Ltd
26) Horeria & Company Ltd
27) Horizon Valuers
28) Interlink Real Estates Ltd
29) Ivory Homes Ltd
30) Jaken Agencies
31) Jimly Properties Ltd
32) Kiragu And Mwangi Ltd
33) Knight Frank Kenya Ltd
34) Lamka Properties Ltd
35) Landmark Realtors Ltd
36) Lloyd Masika Ltd
37) Lukenya Greens Ltd
38) Madison Properties Limited
39) Mak Properties
40) Mamuka Valuers Management Ltd
41) Manclen Management Ltd
42) Masterways Properties
43) Mencia Management Ltd
44) Metrocosmo Valuers Ltd
45) Nairobi & Regional Properties Realtors
46) Neptune Shelters Ltd
47) Ng'ayu & Associates Ltd
48) Norwich Union Properties
49) Olhomes Enterprises Ltd
50) Paragon Property Consultants Ltd
51) Paul Wambua Valuers
52) Pinacle Valuers Ltd
53) Prestige Estate Ltd

54) Primier Reality Ltd
55) Promast Properties
56) Real Management Services
57) Real Shelter Management Ltd
58) Realken International Ltd
59) Rolex Property Investments
60) Shelter Management Valuers Ltd
61) Sparrow Property Services
62) Temus Real Estate Solution
63) Toco Properties Ltd
64) Traca Management Services Ltd
65) Tysons Ltd
66) Urban Properties Consultants &Developers
67) Valley Ranch Ltd
68) Value Zone Ltd
69) Verity Properties Ltd
70) Vidmerck Ltd
71) Wainaina Real Estates Ltd
72) Zenith Management Valuers Ltd

Source: Estate Agents Registration Board