ABSTRACT

Relationship marketing is a strategy designed to build customer loyalty, interaction and customer long-term engagement through provision of information and open communication that suits customer needs. The broad objective of the study was to analyze the relationship between customer relationship marketing and customer loyalty in the mobile telecommunication industry in Nairobi, Kenya. The study employed a descriptive survey design. The population comprised individual customers of the four mobile telecommunication companies in Kenya. A sample size of 384 respondents was utilized. Proportionate stratified sampling method based market share of each company was used. Primary data was collected using a semi-structured questionnaire while descriptive statistics and simple regression analysis was used to analyze the quantitative data. The findings were as follows, quality of a service is subjectively perceived by customers during the interactions with a firm and has critical impact on customers' evaluation of service quality; effective communication of pricing policies as well as flexible pricing for various services offered play a great role in customer loyalty; positive brand image makes it easier for a firm to convey its brand value to consumers and also generates favorable customer loyalty among people; Businesses operating in an intensely price based competitive environment, dependent on high economies of scale and with low levels of staff-customer interaction are bound to suffer shocks in their market positions and profitability. However large investments on relational strategies like building trust, commitment, communication and satisfaction can turnaround the shocks.