



Do customer loyalty programs enhance customers buying behaviour in supermarkets in Kenya?

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Abstract

This study aims to examine the effect of customer loyalty programs on customer buying behavior in supermarkets in Nairobi City County, Kenya. Specifically, the study sought to establish the effect of reward programs, point accumulation programs, and reward frequency programs on customer buying behavior. A descriptive research design was employed, and questionnaires and interview guides were used to collect data. A sample of 384 respondents was selected from a target population of 985,016 using the non-probabilistic purposive sampling method. Findings indicate that consumers' level of preference for the particular supermarket loyalty programs was high in specific supermarkets. It was also found that points' redemption rates differed among the supermarkets. The majority of the supermarkets allowed customers to redeem their points at any time and customers preferred benefits connected to frequent visits and fast points reimbursement based on the reward method used. The study concluded that point cumulative program and reward method program positively and significantly affects consumer buying behavior but reward frequency negatively and significantly affected customer buying behavior. The study recommended that the point accumulation program should be made easier for customers by the marketing departments in the supermarkets.

Author Keywords

Customer Loyalty programs, Supermarkets, point accumulation reward frequency

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We confirm that the manuscript has been read and approved by both named authors and that there are no other persons who satisfied the criteria for authorship but are not listed. We further confirm that we have read and agreed to the published version of the manuscript and the order of authors listed in the manuscript has been approved by both of us. Further, we wish to confirm that there are no known conflicts of interest associated with this publication and there has been no significant financial support for this work that could have influenced its outcome.

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