

The Impact of Promotional Pricing on Customer Loyalty in the Nigerian Telecommunication Industry.

A Study of MTN Enugu State Nigeria

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Abstract:- This study seeks to investigate the impact of promotional pricing on customer loyalty in the Nigerian Telecommunication industry using MTN Enugu state Nigeria as a case study. An explanatory research design was adopted in which a self-administered questionnaire was used to collect data from MTN customers in Enugu State, Nigeria. Data analysis was done by Statistical Packages for Social Sciences (SPSS version 28). Factor analysis was used to test the validity of the myriad of scale items of the subconstruct in the model. Cronbach's alpha and Kaiser-Meyer-Olkin (KMO) were employed to test the adequacy and appropriateness cum robustness of the data. The Bartlett test was also employed in this study. The study revealed that there is a significant positive relationship between promotional pricing and customer loyalty. Also, promotional pricing and customer satisfaction has a significant positive influence on customer loyalty. MTN was therefore recommended to consider developing customer satisfaction as a prerequisite for enhancing customer loyalty using promotional pricing.

Keywords:- Customer Satisfaction, Customer Loyalty, Promotional Pricing

I. INTRODUCTION

Most organizations are a growing entity with the aim of making a profit. To accomplish this, customer loyalty is critical and vital to the success of business organizations. The telecommunications industry in Southeast Nigeria is highly contested due to stiff competition from both local and foreign companies. Many players in the telecommunications industry have now shifted their focus more toward customer loyalty than customer acquisition and retention. The reason why players in the telecommunications industry are eager to adopt customer loyalty is because customer loyalty provides long-term economic benefits to companies by improving their customer relationships and allowing new customers to be gained at a lower cost (Onikola, 2018). The use of promotional pricing has several benefits, including increased market share and profitability as well as the ability to develop new revenue streams, by; increasing buying activity; attracting new clients; developing a competitive edge; boosting client loyalty; and serving as a publicity tool for new products (Garg, 2022; Inegbedion, 2019; and Bello 2021). The strategy also has negative effects; for example, consumers question the products' quality by associating

promotional pricing with subpar goods, which affects the ability of the business to succeed over the long run (Garg, 2022 & Oladimeji 2020). The study's subject matter is new, and few researchers have investigated the issue to the best of the researcher's knowledge. Research was conducted in the telecommunications industry on sales promotion and its impact on customer loyalty; research was also conducted on the impact of brand identity on customer loyalty as well as the impact of sales promotion on customer retention in the telecommunications industry (Saeed et al., 2020); however, no research was conducted in MTN Southeast Nigeria to the best of the researcher's knowledge. There remains a paucity of literature in the Nigerian context of studies focusing on promotional pricing and customer loyalty in the telecommunications industry. The current study aims to fill these knowledge gaps and add to the body of extant literature by investigating the impact of promotional pricing on customer loyalty in MTN Enugu State, Nigeria.

II. LITERATURE REVIEW

➤ Promotion

Promotion refers to the set of activities that communicate the merits of the product, service, or brand to persuade target customers to buy it (Ahmed, 2021). It is one of the four elements of the marketing mix. It is a way of attracting, inducing, and creating awareness among the people to initiate a purchase (Ahmed, 2021). Promotional methods include discount coupons, free distribution of samples, and offers like giving two items for the price of one, trial offers, offers on festivals and occasions, contests, value added services, etc. Due to these activities, the companies get instant boosts in their sales because the customer response is impulsive when they know that they will get more for a lower price. Promotion itself is an activity to introduce a product or service to the target market so that the target market or consumer knows of its existence (Dewi, 2022). Wade, Williams, and Bradley (2019) also postulated that promotion is a process through which organizations communicate with their target audiences to inform, direct, remind, update, convince, persuade, and encourage them to adopt, purchase, and consume their offerings by executing innovative campaigns using personal selling, direct marketing, advertising, sales promotion, public relations, and word-of-mouth communication. Promotion is a marketing tool, used as a communication strategy between sellers and buyers. Satisfaction is the customer's feeling that a product has met his expectations.

Through this, the seller tries to influence and convince the buyer to buy his products or services. It assists in spreading word about the product, service, or company to the people (ByJu’s,2022). The company uses this process to improve its public image. This marketing technique creates interest in the mindset of the customers and can also retain them as loyal customers. Promotion of a product is important to help companies improve their sales because customers' reactions to offers and discounts are impulsive. In other words, promotion is a marketing tool that involves enlightening the customers about the goods and services offered by an organization.

➤ *Promotional Mix*

Byju’s (2022) definition of promotional mix refers to the sum of promotional tools that are used by the marketer to inform and persuade buyers to buy their products.

Keller & Musfar (2020) also defined promotional mix as a strategic combination of variables that are combined and well planned to achieve the sales program objectives. With increasingly fierce competition, business actors carry out innovative promotion mix strategies to win the market and improve purchasing decisions, which leads to increased sales (Indra, 2020). Kotler (2018) avowed that the promotional mix is also called the company's marketing communication mix, a specific blend of advertising, sales promotion, public relations, personal selling, and direct marketing tools that companies use to communicate customer value persuasively and build customer relationships.

➤ *Sales Promotion*

Dewi (2022) defines sales promotion as the provision or use of incentives to encourage the sale of products offered by the company in the form of goods or services produced, so that prospective buyers or consumers interested in buying them can know about their existence. Byju (2022) defines sales promotion as "short-term incentives that are offered to the ultimate customers to encourage them to make immediate purchase of products and services, expositions, demonstrations, and various other non-routine" recurrent sales. It may also be defined as "any steps taken for the purpose of obtaining or increasing sales." Sales promotion may also be defined as all the marketing and promotional activities other than advertising, personal

selling, and publicity that motivate and encourage the consumer to purchase because of such inducements, premiums, refunds, rebates, displays, and demonstrations (Ahmed, 2021).

➤ *Promotional Pricing*

Padley (2021) defines promotional pricing as a sales strategy in which a seller or a brand temporarily reduces the price of a product or a service with the goal to attracting more customers.

Promotional pricing is a pricing method where businesses temporarily reduce the price of certain goods and services below their listing price to attract more customers (Young, 2022). Promotional pricing can be used to entice new customers who have never tried a product to use the product or encourage existing customers to switch brands in favor of a new brand. Also, it can influence the choices of brands, quantities purchased, and consumption rates of customers. Customers are more likely to buy more products during promotional pricing since the savings increase their disposable income.

The increase in sales is due to the increase in the perceived value of products and the money savings that come about when product prices are reduced. Customers are also compelled to urgently make purchases of the products since the promotions last for a limited period. Therefore, to take advantage of promotions, customers urgently visit the store and make immediate purchases, which result in increase in sales.

➤ *Benefits of a Promotional Pricing Strategy*

Promotional pricing is usually a short-term approach for companies, though some retailers use recurring promotional pricing to maintain ongoing purchases from budget-conscious buyers. Different benefits include higher sales and revenues, increased margins (when prices are raised), a larger share, and improved product or service launch campaigns. While excessive use of sales promotions and discounts can cause a price orientation in customers, these types of pricing models can offer a variety of benefits when used effectively.

The benefits are shown in Table 1

Table 1 Promotional Pricing Benefits

Authors	Benefits of promotional pricing
Indeed Editorial (2022)	Customers may be persuaded to buy more. It helps companies stay competitive. It can increase short-term sales. It may increase customer loyalty. It can make product marketing easy. It generates excitement about a product. It can help liquidate inventory. It is customizable to an organization.

Ahmad (2022)	<p>Increase sales volume in the short term. Low prices give buyers a compelling incentive to purchase, especially those who are cost-conscious.</p> <p>Revenue growth. For the short term, growing income and cash flow requires a promotion strategy. For instance, a business might employ it toward the end of the year to hit its annual goal.</p> <p>Increase inventory turnover. Promos stimulate higher sales volumes and reduce product build up in warehouses. That ultimately reduces the costs associated with inventory.</p> <p>Maintain current customer loyalty. Promotions are one way for businesses to show their appreciation to their devoted clients.</p>
Chron (2021)	<p>It Increases Customers purchases.</p> <p>Increases Value Perception</p> <p>It promotes growth.</p> <p>Help Launch and Build Market Share</p>

Source: (Nene, 2023)

➤ *Customer Satisfaction*

Customer satisfaction is described as the psychological state consumers experience when their expectations prior to the consumption of a product or service is met or exceeded by their actual consumption experience (Patrick et al., 2020). Chiguvu (2020) avowed that customer satisfaction is the total percentage of customers using a certain product and feeling its quality, thereby making the customer happy and satisfied. Customer satisfaction is measured at the point when a product or service is purchased and then used, as well as throughout the process of acquiring a product or receiving a service. Consumers usually decide to buy or continue buying after assessing whether their experiences with the service or product have been satisfactory or pleasurable. Extant studies have reported that purchase intention increases the likelihood of actual purchase behavior, thus, a company that seeks profits will need to make efforts to attract customers and ensure their satisfaction (Bapat, 2018; Sreejesh et al., 2018). Customer satisfaction is the sum of a customer’s perceptions, evaluations, and psychological reactions to a product or service’s experience; therefore, it is regarded as subjective, since consumers who use or consume a product are the only ones who can measure satisfaction with it (Benoit., 2020). The hospitality sector is part of the experience economy; hence, customer satisfaction is paramount if firms in this sector want to remain competitive (Cheng., 2019). Customer satisfaction is one of the most influential antecedents to customer loyalty (Hoe, 2018). Chiguvu (2017) explains that customer satisfaction is the customer’s feeling that a product has met or exceeded his or her expectations.

➤ *Customer Loyalty*

The term "customer loyalty" refers to a customer's commitment to a product or service. The loyal customers are going to purchase the firms’ products and services exclusively, and they are not ready to change their preference to other products and services. Customer loyalty can be increased in the customer's mind by providing quality services and offers during various purchase vocations (Kethan, 2022). For example, a coupon for free airtime after the purchase of five airtimes, a cash discount offer, and some other programs will attract customers to become consistent customers. Iglesias (2020) also defined customer loyalty as "the customer’s willingness to build a long-term relationship with a specific brand and recommend such a

brand to other people." Nurul and Maha (2021) describe customer loyalty as a feeling of strong attachment and affection by a customer towards a company’s products and services. Customer loyalty can also be described as a strong commitment to repurchase a company’s products and services despite potential distractions from competitors. In the context of this study, a "loyal customer" is defined as a subscriber to a mobile telecommunications company in Nigeria who has the tendency to stick with such a company even in the face of constant competitive offerings in the form of discounts, free airtime, bonuses, advertisements, and other promotional offerings from rival mobile telecommunication companies. Customer loyalty is defined as a commitment to continue purchasing a preferred product or service consistently, regardless of situational factors and marketing efforts that might result in switching behavior (Chiguvu, 2017).

➤ *The Relationship between Promotional Pricing and Customer Loyalty.*

A study by Wibowo (2021), Qomariah (2021), and Sudari (2019) asserts that promotions can boost customers' happiness. Customers who are pleased with the information they have gotten are more likely to be loyal and recommend certain service providers. Thus, there is a relationship between promotion and customer loyalty. (Rosalina, 2019) conducted research that shows that promotional pricing can increase customer loyalty. Ballester (2005), in his study on sales promotions' effects on consumer-based brand equity, confirmed a positive impact between sales promotions and brand loyalty. The results showed that non-monetary promotions are more effective at building customer loyalty (brand loyalty) as they enhance a greater number of favorable associations than monetary promotions. "Based on the results obtained, sales promotions can be used to build customer loyalty. Therefore, it is hypothesized that:

H₁: *Promotional pricing has a significant positive influence on customer loyalty.*

➤ *The Relationship between Promotional Pricing and Customer Satisfaction.*

The main purpose of promotional pricing is to inform, influence and persuade, and remind target customers about the company and its marketing mix (Rahman, 2020); companies carry out promotional activities with the main

objective to seek profit. Suryana (2019) explain that consumer satisfaction is an important element in improving market performance of a company. The satisfaction felt by customers can increase their intensity to buy. By creating an optimal level of customer satisfaction, it encourages the creation of loyalty in the minds of the satisfied customer. Satisfaction is measured by how well customer expectations are met. A competitive price can enhance customer satisfaction, build their trust, and increase their repurchase rate (Djumarno, 2018; Han, 2018). Customer satisfaction is gained when the economic benefits exceed the price paid by the customer. Thus, price plays a critical role in determining customer satisfaction and brand loyalty (Wantara, 2019).

Promotion, according to Gunawan (2018), Solimun (2018), Ratnasari (2019), Rosalina (2019), and Mahendra et al. (2019), can increase customer satisfaction. Customers who are satisfied with the information received will also provide good information related to service providers. The higher the Customer Satisfaction because of the Promotional activities offered, the more it will increase Customer Loyalty. Promotional pricing has a Positive and significant effect on Customer Loyalty. The more Promotional activities provided, the higher the Customer Loyalty. Promotional pricing can be very effective in increasing customer satisfaction. Promotional pricing is very easy to implement with technology to track customer preferences and history. Companies can leverage historical promotions and sales data to see which discounts resonate most with customers on what products and when. By providing promotional pricing based on past actions, customers feel important and catered to, and are more likely to follow through with purchases, which can decrease cart abandonment rates. It's also important to analyze category trends to promote hot products in a timely manner when customers want them the most. Thus, there is a relationship between promotional pricing and customer satisfaction. Therefore, it is hypothesized that:

H₂: Promotional pricing has a significant positive influence on customer satisfaction.

III. THEORETICAL FRAMEWORK

This study adopts a combination of commitment-trust and social exchange theories, Kano's theory, as well as the Kollet, Blackwell (EKB) model (reasoned action theory), to analyze the impact of promotional pricing on marketing performance in the telecommunication industry in Enugu State, Nigeria.

➤ *Commitment Trust Theory*

The commitment-trust theory is associated with the works of Morgan (Morgan, 1994). The theory posits that business relationships require commitment and trust. It argues that commitment and trust are key mediating variables for understanding the relationship between buyers and sellers. Morgan (1994) opines that consumer commitment to the vendor has been found to mediate the effects of several variables, such as quality, shared values, communication, and trust, on several consumer behavioral

intentions, including customer retention, advocacy, and acquiescence. Trust serves as a governance mechanism that limits opportunistic activities, as well as a facilitating mechanism for developing commitment. Commitment includes the desire to continue the relationship and work to ensure the long-term orientation of a party toward a partner (Morgan, 1994). Trust and shared values form the basis for buyer-seller relationships, especially in a competitive marketplace. Morgan (1994) assert that commitment and trust are central constructs in marketing relationships as they positively influence cooperative behaviors. When both commitment and trust, not just one or the other, are present, they produce outcomes that promote efficiency, productivity, and effectiveness. In short, commitment and trust lead directly to cooperative behaviors and customer loyalty that are conducive to marketing success. The theory is appropriate for this study because customers will be loyal to mobile telecom companies if they trust that service providers will meet their needs and deliver on their promises. If customers trust a company and share personal information with it, they will trust it to make recommendations about other products and services.

To discharge this obligation, the second must furnish benefits to the first in turn (Blau, 1964). In other words, social exchange entails "an unspecified obligation" (Blau, 1964), when one person does another a favor, there is an expectation of future return, although when exactly it will occur and in what form is unclear.

➤ *Social Exchange Theory*

SET is a combination of sociological and psychological social frameworks that study social behavior and explains the exchange in the interaction between two parties. Emerson (1976) observes that social exchange involves two people, each of whom provides some benefit to the other and is dependent on the other's rewards. The theory is also used to evaluate and implement a cost-benefit analysis to determine the risks and benefits of the social exchange. One of the basic tenets of SET is that relationships evolve over time into trusting, loyal, and mutually committed ones. To do so, parties must abide by certain "rules" of exchange. Rules of exchange form a normative definition of the situation that forms among the participants in an exchange relationship (Emerson, 1976).

In this way, rules and norms of exchange are "the guidelines" of exchange processes.

SET also posits that all human relationships are formed using subjective cost-benefit analysis and comparisons of alternatives. For example, when a person perceives the costs of a relationship as outweighing the perceived benefits, the theory predicts that the person will choose to leave the relationship. Thus, the use of built-in models of organizational behavior is based on the principle of reciprocity. Social exchange theory argues that individuals direct their reciprocation efforts towards the source from which benefits are received.

When an "individual" obligates himself by providing rewarding services developed based on two assumptions: human beings are rational, and they systematically use available information; and take note of the consequences of their actions before making decisions on whether to engage in certain behaviors or not. This theory suggests that a human behavior is determined by the intention to perform, and that intention is a function of attitude toward the behavior or subjective norm.

➤ *The Theory of Reasoned Action*

Fishbein created the Theory of Reasoned Action in 1967. In 1975, Ajzen collaborated with him to update and broaden the idea. The theory and its extension, the theory of planned behavior, complement one another and are frequently referred to as a single theory (Pelletier and Mongeau, 1992). It was created under the premise that people are rational, methodically use information at their disposal, and consider the effects of their actions before deciding whether to engage in certain behaviors. According to the theory of reasoned action, a person's intention to act, which depends on their attitude towards the behavior or subjective standard, determines their behavior. The nearest antecedent of behavior is thought to be intention, which

explains how one's cognition prepares them to carry out specific behaviors (Pelletier and Mongeau, 1992). Intention is determined by three factors, according to Schiffman et al. (2010): a person's attitude towards a particular behavior, subjective norms, and perceived behavioral control. According to the theory of planned behavior, particular attitudes towards behavior can produce intentions that result in behaviors. The theory of reasoned action, according to Pelletier and Mongeau (1992), suggests that after attitude is evaluated, it is necessary to evaluate subjective norms (customers' ideas about how their relatives and friends will judge specific behavior). According to the theory of reasoned action, customers' judgements of their own behavioral control, or how well they think they can perform, have an impact on their behavior. The elements were thought to affect prospective consumer loyalty (conative loyalty). According to this idea, the stronger the behavioral goal, the more favorable the subjective norm and attitude are towards a certain behavior, and the higher the perceived control.

A model explaining the theory was presented in figure 1:

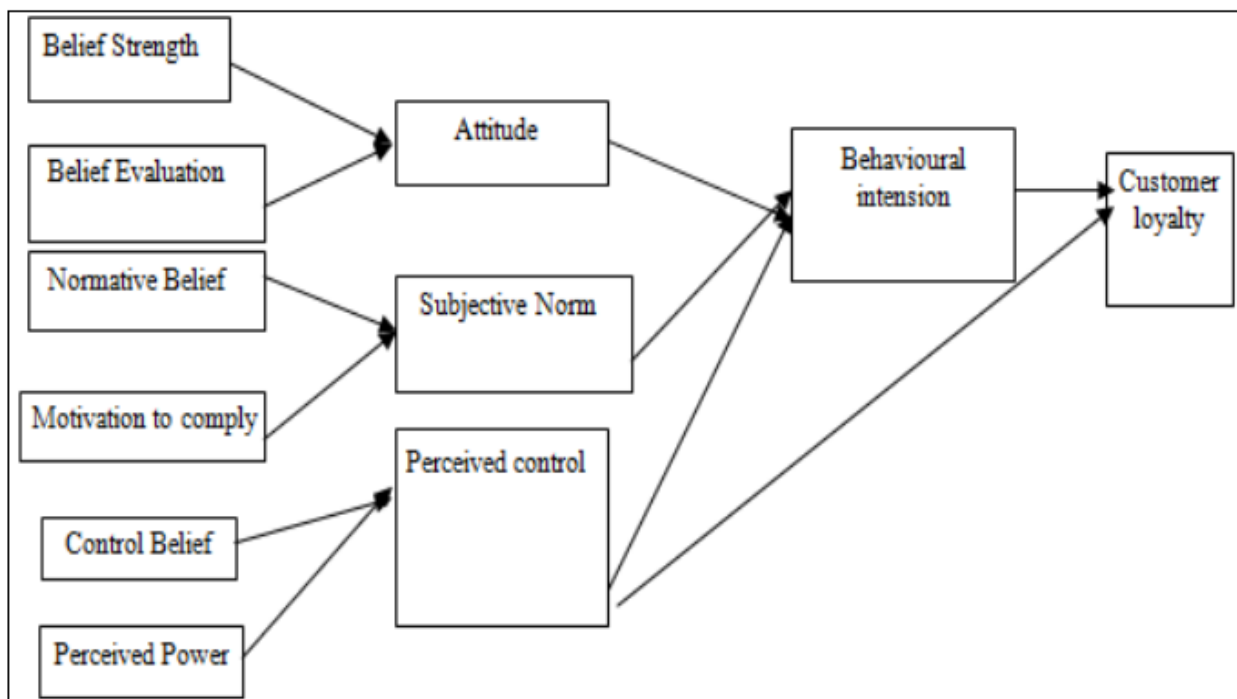


Fig 1 Model on the Theory of Reasoned Action
Source: Hale, Householder and Greene (2004)

IV. EMPIRICAL EVIDENCE

Eri (2023) examined the effect of service quality, product quality, price, promotion, and location on CV Restu's customer satisfaction and loyalty index. The study aims to analyze the effect of service quality, product quality, price, promotion, and location on CV Restu's customer satisfaction and loyalty index. The research is quantitative and conducted by distributing questionnaires to respondents. The population in the study is CV Restu's customers, whose

numbers cannot be known with certainty. The sample selection method in his study used the incidental sampling method. Determination of the number of samples in the study using the formula of Roscoe theory, so that the sample in his study amounted to 70 respondents. Data analysis using structural equation modelling (SEM) and the Smart PLS 3.0 application. The results indicate that service quality has no significant effect on customer satisfaction, product quality has no significant effect on customer satisfaction, the price has no significant effect on customer satisfaction, the

promotion has no significant effect on customer satisfaction, location has no significant effect on customer satisfaction, service quality has no effect significant effect on customer loyalty, product quality has no significant effect on customer loyalty, the price has a significant effect on customer loyalty, the promotion has no significant effect on customer loyalty, location has no significant effect on customer loyalty and customer satisfaction has no significant effect on customer loyalty.

Albert and Felix (2022) conducted an empirical analysis of the relationship between promotion strategies and brand loyalty. The study aims to determine the effect of price on brand loyalty and contribute to the literature on brand loyalty by demonstrating how product involvement influences brand loyalty. The sampling technique uses simple random sampling. The descriptive quantitative research method was adopted. The result found that there is an effect of price on brand loyalty and that product involvement affects brand loyalty. It was recommended that; businesses should concentrate on boosting customer product engagement to boost brand loyalty.

Alya (2021) focused on the analysis, pricing, and promotion of customer loyalty in modern retail shopping centers during the Covid-19 pandemic, through the purchase decision strategy of moderation. The primary objective was to determine the influence of promotional pricing, customer loyalty and consumer purchasing decisions on moderation. The collected data were subjected to descriptive statistics. The results showed that combining promotional pricing in modern retailing with customer loyalty and strategic purchasing decisions will bring significant and impactful results. The recommendation was designed to enhance marketing tools by boosting promotional activities, promoting competitive prices, and giving discounts to keep consumers loyal.

Ashu (2022) examined factors affecting customer loyalty in the telecommunications industry (Bharti Airtel). The primary objective was to evaluate the effect of the variables, namely, trust, service quality, customer satisfaction, and customers' perceived value, on the customer loyalty of Bharti Airtel India. The research was based on quantitative research and conducted with the help of primary and secondary data collected from questionnaires. The finding showed that overall users of Bharti Airtel show a positive attitude towards service quality, satisfaction, trust, and prescribed value, and the majority agreed to remain loyal customers to the network. In addition, results indicated that there is a high level of service satisfaction received from Airtel by customers, and as the majority agreed to remain loyal customers to the network, it was recommended that the company promote the good image of the brand by advertising the product more aggressively.

Chidiebere (2020) study empirically investigated the relationship between brand promotion and customer loyalty in Port Harcourt telecommunications firms. A cross

sectional survey of 60 customers was derived, and copies of questionnaires were administered to gather data, which was analyzed using the Spearman Rank Correlation Coefficient, from which the formulated hypotheses were tested. According to the results of the analysis, the bonus package and repeat purchase appear to have the highest positive correlation among the variables studied. It was concluded that brand promotion has a positive relationship with customer loyalty among telecommunications firms in Port Harcourt under the influence of organizational culture. Consequently, the study recommended, among others, that telecommunications firms should invest more in creating bonus packages if they wish to increase loyalty, as studies show that bonus packages have the highest correlation with repeat purchases.

Méndez (2019) conducted research on the effects of product promotions on brand loyalty. The study aimed to explain the effects of product quality and promotion on brand image in achieving consumer loyalty so that Hatten Wines' company remains able to compete with competitors in the wine industry. The role of brand image mediates the effect of product quality and promotion on wine consumer loyalty. The method used to determine the sample is non-probability random sampling. This study used data analysis methods with inferential statistics. The results showed that product quality and promotion had a positive and significant effect on brand image in achieving wine consumer loyalty to Hatten Wines products in Denpasar. It was therefore recommended that the company use product promotions to reinforce or reduce brand loyalty.

V. RESEARCH METHODOLOGY

A quantitative research design was used in this study, while multiple linear regressions were used to test the hypotheses. An explanatory research approach that goes hand in hand with a cross sectional approach was adopted to examine and explain the impact of promotional pricing on marketing performance. The sampling method that was used in this study is the probability sampling method, which uses stratified randomness to select the sample. The RAOSOFT sample size calculator, which gave a recommended sample size of 297, was used to calculate the sample size, while a total of 38 questionnaires were used for the pilot testing of MTN users in Enugu. Using exploratory factor analysis (EFA), which applies the idea of component analysis with a varimax rotation, the convergent and discriminant validity of the 36 scale items were evaluated. Factor analysis was used to test the validity of the myriad of the scale items of the subconstruct in the model. Cronbach's alpha and Kaiser-Meyer-Olkin (KMO) were employed to test the adequacy and appropriateness cum robustness of the data. The Bartlett test was also employed in this study.

Data was collected through RedCap, an online survey method used to gather information from respondents. The redcap link was shared among MTN users in Enugu. Data collected from respondents was analyzed using the SPSS 28.0 version.

VI. FINDINGS AND ANALYSIS

➤ *Demographic Characteristics*

Table 2 Demographic Characteristic

	Frequency	Percentage
Gender		
Male	108	36.4
Female	180	60.6
Age		
15-20	37	12.5
21-30	58	18.9
31-40	64	21.5
41-50	89	30.0
51 and above	42	14.1
Duration of MTN usage		
1-5 years	68	22.9
6-10 years	99	33.3
10 years and above	120	40.4
Education		
Certificate	95	32
Diploma	73	24.6
Degree	49	16.5
Masters	35	11.8
PHD	33	11.1
Occupation		
Civil/ public servant	105	35.4
Private company, s employee	116	39.1
Self employed	66	22.2

Table 2 shows the demographic characteristics of the respondents. The results show there were more female participants than male among the sample response, 36.4 % constitute the male gender while 60.6% constitute the female. Most of the participants (51%) were between the ages of 31-50 years old which are the working class (as of 2023) which reflects that they were born between 1992 and 1973. This age group is suitable as this age group includes people who prefer to use modern technology; therefore, they tend to use MTN service most frequently. Most of the participants (40.2%) have been using MTN for more 10 years, followed by people (33.0 %) who have been using MTN from 6 – 10 years and 23 % that have been using MTN from 1-5 years. The results show that 22 % of the participants are self-employed, while 39 % of them are working in the private sector and 35 % of them are working

in the public sector. In terms of educational attainment, 32% of the participants have certificates, while 25 % have Diploma, 17 % of the participants have college degree, 12 % have master’s degrees while 11 % of the participants have PhD which is one fifth of the sample response. In terms of occupational attainment,35,4% of the participants are civil/ public servant, while Private company’s’ employees are 39.1%, while Self-employed are 22.2%.

➤ *Inferential Statistics*

- *Table 3 Nexus of Relationship between Promotional Pricing, Customer Satisfaction, and Customer Loyalty Amongst MTN Subscribers (Correlation)*

Table 3 Results of Correlation Analysis Among the Key Variables

		Promotional pricing	Customer satisfaction	Customer loyalty
Promotional pricing	Pearson Correlation	1	.892**	.818**
	Sig. (2-tailed)		<.001	<.001
	N	273	254	240
Customer satisfaction	Pearson Correlation	.892**	1	.842**
	Sig. (2-tailed)	<.001		<.001
	N	254	261	233
Customer loyalty	Pearson Correlation	.818**	.842**	1
	Sig. (2-tailed)	<.001	<.001	
	N	240	233	244

Table 3 shows that all the variables are correlated with each other.

Table 4 Regression Model

Regression (Model Summary)										
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.906 ^a	.820	.818	4.17961	.820	326.963	3	215	<.001	2.092
a. Predictors: (Constant), customer loyalty, customer satisfaction, Independent Variables										
b. Dependent Variable: Promotional pricing										

Adjusted R Square (Adjusted Root Mean Square Error of Approximation/RMSEA) = 81.8% (Hair et al., 2010; Hooper et al., 2008; Kline, 1998): it means the independent variables account for 81.8% Variation in Promotional Pricing. Customer loyalty, customer satisfaction and customer brand switching have significant effect on promotional pricing among MTN users in Enugu state, Nigeria. Therefore, Hypotheses H1 is supported in this empirical study.

Durbin Watson needs to be Greater than 1 to explicate significant effect of the Independent Variables on the Dependent Variable (Durbin., 1971). Here Durbin-Watson DW is 2.092. This value of Durbin Watson collaborates the assertion that is stated above of 81.8 variation, it means the independent variables have significant effect in explaining promotional pricing. Therefore, Hypotheses H1 is supported in this empirical study.

The findings show that promotional pricing has a positive relationship with customer loyalty, customer satisfaction and customer brand switching. This means that promotional pricing positively promotes customer loyalty, customer satisfaction and customer brand switching among MTN users in Enugu state, Nigeria (Kaushani., 2022).

VII. DISCUSSION

H₁: Promotional pricing/customer loyalty Supported (*r=0.818*) significant at *p<0.01* using Pearson Correlation

From the current study, it is evident that promotional pricing has a positive significant influence on customer loyalty, implying that H₀ is supported, which means that strategies of promotional pricing will eventually increase customer loyalty. It implies that if MTN reduced the prices of its products on offer, it could instill some level of loyalty in its customers. This means that promotional pricing easily influences consumers' buying decisions and induces them to buy more than they need due to the reduced pricing. Promotional pricing is also an important marketing mechanism that easily influences customers' buying decisions, such as changing the number of products they purchase, or remain loyal to a particular brand. The implications of these findings for practice and theory are that promotional pricing increases the number of purchases by loyal customers and deepens their loyalty due to the reduced pricing of the products on offer. Promotional pricing is therefore a strategic enabling instrument for sale increases and brand loyalty for competitiveness and market

leadership. The findings of this study are consistent with those of previous studies. Mukaram and Syed (2019), in their studies on the impact of promotional pricing on customer loyalty, found that promotional pricing positively influences customer loyalty. Also, in their study on the impact of sales promotions on consumer buying behavior, they found that promotional pricing easily influences consumers' buying decisions. Promotional pricing has a positive and significant effect on customer loyalty. These results are in line with research results from Xie, (2020), Katole, (2020), Saeed, (2020), Pratama & Pradekso, (2020), Sudari, (2019), Bui & Muñoz Martinez, (2019), Urun, (2019), Cardia et al., (2019), Othman et al., (2019), Zalova & Karaduman, (2018), Onikola & Adedokun, (2018), Mendez, (2019). Pembri et al., (2017), in their study to estimate the relationship between promotional pricing and brand loyalty, found a positive relationship between them. Bestoon, Almeida and Zana (2021) also found that promotional pricing is a strategy used by companies to attract customers to patronize their goods and services as well as retain their loyalty. This was supported by Jewel and Samuel (2018), who asserted that promotional pricing is an important strategy for improving customer patronage and loyalty. In their summary of key findings, they indicated that price was the most essential element that attracted customers to Shoprite. Also, customers confirmed that they always buy from Shoprite because of the lower prices and continue to make repeat purchases for this same reason. Price is a significant determinant of customer loyalty (Wantara & Tambrin, 2019). The findings also agree with Salihah (2020) that discount promotions affect customer satisfaction. The existence of promotional pricing aimed specifically at MTN will create customer loyalty and encourage them to repurchase and refer the brand to others. This is confirmed by the results of research conducted by Suastini and Mandala (2019; Yulianto et al., 2016; Nursaid 2020), which show that promotional pricing has a positive significant influence on customer loyalty. However, these study findings differ with the findings of some other scholars, such as Onikola (2018), who believe that promotional pricing independently predicts consumer loyalty and has a negative and insignificant influence. In his study of the relationship between promotional pricing and customer loyalty, Onikola (2018) found that promotional pricing has a negative relationship with customer loyalty because it sends the wrong signal to those customers who associate lower prices with inferior quality. A similar result was found by Jang and Moutinho (2019) in their study, "Do price promotions drive consumer spending on luxury hotel services? The moderating roles of room price and user-

generated content found that promotional pricing makes existing customers hesitate about making future purchases due to concerns about the quality of the product and feel uncomfortable about purchasing it. Eri Akmal (2023) found that promotional pricing has no significant effect on customer loyalty. Megawati et al., (2020) also found that promotions do not affect customer loyalty.

H₂: *Promotional pricing/Customer Satisfaction Supported*($r=0.892$) *significant at p value <0.01 using Pearson Correlation*

From the current study, it is evident that promotional pricing has a significant positive influence on customer satisfaction, which means that strategies of promotional pricing will eventually increase customer satisfaction; therefore, *H₁* is supported. Most of the respondents showed great concurrence when they highlighted that MTN offers attractive promotional offers to customers, that MTN promotional offers can attract and retain customers, and that MTN promotional offers can influence customers' satisfaction with the brand. The results confirm that most of the respondents were happy with the MTN brand, and even if there are more attractive promotional offers from rival companies, they will continue to use the MTN brand. This is in accordance with research conducted by Raynaldi (2023) in Bandung, who found that promotional pricing has an influence on consumer satisfaction. Also, Cavallone (2017) argues that promotional pricing can provide satisfaction to consumers. Based on the results of testing and data analysis by Nurul *et al.* (2021), the results showed that promotional pricing has a significant effect on customer satisfaction. Also, Asif *et al.* (2023) stipulate that promotional pricing has a positive impact on customer satisfaction. Promotional pricing can enhance customer satisfaction and build trust (Djumarno et al., 2018; Han et al., 2018). Hairun et al. (2022) confirmed in their study that promotional pricing significantly affects customer satisfaction. (Qomariah et al., 2021) stated that promotional pricing has a significant effect on customer satisfaction. Mahendra (2019) in his study stated that promotional pricing influences consumer satisfaction at Swiwings Chickens. Jember Yanuar et al., (2017) stated in their research that promotional pricing has a significant influence on customer satisfaction. Also, Anggriana et al., (2017) state that promotional pricing affects customer satisfaction for online motorcycle taxi services. Previous research conducted by Juniantara and Sukawati, (2019) and Nursaid, (2020), shows that promotional pricing has a positive and significant effect on satisfaction customer. Price is a significant determinant of customer happiness as contended by (Wantara & Tambrin, 2019). Mirza et al. (2020) highlighted that perceived value in terms of price is very important to make customers satisfied with their service, which will prevent customers from switching. Previous studies have found that price is associated with customer satisfaction (Shah, 2018). This is contrary to Oladimeji (2020) findings that promotional pricing has no significant positive influence on consumer satisfaction. Eri Akmal (2023), in his study, found that promotional pricing has no significant effect on customer satisfaction. Also, according to Salihah's (2020) findings,

discount promotions have no significant effect on customer satisfaction.

VIII. SUGGESTION FOR FUTURE RESEARCH

Following this study, more research is needed to further interrogate the level of influence the relationship between promotional pricing and customer loyalty has on brand satisfaction and brand switching in the Nigerian telecommunication industry. The most important direction for future research is the application of the conceptual model in other settings such as product categories, socio-cultural environments, and advertising frameworks. Also, future research is needed to further interrogate and evaluate the conceptual model in other sectors of the Nigerian telecommunication industry as well as other service sectors of the Nigerian economy.

IX. CONCLUSION

This study provides unique results in terms of the relationship between promotional pricing and customer loyalty among customers of MTN in Enugu State, Nigeria. Building and maintaining a good relationship with customers and achieving customer loyalty are very important in any telecommunications industry, especially in a very competitive market. Based on the results of tests carried out on all the proposed hypotheses in this study, a conclusion can be drawn as follows:

First, the test results prove that promotional pricing *has* a significant positive influence on customer satisfaction among MTN customers in Enugu State, Nigeria. This means that promotional pricing has a positive effect on customer satisfaction. Promotional pricing is in accordance with what is expected by the customer. Secondly, the test results show that customer satisfaction *has* a significant positive influence on customer loyalty among MTN customers in Enugu State, Nigeria. This means that customer satisfaction can affect customer loyalty. Lastly, the test results show that promotional pricing *has* a significant positive influence on customer loyalty among MTN customers in Enugu State, Nigeria. This means that promotional pricing can affect customer loyalty. MTN should consider developing customer satisfaction as a prerequisite for enhancing customer loyalty using promotional pricing.

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