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EFFECT OF ENTREPRENEURIAL MARKETING ON CUSTOMER RETENTION IN QUICK SERVICE RESTAURANTS (QSR) IN PORT HARCOURT: MEDIATING ROLE OF CORPORATE CULTURE

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ABSTRACT:

The study investigated the direct and indirect effect of entrepreneurial marketing on customer retention in Quick Service Restaurants (QSRs) with corporate culture as a moderating variable in the garden city of Port Harcourt, Rivers State, Nigeria. The quasi-experimental designed study employed survey approach and gathered primary data from 144senior employees who work in upscale restaurants in Port Harcourt. A well-structured questionnaire containing 33 items, with nine demographic items was used to generate primary data from the respondents. To test the hypotheses after data editing and reliability analysis of the instrument, inferential statistics was conducted with the help of Statistical Package For Social Sciences (SPSS). The statistical results of the inferential statistical analysis revealed that entrepreneurial marketing is a determinant of customer retention in the upscale restaurants. The mediating role of corporate culture also exists significantly between entrepreneurial marketing and customer retention. The study concluded that entrepreneurial marketing is a strategic means of enhancing customer retention with a good corporate culture in QSRs. It was recommended that that management should opt for corporate culture that will accommodate entrepreneurial behaviour and encourage customer centricity.

Keywords: Proactiveness. Innovativeness. Resource Leveraging. Quick Service Restaurants. Corporate Culture. Repeat Purchase.

INTRODUCTION

Quick Service Restaurant (QSR) otherwise called fast food restaurant is one of the world's largest growing food types which are growing with an increasing rate. The term fast food refers to food items that can be prepared and served quickly usually outside the home. Typically, the term fast food refers to food sold in restaurants or stores which is quickly prepared and served to the customers in a packaged form or dished in a plate, to dine out, take out or take away. The fast-food industry is a product-offering as well as service-rendering industry. This poses a fundamental challenge for the management of QSRs in the fast-food industry. The failure of any fast-food firm to meet customer expectation may result in customer defection rather than having the customers willing to stay with the firm.

In the business world, customer defection is indeed a big problem that is constantly staring at the faces of business managers. Customer retention is proposed to be, not only a panacea to the resounding hydra headed problem of customer defection, but also a guarantee for business longevity. This implies that only organizations that have customers can remain in business; to have customers, organizations must retain customers by being customer focus. Contrary to embarking on marketing activities that will ensure and boost customer retention, most firms expend greater part, if not all their energies on customer acquisition. Gross neglect for customer retention appears to be the reason for incessant cases of customer switch in fast food industry in Rivers State. Consumers, for one reason or the other are never willing to stay with one firm at the slightest opportunity of discovering alternative joint(s). This is evident in the level of initial patronage enjoyed by newly opened fast food joints who surprisingly observe that their eatery centers that use to be overcrowded, in no distant time become scanty. A disheartening case is that of of Mr. Biggs in which most of its eatery centers have been closed; some rented out to other related and non-related business concerns, while others barely exist. A cursory look at the industrial landscape of the fast food industry in Rivers State reveals that Mr. Biggs may not be the only firm suffering customer defection.

Considering the place of customer retention to business organizations, Kotler (2000) argues that customer retention is an important phenomenon because it has a bearing on a firm's costs and profitability overtime. Comparatively, customer acquisition requires substantial skills in lead generation, lead qualification and account conversion. Consequently, it is not enough to attract new customers; a company must keep them to remain in business. Entrepreneurial marketing presents a paradigm shift which promotes proactiveness and innovativeness as veritable tools for not only acquiring but also retaining profitable customers through discovery of new sources of value for customers. Against this background, the study examined the concept of entrepreneurial marketing as a mechanism for improving customer retention. Therefore this study extended the concept of entrepreneurial marketing to the QSRs (fast food industry) in Rivers State. The specific objectives were to determine the effect of entrepreneurial marketing on customer retention and to examine the influence of corporate culture on the relationship between entrepreneurial marketing and customer retention.

LITERATURE REVIEW:

THEORETICAL FOUNDATIONS:

THE THEORY OF ENTREPRENEURSHIP:

The theory of entrepreneurship refers to the pursuit of creative or novel solutions to challenges confronting an organization, including the development of products and services, as well as new administrative techniques and technologies for performing organizational functions (Knight, 1997). Stevenson et al (1989) defined entrepreneurship as "the process of creating value by bringing together a unique package of resources to exploit an opportunity". The process includes the set of activities necessary to identify an opportunity, define a business concept, assess needed resources, acquire those resources, and manage and harvest the venture (Morris et al, 2004).

The consensus in the strategic management and entrepreneurship literature offers three underlying dimensions of the organizational predisposition to entrepreneurial management processes: innovativeness (that is introducing novel goods and services or technology, and development of new markets), Risk-Taking (that is making reasonable decisions when faced with environmental uncertainties, systematically mitigating risk factors) and proactiveness (that is seeking novel ways to bring an entrepreneurial concept to fruition), (Covin and Slevin, 1991; Morris et al, 1993; Barringer and Bluedorn, 1999). In competitive business environment, innovation and proactiveness can be the vehicles for firm survival and ultimate success (Covin and Slevin, 1991). These constructs have often been used to define the general construct of firm entrepreneurial orientation or entrepreneurship (Covin, 1991; Miller, 1983).

According to Miller (1983), an entrepreneurial firm is "one that engages in product-market innovation, undertakes somewhat risky ventures, and is first to come up with proactive innovation". Entrepreneurship is fundamentally positive, instrumentally important to strategic innovation, particularly under shifting conditions in the firm's external environment, and is applicable to any firm, regardless of size and type (Knight, 1997).

CONCEPTUAL REVIEW:
ENTREPRENEURIAL MARKETING:

The term "entrepreneurial marketing" is proposed as an integrative concept for conceptualizing marketing in an era of information intensity and ongoing change in the environmental context within which firms operate. It can be defined as "a proactive, innovative, risk-taking approach to the identification and exploitation of opportunities for attracting and retaining profitable customers. Morris et al (2002) defined entrepreneurial marketing as "the proactive identification and exploitation of opportunities for acquiring and retaining profitable customers through innovative approaches to risk management, resource leveraging and value creation. In a combined consideration of the definitions of marketing and entrepreneurship, Kraus et al (2009), submitted that "entrepreneurial marketing is an organizational function and a set of processes for creating, communicating and delivering value to customers and for managing customer relationship in ways that benefit the organization and its stakeholders, and that is characterized by innovativeness, risk-taking, proactiveness and may be performed without regard to resources currently controlled".

Hamel and Prahalad (1992) suggest the term "expeditionary marketing" to describe the role of marketers in creating markets ahead of competitors. In this conceptualization, marketing serves to identify unarticulated needs of customers and new potential functionalities of products, extending the firm's "opportunity horizon". In his view, Bonoma (1986) sees subversive marketing as referring to the need for marketers to undermine company structure and process in order to implement innovative marketing practices. This approach is advanced on the premise that serious damage could be done to a firm's competitive position unless marketers are willing to bend or break rules, leverage resources from inside and outside the firm and develop incentive approaches to obtaining key performance data that is otherwise unavailable.

Other alternative perspectives to traditional marketing arising from entrepreneurial marketing include environmental marketing management credited to the work of Zeithaml and Zeithaml (1984). They submitted that marketing begins with a set of environmental constraints that are pre-defined for the company, including customer needs, competitive conditions, technological factors, social conditions etc. They advanced a need for environmental marketing management where marketing theory should explicitly adopt a proactive, entrepreneurial orientation to the management of environmental conditions. They emphasize the need to lead customers and markets and to redefine critical aspects of a firm's external operating environment. A final perspective of entrepreneurial marketing is found in the work of Davis, Morris and Allen (1991), they argued that as business environment becomes fairly turbulent, marketing managers must take responsibility for introducing greater level of entrepreneurship into all aspects of the firm's marketing efforts including ongoing responsibility for redefining the product and market context which the firm operates, identifying novel sources of customer value, and emphasizing wants, market segments, new technologies and continuous innovation in all areas of marketing mix.

CUSTOMER RETENTION

A wide variety of business strategies vie for the attention and support of management as they seek ways to improve corporate profitability. Aggressive advertising and promotions, streamlining operations, cost cutting, outsourcing, acquisitions, and divestitures are all viable strategies that will enhance profitability. The problem with these strategies is that they often overlook a company's most valuable profit generating asset -its current customer. Some strategies like cutting costs by outsourcing service centres off-shore or providing discounts for services to attract new business while maintaining high prices for current customers, may actually accelerate defections of the company's most profitable customers. To be successful and to generate the maximum benefit, any profitability enhancing strategy must include a current customer focus. Regardless of whatever strategies or tactics it uses to enhance profitability, a company must focus on maintaining its current customer base.

Customer retention can be seen as the mirror image of customer defection, where a high retention rate has the same significance as a low defection rate. Blattberg et at (2001) state that customer retention is taking place when a customer keeps on buying the same market offering from the same product or service provider over a long period of time. For products with short purchase cycles, they define customer retention as occurring when "the customer continues to purchase the product or service over a specified time period". For products with long purchase cycles, they define customer retention as taking place when the customer indicates the intention to purchase the product or service at the next purchase occasion. Payne (2000) defines customer retention rate as "the percentage of customers at the beginning of the period who still remain customers at the end of the period".

MEASURES OF CUSTOMER RETENTION:

In this study, three measures of customer retention identified by Oliver (1997) which the author described as outcomes of customer retention were adopted: low customer defection, repeat purchase, and high referrals.

LOW CUSTOMER DEFECTION:

Martin and Young (2006) stated that defection can stem from a bad experience such as a core service failure, poor product knowledge, inconveniences such as long waiting times etc. Customer retention serves a veritable tool through which minimal level of customer defection can be achieved.

REPEAT PURCHASE:

The more positive the relationship between the customer and the company is, the more often the customer buys products from the company which in turn influences the company's turnover positively. This is in tandem with sales-adjusted retention rate suggested as measure of customer retention by Buttle (2004).

HIGH REFERRALS:

Buttle and Ahmad (2001) noted that through customer retention, companies enjoy free of charge referrals of new customers from existing customers which would otherwise be costly in terms of commissions or introductory fees.

ENTREPRENEURSHIP AND CUSTOMER RETENTION:

Hultman and Hills (2011) argue that there are many links between entrepreneurship and marketing. Both are driven and affected by environmental turbulence and both have a behavioural orientation (Hisrich, 1992). Marketing and entrepreneurship can be viewed as an integral part of managing entrepreneurial activities as well as the sum of marketing and entrepreneurship which results in greater customer value than their individual component parts (Jones, 2010).

In trying to offer explanation regarding the interface of marketing and entrepreneurship, Schindehutte et al (2008) pointed out the need for firms to simultaneously adopt both entrepreneurial orientation and marketing orientation. These orientations are assumed to be complementary to each other. Miles and Darroch (2008) believe that these orientations create synergy and contribute to the firm's success. In a related development, George and Zahra (2002) argue that a mutual interaction between entrepreneurial and marketing orientations contributes to a firm's performance.

Recently, in marketing literature, there has been an evident trend that addresses the traditional marketing approach from an entrepreneurial perspective which finds expression in the interface of marketing and entrepreneurship (Morris and Paul, 1987; Jaworski and Kohli, 1993). A cursory look at the definitions of marketing proposed by American Marketing Association (AMA) in 2004 and 2007 respectively reveals that the relationship between marketing and entrepreneurship is gradually gaining importance. Particularly, in 2007, American Marketing Association (AMA) viewed marketing activities as providing long term value with changing products and services rather than considering narrowly as a short-term benefit for the stakeholders or organization. Similarly, Miles and Darroch (2006) opined that entrepreneurial marketing process augments marketing's customer focus with the understanding that the firm must proactively seek out opportunities to innovatively and efficiently create superior value propositions for current and future customers and their stakeholders.

Morris et al (2004) submitted that an examination of the marketing-entrepreneurship interface suggests two major subject areas. The first referred to the role of marketing in entrepreneurship. This aspect of the interface is concerned with the application of marketing tools, concepts, and theory in supporting entrepreneurial outfits. The second dimension of the interface relates to the role of entrepreneurship in marketing. It represents an exploration of ways in which entrepreneurial attitudes and behaviours can be applied to the development of marketing programmes (Morris et al, 2004). Collinson and Shaw (2001) asserted that marketing and entrepreneurship have three key areas of interface. They maintained that both subjects are change-focused, opportunistic in nature and innovative in their approach to management.

Organizations, including upscale restaurants (fast food firms) seems to be determined on achieving customer retention rather than customer acquisition in order to enhance their level profitability through increase in sales. Dawkins and Reichheld (1990) advocated the tangible advantages of retaining customers into prominence. It is proposed in this study that through entrepreneurial marketing activities, fast food firms should experience improved customer retention.

Therefore, the hypothesized relationship between the dimensions of entrepreneurial marketing and measures of customer retention could be stated as follows;

HO1: Entrepreneurial marketing does not have significant effect on customer retention

Moderating Role of Corporate Culture in The Relationship Between Entrepreneurial Marketing and Customer Retention:

Barney (1986) defined culture as the specific collection of values and norms that are shared by people and groups in an organization and that control the way they interact with each other and with stakeholders outside the organization. Organizational or corporate culture may be seen as the collection of traditions, values, policies, beliefs and attitudes that constitute a pervasive context for everything we do and think in an organization (Mullins, 2007). Business managers have realized that every organization has its own corporate culture which influences the way things are done and also shapes the orientation of the organization. Stewart (2007) observed that one of the places to start improvements is with an examination of the organization's culture. He states that one of the strongest components of the word culture is beliefs and attitudes inculcated in the workforce. He further submitted that managers that are success inclined cannot leave the development of a high-performance work culture to chance if the business is not to risk its very future.

Corporate culture, as the name implies, reflects the values and basic beliefs of the organization. To retain customers, it is important that the organization's corporate culture revolves around customer retention. This suggests that the business mantra, "the customer is always right" or "the customer is the king" must form the integral part of an organization's business philosophy. That is, the corporate culture of the organization must be amenable to customer orientation and ensure that the customers' views come first in all that the organization does. In fact, organizational culture is not just an important factor of an organization; it is the central driver of superior business performance (Gallagher and Brown, 2007).

In their article entitled "a strong market culture drives organizational performance and success", Gallagher and Brown (2007) stated that a company's culture influences everything such a company does. It is the core of what the company is really like, how it operates, what it focuses on, and how it treats customers, shareholders and other stakeholders. They submitted that culture is strongly related to business performance and that such positive correlation is identified by more than 35 performance measures, including return on investment, sales growth, increase in market share, customer retention, etc. In line with Gallagher and Brown (2007), Kotler and Heskett (1992) reported that firms with performance enhancing cultures grew their net income by 75% between 1977 and 1988, as compared to a meager 1% for firms without performance enhancing cultures over the same period of time. This is one of the evidences that the corporate culture of any company will have a moderating influence on the relationship between independent variable and any measure of performance such as customer retention taking the form of a dependent variable. Therefore we hypothesize that:

HO2: The corporate culture of a firm does not influence the relationship between entrepreneurial marketing and customer retention.

RESEARCH METHODOLOGY:
RESEARCH DESIGN:

The study adopted quasi-experimental design which employed survey approach. This is because of its associated advantage of gathering data "from individuals by having them respond to questions or statements" (Sullivan (2001).

RESEARCH POPULATION:

The population for this study comprised of all twenty – four (24) QSRs (Fast Food Firms) registered with Association of Fast Food Confectioneries of Nigeria (AFFCON), Rivers State Chapter as at April, 2013. The researcher purposively administered six (6) copies of questionnaire to senior employees in each of the twenty –four (24) Fast Food Firms registered with Rivers State chapter of Association of Fast Food Confectioneries of Nigeria (AFFCON).This gave a total of One Hundred and forty – four (144) copies. Since the study population is less than thirty (30) and could be reached, there was no need for sample size determination.

AREA OF THE STUDY:

The target industry is the fast food sector in Rivers State. Specifically, the study concentrated on QSRs (fast food firms) operating in Rivers State and are registered with Association of Fast Food Confectioneries of Nigeria (AFFCON), Rivers State chapter.

DATA COLLECTION INSTRUMENT DESIGN:

The questionnaire is structured into sections **A** and **B.** Section A dealt with the demographics (9-items)of the respondents, while section B dealt with the study variables with the questions structured using five-point likert scale which solicited information from senior employees such as managers, assistant managers, supervisors etc. of fast food firms chosen for the study. Section B which elicited information about the study variables was sub-divided into three (I, II and III) capturing independent, dependent and moderating variables respectively. A total of 16 items elicited data about Entrepreneurial Marketing (independent variable). Specifically, items 10-14 elicited data on being proactive. Also, a total of 10 items elicited data about customer retention (dependent variable). Precisely, items 26-29 elicited data on low customer defection; items 30-32 elicited data on repeat purchase while items 33-35 elicited data on high referrals. Lastly, 7 items elicited data about the moderating variable which include items 36-42 elicited data on corporate image.

OPERATIONAL MEASURES OF VARIABLES:

In this study, the independent variable was measured in terms of being proactive, being innovative and resource leveraging. On the other hand, Customer Retention (CR) which is the dependent variable was measured with low customer defection, repeat purchase and high referrals, while corporate image served as the moderating variable. The measurement scale was the 5–point Likert Scale.

VALIDITY AND RELIABILITY OF INSTRUMENT:

The questionnaire was evaluated through expert checking for face and content validity. Thereafter, a pilot study was conducted to pre-test the questionnaire. The aim of the pilot testing was to detect weakness in the design of the instrument and address issue of ambiguity as to restructure the instrument in line with observations before executing the full study. A Cronbach's Alpha test was also conducted on the measurement items to determine the reliability of the study instrument. The SPSS output showed that the instruments used in this study were reliable since their coefficient levels (0.816) surpass the benchmark of 0.7 (Nunnally, 1978).

METHODS OF DATA ANALYSIS:

A combination of descriptive and inferential statistical tools with Statistical Package For Social Sciences (SPSS) version 17.0 were adopted to facilitate the analysis. Frequency tables, means, as well as percentages constituted the descriptive statistical tools. These were employed to conduct the necessary demographic and univariate analysis. Bivariate analyses as well was carried out through an inferential statistical tools – Spearman's correlation analysis.

The Spearman's (rho) correlation was used to analyze the relationship between independent and dependent variables at $P < 0.01$ (two – tailed test). Although, data collected were mainly ordinal, SPSS has a procedure through which ordinal data can be converted to interval data to allow for the use of multiple regressions (Rubin & Babbie, 2001; Aczel and Sounderpanian, 2002; Hair et al, 2000).

DATA ANALYSIS AND RESULTS:

DESCRIPTIVE STATISTICAL ANALYSIS: QUESTIONNAIRE ADMINISTRATION AND RESPONSES:

A total of 144 copies of the questionnaire were distributed amongst senior employees of 24 QSRs with each QSR having 6 instruments. A total 120 (83.3%) copies returned were considered useful. This accounted for 83.3% responses rate leaving 4 copies accounting for 2.8% were dropped, while 20 copies representing 13.9% could not be retrieved.

DEMOGRAPHIC ANALYSIS:

Data on the analysis of age of the respondents reveals as follows: 68 (56.7%) were within the age range of 20-29 years; 44 (36.7) were within 30-39 years and 8(or 6.7%) were 40 years and above. On the educational qualification of the respondents, the analysis shows as follows; 8(6.7%) of were holders of WAEC/SSCE/NCE; 12(or 10%) were holders of diploma(s)/Certificate(s); 92 (or 76.7%) of the respondents were holders of first degree while 8(or 6.7%) were holders of postgraduate Degree. Analysis on how long the respondents have been with their companies shows as follows; 16 (or 13.3%) worked for less than one year, 56(or 46.7%) had worked for 1-3 years, 32(or 26.7%) had worked for 4-6 years while 16 (or 13.3%) had worked for more than 6 years.

The analysis the category of the respondents 28 (23.3%) were managers. Also, 28(23.3%) of them were assistant managers; 60 (50%) were supervisors while 4 (or 3.3%) represented others. The analysis on how long each of the respondents believed their companies had operated in Rivers State shows that 36 (or 30%) of the respondents confirmed that their firms had been in Rivers State between 1-5 years, 52 (or 43.3%) said they had been in Rivers State between 6-10 years, 24 (or 20%) disclosed that their company had been operational between 11-15 years while 8(or 6.7%) confirmed that their companies had operated in the state for 16 years and above.

The analysis of the number of employees in the companies studied reveals that 96 (or 80%) respondents disclosed that their companies employed between 1-50 employees, 12(or 10%) affirmed that their companies employed 51-100 employees while the remaining 12 (or 10%) indicated that their firms employed 101 and above employees.

The analysis on the number of senior employees in the companies studied, 104 (86.7%) of the respondents said there 1-20 number of senior employees are employed in their companies. 4 (3.3%) of the respondents revealed that their companies have 21 – 40 senior employees. 8 (6.7%) of them disclosed that in their firms, there are 41 – 60 number of senior employees. While 4 (3.3%) of the respondents confirmed that they have 61 and above number of senior employees.

The analysis on whether the companies studied are customer centric, the responses were as follows; 116 (96.7%) of them attest that their companies are customer centric, while only 4 (3.3%) said that in their opinions, their companies are not customer centric. The analysis reveals that reasonable percentages of the respondents (precisely 96.7%) are of the view that their firms are customer centric.

UNIVARIATE ANALYSIS:

FREQUENCIES ON CORPORATE CULTURE:

Seven (7) measurement items were used to gather data on the influence of corporate culture on the relationship between the independent and dependent variables. Table 1 below presents the frequencies and analysis of items used in measuring corporate culture.

Table 1 Frequencies and Analysis on Items of Corporate Culture

Question	Items	SA 5	A 4	N 3	D 2	SD 1	Total	Mean	Criterion Mean	Grand Mean	Remark
Q1.	The views of our customers come first in everything we do.	84 (70%) 420	32 (26.7%) 128	4 (3.3%) 12	- - -	- - -	120 100 560	4.67			Accepted
Q2.	Our company is committed to meeting or exceeding customer expectations	88 (73.3%) 440	28 (23.3%) 112	4 (3.3%) 12	- - -	- - -	120 100 564	4.70			Accepted
Q3.	Our company has a culture that is amenable to changes aimed at serving customers better than competitors.	56 (46.7%) 280	56 (46.7%) 224	8 (6.7%) 24	- - -	- - -	120 100 528	4.40			Accepted
Q4.	Our market-based culture creates room for innovation and adoption of new technology for better service delivery.	56 (46.7%) 280	56 (46.7%) 224	8 (6.7%) 24	- - -	- -	120 100 528	4.40	3.0	4.52	Accepted
Q5.	Our company welcomes creative ideas, better strategies etc that will result in better performance	84 (70%) 420	32 (26.7%) 128	- - -	4 (3.3%) 8	- - -	120 100 556	4.63			Accepted
Q6.	Everyone relate with our customers as associates and respected partners	52 (43.3%) 260	64 (53.3%) 256	- - -	4 (3.3%) 8	- - -	120 100 524	4.37			Accepted
Q7.	Everyone keys into integrated marketing efforts for superior service delivery	64	52	4	-	-	120				Accepted
		(53.3%)	(43.3%)	(3.3%)	-	-	100	4.50			
		320	208	12	-	-	540				
	Sum of frequencies	**484**	**320**	**28**	**8**	**-**	**840**				
	Percentages (%)	**57.6**	**38.1**	**3.3**	**1.0**	**-**	**100**				

The analysis in Table 1 above shows that for all the items on corporate culture, 57.6% of the respondents strongly agreed while 38.1% just agreed, thereby bringing the response of strongly agreed and agreed to 95.7%. The result also reveals that both individual items mean score and grand mean score exceeded the criterion mean score of 3.0.

INFERENTIAL STATISTICAL ANALYSIS:
TESTS OF HYPOTHESES:
DECISION RULE:

Reject the null hypothesis (H_o) if PV < 0.01 for 2 –tailed test and conclude that significant relationship exists.

TEST OF HYPOTHESIS I

HO1: Entrepreneurial marketing does not have significant effect on customer retention

MULTIVARIATE ANALYSIS:

This section reports on the effects of entrepreneurial marketing dimensions (being proactive, being innovative and resource leveraging) on the measures of customer retention (low customer defection, repeat purchase and high referrals), using multiple regression analysis. A simple regression model (model 1) based the effect of entrepreneurial marketing on customer retention as shown below:

$CR = \alpha_o + \alpha_1 EM$ …………Model 1.

Table 2 Regression Analysis Showing the Effects of Entrepreneurial Marketing on Customer Retention.

Variables	Coeff.	t-cal	t-tab	Sig. t	R	R^2	F-cal	F-tab	Sig.f
Constant	0.103	0.180	1.960	0.857	0.563	0.317	54.853	3.92	0.000
EM	0.967	7.406		0.000					

Dependent Variable: Custom Retention (CR)

$CR = \alpha_0 + \alpha_1 EM$ ----- Model I.

i.e. $CR = 0.103 + 0.967\ EM$

Table 2 shows a coefficient (r) of 0.563. This implies that a positive relationship exists between entrepreneurial marketing and customer retention. The coefficient of Determination (R^2) is 0.317 which translates to 31.70%. The R^2 measures the extent to which the total variable is explained by the regression model. As revealed in table 4.35, R^2 value of 0.317 implies that 31.70% of variations in customer retention are accounted for by entrepreneurial marketing. The remaining 68.3% are explained by other variables not included in model I. Again the f – statistics is used to confirm model utility. It shows the predictive value of the model. The f-statistics reveals f-cal value of 54.853 and f-tab value of 3.92. Since f-cal > f-tab we conclude that the model above can be used to predict customer retention in fast food industry in Rivers State. The PV = 0.000 < 0.05 shows a significant effect and good model utility. Consequently, we reject the null hypothesis and conclude that entrepreneurial marketing has significant influence on customer retention.

HYPOTHESIS 2:

HO2: Corporate culture does not influence the relationship between entrepreneurial marketing and customer retention.

Table 3 Partial Correlations Analysis showing the Moderating Effects of Corporate culture on the Relationship between Entrepreneurial Marketing and Customer Retention

Correlations

Control Variables	Variables	Statistics	Entrepreneurial Marketing	Customer Retention	Corporate Culture
-none-[a]	Entrepreneurial Marketing	Correlation	1.000	.563	.572
		Significance (2-tailed)	.	.000	.000
		df	0	118	118
	Customer Retention	Correlation	.563	1.000	.237
		Significance (2-tailed)	.000	.	.009
		df	118	0	118
	Corporate Culture	Correlation	.572	.237	1.000
		Significance (2-tailed)	.000	.009	.
		df	118	118	0
Corporate Culture	Entrepreneurial Marketing	Correlation	1.000	.537	
		Significance (2-tailed)	.	.000	
		df	0	117	
	Customer Retention	Correlation	.537	1.000	
		Significance (2-tailed)	.000	.	
		df	117	0	

a. Cells contain zero-order (Pearson) correlations.

Tables 3 above reveals two values of (r) representing zero partial correction value (ZPC = 0.562) and control partial correlation value (CPC = 0.572). The ZPC value shows a direct relationship between entrepreneurial marketing and customer retention without the mediating influence of corporate culture. While the CPC value indicates that the impact of corporate culture as a moderator of the relationship between the two variables. Given that the difference between ZPC value (0.562) and CPC value (0.572) is 0.025 > 0.01, we conclude that the moderating effects of corporate culture on the relationship between entrepreneurial marketing and customer retention is significant. Consequently, we reject the null hypothesis and conclude that corporate culture has a significant influence on the relationship between entrepreneurial marketing and customer retention.

DISCUSSION OF FINDINGS:

Corporate Culture has a significant influence on the relationship between Entrepreneurial Marketing (EM) and Customer Retention (CR). The result of the statistical test of HO2, shows that corporate culture significantly influenced the interaction between entrepreneurial marketing and customer retention given that the difference between ZPC (0.563) and CPC (0.537) is 0.026 > 0.01 with a corresponding direct weighted average impact β = 0.572. This indicates that corporate culture has a direct and significant moderating influence on the relationship between entrepreneurial marketing and customer retention in fast food firms in Rivers State.

Several studies have alluded to the moderating influence of corporate culture on performance indicators. Recall that customer retention is a measure of marketing performance. Gallagher and Brown (2007) stated that a company's culture influences everything such as company does. Corporate culture is the core of what the company is really like how it operates, what is focuses on, and how it treats customers, employees and shareholders. This indicates that the interaction of entrepreneurial marketing with any construct, particularly customer retention will obviously be moderated by the corporate culture of such firms. Studies by Porter (1985), Gallagher and Brown (2007), Kotler et al (1992) reported that firms with performance enhancing culture grew their net income by 75% between 1977 and 1988 as compared to a meagre 1% for firms without performance enhancing culture over the same period of time. It can be inferred that firms desiring to create superior value for customers as to retain their customers through entrepreneurial marketing disposition must create and maintain culture that will produce necessary behaviours. To this end, Ghobachan and Gallean (1996) submitted that corporate culture usually dictates what activities or behaviour are necessary to become successful. Again, we add here that customer retention is a measure of business success.

CONCLUSIONS:

The study focused on the effect of entrepreneurial marketing and customer retention with corporate culture mediating the relationship. From the findings of the study, entrepreneurial marketing has a significant effect on customer retention with significant moderation by corporate culture. It could therefore be concluded that entrepreneurial marketing is a strategic means of enhancing customer retention with a good corporate culture.

MANAGERIAL IMPLICATIONS:

From the above discussion of the findings and eventual conclusions, only firms that provide superior value to customers can command the loyalty of its customers and reduce customer defection. To achieve this laudable goals, grounded change agents like entrepreneurial marketing consultants, marketing experts with track records in customer retention strategies are urgently needed to give operators in the fast food industry the requisite orientation as to the demands of retaining customers through entrepreneurial marketing approach.

RECOMMENDATIONS

Based on the findings and conclusions of this study, it is recommended that management should opt for corporate culture that will accommodate entrepreneurial behaviour and encourage customer centricity.

Limitations and Suggestions for Further Studies

Despite the success of this research effort, the findings cannot be generalized because the study was conducted in Port Harcourt metropolis. It is suggested that further studies should be conducted in other states and regions in order to confirm or contradict our findings.

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