



**A study on the importance of customer loyalty on fast moving consumer goods in the era of globalization**

**A case study of Unilever Nairobi Kenya**

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*Full Length Research*

# **A study on the importance of customer loyalty on fast moving consumer goods in the era of globalization: A case study of Unilever Nairobi Kenya**

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**As a result of globalization companies have experienced stiff competition and the customers have higher bargaining power. Therefore, for companies to survive and grow in this era they need to invest in customer loyalty as a strategy, resulting in customer commitment, product trust, repeated and referral purchase hence a larger market share. This study helped to identify and analyze the importance of customer loyalty as a strategy in the era of globalization with a special focus on Unilever Company whose success has continued to grow over the years. The general objective of this study was to research on the importance of customer loyalty as a strategy in the era of globalization on fast moving consumer goods (FMCG) in Unilever Company Limited. This research problem was studied through the use of a descriptive research design, with the Nairobi Unilever staff as the target population. The study collected both primary and secondary data. A pilot test was carried out to pretest the validity and reliability of the data collected using questionnaire. The collected data was analyzed through the use of excel microsoft spread sheet and presented through the use of tables, bar graphs and pie charts. From the findings it was revealed that customer loyalty was important in enhancing customer commitment, product trust, and promotes repeat and referral purchases. The study recommends that Unilever Company implement strategies to recognize and reward its loyal customers to maintain and grow its market share.**

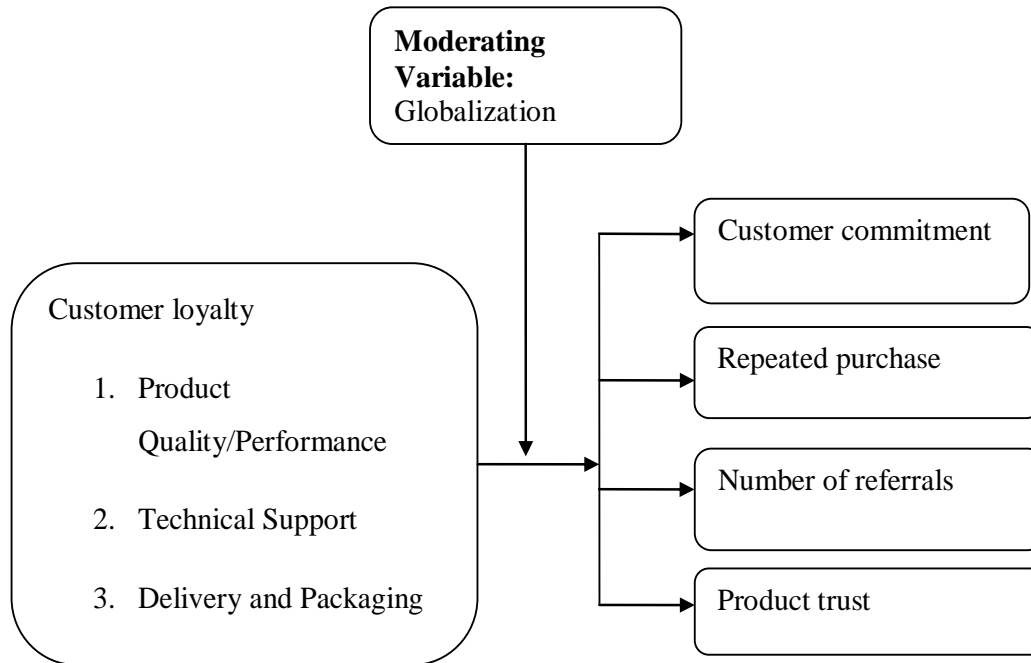
**Key Words:** Customer loyalty, generic strategy, fast moving consumer goods, globalization.

## **INTRODUCTION**

Among the challenges facing organizations in the current globalization era, the greatest of all is the increasing and drastically changing competition, coupled with the continuous increase in customer prospects on the products and services received from the organizations (Jones et al., 2002). As a result customers' service is seen to improve in the organizations (Espejel et al., 2008). One strategy which has gained momentum, in services, is the concept of customer loyalty. According to Bodet (2008), customer loyalty is nowadays used as a differentiating tool in the current competitive market which most of the leading manufacturing organizations ought to possess.

Beck (2005) states that fundamental service delivery is not adequate to distinguish an organization in today's competitive market. He further states that managers ought to understand which service qualities customers' value, and then guide employees to incorporating these qualities into their every day exchanges. The establish-

ment of a culture that emphasizes and delivers these values can boost a firm beyond client satisfaction to the type of devotion that can drive company growth. For a long time now, the focus of many business leaders on improving customer service has resulted to a host of messages, frayed phrases or value propositions. As customers become increasingly knowledgeable, products becoming more commoditized and choices becoming more abundant, companies are finding that simply creating customer satisfaction does not automatically translate into repeat purchase. Indeed, in the midst they are customers who change to a rival company or its products and services but usually show signs of being satisfied before shifting. It is when customers experience loyalty to a business that they act in ways that help growth of the business. Companies that speculate what the customer values are, often fail to spot. Even those that engage professional consultants to do much of



**Figure: 1.** Conceptual Framework, Independent Variable Dependent Variables

formal exploration can find that they missed the most important aspect in their analysis. Beck (2005) additionally argues that with all of the insincerity paid to customer loyalty in today's marketplace, one would think that organizations know the importance of a loyal customer foundation.

Researchers (Sirdeshmukh et al., 2002) have shown that companies should concentrate on retaining the acquired customers rather than tapping for new ones. Retaining customers is found to be more difficult than creating new ones. Customer loyalty in the current globalization era is concerned with attracting the correct client, receiving them to buy, buy often, buy in quantities and bring them yet more clients. Globalization has resulted in more players in the field therefore, higher competition, higher bargaining power of the buyers as well as a scenario in which the supply is higher than the demand especially for fast moving consumer goods. New entrants in the market were faced with a problem of attracting a large enough customer base to enable them to survive in the market, the older companies still had a bigger share of the customer base, as such was the case with Unilever. This could be attributed to customer loyalty as result of long use of the products hence product trust. Therefore companies needed to know the importance of customer loyalty, how to nurture this important attribute, and measure it to maintain lifelong customer relations that is valuable for the company.

The general purpose of this study was to identify, describe and analyze the importance of customer loyalty as a strategy in the era of globalization. The context of

the study was Unilever Company Limited.

### Hypothesis

H: Customer loyalty is important in the era of globalization on fast moving consumer goods.

### Conceptual Framework

Conceptual Framework describes the key concepts and variables and the presumed relationship among them (Mugenda and A. Mugenda 2003). Several factors are used to measure the importance of customer loyalty as a strategy in the era of globalization in the fast moving goods, figure 1. In this study the factors considered include customer commitment, repeated purchase, number of referrals and product trust which form the independent variables while customer loyalty is the dependent variable. The issue of market share is pertinent in any business; the success of a business is measured through its market share which is a direct measure of its wealth. Market liberalization has allowed more entrants into the market, competing for a limited consumer base, customer loyalty is therefore of essence to every company because it translates to committed customers who trust the products of the company and hence buy more of the products and refer others to buy the same.

### LITERATURE REVIEW

This study was informed by a comprehensive review of empirical review of the existing literature. The review helped in building an in-depth understanding of the current body of knowledge on the research topic (O.

Mugenda and A. Mugenda 2003).

### **Customer Loyalty in the Globalization Era**

As indicated by Cheng YC 2001 firms become market driven in the globalization era through identifying market intensification, market magnetism, and objective markets, as well as adapting customer driven ways via the customer to make constant advancements, organizational reinvention, and thorough do over. A company is said to be customer driven when the customer is offered a chance to make a decision on the supplier's value added processes. As Reichheld 2000 quotes, customers favor organizations that offer quality service regardless of whether the suppliers charge premium for the services. Bodet 2008 shows that consumers evaluate service quality by comparing what they expect from a seller against the seller's actual service performance. Quality control and marketing usually take place during service production and this study was informed by a comprehensive review of empirical review of the existing literature.

### **Global product marketing strategies**

Manufacturing and service operations have common characteristics, but most services are created at the customer interface. The challenge for organizations within a given competitive environment where there are many substitute goods is to distinguish their goods and services. In distinguishing a firm's goods or services the consideration should be the feature that will explicitly be outstanding among the consumers, this is determined by the consumers preferences and buying behavior. A detailed analysis of the market, as indicated by Jones et al 2002 is highly necessary to give a firm adequate knowledge of the consumer preferences and actions that determine their choice and loyalty. Multinational companies must choose how much to acclimatize their marketing strategy to domestic conditions. There are two extremes that global firms may apply globally standardized marketing mix worldwide. This involves standardizing products, brands, advertising, distribution channels which in turn leads to lower costs for example. Unilever and adapted marketing mix- here the global firm adjusts the marketing mix elements to each target market.

The choice thus depends on the environmental conditions of the country in which they operate as well as the global firms internal competences and the approach that is likely to give a firm competitive advantage. It is common in Kenya to find such household goods as cooking fat, tealeaves etc packaged in very small quantities so as to reach the lower end of the market. Thus, marketers must vary their distribution channels by country. (Edvardsson and Strandvik 2000), also found out in a study of promotional tools that marketing strategies rarely attempt to change cultural values because of the simple fact that advertising, sales promotion, sales people and packaging are not sufficiently powerful forces to influence consumers' core values.

### **Importance of Customer Loyalty as a Strategy in the Globalization Era**

The customer-based brand equity according to Jones et al 2002 is based on the conception of enlightening customers concerning the power of the brand. Companies can develop a positive brand image to their customers through enhanced knowledge of customers about the products offered through marketing initiatives Ruyte et al., 2001. As a result of the positive attitude on the brand the companies are able to generate a constructive brand response for influencing the customer willingness to buy the products (Edvardsson and Strandvik 2000). Customers create default values and make conclusions on specific aspects of brands based on their reminiscence about broad product lines for which information is missing. To be overcome rivalry in markets where it is hard to differentiate among brands, it is vital for companies to offer brand information to resellers to make certain that resellers appreciate and utilize the information so that it is reflected optimistically in the purchase behavior of resellers, Bodet 2008.

The move towards transferring brand knowledge influences the total perceptive of resellers about all the fundamentals of brand knowledge. Suppliers' knowledge of brand averts them from making undesired conclusions about the brand and behavior-wise activates them towards the brand (Ruyte et al., 2001). The shifts of brand knowledge when communicated by the brand representatives produce higher confidence towards the brand. This assurance of resells in the product is based on contentment that influences the potency of relationship between the brands and sellers (Forgas et al., 2010).

The transfer of brand knowledge not only generates fulfillment but also creates a behavioral and attitudinal disparity in the affiliation by ensuring that sellers have a positive product experience and are not doubtful about commencing the purchase activity with the brand (Wong et al., 2009). The representatives of the brand influence brand-seller dealings by helping resellers to appreciate the payback of operating with the brand and also influence their decisions and feelings about the brand by strengthening a positive picture of the brand in their minds. The different aspects that are used to quantify the importance of customer loyalty as a strategy in the era of globalization are customer commitment, repeated purchase, number of referrals and product trust.

### **Knowledge gap**

Customer loyalty is a central goal of relationship marketing especially in the globalization era, supported by numerous claims of how organizations can benefit from having loyal customers. Customer loyalty had been linked to customer profitability due to reasons such as lower marketing costs, possibilities for cross-selling and premium pricing. Loyal customers were also more likely to become advocates of the organization, spreading positive word-of-mouth regarding FMCG.

Locally, various Scholars had reviewed the concept of customer loyalty in different contexts (Muturi, 2004) researched on factors that determine customer loyalty to a mobile phone service provider the case of mobile phone users in Nairobi and found out that the major factor was service quality, price indifference and perceived value, Tanui 2007, conducted a survey of customer loyalty programs applied by petrol stations in Nairobi and found that the main factors that contributed to customer loyalty to their products were attractiveness of the brand personality and perceived quality while Kamau 2008, studied the factors that determined customer loyalty the case of the port of Mombasa and found out that customer satisfaction, perceived quality and brand loyalty were the main determinant. All these studies had focused on other sectors whose approach of strategy was different from that of manufacturing companies especially in this era of globalization which had drastic effects of the marketing of fast moving goods. The available literature had not discussed the importance of customer loyalty as a strategy in the era of globalization with a special focus on fast moving goods. A review of the importance of customer loyalty would bring to light the effects of these factors in a local setting. The focus of this study was to determine the importance of customer loyalty as a strategy in the era of globalization with a special focus on fast moving goods the context of the study is Unilever Company Limited.

## **METHODOLOGY**

### **Research design**

This research problem was studied through the use of a descriptive research design. According to Cooper and Schindler 2003, a descriptive study is concerned with establishing the what, where and how of a phenomenon. This study therefore was able to generalise the findings to all the departments in the organization.

The main focus of this study was quantitative (Saunders et al., 2009). However some qualitative approach was used in order to gain a better understanding and possibly enable a better and more insightful interpretation of the results from the quantitative study.

### **Target population**

Target population in statistics is the specific population about which information was desired. According to Ngechu 2004, a population is a well defined or set of people, services, elements, events, group of things or households that are being investigated. The target population of this study was the 532 staff working at Unilever Limited Headquarter in Nairobi. The study focused more on the section and particularly on the top, middle and lower level management staff who are directly dealing with the day to day management of Unilever Limited since they are the ones conversant with the importance of customer loyalty as a strategy in the era of globalization.

### **Sample size and sampling technique**

The sampling plan describes how the sampling unit, sampling frame, sampling procedures and the sample size for the study. The sampling frame describes the list of all population units from which the sample was selected (Cooper and Schindler 2003). Sample of res-ponding staff was drawn from 532 top, middle and lower level managers from the staff working at Unilever Limited Head quarters in Nairobi.

Stratified random sampling technique (Saunders et al., 2009), was used since population of interest is not homogeneous and could be subdivided into groups or strata to obtain a representative sample.

### **Data collection instrument**

With respect to importance of customer loyalty as a strategy in the era of globalization, this study utilized a questionnaire used in various previous research projects (Muturi 2004). The questionnaire designed in this study comprised of two sections. The first part was designed to determine fundamental issues including the demographic characteristics of the respondent, while the second part consisted of questions where the four variables were focused.

The structured questions were used in an effort to conserve time and money as well as to facilitate in easier analysis as they were in immediate usable form; while the unstructured questions were used so as to encourage the respondent to give an in-depth and felt response without feeling held back in revealing of any information.

### **Data collection procedure**

Data collection involved a self-administered questionnaire. The researcher dropped the questionnaires physically at the respondents' place of work. The researcher left the questionnaires with the respondents and picked them up later. Each questionnaire was coded and only the researcher knew which person responded. The coding technique was only used for the purpose of matching returned, completed questionnaires with those delivered to the respondents.

### **Pilot testing**

The researcher carried out a pilot study to pretest the validity and reliability of data collected using the questionnaire. The researcher selected a pilot group of 5 individuals from the target sample of the staff working in Unilever Limited Headquarter to test the reliability of the research instrument. The pilot study allowed for pre-testing of the research instrument. The clarity of the instrument items to the respondents was necessary so as to enhance the instrument's validity and reliability. The aim was to correct inconsistencies arising from the instruments, which ensured that they measured what was intended.

### **Data analysis and interpretation**

#### **Demographic information**

Regarding the level of education that the respondents

had attained, 43% of the respondents had a degree, 32% of the respondents had a diploma, 23% of the respondents had other college education and 2% of the respondents had a post graduate degree. This was important when sorting the questionnaires, such that employees of the same level of education were analysed together. In the second category of qualitative data analyzes the questionnaires were sort according to their working period with the company.

The research also sought to find out the working period of the respondents. According to the study findings, 55% of the respondents had worked for 1-5 years, 30% of the respondents had worked for 6-10 years, 11% of the respondents had worked for over 10 years and 4% of the respondents had worked for less than 1 year.

This implies that the respondents had sufficient experience and information of the organisation to enable them fill the questionnaire collectly.

The respondents were required to indicate their job category. The study found that 32% of the respondents were in administration department, 21% of the respondents were human resource department, 21% of the respondents were in accounts department, 15% of the respondents were in marketing department, 6% of the respondents were in operations department and 4% of the respondents were in IT department. Regardless of the respondents being from different departments, they were able to answer the questionnaire with ease, an indicator of the team work and a clear understanding of the organization's goals hence top-notch service delivery.

### **Customer loyalty and customer commitment**

The respondents were required to indicate the extent that customer loyalty was important in enhancing customer commitment to the FMCG goods offered by Unilever Kenya Limited. According to the findings, 57% of the respondents indicated that customer loyalty was important in enhancing customer commitment to the FMCG goods to a very great extent, 26% of the respondents indicated that customer loyalty was important in enhancing customer commitment to the FMCG goods to a great extent, 11% of the respondents indicated that customer loyalty was important in enhancing customer commitment to the FMCG goods to a moderate extent, 4% of the respondents indicated that customer loyalty was important in enhancing customer commitment to the FMCG goods to a little extent and 2% of the respondents indicated that customer loyalty was important in enhancing customer commitment to the FMCG goods to no extent. This therefore indicates that the success of Unilever is as a result of its committed customers who have remained loyal to the company and its products.

The research sought to find out the extent that the organization focused on the aspects of customer loyalty important to customer commitment in the era of globalization.

According to the findings, the organization focused on

availing the products demanded by the customers conveniently to a very great extent, the organization focused on creation of customer satisfaction to a great extent and the organization focused on enhancing customer knowledge about the products offered by the company to a great extent. In addition, the organization focused on commitment to superior and quality products to a moderate extent, the organization focused on accomplishing the customers' needs to a moderate extent, the organization focused on long-term craving to sustain an important ongoing bond with customer to a moderate extent. The organization focused on motivation of the company to place the customers into the relationship with the company trustingly to a moderate extent and the organization focused on the future needs of the customers to a moderate extent. This implies that the organization had tried to focus on customer loyalty which was important to customer commitment in the era of globalization.

The research sought to find out the agreement level of the respondents with statements about the importance of customer loyalty on customer commitment in the company. According to the study findings, the respondents agreed that customer commitment influenced the customers' willingness to buying products; the respondents moderately agreed that customer commitment increases its market share; the respondents moderately agreed that customer commitment makes inferences about specific attributes of brands and the respondents moderately agreed that customer commitment leads to increased revenues. This implies that customer loyalty was moderately important to customer commitment in the company.

### **Customer loyalty and repeated purchases**

The respondents were required to indicate whether customer loyalty was important in realizing repeated purchase behavior of customers. Majority (89%) of the respondents indicated that customer loyalty was important in realizing repeated purchase behavior of customers while 11% of the respondents indicated that customer loyalty was not important in realizing repeated purchase behavior of customers.

On the extent that customer loyalty was important in realizing repeated purchase behavior of customers, 62% of the respondents indicated that customer loyalty was important in realizing repeated purchase behavior of customers to a very great extent, 23% of the respondents indicated that customer loyalty was important in realizing repeated purchase behavior of customers to a great extent, 11% of the respondents indicated that customer loyalty was important in realizing repeated purchase behavior of customers to a moderate extent, 2% of the respondents indicated that customer loyalty was important in realizing repeated purchase behavior of customers to a little extent and 2% of the respondents indicated that customer loyalty was important in realizing repeated purchase behavior of customers to no extent.

The research sought to find out the agreement level of the respondents with statements with regard to the importance of customer loyalty on repeat purchase. The study found that, the respondents agreed that customer loyalty helped in retaining the already established customers and the respondents agreed that customer loyalty helped in achieving brand visibility and differentiation which increased repeat in purchasing. In addition, the respondents moderately agreed that customer loyalty ensured consistent and even greater sales through repeated purchases; the respondents moderately agreed that consumer-brand relationships are more a matter of perceived goal compatibility and the respondents moderately agreed that customer loyalty ensures brilliant services are offered which helps in shift consumers' minds from evaluating the price of the commodity acquired.

Moreover, the respondents disagreed that through customer loyalty a person product choice was affected by social experiences leading to repeated purchase and the respondents disagreed that customers did not consider price in forming their judgments about the quality of service hence found them repurchasing from the company.

The respondents were required to indicate the extent that customer loyalty was important in repeated purchase of the FMCGs produced by Unilever. According to the study findings, customer loyalty improved the brand image to a great extent, customer loyalty provided customer experience which lead to repeated purchase to a great extent and customer loyalty enhanced customer satisfaction to a great extent.

#### **Customer loyalty and number of referrals**

The respondents were required to indicate the extent that customer loyalty was important in realizing increased number of referrals to the FMCGs offered by Unilever Kenya Ltd. Majority (60%) of the respondents, indicated that customer loyalty was important in the realizing increased number of referrals to the FMCGs offered by Unilever Kenya Ltd to a very great extent, 26% of the respondents indicated that customer loyalty was important in the realizing increased number of referrals to the FMCGs offered by Unilever Kenya Ltd to a great extent, 11% of the respondents indicated that customer loyalty was important in the realizing increased number of referrals to the FMCGs offered by Unilever Kenya Ltd to a moderate extent and 4% of the respondents indicated that customer loyalty was important in the realizing increased number of referrals to the FMCGs offered by Unilever Kenya Ltd to a little extent.

The research sought to find out the extent that customer loyalty was important in the realizing increased number of referrals to the FMCGs offered by Unilever Kenya Ltd. According to the study findings, price fairness of the products was important in the realizing increased number of referrals to the FMCGs offered by Unilever Kenya Ltd to a very great extent, product quality was important in the realizing increased number of referrals to a great

extent and performance of the products was important in the realizing increased number of referrals to a great extent. In addition, technical support was important in the realizing increased number of referrals to the FMCGs offered by Unilever Kenya Ltd to a moderate extent, delivery and packaging of the products was important in the realizing increased number of referrals to a moderate extent, company showed a sincere interest in solving customer problems was important in the realizing increased number of referrals to a moderate extent and reducing the perceived risks associated with future choices was important in the realizing increased number of referrals to a moderate extent. Moreover, competitiveness of the products in the market was important in the realizing increased number of referrals to the FMCGs offered by Unilever Kenya Ltd to a very great extent.

On the extent that factors of customer loyalty were important in realizing high numbers of referrals to the FMCGs offered by Unilever Kenya Ltd, 51% of the respondents indicated that factors of customer loyalty were important in realizing high numbers of referrals to the FMCGs offered by Unilever Kenya Ltd to a great extent, 23% of the respondents indicated that factors of customer loyalty were important in realizing high numbers of referrals to the FMCGs offered by Unilever Kenya Ltd to a moderate extent, 13% of the respondents indicated that factors of customer loyalty were important in realizing high numbers of referrals to the FMCGs offered by Unilever Kenya Ltd to a very great extent, 9% of the respondents indicated that factors of customer loyalty were important in realizing high numbers of referrals to the FMCGs offered by Unilever Kenya Ltd to a little extent and 4% of the respondents indicated that factors of customer loyalty were important in realizing high numbers of referrals to the FMCGs offered by Unilever Kenya Ltd to no extent.

#### **Customer loyalty and product trust**

The research sought to find out the extent that customer loyalty was important in building trust on the FMCGs offered by Unilever Kenya Ltd. The findings indicate that harmony and stability were important in building trust on the FMCGs offered by Unilever Kenya Ltd to a moderate extent, customer loyalty was important in building trust on the FMCGs since it lead to higher sales to a moderate extent, reliability on the products was important in building trust on the FMCGs offered by Unilever Kenya Ltd to a moderate extent. In addition, maintenance of business relationship was important in building trust on the FMCGs offered by Unilever Kenya Ltd to a little extent and brand loyalty was important in building trust on the FMCGs offered by Unilever Kenya Ltd to a little extent.

The research sought to find out the extent that customer loyalty was important in building product trust of FMCGs offered by Unilever Kenya Ltd. Findings indicate that, courteous sales representatives were important in building

product trust of FMCGs offered by Unilever Kenya Ltd to a great extent and customized products than those of the competitors were important in building product trust of FMCGs offered by Unilever Kenya Ltd to a great extent. In addition, market experience and withstanding competitiveness was important in building product trust of FMCGs offered by, Unilever Kenya Ltd to a moderate extent, range of products that suit different cadres of people was important in building product trust of FMCGs offered by Unilever Kenya Ltd to a moderate extent, innovative and flexible products was important in building product trust of FMCGs offered by Unilever Kenya Ltd to a moderate extent, cheap and affordable products was important in building product trust of FMCGs offered by Unilever Kenya Ltd to a moderate extent, knowledge ability of the customer service was important in building product trust of FMCGs offered by Unilever Kenya Ltd to a moderate extent and consumer-brand relationships are more a matter of perceived goal compatibility was important in building product trust of FMCGs offered by Unilever Kenya Ltd to a moderate extent.

## **SUMMARY, CONCLUSION AND RECCOMENDATIONS**

### **Summary of the findings**

The study revealed that 57% of the respondents indicated that customer loyalty was important in enhancing customer commitment to the FMCG goods to a very great extent. Customer loyalty which enhances customer commitment as shown above means therefore, that Unilever is sure of constant business from a constant clientele amidst increased competition as result of increase market liberalization.

### **Customer loyalty and customer commitment**

In the study it was revealed that the organization focused on availing the products demanded by the customers conveniently to a very great extent and on creation of customer satisfaction. As a result of availing the products conveniently and creating customer satisfaction, Unilever gains favor from the users of their products and this favor and preference give raise to commitment customers. These factors hence enhance customer loyalty and customer commitment. Customer commitment influences the customers' willingness to buying and in the end an increased market share of Unilever. I would recommend a study to be carried out in a supermarket to get the response of the customers on their commitment to Unilever and its products.

### **Customer loyalty and repeated purchases**

The study found that customer loyalty was important in realizing repeated purchase behavior of customers to a very great extent. Further, 89% of the respondents indicated that customer loyalty was important in realizing repeated purchase behavior of customers. A loyal customer gains experience of a particular brand as a result of use, the benefits of the brand are appreciated

and repeat purchase may be unconscious. Customer loyalty was shown to improve brand image and customer satisfaction to a great extent. Customer experience was shown to lead to repeated purchase to a great extent too.

To have a better understanding on this scenario of repeat purchase, a study could be done at the end of every month for specified period of time to measure the repeat purchase and the brands of preference in relation to Unilever. As a result of having committed customers Unilever enjoys the pleasure of having these customers return again and again to buy the same products. Respondents agreed that customer loyalty helps in achieving brand visibility and differentiation which increase repeat in purchasing.

### **Customer loyalty and number of referrals**

The study revealed that 60% of the respondents agreed to a very great extent that customer loyalty was important in the realizing increased number of referrals to the FMCGs offered by Unilever Kenya Ltd. Price fairness of the products was important in the realizing increased number of referrals to the FMCGs offered by Unilever Kenya Ltd to a very great extent, product quality was important in the realizing increased number of referrals to the FMCGs offered by Unilever Kenya Ltd to a great extent too. This showed that those who used the Unilever products had a positive experience on the quality of the product and its performance shown by the high agreed level, hence spoken about the product in high regards to others. Findings indicate that 51% of the respondents indicated that paying attention to customer loyalty has helped Unilever realize high numbers of referrals.

### **Customer loyalty and product trust**

Finally the study found that harmony and stability was important in building trust on the FMCGs offered by Unilever Kenya Ltd to a moderate extent. Courteous sales representatives were important in building product trust of FMCGs offered by Unilever Kenya Ltd to a great extent and customized products than those of the competitors were important in building product trust of Unilever products to a great extent. The company maintains this through continuous promotions via sales representatives. Loyal customers have great experience and knowledge of their preferred product brand as a result product trust is gained, repeat purchase, referral purchase eventually increased market share. We would recommend a study to be done on the loyal customers of Unilever to investigate the specific factors that draw them to their brands of choice.

## **CONCLUSION**

The study concludes that customer loyalty was important in enhancing customer commitment to the FMCG goods to a very great extent. The organization focused on availing the products demanded by the customers conveniently and on creation of customer satisfaction to a



great extent. Customer commitment influenced the customers' willingness to buying and customer commitment increased its market share.

Further the study concludes that customer loyalty was important in realizing repeated purchase behavior of customers. Customer loyalty helped in retaining the already established customers. Customer loyalty improved the brand image. Customer loyalty provided customer experience which leads to repeated purchase.

From the findings it was concluded that customer loyalty was important in the realizing increased number of referrals to the FMCGs offered by Unilever Kenya Ltd. to a very great extent. Price fairness of the products was important in the realizing increased number of referrals to the FMCGs offered by Unilever Kenya Ltd. Product quality was important in the realizing increased number of referrals to the FMCGs offered by Unilever Kenya Ltd. Factors of customer loyalty were important in realizing high numbers of referrals to the FMCGs offered by Unilever Kenya Ltd to a great extent. This is very important in this era of globalization where competition is very high making supply higher than demand, the level of knowledge of the customers too in regard to what they want, how and when is increased immensely. Therefore only an organization that understands the importance of customer loyalty and is keen on building a loyal clientele is prone to survive and thrive in this era, as is with Unilever.

Finally the study concludes that harmony and stability was important in building trust on the FMCGs offered by Unilever Kenya Ltd. Courteous sales representatives were important in building product trust of FMCGs offered by Unilever Kenya Ltd. Customized products than those of the competitors were important in building product trust of FMCGs offered by Unilever Kenya Ltd.

### Recommendations

The study recommends customer loyalty to be enhanced in the organization since it in turn helps to enhance customer commitment to the FMCG goods. The organization needs to focus on availing the products demanded by the customers conveniently and on creation of customer satisfaction. The customers need to be encouraged to be committed; this can be achieved through loyalty programs. This influences the customers' willingness to buy thus increasing the organizations market share. Customer loyalty is important in realizing repeated purchase behavior of customers.

Further the study recommends that customer loyalty be encouraged since it is important in realizing repeated purchase behavior of customers especially with the rapid changes in globalization. This helps in retaining the already established customers, therefore blocking competitors. The organization should try to improve the brand image.

In addition, the study recommends customer loyalty to be enhanced since it helps in realizing in increased number of referrals to the FMCGs offered by Unilever Kenya Ltd. The organization need to set fair prices of the

products. This will help in realizing increased number of referrals to the FMCGs offered by Unilever Kenya Ltd. Product quality need to be improved. The organization need to research on factors of customer loyalty.

Finally the study recommends the organization to encourage harmony and stability. This will help in building trust on the FMCGs offered by Unilever Kenya Ltd. The organization need to invest in courteous sales representatives. This will help in building product trust of FMCGs offered by Unilever Kenya Ltd. Customized products than those of the competitors need to be produced.

### Recommendation for further study

This study focused on investigating on the importance of customer loyalty as a strategy in the era of globalization on fast moving goods in Unilever Company Limited. A study can be carried out in other organizations to bring out a comparative effect of the importance of customer loyalty as a strategy in other form of goods and services.

A study could also be carried out to establish how to enhance customer loyalty in various organizations. The same study should be carried out in other industries to find if the same results will be obtained.

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