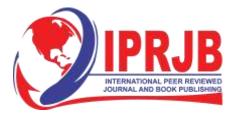
# European Journal of Business and Strategic Management (EJBSM)

## SOCIAL MEDIA MARKETING AND BRAND LOYALTY AT SAFARICOM COMPANY, KENYA

Sindani Tsimbiri Glendah, Dr. Ondiek B. Alala and Mr.Wanjere Dishon

# Strategy





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## SOCIAL MEDIA MARKETING AND BRAND LOYALTY AT SAFARICOM COMPANY, KENYA

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#### Abstract

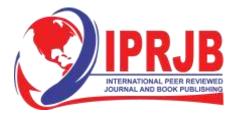
**Purpose:** Social marketing is the design, implementation and control of programs calculated to influence the suitability of social ideas. It has been generally agreeable from many studies in the recent past that companies that have used social media marketing exhibit high brand loyalty and undoubtedly is an important aspect of organizational success. This study purposed to analyze and investigate on how cocreation affect loyalty of customers towards Safaricom Ltd Company. This study objective was to assess the effect of co creation on brand loyalty. The study population was eighty three employees of Safaricom Limited Company.

**Methodology:** The study employed stratified sampling technique and simple random sampling. The sample size was twenty five respondents. The study collected primary data using open and closed ended questionnaires. The data was organized, presented, analyzed and interpreted using descriptive statistics, the frequencies, percentages, and charts.

**Findings:** The findings concluded that social media marketing has a strong and positive influence on brand loyalty. The study concluded that social media marketing as a tool of the company has increased sales volume and the market share of the company.

Unique contribution to Theory, Practice and Policy: The study recommends that top management should be involved in the continuous evaluation and monitoring of social media, marketing tools to ensure that the goals and objectives set are achieved and appropriate corrective actions are taken in the event of deficiencies.

Keywords: Social Media Marketing, Co-creation, Brand loyalty



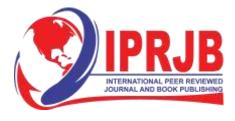
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#### **1.0 INTRODUCTION**

Social media has increased importance in the business setting today with large conglomerate companies achieving substantial benefits; Consumers are turning away from the traditional mediums of advertising, such as TV and print, and they are consistently demanding more control over what they consume on media (Vollmer & Precourt, 2008). Social media are the media designed to interact and circulate content on internet through public interaction, they have a very highly available and scalable propagation technics have been used in them (Khaniki and Babaie, 2011). Social networks generally consist of individual or organizational groups connecting to each other via one or more dependencies, which illustrate the effective function of converged networks in the context of a complex informational society. Their increasing success is, therefore, because of having social smell (Rahmanzadeh, 2010). Social media are as a set of internet-based tools stabilized on web technology and ideological basis enabling users to create content and exchange it (Kaplan and Haekline, 2010.

Mwangi (2014) postulates that social media has led Internet users to encounter an enormous amount of online exposure, and one of the most important is social networking. Social networking through online media can be understood as a variety of digital sources of information that are created, initiated, circulated, and consumed by Internet users as a way to educate one another about products, brands, services, personalities, and issues (Chauhan and Pillai 2013). Social media has increased importance in the business setting today with large conglomerate companies achieving substantial benefits: Consumers are turning away from the traditional mediums of advertising, such as TV and print, and they are consistently demanding more control over what they consume on media (Vollmer & Precourt, 2008). Carlson, (2010). Subsequently as of the beginning of the second era, there has been a change from old-style media to social media channels such as Twitter, Facebook, and YouTube, which leads customers to take more active roles as market players. (Brodie, Ilic, Juric, & Hollebeek, 2013) have noted that Internet and mobile related communication platforms have led to fresh opportunities and challenges to the marketing process. Brand entities have taken note of this attention from brand researchers and are since seen the importance of building and enhancing brand communities and consumer communities within the context of brand community which will play an important role in making consumers loyal to the brand.

Social media marketing has changed the manner in which the public and brands interact (Njuguna, 2012). Customer interaction mechanisms and strategies that at one time included careful message development broadcast to mass audiences, are now embracing the idea that the public is a co-creator of brand messages and a trustworthy promotion channel (Kiveu &Ofafa, 2013). An economical way to increase brand awareness, brand recognition and brand loyalty is through social media marketing. It can be said that social media marketing helps companies

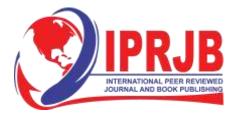


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create brand loyalty through networking, conversation and socializing (Coon, 2010). Having an informational solid like social media guideline is necessary to remain in rapidly changing modern business competitive environment. Hence, companies employ social media experts and consultants to make a decision about proposing their contents, features and activities in social media environment, so that involves consumers' heart and mind and makes them loyal to their brand (Gordhamer, 2009).

Globally, Social media marketing is a very important tool to marketers and its prominence is rapidly increasing over the past years. The business process is affected by the way of promotion of a given brand. Social media marketing has proved as the most effective means of marketing communication. Organizations are using social media campaigns to attract customers, as well as increasing customer loyalty (Kim and Ko, 2012). For instance Toyota, in 2010 was sourcing for some positive communication, after concerns about sticking gas pedals which had led to recall of several machines. Toyota invited owners to tell their stories through a Facebook campaign it called "AutoBiography." The program featured a customized Facebook application that encouraged owners to "showcase your most memorable moments [with your Toyota] and get inspired by the stories of other loyal Toyota owners." Thousands of Toyota car owners' owners contributed, sharing everything from the pet names they gave their cars to how they use their cars for work or play to the way their families passed down a Toyota from one generation to the next. Many listed the number of miles they had on their cars, some up to 300,000 or more, making strong statements to support the Toyota message of reliability. Many owners also personalized their stories with photos or videos of themselves and their cars. Toyota highlighted a small number of the stories through professionally produced animated or live videos, which it then featured prominently on the Auto-Biography page and used in print and television advertising. Consumers share information online; the rapid growth of social media has merged these isolated conversations into a global phenomenon that has reformed the landscape of business communication (Kim and Ko, 2012).

The Kenyan communication sector has been growing at a high rate due to the inclusion of individuals that were previously unable to access communication services. This has resulted to loyalty and competitive situation where communication firms are searching for ways to keep their existing customers while they gain new ones (Peppard, 2000). Customers consider social media sites as serving channels where they can engage in real-time database of businesses. Customers prefer using social media to visit updated content (Leggat, 2010).In Kenya, this is over 65% of the population is over 35 years .Over 33 million Kenyans have mobile phones; over 15million have data enabled devices. Internet penetration in Kenya is at 41.1 % (mbatiah2017) Over 7 Million Kenyans are actively using Social Media with Facebook, Instagram and Twitter being the main channels. Facebook is the most popular social media in Kenya. According to



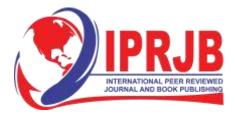
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Facebook (2016) Kenya has approximately 4,448,000 users, of which 65% are male and 35% are female users. Facebook is most popular in the age group of 18-24 years covering 44% of all users. Age groups of 24-34 years and 35-44 years are the second and third highest groups in Kenya with 34% and 10%. Local Brands have a good following on Facebook; Safaricom 860,000 Likes, KTN 1,385,000Likes. Airtel 390,000 Likes, Orange 168,000 likes, YU at 76,000 likes among others (Facebook, 2014). Nairobi is the third city in Africa with most active Twitter users at 123,450. Kenya however has a total of 450,000 twitter users. Among the big brands on twitter include; Safaricom 250,000 followers, KTN 450,000Likes. Airtel has 39,000 followers; Orange has 23,000 followers, YU at 10,000 followers among others. Twitter usage is lower than Facebook but has a higher a higher reach per tweet/per post (Portland, 2017).

Chege (2017) defines Brand loyalty as an experience when customers are committed to a brand and make repeated purchases regardless of the price offering or convenience on the product or service (Kotler, 2003). Kotler (2003), states that developing a strong and stable brand requires a long-term investment, which can be accomplished through regular advertising, promotion and relaunching the product or services. With the availability of information and accessibility of various choices, customers will not be willing to accept anything less than excellent service. Telecommunication companies acknowledge the importance of meeting customer's desires and as they also create loyalty among their online community (Kotler, 2003).

Co-creation is a concept that explains the processes by which a company and its customers interact or jointly participate in value creation (Prahalad and Ramaswamy, According to the S-D(Service Dominant) logic concept by Vargo and Lusch,(2016), consumers are supposed to create "value-in-use" and "co-create value" with companies, and retain their own identity (Denegri-Knott \$ Mole,2010). Co-creation can involve consumers designing their own products, such sharing innovation ideas, or posting stories or reviews of their brand experience. Through these creations, consumers display and deepen brand loyalty, build brand communities, and raise brand profiles. Brands in turn learn who their most loyal consumers are, and what they want (Khorey, 2016).

Companies have now realized the imminent need to focus on developing personal two-way relationships with customers to foster interactions (Li & Bernoff, 2011).Social media marketing is the process of gaining traffic through social media sites. Consumers participate in social networks via social media, which enable them to create and share content, communicate with others and to build relationships with other consumers (Gordon, 2010; Libai, 2010). Consumers use social media in all stages of the value chain ranging from reviews o retail or fan sites, extensive co-creation such as testing new beta products and reporting flaws to the company or collectively developing open source products such as Firefox browser (Hoyer, 2010). Social networks are key factors in influencing perceptions about brands online hence the need for



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marketers to actively conduct social media marketing (Dee, 2007). According to Haenlein and Kaplan (2010) identifies six digital platforms:, blogs and microblogs (twitter), content communities (YouTube), virtual game words(World of Warcraft) social networking sites (Facebook), and virtual Social worlds (second life) collaborative projects (Wikipedia).

In Kenya, several new mobile phone service providers have emerged causing a competitive threat to existing service providers. This study will look into how social media marketing can be used to overcome these challenges with a specific focus on Safaricom Limited Company. Customers today are more knowledgeable and demanding and communication companies can barely survive the heavy competition with the old way of product orientation. Besides forming strong brands, they now aim at creating long-term relationships with their customers (Mbugua, 2014).

This research study was motivated by this existing knowledge gap and sought to establish the effectiveness of social media marketing among communication companies with a focus on Safaricom Limited Company. This research attempted to answer the following questions: What is the effect of co-creation, picture marketing and content management on brand loyalty. The crucial question remains whether social media marketing can influence brand loyalty to a certain brand. A previous research on social media noted that 7% of individuals aged 16- 24 years will first complain on social media and 71% will search for solution online before they relent and contact the company directly (Kaplan & Haenlain *et al*, 2010). Seventeen percent of individuals aged 16 -24 and 25- 34 preferred faster response time on twitter. There are three things that make social media a powerful force; immediacy, ubiquity and availability. Immediacy is the instant sharing of information, while ubiquitous means hundreds of millions of people use social media and availability means anyone with internet connection can access it (Kaplan & Haenlain, 2010)

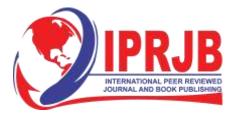
#### **General Objective**

i. To assess the effect of co creation on brand loyalty

#### **Research Hypotheses**

In order to determine the research objectives, the researcher will test the following hypotheses:

1. H<sub>0</sub>1: There's no significant effect between co creation and brand loyalty in Safaricom Limited Company in Kenya.



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#### 2.0 LITERATURE REVIEW

#### **2.1. Theoretical Framework**

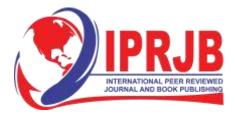
#### **Honey Comb Model**

According to Smith (2007), the honeycomb model consists of four elements; identity, conversation, sharing, presence, relationships, reputation, and groups. These building blocks are used to understanding as to how social media use and functionalities can be used and manipulated in order to build strong brand loyalty by organizations. According to Kietzmann (2011), identity is the extent to which individuals or organizations make their identity public by disclosing personal or corporate information (i.e. name, age, gender, profession, location) in a social media setting. Keller (2001) notes, that establishing brand identity in social media is about the impact that identity may have on brand awareness. Additionally companies establish their brand identities by answering the question as to who their brands are.

Conversation is the extent to which customers communicate with one another via social media. The main purpose for most social media sites is to facilitate conversation among individuals and interest groups (Kietzmann, 2011). Customers use tweets, blogs, status updates to sharing information and meet new like-minded people, build self-esteem or to establish one's self as an opinion leader; others see starting or engaging in conversation in social media as a way of making a message heard and making an impact on subjects ranging from humanitarian causes to discussions on politics (Smith, 2007; Kietzmann, 2011). In addition, organizations use social media to make customers aware about their brand (Kietzmann, 2011).

Sharing is the extent to which individual's exchange, distributes and receives via social media (Babac, 2011). Consumers follow brands or join brand communities on social media in order to fulfill their need of being identified with groups and symbols they find desirable or which they wish to associate with (Laroche, 2013). Consumers like to feel connected to other consumers that share same interests and desires that lead them to join communities that are centered on shared interests and values (Mangold & Faulds, 2009). Consumers use social media to interact with brands and they need to feel that the company is trustworthy and that the company is giving honest information (Baird and Parasnis, 2011). Online consumers consider transparency important and they deem companies that are not transparent as manipulative and insincere. According to Mangold and Faulds (2009) state that customers are more likely to talk about a company and its products when they feel they are well informed about them. Giving honest and sufficient information about products is therefore important.

Presence is the extent to which an individual can know whether his/her peers are available online. Presence dimension includes information as to where each individual is in the virtual world and/or in the real world. Presence dimension acts as a bridge that connects the real and the virtual realities (Kietzmann, 2011). Organizations need to recognize that a high level of social media presence is likely to create stronger bonds with their target customers hence increase in brand loyalty (Kietzmann, 2011). Relationships are the extent to which each individual can be related to other individuals in a social media setting (Kietzmann, 2011). Social Media users have the opportunity to interact with customers they know or with people they do not know. Through



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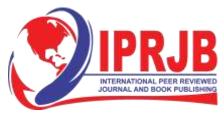
interaction, customers are able to build relationships and social network. (Sledgianowski & Kulviwat, 2009; Lin & Lu, 2000), in addition, building relationships with customer's increases customer satisfaction and loyalty. Loyalty is defined as "a favorable attitude for a brand manifested in repeat buying behavior" (Senders, 2012). Keller (2001), notes that building relationships are about the impact that groups and relationships functionalities of social media may have on the brand loyalty.

#### 2.2 Co creation

Research on brand communities is increasing significantly as consumers are considered knowledgeable and able to develop products for themselves with support from the Internet (Füller and Matzler, 2007). Customers with extensive knowledge of products/ services engage in product/service-related discussion and support each other in finding solutions, in fact Brands and products are starting to have more online communities. Relevant studies show that user-generated content about a brand is gaining importance and prospering on social media (Lakhani and Wolf, 2005). A good case is one of Coca Cola its brand community is playing an active role in the development of the product (Kohler, Fueller, Matzler, Stieger, & Füller, 2011).

Statistics show that the Kenyan population is largely composed of youth who dwell in urban centers and some in the rural Chege (2017). The literacy levels have gone so high with technology making digital appliances cheaper. Social media in Kenya has become the in thing and marketers know too well the power of communication this tool bears. Mwangi (2014 further agrees that virtually all youth and older people have an account in face book. It is estimated that 2 million people in Kenya visit Facebook daily and this is great news to any marketer. Twitter is the other bird that has lately learned to fly in Kenya and people are embracing the socializing tool quite first. The tool has its limit as it only allows 140 characters and no photos not unless it is a link. It serves to attract its share of fans that often run from Facebook. Mwangi (2014) says that "social media has led Internet users to encounter a vast amount of online exposure, and one of the most important is social networking." Social networking via online media can be understood as a variety of digital sources of information that are created, initiated, circulated, and consumed by Internet users as a way to educate one another about products, brands, services, personalities, and issues (Chauhan & Pillai 2013).

In the co-creation concept what is emphasized most is value-in-use, that is value is created when the customer uses the product and the firm can enhance the creation of such value-in-use by providing resources and supporting the customer to integrate these resources with other private and public resources. As the S-D logic is evolving, Vargo and Lusch (2006) discussed a shift in the thought of S-D logic from FP6 ("The customer is always a co-producer") to ("The customer is always a co-creator of value") (Vargo and Lusch, 2004, 2006; Vargo and Lusch, 2008). Due to increased use of mobile and social media platforms, branding and brand communities have emerged as mediums for brand community members to share, co-create, and discuss different brands and the issues related to them (Kietzmann et al., 2011; Park et al., 1996; Hajli et al., 2017). The concept of brand co-creation emerges from the assumption that the customer is not a passive buyer of a brand, rather they actively participate in the creation of brand experiences (



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Vargo and Lusch, 2004). Therefore, the consumer can contribute expressively in defining the modern brand's success.

#### **2.2 Conceptual framework**

Njeru, (2015) defines conceptual framework as a group of concepts which are systematically organized to provide a focus, a tool and rational for interpretation and integration of information and is usually achieved in pictorial illustrations. Others authors suggest that the conceptual framework summarizes behaviors and provides explanations and predictions for the majority number of empirical observations (Cooper& Schindler, 2008; Mugenda, 2008). The Social media maretng tools are the independent variables influencing brand loyalty ad brand loyalty is a dependent variable measured in terms of sales volume and customer retention in Safaricom.

#### Independent variable

#### Dependent variabe

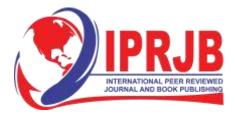
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**Fig. 2.1 Conceptual Framework** 

#### 2.3 Cocreation

Brand co-creation by the customer is limited due to the initial stage of development (France et al., 2015). The co-creation by customers can influence how other customers view the brand (Payne et al., 2009). Interaction between the customer and firm, and consequently the customer's brand experience, co-create the brand (Healy and McDonagh, 2013). Thus, the significance of brand co-creation by the customer is important (France et al., 2015). As a matter of fact recent studies show that organizations, no longer define and control the brand, rather that the brand is co-created by customers". Brand co-creation behaviours of customers are the customer-led interactions between the brand and customer (France et al., 2015). France et al. (2015) suggested a conceptual model of brand co-creation with brand engagement, customer involvement and self-congruity as predictors of brand co-creation. Customer involvement and their participation on social networking platforms is an essential aspect of branding co-creation (Hajli et al., 2017). Submission – This section has the least contribution in terms of idea submission by the customer and holds a high degree of firm-led selection in the limited ideas proposed by the customer.

Aric Rindfleisch ; Matt O'Hearn (2008) Tinkering is a unique type of co-creation where the customer comes up with a variety of ideas for the organization, whereas the selection is defined



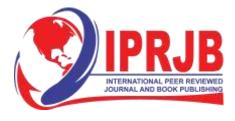
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by multiple parameters of the firm. In tinkering, the firm usually releases a final Although the users create the platform, the firm decides which ones get published and distributed. Collaborative is a mix of leveraging both the firm and users to conclude with the final idea. The customer has full liberty to suggest and select the idea along with the combined efforts of the firm. Designing is the customer approach to select the limited ideas given by the customers. Any community forum where customers have to give ideas into defined areas

Loyalty has been defined as "repeat purchasing frequency or relative volume of same-brand purchasing" (Oliver, 1999). Kotler and Armstrong (2013) defined a brand as a "name, term, sign, symbol (or a combination of these) that identifies the maker or seller of the product". Extending the definition of AMA, Aaker (1991) defined brand as "a distinguishing name and/or a symbol (such as a logo, trademark, or package design) intended to identify the goods or services of one seller, or group of sellers, and to differentiate those goods or services from competitors who would attempt to provide products that appear to be identical". Ask any marketer who their ideal customer is, and most will tell you the same thing: a loyal one. This is because, as we all know, keeping customers is more cost-effective and efficient than finding new ones. However, the concept of brand loyalty is often difficult to pinpoint, much less cultivate. In order to achieve brand loyalty, one must first understand what it really means.

Chege (2017) defines Brand loyalty as an experience when customers are committed to a brand and make repeated purchases regardless of the price offering or convenience on the product or service (Kotler, 2003). Kotler (2003), states that developing a strong and stable brand requires a long-term investment, which can be accomplished through regular advertising, promotion and relaunching the product or services. With the availability of information and accessibility of various choices, customers will not be willing to accept anything less than excellent service. Telecommunication companies acknowledge the importance of meeting customer's desires and as they also create loyalty among their online community.

According to He et al (2011); Kabiraj & Shanmugan (2011); Mittal & Kamakura (2001); Rajah et al (2008); and Thompson et al (2014), satisfaction and trust are two of the pillars for building brand loyalty. Satisfaction and trust are two of the most important factors for achieving brand loyalty. The component satisfaction's relationship to brand loyalty is most often based on consumers repeated purchase behavior. Low satisfaction among consumers does not generate repeated purchases, unless there is no option. Trust on the other hand is in a relationship with both satisfaction and brand loyalty. The more satisfied a consumer is with a brand, the more trust one is going to feel towards both the brand and the producer, which will strengthen the relationship (Rajah et al, 2008). Iglesias et al (2011) also argues about how satisfaction can influence brand loyalty, they mean that positive experiences is underlying in order to make consumers be brand loyal towards a brand. According to He et al (2011), satisfaction and trust are affiliated to a brand's identity and hence brand loyalty. Uniqueness, economic value and

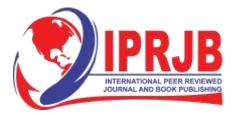


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reputation are factors within a luxurious brand's identity that may satisfy a consumer's symbolic needs and in the long run create trust towards a brand. It is less likely that a luxurious brand's identity fulfills a consumer's functional needs, this since a consumer most often do not purchases a luxurious brand or product for functional needs (He et al, 2011). Kabiraj and Shanmugan (2011) mean that loyalty may indicate satisfaction but satisfaction is not always connected to loyalty. Arguments for being loyal towards a brand even though it does not satisfies their needs are for example price, availability, switching costs and lack of attractive alternatives. However, in order for a brand to keep their loyal consumers, authentic satisfaction is essential (Kabiraj & Shanmugan, 2011).

#### **3.0 RESEARCH METHODOLOGY**

The research design adopted a case study research design. The population of the study was comprised of the upper level management staff, middle level management staff and the supervisory level employees working at the company. A total of 83 employees was selected to participate in the study. In particular, it targets 3 upper level management, 37 middle level employees and 43 supervisory level employees. The researcher hopes to get required information from these selected respondents. The study employed stratified sampling technique and simple random sampling. Stratified sampling technique was used to group the respondents into different departments. After stratification, simple random sampling technique will be used to select respondents who represent 30% of the target population. The sample size of this study was therefore 25 respondents. Simple random sampling was used to avoid biasness and to allow every unit in the departments to participate in the study. The study collected primary data which is largely quantitative, using open and closed ended questionnaires. The questionnaires were structured into two sections. Section one, which captured the profile of the respondent's job position or department of the firm and section two which captured information on pertinent issues touching on the social media marketing tools that affect brand loyalty as well as the external factors affecting the social media marketing tools and brand loyalty for Safaricom Company Limited. Both close-ended and open-ended questions will be used. Data analysis methods employed involved both descriptive and inferential statistics. Descriptive statistical such as frequencies tables, graphs and percentages will be used to present finding. Inferential statistics included Pearson Correlation Coefficient and regression analysis to establish the relationship among key study variables and to test the study hypothesis. Considering the kind of data intended to be collected as per the questionnaire, a conceptual and qualitative content analysis was the best-suited method.



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#### 4.0 RESEARCH FINDINGS AND DISCUSSIONS

#### 4.1 Response Rate

The number of questionnaires that were administered was 25. A total of 23 questionnaires were properly filled and returned. This represented an overall successful response rate of 77% as shown in Table 1. The response rate was considered appropriate for further analysis since it was 92%

#### Table 1: Response Rate

Response	Frequency	Percent
Returned	23	92
Unreturned	2	8
Total	25	100

#### Source: Field data, 2019

#### **4.2 Demographics Results**

#### 4.2.1 Gender of the Respondents

The researcher sought to establish the gender of respondents. The findings are presented on the table below.

 Table 2: Gender of the Respondents

Gender of the Respondents	Frequency	Percentage	
Male	13	57	
Female	10	43	
Total	23	100	

From the table above, a majority (57%) of the respondents are male while the remaining (43%) are female. The findings of the study reveal that more male participated in the study than female respondents. From the results it was clear that the variation in the number of male and female was not so large to warrant bias in the data that was collected from the different genders of respondents. The findings revealed that a majority of the respondents who participated in the study were male.

#### 4.2.2 Age of the Respondents

The study sought to find out the age of the respondents. This is a demographic feature that affects the perception of the respondents. The findings are as presented in Table below.



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Age of the Respondents	Frequency	Percentage	
Between 20-30 years	5	22	
Between 31-40 years	8	35	
Between 41-50 years	4	17	
Above 50 years	6	26	
Total	23	100	

#### Table 3: Age of the Respondents

From the table above (22%) of the respondents were in the age bracket of 20-30 years, (35%) were between 31-40 years of age, (17%) were between 41-50 and the remaining (26%) were above 50 years. The results revealed that regardless of the different age groups the study was able to collect different opinions from different age groups.

#### 4.2.3 Level of Education of the Respondents

It was paramount for the researcher to know the education level of the respondents. This is a demographic feature that showed if the respondents had the required the knowledge on the social media marketing, customer engagement and brand loyalty in safaricom limited. Majority (67%) of the respondents attained the college level of education, and the remaining 33%)of the respondent attained university level of education, there were no respondent who attained the primary and secondary level of education. This shows that the majority of the respondents attained the college level of education hence are in good position to answer the research questions on the subject under study.

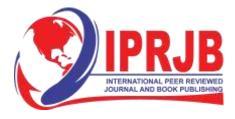
#### 4.2.4 Working Experience of the Respondents

It was important for the researcher to know the number of years the respondents had worked. The findings are presented on table 4 below.

Working Experience of the Respondents	Frequency	Percentage	
1-5 years	2	9	
6-10 years	12	52	
10 – 15 years	7	30	
Above 16 years	2	9	
Total	23	100	

#### Table 4: Working Experience of the Respondents

From the table above, (9%) of the respondents had worked for 1-5 years, majority (52%) of the respondents worked for 6-10 years, (30%) of the respondent worked for 10-15 years while the remaining (9%) worked for above 16 years. The findings revealed that regardless of the working experience of the respondents they all participated in the study. Those who had little or more work experience participated in the study.



#### 4.4 Cocreation

From the findings in table 5, the respondents agreed that they encourage customers to create solutions together (mean 3.70). They also indicated that they involve customers in developing new solutions to their brand (mean 3.90). The respondents also agreed that Cocreation has a positive effect on willingness for customers to pay for a product (mean 3.68). They also indicated that Cocreation has a positive effect in customers experience on the brand (mean 3.80).

CO CREATION	Ν	Mean	Std. Deviation
Designing	23	3.70	1.02
Collaborating	23	3.90	0.84
Submitting	23	3.68	0.93
Tinkering	23	3.80	0.94

#### Table 5: effects of co creation on brand loyalty

#### Source; Research study 2019

#### 4.5 Inferential Results

#### 4.5.1 Analysis of variance

The significance value of 0.000 indicates that the regression relationship was highly significant in predicting how independent variables affect organizational performance as shown by table 6 below;

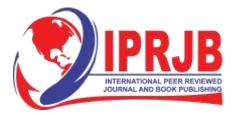
Table 6: Analysis of variance						
Indicator	Sum of Squares	df	Mean Square	F	Sig.	
Regression	53.26	3.00	17.75	50.30	0.000	
Residual	71.64	23.00	0.35			
Total	124.90	24.00				

#### Table 6: Analysis of variance

Regression of coefficients results in Table 4.8 shows that there is a positive and significant relationship between financing practices and SMEs growth as supported by a p value of 0.000 and a beta coefficient of 0.04 which depicts that we reject the null hypothesis and accept the alternative.

#### Table 7: Regression of Coefficients

Variable	В	Std. Error	t	Sig.
(Constant)	0.48	0.26	24.134	0.07
Cocreation	0.16	0.07	5.63	0.02



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#### **Brand loyalty =0.48+0.16 social media marketing**

#### **Discussions and findings**

#### 4.5 Hypothesis

*Ho*<sub>1</sub>: There's no significant effect between co creation and brand loyalty in Safaricom Limited Company in Kenya.

The results in table 4.8 indicate that, there is positive significant correlation between co creation and brand loyalty (r = 0.445, p < 0.000, n=23) Since P- value is < .0005, the null hypothesis was rejected.

#### 5.0 SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

#### 5.1 Summary

On the issue of effects of advertisement on sales revenue, it was clear that there is a significant relationship between advertisement and sales revenue. The findings revealed that majority of the respondents strongly agreed that cocreation has increased brand loyalty of the company's products and services while a significant number were of the opinion that the cocreation affects positively the company's brand loyalty and that cocreation target includes everyone in the firm to have an effect on brand loyalty. According to the finding partly of the respondents agreed that cocreation has had a great impact on the brand loyalty of the organization.

#### **5.2 Conclusions**

The first research question was to assess the extent in which social media marketing, cocreation affects brand loyalty and it was clear that there is a significant relationship between social media marketing, customer engagement and brand loyalty. It was established that social media marketing programme of the company has increased sales revenue of the company while a significant number were of the opinion that the social media marketing programme of the company's sales revenue and that social media marketing target includes everyone in the firm to have an effect on brand loyalty. According to the findings, partly of the respondents agreed that social media marketing has had a great impact on the brand loyalty of the services of the organization.

#### **5.3 Recommendations**

The researcher recommended that the following should be done by the organization so as to yield success in use of social media marketing as a media for products brand loyalty.

A lot of social media marketing should be done on different services and products offered by the company. This creates awareness to different clients on the different services and products offered by the company. The company should also use different strategies of social media marketing like the use of celebrities and internet advertisings. Top management should be

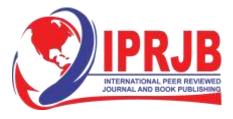


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involved in the continuous evaluation and monitoring of social media marketing to ensure that the goals and objectives set are achieved and appropriate corrective actions are taken in the event of deficiencies. The companies should harmonize all departments so as to realize the goals and objectives of social media marketing. The companies should also ensure that they place their products are best placed on social media platforms where the consumers will easily identify with them make a purchase. A good advert should be effective, persuasive and contain the necessary information on the products.

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