

PRICING STRATEGY AND CUSTOMER LOYALTY OF FOOD AND BEVERAGES MANUFACTURING FIRMS IN PORT HARCOURT, NIGERIA

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ABSTRACT

The study examined the relationship between pricing strategy and customer loyalty of food and beverages manufacturing firms in Port Harcourt, Nigeria. This research made use of the survey research design. The population of this study comprises of Twenty Three registered Food and Beverages firms in Port Harcourt, Nigeria. These are functional, operational, and registered with the confectionary association of Nigeria, Rivers State branch and the Port Harcourt chamber of commerce, industry and tourism (PHACCIMA), (2018). However six senior managers of General Manager, Advertising Manager and Marketing Manager and three Supervisors were drawn from each of these firms giving sample size of 138. 138 managers from Twenty Three registered food and Beverages firms in Rivers State were served copies of the questionnaire, out of which 132 of the questionnaire were retrieved and used for the data analysis. The hypotheses for this study were analyzed using Spearman Rank Order Correlation Coefficient statistical tool and aided using Statistics Package for Social Sciences (SPSS) version 21. The finding revealed a strong positive relationship between pricing strategy and customer loyalty of Food and Beverages firms in Port Harcourt, Nigeria. The study concluded that a strong relationship exist between pricing strategy and customer loyalty and recommended that Food and Beverages Manufacturing firms should put in place measures that evaluate the most effective pricing strategy to reduce product costs and thus increase customer commitment ability whenever such a strategy is used. Also, Food and Beverages Manufacturing firms must focus on those attributes of perceived value based pricing which consumers' use to judge the perceived value based worthiness of the services offered and adopt ways to implement their perceived value based better compared to competitor firms.

KEYWORDS: *Pricing Strategy, Customer Loyalty, Cost-Based, Competition-Based, Customer Perceived Value-Based, Customer Trust, Customer Commitment*

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