CUSTOMER RETENTION STRATEGIES AND SALES PERFORMANCE OF FAST FOOD RESTAURANTS IN ABIA STATE, NIGERIA

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Abstract

The study examined the effect of customer retention strategies on sales performance of fast food restaurants in Abia State, Nigeria. The survey research design was used. The study population of the study covered management staff of 28 fast food restaurants in Aba and Umuahia metropolis of Abia State, Nigeria. 224 respondents from the studied fast food restaurants constituted the sample size of the study. The study findings revealed that the customer retention strategies constructs (customer satisfaction, timely service delivery, service quality, and prompt complaint handling) were all statistically significant and positively related to sales growth of studied fast food restaurants in Abia State, Nigeria. The study recommended that fast food managers must ensure that customer retention strategies such as customer satisfaction, service delivery, service quality and prompt complaint handling should be the pivotal strategic measures to be adopted in order to remain competitive and increased sales performance.

Keyword: Customer retention strategies, customer satisfaction, timely service delivery, service quality, prompt complaint handling, sales performance.

INTRODUCTIONS

The sophistication of customers in recent times is forcing businesses to be more customer-oriented. In that perspective, customer retention has become a key relationship marketing concept related to developing and sustaining a long-lasting relationship with customers (Boora, 2017). This also makes customer retention an increasingly important

strategy for companies to find out how to keep customers interested in doing business with them and how to keep customer loyalty at a higher level (Oliver, 1999). Most companies spend a lot of money and effort not only to sell their products and services, but also to ensure that those customers keep coming back to them for doing business in future (Jackson *et al.,* 1988).

Although companies are aware of the need to retain their customers, unfortunately, most of them spend more of their budget and strategies in attracting new customers rather than retaining the existing ones (Reichheld, 2003). This attitude causes most customers to frequently switch brands since they are not loyal to any particular company (Reinartz *et al.,* 2005). However, in recent times, companies have slowly started realizing the importance of customer retention. They now understand that it costs much higher to attract new customers than it is in retaining existing ones (Mandal, 2016).

Customer retention is a key factor in determining the success of businesses today. Fluss (2010) noted that competitors are always on the lookout to steal customers through better deals. Customer retention has a direct impact on long term customer lifetime value, which is a more profitable avenue for firms that seek to pursue growth and sustainability or those that seek to protect themselves from market shrinkage resulting from a contracting economy (Gee *et al.,* 2008). Supporting this argument, Lombard (2009) noted that today the pressure on companies to retain customers is fuelled by the market where customer acquisition is slow. Customer retention is important when loyalty is decreasing and sales cycles are aggravating the business environment. Under these circumstances, losing an important customer to a competitor would impact significantly on the company's sales and profitability (Molapo and Mukwada, 2011).

Companies seeking to expand their profits and sales need to spend considerable time and resources searching for new customers and retaining the profitable customers. Existing literature on the customer retention strategies employed by companies indicates that different industries adopt different customer retention strategies. Everything about customer retention lies on effective customer service in terms of providing customers satisfaction, efficient service delivery, offering quality products and prompt complaint management as they are the major issues that influence businesses today (Oliver, 1997)

It has been observed that most fast food restaurants in Nigeria are not showing great interest in customer retention leading to a high rate of customer attrition and brand switching. These fast food restaurants are yet to realize the benefits accruable from effective application of customer retention strategies, as many of them restaurants skip the strategy when developing their corporate strategy. Regrettably also, many fast food restaurants in Nigeria appear not to know the appropriate customer retention strategy to adopt in order to create customer loyalty and at the same time increase their sales performance. Based on the foregoing, the main objective of this study was to the effect of

customer retention strategies on sales performance of fast food restaurants in Abia State of Nigeria. The specific objectives were to;

i   Examine the effect of customer satisfaction on sales growth of fast food restaurants in Abia State, Nigeria.

ii   Determine the effect of timely service delivery on sales growth of fast food restaurants in Abia State, Nigeria.

iii   Ascertain the effect of product/service quality on sales growth of fast food restaurants in Abia State, Nigeria.

iv   Determine the effect of prompt complaint handling on sales growth of fast food restaurants in Abia State, Nigeria.

REVIEW OF RELATED LITERATURE

Conceptual Review

Customer Retention

In today's competitive business environment, companies are seeking to maximize customer retention in order to sustain their protective edge against new entrants. Fluss (2010) has argued that companies are always seeking to attract customers from their competitors through quality product and service offerings. Many authors have tried to define the concept of customer retention and show how it contributes to company's performance. Due to market dynamism, companies have realized the need to move away from the traditional marketing approach which is meant only to acquire new customers, to the marketing philosophies designed to retain existing customers.

According to Coviello *et al.* (2002), customer retention has been shown to be a primary goal for companies practicing relationship marketing. This idea is wholly supported by Jopper (2004) who stated that relationship marketing has attracted much attention in recent years as companies now focus their efforts on retaining existing customers rather than being solely centre on attracting new customers. More and more companies have adopted customer-centre strategies and technology for efficient and effective relationship management.

Buttle (2004), found out that companies can employ several types of customer retention metrics which are raw, sales adjusted, or profit adjusted customer retention metrics. Companies that adopt raw customer retention metrics focus on the retention of a given percentage or number of customers, regardless of value. Those that use sales adjusted retention metrics focus their efforts on customers who generate higher sales or profits. In agreement to the above idea, Colyes *et al.* (2002) noted the significance of focusing on the retention of profitable customers rather than all customers. In agreement to Colyes *et al.* (2002), Knox (1998) postulated that companies are more successful if they apply customer retention than customer satisfaction.

Relationship marketing philosophy as viewed by Gronroos (1994) aims to establish long-term relationship with the customer, to deepen the intimacy with the customer, providing a platform to fully understand customer needs and thus enhance customer value. The major aim is to maximize on customer life time value (customer wallet). You cannot keep an unprofitable customer just draining firm resources. Therefore, customer retention is premised on customer contribution versus an investment in the customer.

The goal of customer retention strategy is to sustain existing customers to stay with the company by encouraging them to be loyal customers with the company over time. According to Robert (2017) the easiest way to grow your business is not to lose your customers. That is why Honts and Hanson (2011) argued that retaining customers improve profitability by reducing cost incurred to acquire new customers. Sharmeela-Banu *et al.* (2013) opined that retained customers are more loyal as a result of incentives or value created for them.

Dimensions of Customer Retention Strategies

In this study, the dimensions of customer retention strategies considered based on previous and existing are; customer satisfaction, timely service delivery, product/service quality and prompt complaint handling (Yilmaz and Ferman, 2017; Mecha *et al.,* 2015: Asagba *et al.,* 2019).

Customer Satisfaction

Customer satisfaction is perceived to be a complex concept and very difficult to conceptualize and measured (Ode, 2013). Customer satisfaction could be defined as the individual feelings of the performance of the product or service in connection with his/her expectation (Igwe *et al.,* 2012). According to Ayimey *et al.* (2013), customer satisfaction is the state of mind of the customer concerning whether his/her expectation is met over the life time of the product or service.

The concept of customer satisfaction for many years has been perceived as key in determining why customers leave or stay with a company. Companies need to know how to keep their customers, even if they appear to be satisfied. Reichheld (1996) suggested that unsatisfied customers may choose not to defect, because they do not expect to receive better service elsewhere. Additionally, unsatisfied customers may look for other providers because they believe they might receive better service elsewhere. However, keeping customers satisfied is dependent on a number of other factors. These include a wider range of product choices, greater convenience, better prices, and enhanced income (Storbacka *et al.,* 1994). Fornell (1992) noted that although customer satisfaction and quality appear to be important for all companies, satisfaction is more important for loyalty in certain industries.

In studies carried out by Cronin and Taylor (1992) and Patterson *et al*. (1997), it is recognized that customer satisfaction has a meaningful and positive effect on the repurchasing of a customer in a special classification of services. It is expressed by a team of researchers that customer satisfaction is an indisputable manner in determining the degree

of customer retention for the current buyers in the professional services (Day *et al.,* 1988). It was also reiterated by Day *et al.* (1988) and Kotler (1994) that the customer satisfaction is a significant factor to customer retention".

Timely Service Delivery

Customers expect timely service delivery and failure to do so by a company would make the customers leave the company to a more attentive one. Irrespective of the size of a company or the number of years it has been in business, if it is unable to provide timely service to its customers, they will not stick with the firm for long (Warrden, 2008). Timely service delivery to customers include a vast array of actions; prompt answer to phone calls, knowledge, and timely solution to problems, prompt delivery, keeping promises made (Warrden, 2008).

Timely service delivery to customers is not just about providing swift solution. It is also about ensuring that any promise made by the company on delivery service, phone answering, responses via other channels are kept at any time. A single broken promise can soon have a happy customer turn into a company's greatest foe, translating to tarnished reputation, loss of business both from current and prospective customers. Timely service delivery allows a company to have a better control on customer communication and relationship which proves to be extremely profitable tools (Warden, 2008).

Product/Service Quality

The concept of product or service quality has continued to receive great attention among scholars, researchers and practitioners globally (Ode, 2013; Angelova and Zekiri, 2011). Parasuraman *et al.* (1988) asserted that service quality is an effort to measure the gap that exists between customer expectations and customer perceptions of service performance. In the view of Aflaki and Popescu (2013) product or service quality should be properly managed as it represents a more effective driver of customer retention than price.

Customers evaluate product/service quality in relation to what they desire by comparing their perceptions of service experiences with their expectations of what service performance should be (Angelova and Zekiri, 2011). Since customer's expectations in regards to service quality has become paramount, companies have realized that for them to remain in business and make profit, more strategic focus should be tailored to service quality in order to be competitive. Rendering quality service is the best way to promote customer satisfaction, customer loyalty, retention, sales, and profitability. Parasuraman et al (1988) developed the SERVQUAL model in measuring service quality.

Customer Complaint Handling

Companies that offer products and services to customers must recognize the fact that complaints are inevitable and make readiness to handle and manage such complaints when they arise. Complaint is one part of negative expressions resulting from unsuitability and gap between reality and someone's expectation (James, 2006). It is an expression of dissatisfaction, about the standard of service, actions or lack of action by a company to a

customer (Tronvoll, 2012). Crié (2001) asserted that most complaints arise from perceived dissatisfaction with a product, a service or an event in the course of the buying process or during the consumption.

Complaint handling is an important part of customer retention. A well-executed complaint handling process is of strategic relevance as it has a positive effect on customer retention, (Brown *et al.,* 1996). Complaint handling focuses on resolving issues raised by unsatisfied customers in a timely and cost-effective way and provision of information that can lead to improvement of service delivery. In addition, a strong communication structure is required in order to achieve a successful outcome. Crucially, a customer complaint well-handled can win a company a life time customer, who remains loyal to the company. Companies need good customer service staffs who are good listeners to be able to acknowledge customers' problems and offer solutions (Kotler and Keller, 2009). When a company handles its customers' complaint promptly it will also motivate the customers to remain with the company because their interest is always protected.

Sales Growth

Sales growth is a key dimension used by companies to measure marketing performance. Sales growth according to Amoako-Gyampah and Acquaah (2008) is the increase in sales in money value. Sales growth is an important indicator of a company's health and its ability to sustain its business. An emphasis on sales growth also provides a useful and visible benchmark to motivate managers. Kaplan and Norton (1996) argued that companies must use a wide variety of goals, including sales growth, to effectively reach their financial objectives.

Sales growth as a key element of business growth is important; hence selling of products/services is one of the two ways to increase firm profits (Narver and Slater, 1990). Factors that influence sales growth range from; promotion, internal motivation, retaining of talented employees, implicit opportunities for investments in new technologies, and equipment in the production process (Mohd *et al.,* 2013; Brush *et al*., 2000). Sales growth ought to be measured within the context of industry conditions and trends as well as local, regional and national economies.

Customer Retention Strategies and Sales Performance

Customers are the strength of companies (Gupta and Zeithaml, 2006) hence their goal is always to have a sustainable customer base (Ang and Buttle, 2006). Companies would not be able to uphold and increase their sales performance without the customers (Gupta and Zeithaml, 2006; Buttle, 2004). Several previous studies have revealed that a company exist only if it is able to create and sustain an advantageous relationship with its preferred customers (Ang and Buttle, 2006; Ryals and Knox, 2005). As such, customer retention has been at the center of marketing discussions and also the key agenda of companies since the last decade (Larivie're and Poel, 2005; Terblanche and Hofmeyr, 2005).

Scholars and marketing practitioners have continued to debate on the relationship between customer retention strategies and sales performance in a company.

Customer satisfaction has always been of considerable interest to marketers simply because it is a key objective for the marketing process and has performance implications. Clearly, links between satisfaction and business performance are complex and there is little doubt that customer loyalty (in terms of both attitude and behaviour) plays a key role. There is the belief that customer satisfaction can and does have a measurable impact on sales performance and this evidence is certainly supportive of the growing interest in combining financial and non-financial measures when assessing the performance of companies (Kaplan and Norton, 1991). Anderson, Fornell and Lehman (1994) also provided evidence for the positive impact of satisfaction on profits using data from the Swedish Customer Satisfaction Barometer and ROI for the sample firms using both a lagged and a differenced specification

There are empirical evidences that service quality as a dimension of customer retention strategy positively relates to sales performance in certain industries, especially service industries. An interesting notice is that most of the literature focused on investigating the direct and indirect influence of service quality, which is abstract or intangible, on sales performance which is tangible (Sim *et al.,* 2015; Al-Hawari and Ward, 2006).

There is furthermore little agreement from previous research on the link between prompt service delivery and performance. Some previous empirical studies have investigated the relationship between prompt service delivery and sales performance by adopting both direct and indirect relationship perspectives. Some of these studies have found that prompt service delivery has a positive impact on sales performance that could be measured by number of sales calls and sales volumes (Duncan and Elliott, 2002; Kimes, 2001; Hasan and Kerr, 2003; Raju and Lonial, 2002).

On the other hand, some other studies have indicated that the nature of the relationship between prompt service delivery and sales performance is negative, i.e., increasing the speed of service delivery may decrease the sales performance of companies in the short term (Harrington and Akehurst, 1996; Sterman *et al.,* 1997). A further set of studies has suggested that rendering prompt service delivery may have a minimal or at best a weak effect on sales performance (Adam, 1994).

Despite a long-term interest in investigating the relationship between prompt service delivery and sales performance, there is still debate concerning the exact nature of the relationship between these two concepts. Previous studies have been carried out in industries including finance, healthcare, and retail by investigating the common variables related to the prompt service delivery-sales performance relationship. Thus, despite the number of studies in this area, the relationships between prompt service delivery and sales

outcomes are still being debated (Babakus *et al.,* 2004). As such, based on the forgoing; we hypothesize thus;

Ho₁: Customer satisfaction does not have any significant effect on sales growth of fast food restaurants in Abia State, Nigeria.

Ho₂: Timely service delivery has no significant effect on sales growth of fast food restaurants in Abia State, Nigeria

Ho₃: Product/service quality has no significant effect on sales growth of fast food restaurants in Abia State, Nigeria

Ho₄: There is no significant effect of prompt complaint handling on sales growth of fast food restaurants in Abia State, Nigeria

THEORETICAL FRAMEWORK

Customer Satisfaction Theory

Customers may express high satisfaction levels with a company in a survey, but satisfaction does not equal loyalty. The most dominant theory of customer satisfaction is the expectancy-disconfirmation model. According to this theory, satisfaction outcomes are a function of perceived performance and perceived disconfirmation. Perceived disconfirmation depends on perceived performance and standard for comparison. Standards of comparison may include expectations, ideals, competitors, other service categories, marketer promises and industry norms. If perceived performance is significantly worse than the comparison standard (more than the customer is indifferent to), a customer will experience negative disconfirmation (service did not meet the comparison standard). It does not matter how the service provider believed the service was performed. It is especially important for managers of business services to recognize negative disconfirmation, as it presents the largest threat to customer loyalty, word-of-mouth recommendation, repeat purchases, and other desirable customer responses.

Customer Value-Based Theory

The theory states that the organization should strive to understand what the customer wants, provide it, surpass customer expectations and stand out in the market. The creation of customer value must be the ultimate justification for the firms' existence and success. The increasing complexity and competitive environment facing fast food restaurants in Nigeria, requires the managers to map out better strategies that will retain its customers, so as to increase sales performance in the long run. Sales growth can only be attained, if the fast food restaurants are willing to create values in the products they sell or services rendered to customers. Slater (1997) argued that when customers demand a product it depends on the service quality a company provides to buyers. Customer satisfaction can be achieved when superior customer values is delivered by organization. Slater (1997) further argued that greater performance of any business is the result of providing superior customer values; better performance enables companies possess

competitive advantage. The strategies to be adopted by fast food restaurants that will enhance better sales performance solidly rest on the perceived value customers attach to the products or services.

RESEARCH METHODOLOGY

In this study, survey research design was used which involved the use of the questionnaire that was administered to staff of fast food restaurants in Abia State, Nigeria to elicit responses from them. The study was carried out in Umuahia and Aba in Abia State of Nigeria being the two major cities in the state with high presence of fast food restaurants.

The population of the study comprised of management staff of fast food restaurants in Abia State of Nigeria with particular focus on those in Umuahia and Aba metropolis. A total number of 28 fast food restaurants were randomly selected and studied in the state, with 10 coming from Umuahia, while 18 came from Aba. From each selected fast food restaurant, 8 staff were selected to represent the firm. This gave us a total of 224 respondents for the study. This uniform selection of respondents was to avoid bias and to ensure a uniform representation of the selected fast food restaurants.

Research Instrument

The questionnaire was the main instrument used in the study. The questionnaire was developed based on the review of the existing literature on customer retention and sales performance and tested through a pilot survey. The comment and feedback from the pilot survey helped enhance the questionnaire. This study used a five-point Likert scale ranging from 5 points (strongly agree) to 1 point (strongly disagree) to avoid confusion and bias from fatigue of longer scales. The research instrument was adapted and modified from past studies and existing literature on customer retention and sales performance (Asagba *et al.,* 2019; Sharmeela- Banu *et al.,* 2013; Mukwada, 2011; Rajaram and Sriram, 2014; Ode, 2013). 224 copies of the questionnaire were administered and retrieved immediately after they were properly filled by the respondents. Out of the 224 copies of the questionnaire that were administered, 220 had valid responses resulting in an effective (98.2%) response rate.

Measurement of Variables

All constructs in the study were measured using multiple-item scales based on a five - point Likert scale ranging from 5 points (strongly agree) to 1 point (strongly disagree) that were adapted from previous validated studies in customer retention. All the constructs were measured by a 5-item scale adapted from the literature (Asagba *et al.,* 2019; Sharmeela- Banu *et al.,* 2013; Mukwada, 2011; Rajaram and Sriram, 2014; Ode, 2013).

Validity of Instrument

The research instrument was validated through a well-organized pilot study. 20 of the target participants were asked to complete the questionnaire as a test, following Saunders et al. (2009). The pilot test aimed to modify the questionnaire until there were no

difficulty for the target respondents in answering the questions and no issue in collating the data. It also assisted the researchers in getting a valuation of the questions' validity and the likely consistency of the data collected.

Reliability of Instrument

The reliability of measurements was evaluated by internal consistency using Cronbach's alpha test. The Cronbach's alpha scores for the five constructs in the study were determined through SPSS software based on the number of statement items in the questionnaire. According to Hair et al. (2010), the minimum level of Cronbach's alpha is 0.70. The reliability analysis scores from SPSS showed that the Cronbach's alphas of all constructs were above the recommended threshold of 0.70 for the fulfillment of construct reliability, indicating that the measures used in this research data were internally consistent and highly reliable.

Method of Data Analysis

Based on the research objectives and stated hypotheses, simple regression model was employed in study.

RESULTS AND DISCUSSION

Results

Effect of Customer Satisfaction on Sales Growth of Fast Food Restaurants in Abia State, Nigeria

Table 1: Regression Analysis Showing the Effect of Customer Satisfaction on Sales Growth of Fast Food Restaurants in Abia State, Nigeria

Model	B	Std. Error	t-value	P-Value	R	R^2	F-Ratio
(Constant)	4.112	0.301	13.679	0.000	0.571	0.464	42.178
Customer satisfaction	0.499	0.130	3.838	0.000			

Source: SPSS Output, 2021

The results of the effect of customer satisfaction on sales growth of selected fast food restaurants in Abia State, Nigeria are presented in Table 1. From the simple regression analysis table, customer satisfaction was statistically found to be a significant (1% probability level) and positive predictor of sales growth of the studied fast food restaurants in Abia State, Nigeria. Thus, it can be said with 99% confidence level that customer satisfaction in the studied fast food restaurants in Abia State, Nigeria plays significant role in determining the level of their sales growth. As customer satisfaction increases, sales also increases. Also, the R square value of 0.464 implies that 46% of the variation in sales growth was accounted for by the level of customer satisfaction. Thus, sales growth of fast food restaurants in Abia State, Nigeria will always increase when customer satisfaction increases. Similarly, the f-ratio value of 42.178 indicates that the model specification was correct while significant at 1%.

Effect of Timely Service Delivery on Sales Growth of Fast Food Restaurants in Abia State, Nigeria

Table 2: Regression Analysis Showing the Effect of Timely Service Delivery on Sales Growth of Fast Food Restaurants in Abia State, Nigeria.

Model	B	Std. Error	t-value	P-Value	R	R^2	F-Ratio
(Constant)	4.181	0.459	9.102	0.000	0.616	0.584	44.707
Timely service delivery	0.306	0.082	3.734	0.000			

Source: SPSS Output, 2021

The results of the effect of timely service delivery on the sales growth of the studied fast food restaurants in Abia State, Nigeria using linear regression model are presented in the Table 2. From the simple regression analysis table, timely service delivery was statistically found to be a significant (1% probability level) and positively related to sales growth of the studied fast food restaurants in Abia State, Nigeria Thus, timely service delivery by the studied fast food restaurants in Abia State, Nigeria plays significant role in determining the level of sales growth. The more speed in service delivery increases, the more sales also increases and vice versa. Also, the R square value of 0.584 implies that 58% of the variation in sales growth was accounted for by timely service delivery. Thus, sales of the selected fast food restaurants in Abia State, Nigeria will always increase when they offer timely service delivery. This assertion is with 99% confidence level. Similarly, the f-ratio value of 44.707 indicated that the model specification was correct and significant at 1%.

Effect of Service Quality on Sales Growth of Fast Food Restaurants in Abia State, Nigeria

Table 3: Regression Analysis Showing the Effect of Service Quality on Sales Growth of Fast Food Restaurants in Abia State, Nigeria.

Model	B	Std. Error	t-value	P-Value	R	R^2	F-Ratio
(Constant)	3.418	0.400	8.541	0.000	0.551	0.513	37.546
Service quality	0.296	0.075	3.946	0.000			

Source: SPSS Output, 2021

The results of the effect of service quality on the sales growth of the studied fast food restaurants in Abia State, Nigeria using linear regression model are presented in the Table 3. From the simple regression analysis table, service quality was statistically found to be significant (1% probability level) and positively affects the sales growth of the studied fast food restaurants in Abia State, Nigeria. Thus, service quality of the studied fast food restaurants in Abia State, Nigeria plays significant role in determining the level of sales growth. The more service quality increases, the more sales also increases and vice versa. Also, the R square value of 0.513 implies that 51% of the variation in sales growth was accounted for by service quality of the selected fast food restaurants in Abia State, Nigeria thus, sales growth of the studied fast food restaurants in Abia State, Nigeria when they increase service quality. This assertion is with 99% confidence level. Similarly, the f-ratio value of 37.546 indicates that the model specification was correct while significant at 1%.

Effect of Prompt Complaint Handling on Sales Growth of Fast Food Restaurants in Abia State, Nigeria

Table 4: Regression Analysis Showing the Effect of Prompt Complaint Handling on Sales Growth of Fast Food Restaurants in Abia State, Nigeria

Model	B	Std. Error	t-value	P-Value	R	R^2	F-Ratio
(Constant)	5.217	0.375	13.916	0.000	0.683	0.602	34.402
Prompt complaint handling	0.549	0.179	3.067	0.033			

Source: SPSS Output, 2021

The results of the effect of prompt complaint handling on the sales growth of the studied fast food restaurants in Abia State, Nigeria using linear regression model are presented in the Table 4. From the simple regression analysis table, prompt complaint handling was statistically found to be a significant (5% probability level) and positive influencer of sales growth of the studied fast food restaurants in Abia State, Nigeria. Thus, prompt complaint handling plays significant role in determining the level of sales growth of studied fast food restaurants in Abia State, Nigeria. The more prompt complaint handling increases in the studied fast food restaurants, the more sales also increases and vice versa. Also, the R square value of 0.602 implies that 60% of the variation in sales growth was accounted for by prompt complaint handling in the studied fast food restaurants in Abia State, Nigeria. Thus, sales of the selected fast food restaurants in Abia State, Nigeria will always increase when they ensure prompt complaints handling. This assertion is with 95% confidence level. Similarly, the f-ratio value of 34.402 indicates that the model specification was correct while significant at 1%.

Discussion of Findings

The study looked at how customer retention strategies of fast food restaurants in Abia State, Nigeria that affect sales performance. It was found that customer satisfaction exerts statistically significant and positive effect on sales growth. This finding is in agreement with previous findings. Berry (1983) stated that, customer satisfaction is a customer-focused business strategy that dynamically integrates marketing and customer care service in order to increase sales in a company. However, Sherden (2002) stated that for customer satisfaction to be useful in inducing sales growth, firms should also ensure employee satisfaction. Also in the study, timely service delivery was statistically found to be a significant and positive factor affecting sales growth of selected fast food restaurants in Abia State, Nigeria. This result also aligns with the findings of previous scholars. Timely service delivery has been found to have an influence on customer sales growth and benefits companies as it improves customer retention rate (Nsiah and Mensah, 2014). It greatly influences a customer's perception of a company or its brand as he/she makes an assessment of overall service delivery of the company as compared to its competitors (Aaker, 2004; Yousif, 2012; Jain *et al.,* 2012).

The study found that service quality statistically exerts significant and positive effect on sales growth of fast food restaurants in Abia State, Nigeria. Previous studies have also

revealed a positive relationship between the two constructs. This concept is valid by Scholars like Sanchez and Iniesta, (2004), and Hess and Story, (2005) have previously found that service quality positively affects sales performance. As rightly noted by Kaplan and Norton (1991), there is this belief that service quality can and does have a measurable impact on sales performance and this evidence is certainly supportive of the growing interest in combining financial and non-financial measures when assessing the performance of a company. This shows that service quality can increase customer satisfaction, while satisfied customers leads to sales growth as they remain loyal to the company. Lastly, the study showed that prompt complaint handling significantly and positively affects sales growth of fast food restaurants in Abia State, Nigeria. This finding is consistent with some previous empirical results. Some studies have suggested that companies that operate well-designed complaints-handling processes may experience higher levels of sales, customer retention and customer loyalty (Ang and Buttle, 2006; Ang and Buttle, 2012; Homburg and Fürst, 2005). In essence, enhanced complaint handling system contributes to greater sales revenue (Tax and Brown, 2000).

CONCLUSION AND MANAGERIAL IMPLICATION

The literature reviewed highlighted the salient retention strategies that have been established to be influential in sales performance. The retention strategies proxies against sales performance in this study were customer satisfaction, timely service delivery, service quality and prompt complaint handling and they were all found to be significantly significant and positively related to sales performance of the studied fast food restaurants in Abia State, Nigeria. To this end, fast food managers must ensure that customer retention strategies such as customer satisfaction, service delivery, service quality and prompt complaint handling should be the pivotal strategic measures to be adopted in order to remain competitive and increase sales performance. Excellent customer service should be a core managerial policy that must cut across every facet of the fast food restaurants. Ensure good quality service so that they ensure increased sales and customer retention. This can be achieved by improving on their speed of service delivery, and degree of responsiveness to enquiries, honesty in complaint management, time taken to get service and good communication between their staff and customers.

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