EFFECT OF SERVICE RELIABILITY ON CUSTOMER LOYALTY TO SUPERMARKETS IN MERU COUNTY, KENYA

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ABSTRACT
Although supermarkets in Meru have launched quality customer service programs aimed at ensuring customer loyalty to the supermarkets, their effect has not been evaluated. Supermarkets therefore risk losing loyal customers to online and other platforms. Increased interest in service quality is mostly motivated by understanding that the outcome of customer loyalty is as a result of better service quality. The main objective of this study was to investigate the effect of service reliability on customer loyalty to supermarkets. A descriptive research design was adopted. The target population was the 4140 Meru County Government staff who visit the 36 supermarkets in Meru County. A sample of 364 shoppers was picked using simple random sampling technique. The study employed a questionnaire to collect primary data which was collected by the help of a questionnaire. To analyze the data, descriptive statistics was utilized with the help of Statistical Package for Social Sciences (SPSS) Version 26. Multiple linear regression model was employed in analyzing data and the hypotheses was tested at 5% level of significance. The findings of the study were then presented in form of tables, figures and equations. There was a positive significant effect of service reliability on service quality with regression coefficient of 1.153 and a p=0.000. It is anticipated that the findings of the study will help the management of supermarkets to devise strategies geared towards increasing loyalty for the stores and hence increasing their profitability.
Keywords: Service reliability, Customer loyalty, Supermarkets.

INTRODUCTION

Service reliability refers to the capability to execute the assured service reliably in addition to executing it correctly (Smith & Clarke, 2012). It means that the firm provides error free service to its customer and delivers what it promised during their time of agreement. Service reliability scrutinizes whether the service provider is able offer services accurately during a customer's first visit and whether he is able to fulfil the promises made to the customer. According to Parasuraman et al, (1991) service reliability is essential for both customers and managers and therefore the management should see to it that they offer services with no defaults. Parasuraman et al, (1991) further adds that firms should improvise ways to enhance reliability, measure default rates as well as award those who offer reliable and accurate services.

Reliability is considered as the most vital measurement of service quality (Zeithaml, 1996). The reliability and uniformity of performance of service facilities, goods and staff which is very important in determining the quality of service (Johnston, 2017). This includes punctual service delivery and ability to keep the agreements made with the customer. According to Berry et al., (1991) service reliability is vital for majority of buyers and managers and should maximize on every chance to make sure that services offered are error free. Firms should come up with methods to enhance reliability, evaluate error rates and give

financial recognition to service providers who offer correct and dependable services in order to enhance customer loyalty.

The provision of promised service to consumers in a timely, correctly and dependable manner requires highest priority (Andarge, 2010). Earlier researches concluded that reliability positively and significantly affects customers' perception of service quality of mobile telephone users because the reliability of a service has been established as the driver of mobile telephone service quality (Lee et al., 2013). Similarly Rod et al. (2010) conducted a research to investigate a model of management commitment to service quality (MCSQ) and service recovery performance in public and private hospitals in New Zealand. The study was mediated by organizational commitment. The current study was however moderated by product pricing. The study relied on secondary data while the current study adopted primary data through the use of a questionnaire. The study established that there is a high degree of intercorrelation between the five service quality parameters; Service Reliability, Service Assurance, Product Tangibility, Empathy and Service Responsiveness. The reliability construct in the SERVQUAL model represented the service provider's ability to perform the promised service dependably and accurately indicating that reliability is the most important aspect in retail outlets (Yang & Fang 2014). The higher customers appreciate on reliability, the

higher the overall evaluation of retail service quality is (Ndubisi, 2014).

The ability of a firm to establish in addition to sustain customer loyalty in connection to an organization's products, presents a crucial aspect with respect to transactions in that particular organization (Dick & Basu, 1994). Organizations that fail to formulate ways of retaining customer loyalty will automatically lose them and the lasting survival of the firm cannot be guaranteed (Schutte & Ciarlante, 2016). According to Dick (1994) customer loyalty is defined as the degree of the relationship between the customers desire of a product and repurchase behaviour. Kotler and Keller (2012) present customer loyalty to be a strong dedication towards repurchasing the desired good in coming days. Oliver (1999) describes loyalty as a strong devotion to repurchase a desired good dependably during coming days, without being influenced by any situation that may lead the customer to switch to the competitors, causing repetitive same-brand or same brand-set buying, despite situational influences and marketing efforts that would cause switching behavior. According to UIDP report (2018/2019) deficient quality of service affects customer loyalty to supermarkets in Meru County and hence they are losing loyal customers to online and other platforms

Chaudhuri and Holbrook (2001) noted that loyalty greatly influences the performance of a company since loyal customers are cheap to maintain and retain than gaining new ones. Zeithaml (1996) noted that Loyalty influences an organization's most dependable success pointers with increased customer loyalty implying a higher market leadership in addition to the capability of attracting comparatively better prices than those of competing firms (Chaudhuri & Holbrook, 2001. Behavioral loyalty is measured based on intentions such as repurchase likelihood and likelihood to recommend a brand (Mindaye, 2017). A number of academicians have come up with contrasting styles to measure customer loyalty. Liljarnder and Strandvik (2015) proposed that loyalty should be measured through repeat purchase behavior. Dick and Basu (1994) presented the composite of repeat patronage and attitudinal component concentrating on resistance to superior products or services brand recommendation, repurchase intentions and willingness to pay premium prices. Behavioral loyalty examines how customers continue with their past purchases and measures customer loyalty in terms of degree of purchase, frequency of purchase and possibility of buying again more goods from the same seller (Dick & Basu ,1994).

Emotional loyalty is when a customer sticks to a particular brand without due consideration of price or any other factor but simply because the customer has a strong association with the product. Transactional loyalty is where customers will look for the seller who is easily reachable or the one with quite low prices. Advocacy loyalty is where a customer is willing to spend his time and other resources in order to share his affection for a brand with his friends without expecting anything in return. Engagement loyalty is based on how a company interacts with customers to keep them interested in their products or services (Mindaye, 2017). For the sake of the current study, the researcher focused on repeat purchases, willingness to pay premium prices and referrals to measure loyalty of Meru County government staff to supermarkets in Meru County as suggested by Dick and Basu (1994) as well as the International Marketing Society report (2018).

Maintaining customer loyalty in a competitive business environment is not an easy task to a firm because the level of service offered should be high to gain necessary customer loyalty. Chang (2013) notes that due to the high frequency level of customer interactions and intangible condition of activities in service industry, the relationship marketing strategy is considered exceptionally important. In relationship marketing, understanding consumers' purchasing behaviour has become the main goal of marketers in the modern -day competitive business environment (Filipe et al., 2017). The objective of this study was to establish the effect of service reliability on loyalty of Meru County government staff to the supermarkets in Meru County. The hypothesis was that service reliability has no statistically significant effect on loyalty of Meru County government staff to the supermarkets in Meru County.

Although supermarkets have launched quality customer service programs aimed at ensuring customer loyalty to the supermarkets, their effect has not been evaluated. Supermarkets therefore risk losing loyal customers to online and other platforms. Supermarkets are one stop shops that are required to offer quick services to customers without the need of shopping in other platforms. Other reports indicate that 90% of global retail sales are still done in physical stores raising the need to have excellent services in supermarkets. Further, supermarkets are closing down due to declining business.

Companies that fail to devise ways of retaining customer loyalty will automatically lose them and the lasting survival of that business will be uncertain. Quality of service is a dominant differentiation strategy

especially an industry where physical goods are similar like in supermarkets. Despite this, there is scanty and inconclusive research on the effect of service quality on customer loyalty. The empirical studies done have yielded different results and have been conducted in different contexts with very few touching on supermarkets. While some empirical studies established that service quality positively affected customer loyalty, others found that it has no effect on customer loyalty. Other researchers applied a single measure on customer loyalty while the current study used repeat purchase, referrals and willingness to pay premium price as measures of customer loyalty. Previous studies done on customer service and customer loyalty had methodological gaps where the researchers analyzed data using percentages and failed to test for relationships between variables. The current study however tested for the relationship between variables. Other researchers undertook literature review on the area and relied on secondary data while the current study was field research that gathered primary data. Therefore, this study was relevant, contemporary and necessary to close these gaps. The objective of the study was to determine the effect of service reliability on loyalty of meru county government staff to the supermarkets in meru county.

METHODOLOGY
The study adopted a descriptive research design which is a scientific method involving observing and describing the behavior of a subject without influencing it in any way (Shuttleworth, 2008). The study covered Meru County. The researcher used simple random sampling technique in identifying the specific workers who formed the sample for this study. The serial number of each participant consisting of employee personal numbers of Meru county government staff was written on a sheet of paper and placed in a basket. The basket was shaken; one paper picked at random intervals until the desired sample was achieved. The researcher established the sample size using a formula proposed by Israel (2019). This sampling formula was selected because it involves probabilistic sampling using a standard error ensuring that all employees were represented. The sample size of study was therefore 364 employees of Meru County Government. Data was collected using a questionnaire. The structured questions were used to collect both qualitative and quantitative data. A Likert scale was applied containing a series of statements that express the respondents' views from strongly agree to strongly disagree. Descriptive and inferential statistics were used to analyze data. Simple and multiple linear regression then conducted using SPSS software version 26.0 in order to address the study objective.

RESULTS AND DISCUSSION
The study targeted to collect data from 364 County government staff in Meru County using a questionnaire. Out of the 364 distributed questionnaires the study managed to obtain 351, giving a response rate of 96.43%. The response rate was therefore considered excellent since the rate was more than 70 percent as presented in Figure 1.

Reliability Test
The study sought to establish the reliability of the research instrument by computing the Cronbach's Alpha coefficient in regard to the study variables. Cronbach's alpha value was presented in Table 1. The Cronbach's Alpha reliability coefficients contained in Table 1 indicate that both service reliability and customer loyalty were considered to have appropriately measured the relevant study variables since the coefficient values are above 0.7 the recommended value.
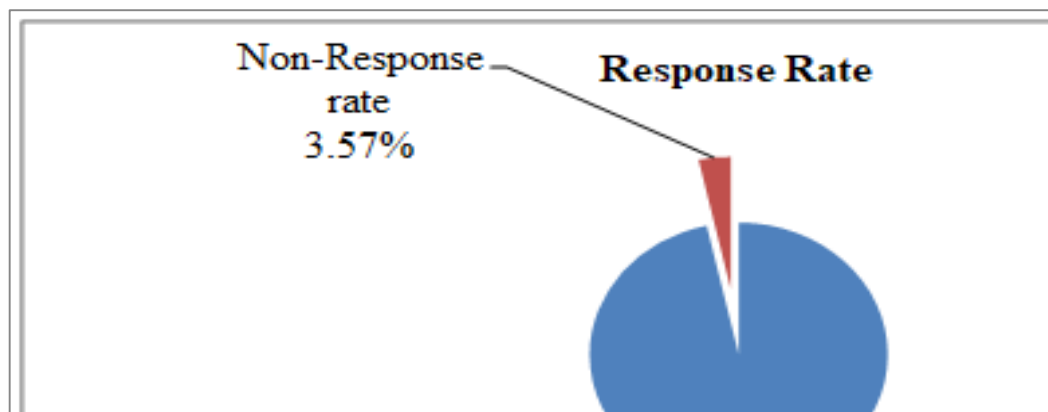

Figure 1: Response rate

Table 1: Cronbach's alpha reliability coefficients

Variable	No. of items	Cronbach's Alpha	Comments
Service reliability in this supermarket	4	0.942	Reliable
Evaluate your Loyalty to a supermarket	12	0.967	Reliable

Descriptive Statistics

Service reliability was perceived in terms of county government staff views. Selected statements captured service reliability indicators according to literature reviewed. The respondents were requested to indicate the extent to which they agreed with selected statements about service reliability. They were given four items rated on a five-point scale ranging from: SD – Strongly Disagree; D – Disagree; N – Neutral (neither agree nor disagree); A – Agree; and SA – Strongly Agree from which to choose. The findings are presented in Table 2.. Results showed that the speed of service had the highest mean at 4.3077 while fulfilling promises had the lowest mean at 3.6838. This implied that majority of Meru County Government staffs agreed that speed of services of supermarkets employees contributed to their loyalty whereas the expectation of the supermarkets in keeping service promises was not to their satisfaction. A standard deviation of 0.86976 for speed of service and 0.64120 for fulfilling promises varied much on their views on service reliability in supermarkets. This implies that Meru County Government staffs had diverse views on how supermarkets offer their services with speed while their views on how supermarkets fulfilled their promises within a given time had high divergence.

Correlation Analysis

To determine the effect of Service reliability on customer loyalty in Kenya, the following hypothesis was tested. In this regard this study sought to test the hypothesis that service reliability has no statistically significant relationship with customer loyalty of County Government staff. The correlation findings are presented in Table 3. below

Table 2: Service reliability

Descriptive Statistics	N	Min	Max	Mean	Std. Dev.
Speed of service contribute to my loyalty	351	3.00	5.00	4.3077	.8698
Employees in the supermarket show sincere effort and consistency in provision of service contribute to my loyalty	351	2.00	5.00	3.8604	.6890
When employees promise to do something, they do it	351	3.00	5.00	3.6838	.64120
Employees in the supermarket provide their services right the first time hence contributing to my loyalty	351	3.00	5.00	4.0228	.75558
Valid N (list wise)	351				

Table 3: Correlation coefficients

		Service Reliability	Customer Loyalty
Service Reliability	Pearson Correlation	1	.457[**]
	Sig. (2-tailed)		.000
	Sum of Squares and Cross-products	24.655	27.004
	Covariance	.070	.077
	N	351	351
Customer Loyalty	Pearson Correlation	.457[**]	1
	Sig. (2-tailed)	.000	
	Sum of Squares and Cross-products	27.004	141.439
	Covariance	.077	.404
	N	351	351
[**]. Correlation is significant at the 0.01 level (2-tailed).			

Table 3 above presents the summary of the correlation relating service reliability to customer loyalty. The Pearson correlation was used to determine the relationship between service reliability and customer loyalty. The correlation coefficient was 0.457 with p – value (0.00) which was found to be significant at 5% significance level. This implies that there exists a strong positive relationship between service reliability and customer loyalty. An increase in service reliability will lead to an increase in customer loyalty. This means

that, if service reliability is improved by a unit, the level of customer loyalty would improve by 0.457. Therefore, the null hypothesis that stated service reliability has no statistically significant effect on customer loyalty of county staff was rejected.

Multiple Regression Analysis
Regression Coefficients for the model on service reliability and customer loyalty. Regression coefficient was presented in Table 4.

Table 4: Regression coefficient

Model	Unstandardized Coefficients B	Std. Error	Standardized Coefficients Beta	T	Sig.	95.0% confidence interval for B Lower Bound	Upper Bound	Correlations Zero-order	Partial	Part	Collinearity Statistics Tolerance	VIF
1 (Constant)	-3.590	.373		-9.629	.000	-4.323	-2.856					
Service Reliability	1.153	.127	.482	9.101	.000	.904	1.403	.457	.440	.280	.337	2.965

a. Dependent Variable: Customer Loyalty

The study established that service reliability had a significant effect on customer loyalty with (β = -3.590, p = 0.000$\leq$ 0.05). These findings are supported by Lee *et al*., (2013) who indicated that reliability positively and significantly affects customers' perception of service quality of mobile telephone users because the reliability of a service has been established as the driver of mobile telephone service quality.

DISCUSSION
In a measure of service reliability on customer loyalty of county government staff, a regression coefficient of 1.153 and a p-value of 0.000 were noted. It implies that service reliability positively affected customer loyalty and therefore statistically significant. It means a unit increase in service reliability would result to 1.153 units increase in customer loyalty and vice versa.

CONCLUSION
It is concluded that the adopted model was fit and dependable in forecasting customer loyalty of county government staff. Service reliability was found to be significant hence the null hypothesis that Service reliability has no statistically significant effect on customer loyalty was rejected at 5% significance level. On service reliability, supermarkets employees were able to execute services dependably and correctly to County Government staff.

RECOMMENDATION
The study provides insight to supermarkets delivery system in targeting strategies that will achieve consistent service reliability. Supermarkets frontline employees should also adopt effective service reliability during all employee-customer interactions. Retail outlets should be able to understand their customers and work at retaining them and in turn increasing their productivity. Supermarkets should come up with appropriate policies to improve on customer loyalty. The conclusions of the current research will help supermarket and outlet owners to develop and maintain long-term customer loyalty. The study will be significant to policy makers in service outlets as they make the changes necessary to align with customer needs and expectations hence building a strong brand and reputation. Research finding will help in devising strategies geared towards reducing shortcomings facing supermarkets for non-existence of loyal customers to their stores, hence increasing their loyalty.

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