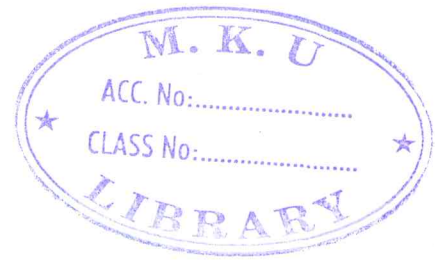


**FACTORS THAT INFLUENCE BRAND LOYALTY IN RETAIL STORES: A CASE OF
SELECTED SUPERMARKETS IN NAIROBI, KENYA**



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ABSTRACT

Supermarkets need to remember that they operate in an increasingly competitive environment where the customer is more knowledgeable, more demanding and hence more sophisticated. The customer also can obtain extensive product information from the internet and other sources permitting them to shop more intelligently and show less brand loyalty. This research was aimed at filling the existing knowledge gap by investigating the factors that influence brand loyalty in Supermarkets in Nairobi, Kenya. A descriptive research design was used. A sample of 100 respondents will be selected from the 5 branches of the supermarkets 20 customer respondents will be picked for each branch. This study applied systematic sampling where every 5th customer leaving the supermarket was asked to complete the questionnaire. In order to get respondents from loyal customers, a pilot questionnaire was administered.

Primary data will be collected through use of questionnaires which will be administered in the supermarkets as customers leave. Questionnaires were chosen for this study since it captures the main objectives of the study, it's easy to administer and affordable in a constrained economy. Content and descriptive statistics analysis techniques were applied in analyzing the data.

The study concludes that the major factors that influence the supermarket to which a customer shops in include Perceived price fairness, Trustworthiness, Quality of service, Supermarket image, Social Identity, Satisfaction, Hours of operation and Product availability. As such supermarkets are seen to attend to these factors in order to retain existing customers and also to attract new ones. The study also concludes that there are various different types of customers and the supermarket should carefully identify its target market and therefore put measures in place to attract and retain these customers.

The study recommends that supermarkets should incorporate loyalty programs, promotions, and loyalty cards in order to keep their customers motivated to keep shopping at the supermarkets. Aspects such as quality customer service, fast assistance, polite behavior towards customers and fair pricings be enhanced. Also more ample and secure parking should be addresses, especially for the Supermarkets that are open at odd hours and 24 hour supermarkets. The Study also recommends the development of policies that put together cross functional teams from all levels of management to come up with consistent service standards that can be adopted by the respective supporting staff to deliver customer satisfaction.