

## THE RELATIONSHIP BETWEEN SOCIO-ECONOMIC VARIABLES AND CUSTOMER LOYALTY IN THE GLOBAL SYSTEM OF MOBILE TELECOMMUNICATION IN LAGOS STATE NIGERIA

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### *Abstract*

*This paper examined the relationship between socio-economic variables and customer loyalty in the Global System of Mobile (GSM) telecommunications in Nigeria looking at mobile subscribers in Lagos metropolis. This was done because loyalty in the mobile telephone industry is not stable. The study looked at the relationship between family, social class, reference group, and income and customer loyalty in the GSM telecommunication market. The study adopted cross-sectional survey research design in collecting and processing information collected from four groups; comprising parents, teenagers/youths/students/children, workers, and club members (reference group). The subscribers' base in Nigeria is put at 19,417,181 by National Bureau of Statistics (NBS) and 1600 subjects were used in collecting information that was processed using descriptive statistics, correlation and multiple regression statistics. Results show that there was a statistically significant relationship between family influence, social class, reference group and income on customer loyalty. Older children in the family influenced the purchasing behaviour of family in the GSM telecommunication market in Lagos state, Nigeria.*

**Keywords:** social class, reference group, family, income and customer loyalty

### **1. Introduction**

Much marketing theories and practices are centred on the art of attracting new customers, rather than retaining and cultivating existing ones. The emphasis, traditionally, has been on making sales rather than building relationships; on pre-selling and selling rather than caring for the customer afterward (Noyan & Şimşek, 2014). Scholars that have been investigating loyalty construct have based their studies on two major issues: personal factors and environmental variables. These two variables have been the major moderators of loyalty research in marketing (Jania & Han, 2015). Loyalty dimensions according to Noyan and Şimşek (2014) are the intent to continue buying, increasing buying volume and recommending other customers to patronize a brand (referrals). Dehghan and Shahin (2011) contended that when customers are loyal to a product and services, it will result in positive attitudes and behaviours which include patronage, repeat purchase, and recommendations of the product to others. Fundamentally too, customer will be an advocate of the firm, its

products or services (Rai & Srivastava, 2012).

Some factors may influence customers to remain loyal to a product hence, Barrios, Camacho, Trujillo and Rosa (2014) contended that within a general notion of market context, some of the variables that shape individual differences are socio-economic factors (Boardman & Robert, 2000; Wheatley, Chiu & Stevens, 1980). Consumer's socio-economic profile contributes to shaping beliefs, attitudes, and behaviours (Bradley & Stewart, 2003; Lewis, 1959; Hill & Stephens, 1997). It is widely accepted that there is a relation between consumption behaviour and consumer's economic power or capability, social class and lifestyle (Durmaz & Taşdemir, 2014; Coleman, 1983; Levy, 1966; Schaninger, 1981).

Neves and Fonseca (2015) suggested that the social class one belongs to is important because it brings social and economic resources benefits. The benefits are the resources that can be drawn from social ties. On socio-economic factors that shape consumer purchase decision, Mortimer and Clarke (2011) examined the store characteristics that affect grocery shoppers and concluded that income, age, education and occupation influenced perceptions of price, promotions and cleanliness which may influence both male and females that were used as subjects in their study. Thus, consumer's socioeconomic factors such as income, family, social class, reference group, and level of education contribute to shape consumption beliefs, attitudes and purchase behaviours (Hashemy, Yousefi & Soodi, 2016; Durmaz & Taşdemir, 2014; Lewis, 1959; Hill & Stephens, 1997). On the premise of the above, the objectives of the paper are to:

- i. investigate if there is relationship between family influence and customer loyalty in the Global System of Mobile (GSM) telecommunication market;
- ii. examine if there is relationship between reference group and customer loyalty in the GSM telecommunication market;
- iii. ascertain if there is relationship between consumer's social class and loyalty in the GSM telecommunication market; and
- iv. find out if there is relationship between income level of a customer and loyalty in the GSM telecommunication market

## 2. Literature Review

**Concept of Customer Loyalty:** Loyalty construct is seen by Mahmud and Gope (2012) as multidimensional hence it is seen to be determined by numerous different psychological processes (Cengiz, 2016). This is why there are different dimensions and definitions of the construct by scholars and marketing practitioners. The concept of customer loyalty has been a serious issue with marketing scholars and practitioners (Budianto, 2019; Nguyen, Nguyen, Nguyen & Phan, 2018; Jania & Han, 2015; Rahul & Majhi, 2014; Noyan & Şimşek, 2014; Poujol, Siadou-martin, Vidal & Pellat, 2013; Aydin & Ozer, 2005; Reichheld, 1996). Customer loyalty was seen as intention to

repurchase (Gountas & Gountas, 2007). Marketers are of the opinion that it is not enough to attract new customers hence; corporate firms must keep them in order to grow their business (Kotler & Keller, 2012; Kotler & Armstrong, 2008). It is true that many companies suffer from high customer defection because they are not loyal to the firms and/or to their products and services. This is like adding water to a leaking bucket.

It has been found out that customer loyalty has some level of pre-dispositional dedication toward a firm, firm's product or service; just as its constructs are influenced by multidimensional variables (Juan & Yan, 2009) such as reference group which a customer belong, family, economic status (income), social class and consumer reference group. These are socio-economic variables that this paper examined.

**Socio-economic variables:** These are the social and economic factors prevalent among the people in the society (Webb, Janus, Duku, Raos, Brownell, Forer, Guhn & Muhajarine, 2017; Janus & Offord, 2007). According to Janus and Duku (2007), socioeconomic variables, will in most cases include family, income, education, employment, or a combination. The socioeconomic level of people in different society differs. People's economic position is determined by the state of the economy of the country which the individuals belong. Social factors according to Kotler, Wong, Saunders and Armstrong (2005), include consumer's groups, family, social roles and social status. These socio-economic, factors in the perspective of consumer behaviour strongly influence consumer responses to companies' products, product's price and marketing strategies (Blythe, 2008). The social level of an individual is equally determined by the social value system in a nation (The World Bank Social Development Department, 2006). Economic factors include family income while social variables include educational level (British Columbia Statistics, 2013).

Marketers are interested in social factors such as consumer's small groups, family, social roles and status because consumer's behaviour is shaped by these factors (Kotler, *et al*, 2005). To Kotler and Armstrong (2008), social factors apart from cultural factors influence consumer's actions. These social factors include reference groups, family and social roles and status.

**Social Influence:** According to Xi, Hong, Jianshan, Li, Jiuchang and Davison (2016), the process by which individuals alter their attitudes, thoughts, feelings, or behaviours as a result of interactions with other individuals is referred to as social influence. According to Yadav, De Valck, Hennig-Thurau, Hoffman and Spann (2013), social influence on consumers relates to the "need recognition phase, where a consumer becomes aware of a problem or need due to an internal signal (such as hunger) or an external signal (such as marketing stimulus)".

The social environmental variable regularly plays the vital role of influencing

the needs of consumers (Pechey & Monsivais, 2015). Because social variables affect consumers' needs, marketers believed that consumers study about a product or brand through the observation of other consumers. This may consequently make consumers to embrace similar products or brand (Rogers & Cartano, 1962).

Reynolds and Gutman (2001) contended that consumer choice of a product depends on the set of availability and the inclinations of the person. The choice of an individual is dependent on the income and the prices of the alternative goods and services available and relevant to the individual consumer (Novemsky, Dhar, Schwarz & Somonson, 2007). Consumer preferences according to Voicu (2007) are the individual subjective taste that are measured using utility obtained from the consumption and the preferences on products are said to be dependent on a set of independent variables in which some are difficult to measure (Hansson & Grüne-Yanoff, 2006). These variables which the neoclassical economists ignore include attitude or behaviour (Reynolds & Gutman, 2001).

Behavioural disposition of consumers is extensively discussed in marketing literatures and it clearly evident that consumer actions are grossly influenced by social factors, such as the consumer's small groups, family, and social roles and status (Reitz, *et al.*, 2014; Rani, 2014; Deb, 2015; Cătoiu & Teodeorescu, 2004; Luigi & Mircea, 2015) reference groups (Lei, Yayla & Kahai, 2017), inspirational groups (White & Dahl, 2006)

**The Family Influence:** The family as a social group may change in structures but it is considered to be the most influencer of purchasing choice within a primary reference group (Scaraboto, Rossi & Costa, 2012). Parents influence their children in making purchasing decisions, so also too children influence their parents and brothers and sisters in making buying decisions (Durmaz, Celik & Oruc, 2011). Family shapes purchase decisions of members because parental influence on children starts at a very earlier stage in life and this enhances or permits the colouration of children sensitivity of almost everything (Ramya & Ali, 2016). On the other hands, siblings within a family act as advisers and role model to younger ones and hence these roles put pressure on what they purchase and not what they want (Ishaque & Tufail, 2014).

Purchasing decision in the family sometimes is very difficult to make because it is not a straight forward matter (Ramya & Ali, 2016). In some cases, the person that provide the money will make the decision while in other cases the parents will make decision on what to buy and how to buy it (Blythe, 2008). According to Kiriinya (2014), culture sometimes plays a great influence on how family make their buying decisions. In Sub-Saharan Africa the husband will dominate the family unlike Europe and America hence the husband will take major role in purchase decision (Kiriinya, 2014).

Polya and Szucs (2013) asserted that within a family, it is possible for different individuals to be involved in making decisions at each stage of the buying process. The person that needs the product will be very important at the initial states while at latter stages the decision to purchase may be joint (Polya & Szucs, 2013). The person that earns the income in the family will participate in the decision. When the mother and father earn income the decision to buy may be joint because each will probably contribute to the cost of the item. However, when it is the husband that earns income, the husband will likely make the purchase decision (Filiatrault & Ritchie, 1980). Furthermore, technical durable products such as phones will likely be bought by male, hence, the hypothesis:

**H<sub>01</sub>**. There is no significant relationship between family influence and customer loyalty in the GSM market.

**Reference groups:** Reference group is defined as a group which act as a reference point for comparison of one individual or another (Carbonell, 2005; Bearden & Etzel, 1982). Generally, reference groups are seen as those groups that provide to an individual some points of comparison more or less direct about the groups' behaviour, attitude, lifestyle, desires, emotion or habits when consumers are involved (Goodrich & Mangleburg, 2010). The membership groups of an individual are social groups to which the individual belongs and which will influence his decisions and presents his social image (Eszter, 2008). The memberships of a reference group are usually related to the social origin, occupation, age, residential area, culture, family type, hobbies, and leisure time and type (Childers & Rao, 1992).

Reference group according to Kotler (2002) provides information to their members on social, cultural, religious and economic issues. They equally showcase their values and what they value to their members and outsiders which distinguished them from other groups. They are practical in every aspect of their relationships with group members and their purchase behaviour which differentiate them from other groups. In the past some wealthy class shows affluent tastes with ostentatious products rather than utilitarian products (Kotler, 2002; Labich, 1994).

Reference groups have potential in forming a person attitude or behaviour (Leal, Hor-Meyll, & Pessôa, 2014), hence it has been a focus of research since 1950s (Deutsch & Gerard, 1955; Burnkrant & Cousineau, 1975). The impact of reference groups varies across products and brands hence Alam, Mohd and Hisham (2011) posited that the influence of reference groups on visible products such as clothes, shoes, furniture and car will be high while it may not be as high when intangible products are involved.

According to Kotler and Armstrong (2008), marketers always make attempt to ascertain in their target markets the reference groups. Reference groups initiate a consumer into new lifestyles and behaviours and subsequently

influence the consumer's attitudes and self-concept, which produces pressures on him/her to conform (Reza & Valeecha, 2013). The pressure to conform to the group may affect the consumer's choices of product, service and brand. The importance of reference group influence differs across products, services and brands. The influence may be likely to be strongest when the product is noticeable to others whom the buyer respects (Pechmann & Wang, 2010). Group will influence members buying behaviour through socialisation and the urge to conform to the norms within the group. Therefore it is hypothesis in this paper that:

**H<sub>02</sub>.** There is no significant relationship between reference group members influence and customer loyalty in the GSM market.

**Social Class:** This reflects the attitudes and activities exhibited by individuals within a social circle or an economy using wealth, money possession, educational status or occupation (Lautiainen, 2015). Adeleke, Bamidele and Ganiyu (2014) see class in the context of "a large scale grouping of people who share common economic resources which strongly influence the type of lifestyle they are able to lead". Skirbekk (2008) is of the opinion that members in a social grouping used to behave alike, salesmen are always focusing on social class. In marketing and consumer behaviour members in different social classes behave differently when purchasing product and a brand such as cloth, home furniture, vacation, and saloon cars (Kotler & Keller, 2012).

The level of wealth possessed and types of occupations in most cases determine the class a person belongs to (Adeleke, *et al.*, 2014). Therefore, the class a person belongs to may not be the product of family line or the parents of the individual (Imhonopi, Urim & Iruonagbe, 2013). In Nigeria context, social class could be classified into three which are; the upper class, middle class and working/lower class (Imhonopi, *et al.*, 2013). According to El-Omari (2002.), majority of the people in underdeveloped countries are found in the lower class and they are mostly petty traders, and artisans. All classes use mobile phones and they each class is expected to influence their loyalty to one telephone subscriber or the other, hence the hypothesis:

**H<sub>03</sub>.** Significant relationship does not exist between consumer's social class and customer loyalty in the GSM market

**Economic Factor:** Economic situation of consumers influence their purchasing behaviour greatly and in marketing it is the composition of income distribution and net-worth of the consumer (Rani, 2014). There can be low-, medium-, and high-income consumers. Klopotan, Vrhovec-Žohar and Mahič (2016) contended that there is no more research investigating the impact of the level of customer income on loyalty whereas income as an economic factor is one of the major factors that determines the level of customer loyalty. According to Kotler and Armstrong (2012), customer decision in buying a product or service is affected by their own personal characters such as

economic situation, income, age, job, life cycle, personality factors, self-concept, customer life style and values (Yusuf, Moeljadi, Rohman & Rahayu, 2015). Economic factor goes beyond price, it relates to affordability which involves the area of income distribution and subsequent impact on the consumer (Rani, 2014; Marmullaku & Ahmeti, 2015; Yusuf, *et al*, 2015; Kotler & Armstrong, 2012).

Yusuf *et al.*, (2015) concluded that result of empirical research has shown that income moderate some high level of influence on customers' loyalty. This showed that income is a moderating variable in relation to customers' loyalty. Thus, the level of customers' loyalty will be stronger if there is increase in the level of income (Lautiainen, 2015). Thus, the hypothesis:

**H<sub>04</sub>**. There is no significant relationship between income level and customer loyalty in the GSM market

### 3. Methods

A cross-sectional survey design was employed in this study and questionnaire was used to elicit information from the subscribers of GSM telecommunication firms in Lagos, Nigeria on a first hand basis. This study's settings are currently four active mobile service providers (firms) in Nigeria: MTN Nigeria Limited, Airtel, GLO Mobile Limited, and Etisalat (now 9-Mobile).

This study administered a total of 1,600 copies of questionnaire to sample respondents, covering demographic measurements that include: age, gender, marital status, religion, educational qualification, job status, social class, and income. Quota sampling technique was first applied in dividing the participants into four groups, of parents, students/teenagers/youth/children, workers and club members (reference group). Convenient sampling procedure was adopted in selecting 400 participants from each group.

The 400 copies of questionnaire were distributed to undergraduate students in the University of Lagos. Another 400 copies were self-administered to workers of University of Lagos (UNILAG), while 400 copies were given to various club members ranging from Rotary Club Oyingbo Districts, UNILAG staff club and Federal College of Education (Technical) Akoka, Lagos staff club. The remaining 400 copies of questionnaire were administered to bankers, insurers, and Civil servants. These represent the working class and parents in Lagos metropolis.

This study embraced correlation statistical tool to test the hypotheses formulated, which Foroudi, Jin, Gupta, Melewar and Foroudi (2016) adopted in their study. In conducting reliability test for the variables of this study, the Cronbach alpha statistical test was conducted on each variable. The results were: Family influence =0.715\* Reference group =0.720\* Social class =0.719\* Income =0.772\* Customer loyalty = 0.853. A Cronbach Alpha coefficient of 0.7 was considered to be a sign of reliability of the instrument

used in measuring the variables of the study. According to George and Mallery (2003), a Cronbach’s alpha coefficient of > 0.7 is acceptable as being internally consistent of the items in the scale measuring the variables.

Descriptive statistics was adopted and the study tested the hypotheses using correlation statistics and the linear regression model was equally used. Rasheed and Abadi (2014) adopted in their loyalty study regression statistics. Because this study’s independent variables were socio-economic factors, multiple regression model was formulated. This model considered the relationship between socio-economic factors and customer loyalty. The linear regression model presents the relationship between socio-economic variables and customer loyalty. The model was proposed as follows:

$$Y = \beta_0 + \beta_1X_1 + \beta_2X_2 + \beta_3X_3 + \beta_4X_4 + \varepsilon \dots\dots\dots (1)$$

Where,  $\beta_0, \beta_1, \beta_3,$  and  $\beta_4$  = the unknown estimates to be determined (regression coefficients)

$Y$  = Customer loyalty;  $X_1$  = income;  $X_2$  = family;  $X_3$  = social class;  $X_4$  = reference group;  $\varepsilon$  = error term.

**4. Results**

**Table 1: Respondents’ Demographic Characteristics Summary**

S/N	Questionnaire Item	F (%)	F (%)	F (%)	F (%)	F (%)	F (%)	F (%)
1	Gender	Male	Female					
		454 (52.7%)	407 (47.3%)					
2	Age of respondent	<20 years	20-29 years	30-39 years	40-49 years	>50 years		
		147 (13.2%)	349 (40.5%)	214 (24.9%)	144 (13.2%)	37 (4.3%)		
3	Marital status	Single	Married	Divorced/separated	Widow/widower			
		532 (61.8%)	315 (36.6%)	11 (1.3%)	3 (0.3%)			
4	Social class you belong	Upper class	Middle class	Lower class				
		94 (10.9%)	595 (69.1%)	172 (20%)				
5	Educational status	Secondary School	Undergraduate	OND/NCE	B.Sc./BA/ HND	Master’s degree	Ph.D.	
		29 (3.4%)	202 (23.5%)	118 (13.7%)	239 (27.8%)	205 (23.8%)	68 (7.9%)	
6	Total monthly income in thousand Naira	<50k	50k -100k	100k-300k	300k-500k	500k-1m	>1	
		256 (29.7%)	255 (29.6%)	236 (27.4%)	62 (7.2%)	45 (5.2%)	7 (0.8%)	
7	Monthly use of GSM Recharge cards for calls only	<₦500	₦500-₦1,000	₦1001-₦2,000	₦2,001-₦3,000	₦3,001-₦5,000	₦5,001-₦10,000	>₦10,000
		21 (18.1%)	45 (38.8%)	30 (25.9%)	20 (17.2%)			
8	No. of person in immediate/nuclear family	One	Two	Three	Four	Five	Six	>Six
		22 (2.6%)	45 (5.2%)	124 (14.4%)	202 (23.5%)	126 (14.6)	176 (20.4%)	166 (19.3%)
9	No. of person in the household using GSM phone	One	Two	Three	Four	Five	Six	>Six
		22 (2.6%)	108 (12.5%)	109 (12.7%)	158 (18.4%)	125 (14.5)	117 (13.6)	222 (25.8)



10	Level of Satisfaction with financial status	Highly satisfactory	Satisfactory	Averagely satisfactory	unsatisfactory			
		25 (2.9%)	114 (13.2%)	408 (47.4%)	314 (36.5%)			

Table 1 showed that 52.7% were male, while 47.3% were female. The result of the study covered young, teenagers as well as adult. The results of age of the participants revealed that 13.2% of them were below age 20 years, 40.9% stood between ages 20-29 years and 24.9% were between 30-39 years, 13.2% were between the ages of 40-49 years while 4.3% were above 50 years. Since the study focused on teenagers and parents in one aspect, the result showed that 61.8% were single while 36.6% were married.

The economic factor measured regarding monthly income of the respondents showed that 29.7% earned below ₦50,000; 29.6% earned between ₦50,000-N100,000 and 27.4% earned between ₦100,001-300,000. It was further shown that 7.2%, 5.2%, and 0.8% respectively earned between ₦300,000-N500,000, ₦500,001-₦1million and above ₦1 million. Furthermore, the level of satisfaction with the financial status showed that 63.5% are satisfied with the various degree of satisfaction while 36.5% are not satisfied. It was shown that undergraduate students were covered and they were not salary earners. However, they do receive allowances from their parents, and some of them are equally working hence the results as shown here were comprehensive, balanced and reliable. About the educational attainment of the respondents, the highest percentage (27.8%) went to people that obtained a first degree, and respondents with Master's Degree (23.5%) followed. Those who are undergraduates are third on the list with 23.5%, and the least respondents are those with secondary education (3.4%) while the second respondents with least percentage are Ph.D. holders with 7.9% (68 respondents). The result demonstrated and confirmed that students on the campuses who represent teenagers were represented in the study.

Family member influence variable represented the numbers of persons who used GSM services in the respondents' household. The results showed that 25.8% of respondents with more than six people in the respondents' household used GSM services, those with four family members 18.4%, those with five family members constituted 14.5%, and those with one person as family members constituted 2.6%. This is an indication that family member as social variable could be used to measure the usage of GSM services. This was an indication that the measurement of family as a social variable was valid.

**Table 2: Pearson Moment Correlation Matrix Result among Family Influence, Reference Group, Social Class, Income and Customer Loyalty**

		Family Influence	Income	Social Class	Reference Group	Customer Loyalty
Family Influence	Pearson Correlation	1				
	Sig. (2-tailed)					
Income	Pearson Correlation	.061	1			
	Sig. (2-tailed)	.074				
Social Class	Pearson Correlation	.092**	.363**	1		
	Sig. (2-tailed)	.007	.000			
Reference Group	Pearson Correlation	.084*	.262**	.507**	1	
	Sig. (2-tailed)	.014	.000	.000		
Customer Loyalty	Pearson Correlation	.162**	.174**	.315**	.289**	1
	Sig. (2-tailed)	.000	.000	.000	.000	

\*\* . Correlation is significant at the 0.01 level (2-tailed).

Tables 2 presented the correlation matrix table showing the relationships between the dependent variable (customer loyalty) and independent variables (socio-economic factors). The results indicated that there was a statistically significant relationship between family influence and customer loyalty where the  $P$  value is 0.000. The table indicated that the Pearson Correlation coefficient was .162\*\*. The  $P$  value of 0.000 indicated that  $P < 0.05$ . Considering the degree of the relationship between family influence and customer loyalty, the level of influence between family and loyalty was very low 16.2% ( $R = 0.162$ ). Furthermore, it was revealed that there was a statistically significant relationship between the reference group and customer loyalty with Pearson correlation coefficient of .289\*\* and a  $P$  value of 0.00 which indicates that  $P < 0.05$ . On the strength of the relationship between the reference group and customer loyalty, the  $R$  value of 0.289 indicated that the relationship was low and accounted for only 28.9%.

It was revealed that there was a statistically significant relationship between social class and customer loyalty with a correlation coefficient of .315\*\*  $P < 0.05$ . On the strength of the relationship between customer loyalty and social class, the  $R$  value of 0.315 showed that social class has a relationship of 31.5% with customer loyalty.

It was shown that there is a statistically significant relationship between income, and customer loyalty with a correlation coefficient of .174\*\* and  $P$  value of 0.000 indicating that  $P < 0.05$ . On the strength of the relationship between customer loyalty and income, the result showed  $R$  value of 0.174, indicating that 17.4% of relationship existed between income and customer loyalty.

**Table 3: Descriptive Statistics and One-Sample Test on Socio-economic variables and Customer Loyalty**

	Mean	SD	Test Value = 17.5					
			t	Df	Sig. (2-tailed)	Mean Difference	95% Confidence Interval of the Difference	
							Lower	Upper
Family Influence	3.11	1.419	23.332	860	.000	4.23403	3.8779	4.5902
Reference Group	3.64	1.123	49.239	860	.000	6.81185	6.5403	7.0834
Social Class	3.51	1.213	45.754	860	.000	8.06969	7.7235	8.4159
Income	3.67	1.171	57.718	860	.000	7.02323	6.7844	7.2621

Table 3 presented the one-sample test results with the descriptive statistics showing the mean and standard deviation. The family influence means score of 3.11 and standard deviation of 1.419 revealed that the respondents averagely agreed with family influence as a variable that is vital in the GSM market. The one-sample test shows that  $t = 23.332$ ,  $P$  value  $< 0.05$  and the 95% interval estimate which confirms that the relationship is statistically significant. This confirmed that hypothesis one ( $H_{O1}$ ) is rejected which indicated that there was a statistically significant relationship between family influence and customer loyalty.

The reference group means score of 3.64, and standard deviation of 1.123 in the table revealed that the respondents averagely agreed that reference group as a variable is vital in the GSM market. The one-sample test shows that  $t = 49.239$ ,  $P$  value  $< 0.05$ , and the 95% interval estimate which confirms that the relationship is statistically significant. This confirmed that hypothesis two ( $H_{O2}$ ) is rejected, which indicated that there was a statistically significant relationship between reference group and customer loyalty.

The social class means score of 3.51, and standard deviation of 1.213 revealed social class as a variable is averagely vital in the GSM market. The one-sample test shows that  $t = 45.754$ ,  $P$  value  $< 0.05$ , and the 95% interval estimate which confirms that the relationship is statistically significant. This confirmed that hypothesis three ( $H_{O3}$ ) is rejected, which indicated that there was a statistically significant relationship between social class and customer loyalty.

Income means score of 3.67 revealed the acceptance of income as a variable that is averagely vital in the GSM market. The one-sample test shows that  $t = 57.718$ ,  $P$  value  $< 0.05$ , and the 95% interval estimate which confirms that the relationship is statistically significant. This confirmed that hypothesis four ( $H_{O4}$ ) is rejected, hence the conclusion that income is a potent variable that

influences customer loyalty.

## 5. Conclusion

In summary, hypotheses tested in this study show that in  $H_1$ ,  $H_2$ ,  $H_3$ , and  $H_4$  the independent variables (socio-economic factors) were significantly and statistically influence customer repeat purchasing, therefore the null hypotheses were rejected. The findings presented a statistically significant relationship between family influence and customer repeat purchasing in the GSM telecommunication in Lagos state, Nigeria. This study result was buttressed by Martensen and Grønholdt (2008) who concluded that older children influenced the purchasing behaviour of family. This is just as Sharma and Sonwaney (2014) in their study, also concluded that children in Indian were not just consumers of products and services, but can influence the purchasing decisions of their various families. When married couples were examined, Barlés-Arizón, Fraj-Andrés and Martínez-Salinas (2013) concluded that the influence of a family member on purchasing decision depends on the type of product or service intended for purchase.

This study found that reference group members could effectively change decisions of other members to repeat purchase on a GSM service. Goodrich and Mangleburg (2010) concluded that members of a group from high social oriented communication environment were highly influenced by their peers more than those from high concept-oriented communication environment. In the same vein, Reza and Valeecha (2013) investigated how formal and informal reference groups could change buying behaviour of their members. They concluded that reference group, such as workmates, influenced the purchasing behaviour of young executives in buying automobile.

This study also considered social class as having effect on customer loyalty in the GSM market. Result of this study was supported by Dumaz (2014) who concluded that friends and occupational social groups are significant when purchasing behaviour of consumers is to be changed. Furthermore, Sethi and Chawla (2014) concluded in their study that social class can be used to change behaviour of consumers of mobile phone service differently in urban, semi-urban and rural areas. This is because people consider their status, role and social circle as important when purchasing mobile phone services. Agyeman (2013) equally noted in his study that the social class customers belong to influences the purchasing behaviour of mobile phone users in the Eastern region of Ghana. El-Omari (2002) study found that “high and upper-middle class” people were loyal to some products and services, while lower-middle and lower class people were not loyal to the same products and services the high and high-middle class were loyal to.

Income was used as a variable in representing economic factor in this study. It was found that income averagely affects customer loyalty in the GSM market

in Lagos state. Mata, *et al* (2016) found that there is no relationship between income and consumer behaviour, when consumers of car repair were involved. However, Akpan *et al.*, (2016) affirmed that income is a significant factor that influences the quantity of Pork meat purchased by consumers in Ado Ekiti in the South Western region of Nigeria.

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