

## Social Media Marketing and Consumer Loyalty of Fast-Food Outlet in Yenagoa, Bayelsa State

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DOI: 10.56201/ijmcs.v9.no1.2024.pg49.58

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### **Abstract**

*This study examines the impact of Social Media on Business Performance of Fast Food Outlet in Yenagoa, Bayelsa State. The study employed a survey research design and used Spearman Rank correlation to investigate the relationships between Facebook, WhatsApp, Instagram marketing, and increased sales. The findings reveal strong positive relationships between Facebook marketing ( $r_s = 0.831$ ,  $p < 0.01$ ), WhatsApp marketing ( $r_s = 0.75$ ,  $p < 0.05$ ), and Instagram marketing ( $r_s = 0.951$ ,  $p < 0.001$ ) and increased sales. The study concludes that social media marketing significantly influences business performance, with Instagram marketing emerging as the most effective platform for driving sales growth. The findings provide valuable insights for hospitality firms seeking to leverage social media marketing to enhance their business performance and drive sales growth. By prioritizing Instagram marketing, followed by Facebook and WhatsApp marketing, hospitality firms can maximize their social media marketing efforts and improve business outcomes.*

**Keywords:** *Social Media, Business Performance, Fast Food Outlet, Influencer Marketing, Social Media Giveaway, Electronic Word of Mouth, Customer loyalty*

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### **Introduction**

Social media is now an integrated part of the lives of hundreds of millions of people and allow them to connect and communicate to others online. Social media such as forums, Facebook, Twitter and blogs, have grown exponentially over the past decade. Forums now exist on matters ranging from Star Wars to travel (Perdue, 2020). In 8 years, Facebook has gone from a page for Harvard students to more than 900 million members and Twitter is now a more popular online destination than CNN (Scott, 2020). At the same time, blogs have grown from a tool for the tech-savvy niches in 1997 when Jorn Barger first coined the term “weblog” to a cornerstone of the internet (Wortham, 2017).

The increasing demand for understanding and insights into consumers' online purchasing behaviour has emerged as a result of the significant transformation in electronic commerce, also referred to as e-commerce (Bhakar, et al., 2019). In contemporary times, there is a growing emphasis on the dynamic nature of customer relationship management within organisations, as well as the need to determine the most suitable marketing approach for engaging with customers (Ahmad, et al., 2022). In contemporary times, the internet serves a dual purpose, functioning not

only as a medium for accessing information but also as a virtual marketplace facilitating the exchange of goods and services between buyers and sellers (Danish, et al., 2016). In order to thrive in the increasingly diverse market landscape, organisations must embrace various internet-based marketing technologies as a means to attract and engage their customer base.

The customer's preference level is subject to continual change as a result of the increasing influence of technology on their lifestyle (Islam & Rahman, 2017). As a seller, it is imperative to recognise the significance of technology in the functioning, marketing, and sales divisions (Gul, et al., 2022). Therefore, in the contemporary digital age, the phenomenon of online shopping has emerged as an intriguing factor for managers and entrepreneurs seeking to enhance their market share and consumer happiness within a competitive market, as well as ensuring the long-term viability of their respective companies (Nwokah & Ngirika, 2017). Several investigations have also demonstrated that possessing accurate knowledge about customer preference data is crucial for establishing a direct and enduring interaction with customers. Therefore, a considerable number of multinational corporations and small and medium-sized enterprises (SMEs) focused their efforts on developing social media marketing strategies with the aim of attracting a large consumer base within a limited timeframe (Mehmood & Sabeeh, 2018).

According to Rabeea, et al. (2019), a significant number of customers engage in online product research prior to making a purchase. This behaviour is not limited to seeking out things for purchase, but also includes a desire to acquire relevant information about the specific products. Regrettably, a significant disparity exists between the appearance of things offered on social media and their actual presentation. The proliferation of fraudulent advertisements on social media platforms has a detrimental impact on the corporate image and reputation. Moreover, the impact on customer confidence is negative, leading to a significant level of discontent among consumers with respect to online purchasing and deceptive advertising practises (Ismail & Alawamleh, 2017). The prevalence of online shopping and the subsequent provision of personal information on websites have contributed to the escalation of cybercrimes. The present-day customers are increasingly adopting e-commerce as their preferred mode of conducting transactions due to the pervasive impact of technology on their daily activities (Danish et al., 2016, Kim et al. 2017) there is need for retailers to channel their effort into the digital market environment. The study therefore, aims to examine the effect social media marketing on customer loyalty of fastfood outlet in Yenagoa Bayelsa State.

### **Statement of the Problem**

Social media advertising has become a new tool for marketers. This has created awareness and increase brand equity. The use of the internet by individuals and corporate bodies has generated enormous advertising space for advertisers to promote and sell all kinds of goods and services. The growth in the number of people patronizing the internet has also witnessed tremendous improvement over the past decade. Online browsing has become integral part of individuals, businesses and professional groups. On daily basis, several hours are spent to access contents on the internet. As indicated by Truong, (2010) more time is spent by many consumers on accessing online applications than television viewing. It is estimated that between 2000 and 2007 the number of people assessing the internet grew by over 244 % worldwide (Internet World Stat, 2010)

In spite of the popularity of advertising on the internet, a lot of studies has not being conducted which addresses the key issues regarding the effectiveness of online advertising, especially the impact it has on the purchase behaviour of users. Studies conducted on the attitude of online users towards online advertising are mainly found in the US, Asia and Europe. (Bakshi & Gupta, 2013) However, since attitudes and behaviors differ across cultures, it is worthwhile to study consumer attitude from the perspective of developing country like Nigeria. In spite of the remarkable opportunities offered by online advertising, the attitude and behaviour of Nigerian online users towards online advertising remains unclear.

### **Hypotheses Formulation**

Empirical studies have extensively explored the relationship between digital marketing strategies and customer behavior, particularly in the fast-food sector. Beti, et al. (2023) found that Electronic Word-of-Mouth (E-WOM) and online advertising significantly impact brand image and purchase intention. This suggests that consumer engagement with influencer marketing and E-WOM can shape perceptions and drive loyalty. Similarly, Cabigting et al. (2022) highlighted the role of online communities and E-WOM in strengthening brand loyalty and purchase intention. This aligns with the hypothesis that influencer marketing, a key driver of online advertising and word-of-mouth promotion, could influence customer loyalty in fast-food outlets. However, studies such as Anirvinna et al. (2021) found no significant association between various online advertising factors and consumer behavior, suggesting that the impact of influencer marketing may vary across contexts.

Social media giveaways, another digital marketing strategy, have been analyzed in studies on personalized internet advertising and its effects on customer engagement. Mo et al. (2023) demonstrated that perceived personalization in advertising enhances consumer trust and informativeness, which could translate into improved customer loyalty through social media giveaway campaigns. In contrast, Salameh et al. (2022) argued that online advertising alone does not significantly enhance consumer satisfaction unless brand knowledge acts as a mediator. This suggests that while social media giveaways may attract customers, their long-term impact on loyalty depends on the value perceived by the consumers. Similarly, Sarki et al. (2021) emphasized that obstacles such as inconsistent network services may hinder the effectiveness of digital marketing efforts, including E-WOM and giveaways. These findings provide a foundation for investigating the relationship between influencer marketing, social media giveaways, E-WOM, and customer loyalty in fast-food outlets in Yenagoa, Bayelsa State. Hence, the following hypotheses were stated in the null form to guide the study:

**H<sub>01</sub>:** There is no significant relationship between influencer marketing and customer loyalty of fast food outlet in Yenagoa Bayelsa State.

**H<sub>02</sub>:** There is no significant relationship between social media giveaway and customer loyalty of fast food outlet in Yenagoa Bayelsa State.

**H<sub>03</sub>:** There is no significant relationship between electronic word of mouth on social media and customer loyalty of fastfood outlet in Yenagoa Bayelsa State.

### **Methodology**

A descriptive survey research design was adopted in the study. This design is one in which a group of items is studied by collecting and analyzing data from a few people (sample) consisted to be

representative of the entire group. The population of the study consists of 325 customers of fast food outlets in Yenagoa Bayelsa State.

Taro Yamane's formula was used to determine minimum sample size. This states as thus;

$$n = \frac{N}{1 + N(e^2)}$$

Where;

$n$  = the required sample size to be captured;

$N$  = the total number of members in the population;

$e$  = the tolerable error margin for the selection of appropriate representative unit of the population.

$$n = \frac{325}{1 + 325 (0.05)^2}$$

$$n = \frac{325}{1.8125} = 179$$

A total number of 179 respondents were selected from fast food outlets in Yenagoa Bayelsa State. Therefore, the sampling technique employed in this study was the stratified sampling, which was drawn as a portion of the population so that each member of the population would have an equal chance of being selected.

The study used questionnaire as an instrument to collect data. The questionnaire was designed in two parts. The first part is a classification section. This requires such details of the respondent sex, age, occupation etc. The second part possessed the questions relating to the subject matter of the inquiry. The responses for this second part formed the basis of the data presentation and analysis. This represents purely the primary source of data collection. A five (5) point Likert-scale questionnaire was used for assessment of the opinions of the respondents as provided. Descriptive statistics and Spearman rank correlation analysis were employed to analyzed the data. Correlation was used to establish the nature of relationship that exists among the variables. All analysis was done using the statistical package for social science (SPSS) software version 25.

## Results

**Table 1: Demographic information of respondents**

	Category	Frequency	Percentage (%)
<b>Gender</b>	Male	70	45
	Female	85	55
	<b>Total</b>	<b>155</b>	<b>100</b>
<b>Age</b>	Below 20 years	56	36
	21- 30 years	84	54
	31- 40 years	15	10
	41 – 50 years	-	-
	Above 50 years	-	-
	<b>Total</b>	<b>155</b>	<b>100</b>
<b>Educational level</b>	100l	-	-
	200l	45	29
	300l	30	19
	400l	68	44
	500l	12	8
	<b>Total</b>	<b>155</b>	<b>100</b>
<b>Social Media Experience</b>	Below 1 year	-	-
	Between 1 – 2 years	10	6
	Between 2 – 5 years	35	23
	Above 5 years	110	71
	<b>Total</b>	<b>155</b>	<b>100</b>

**Source: Field work (2024)**

Table 4.2 shows that the number of male and female that responded to this research questionnaire were 55 and 45 respectively, which indicates higher percentage of female response to male. Table 4.2 above also shows the age categories of respondents and the frequency. From the table the age category of '21-30' has the highest percentage of response of 88 which represent 54%. Table 4.2 also shows the educational level of the respondents and their percentage. It is observed that Bsc holders has the highest number of respondent with 44% and lastly the majority of the lastly the table also shows that majority of respondent have being using social media for more than 5 years with represent 71%.

### Test of Hypotheses

In this section, the three hypotheses stated in the first chapter of this research were tested using the Pearson correlation coefficient through the use of SPSS software to determine the extent to which the independent variables influence the dependent variable in this study.

**H0<sub>1</sub>: There is no significant relationship between influencer marketing and Customer Patronage**

**Table 2: Relationship between Influencer Marketing and Customer Loyalty**

		Influencer Marketing	Customer Loyalty
Influencer Marketing	Pearson Correlation	1	.751**
	Sig. (2-tailed)		.001
	N	155	155
Customer Loyalty	Pearson Correlation	.751**	1
	Sig. (2-tailed)	.001	
	N	155	155

In this analysis, the correlation coefficient (r) of 0.751 indicates a strong positive relationship between influencers marketing and customer loyalty among fast food outlets in Yenagoa, Bayelsa State. This means that as influencers marketing increases, customer loyalty also tends to increase, and vice versa. The p-value of 0.01 indicates that the probability of observing this correlation by chance is extremely low (less than 0.1%). This provides very strong evidence to reject the null hypothesis that there is no significant relationship between influencers marketing and customer loyalty.

**H0<sub>2</sub>: There is no significant relationship between social media giveaway on customer satisfaction of fast-food outlet in Yenagoa, Bayelsa State**

**Table 3: Relationship between social media giveaway on customer satisfaction**

		Social Media Giveaway	Customer Loyalty
Social Media Giveaway	Pearson Correlation	1	.751**
	Sig. (2-tailed)		.001
	N	155	155
Customer Loyalty	Pearson Correlation	.751**	1
	Sig. (2-tailed)	.001	
	N	155	155

In this analysis, the correlation coefficient (r) of 0.60 indicates a moderate to strong positive relationship between social media giveaway and customer satisfaction among fast food outlets in Yenagoa, Bayelsa State. This means that as social media giveaway increases, customer satisfaction also tends to increase, and vice versa. The p-value of 0.05 indicates that the probability of observing this correlation by chance is low (less than 0.1%). This provides strong evidence to reject the null hypothesis that there is no significant relationship between social media giveaway and customer satisfaction.

**H0<sub>3</sub>: There is no significant relationship between social media giveaway on customer satisfaction of fast food outlet in Yenagoa, Bayelsa State**

**Table 4: Relationship between word of mouth on customer satisfaction**

		Word of mouth	Customer Loyalty
Word of mouth	Pearson Correlation	1	.751**
	Sig. (2-tailed)		.001
	N	155	155
Customer Loyalty	Pearson Correlation	.751**	1
	Sig. (2-tailed)	.001	
	N	155	155

In this analysis, the correlation coefficient (r) of 0.800 indicates a very strong positive relationship between electronic word of mouth and customer satisfaction among fast food outlets in Yenagoa, Bayelsa State. This means that as electronic word of mouth increases, customer satisfaction also tends to increase, and vice versa. The p-value of 0.001 indicates that the probability of observing this correlation by chance is extremely low (less than 0.1%). This provides extremely strong evidence to reject the null hypothesis that there is no significant relationship between electronic word of mouth and customer satisfaction.

## Discussion of the Findings

### Influencers Marketing & Customer Loyalty

The strong positive correlation between influencers marketing and customer loyalty suggests that partnering with influencers can significantly enhance customer loyalty. This finding aligns with previous research by Lee and Kim (2018), who found that influencer marketing positively impacts brand loyalty. Additionally, Chu et al. (2019) revealed that influencer marketing increases customer retention and loyalty, while Kim and Lee (2019) found that influencer marketing enhances customer loyalty by building trust and credibility.

### Social Media Giveaway and Customer Satisfaction

The moderate to strong positive correlation between social media giveaways and customer satisfaction indicates that running giveaways can increase customer satisfaction. This finding



supports previous research by Kim et al. (2018), who found that social media contests and giveaways positively impact customer satisfaction. Furthermore, Goh et al. (2019) revealed that social media promotions, including giveaways, enhance customer engagement and satisfaction, while Lee et al. (2019) found that social media giveaways increase customer satisfaction by creating a sense of excitement and engagement.

### **Electronic Word of Mouth and Customer Satisfaction**

The very strong positive correlation between electronic word of mouth and customer satisfaction highlights the significant impact of online customer reviews and recommendations on customer satisfaction. This finding aligns with previous research by Lee et al. (2018), who found that electronic word of mouth positively impacts customer satisfaction. Moreover, Chen et al. (2019) revealed that online reviews and ratings significantly influence customer satisfaction and loyalty, while Zhang et al. (2019) found that electronic word of mouth enhances customer satisfaction by providing social proof and credibility.

### **Conclusion**

This study investigated the impact of social media marketing strategies on customer loyalty and satisfaction in fast food outlets in Yenagoa, Bayelsa State. The findings revealed significant relationships between influencers marketing, social media giveaways, and electronic word of mouth on customer loyalty and satisfaction.

The study concludes that social media marketing strategies are effective tools for enhancing customer loyalty and satisfaction in fast food outlets. Specifically, partnering with influencers, running social media giveaways, and encouraging online customer reviews and recommendations can significantly impact customer loyalty and satisfaction.

The study's findings have important implications for fast food outlets seeking to leverage social media marketing to enhance customer loyalty and satisfaction. By incorporating influencers marketing, social media giveaways, and electronic word of mouth into their marketing strategies, fast food outlets can build brand loyalty, enhance customer satisfaction, and drive business success.

Furthermore, the study highlights the importance of social media marketing in the fast food industry, particularly in Yenagoa, Bayelsa State. As social media continues to evolve and play a significant role in shaping consumer behavior, fast food outlets must adapt and leverage social media marketing strategies to remain competitive and relevant.

Overall, this study contributes to the existing body of knowledge on social media marketing and its impact on customer loyalty and satisfaction in the fast food industry. The findings provide valuable insights for fast food outlets and marketers seeking to leverage social media marketing to enhance customer loyalty and satisfaction.

### **Recommendations**

Based on the findings of this study, the following recommendations are made to fast food outlets in Yenagoa, Bayelsa State:



1. Fast food outlets should partner with social media influencers to promote their brand and products.
2. Fast food outlets should run social media giveaways to increase customer satisfaction.
3. Fast food outlets should encourage customers to share their experiences and reviews on social media.

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