

Effect of Digital Marketing on Customer Patronage of Eateries

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Abstract

The study empirically examined digital marketing and customer patronage of Eateries in Calabar. Specifically, the following objectives were pursued to: examine the effect of social media marketing on customer patronage of eateries, determine the effect of email marketing on customer patronage of Eateries; determine the effect of online on customer patronage of Eateries in Calabar. Cross-sectional research design was selected using all staff and customers of Eateries in Calabar, Cross River State. Primary data were used in the study. Simple regression analytical tool was employed in the study. Based on the analysis of the results, the study revealed that social media marketing had direct significant effects on customers of Eateries in Calabar, email marketing had significant effects on customers of Eateries in Calabar; online marketing had significant effects on customers of Eateries in Calabar. The study recommended that firms should give prompt and quick response to its customers" compliant by creating a simple and fast compliant handling system. Firms should create a strong feedback system that enables them to relate effectively with customers and understand them better.

Keywords: Digital marketing, social media marketing, email marketing, online, customer patronage

Introduction

The value of understanding consumer behavior is paramount to the success and survival of any organization., Alharbie (2015).stated that, at all levels of marketing effort, the knowledge of why a consumer behaves in a particular way is of paramount importance for the performance of marketing activities to satisfy the changing and diverse needs of consumers in the medium in which they choose to utilize in the satisfaction of their needs. This is further buttressed in their argument that the knowledge of consumer behavior enables us to understand consumer preference. The key to the survival, profitability, and growth of any organization is premised on its ability to continuously identify the unsatisfied needs of consumers and develop measures for the satisfaction of these needs in a more efficient and effective manner than their competitors (Ashely & Tuten, 2015). With a view of the importance of consumer behavior in mind, it has been noted that a new trend has been identified to bring change to the behavioral patterns of consumers, owing to the development of new networking structures of communication between customers alongside businesses (Khan & Islam, 2017).

This was further buttressed by Akhtar (2011), who specified that the major role of digital marketing in the business environment of today is the redefinition of communication criteria between marketers and consumers. Digital marketing is associated with all forms of non-personal, or wireless connection or communication such as the use of mobile phones, emails, and the internet to connect and communicate between customers and businesses. The term Digital Marketing has been used interchangeably with online marketing, but they are actually different. I that although digital marketing operates largely on the platform of the internet, it isn't limited to the internet, but utilizes other offline mediums to perform marketing function, such as the SMS, and the mobile phones (Charan & Dahiya, 2015). This research is therefore embarked upon to understand the role digital marketing plays in the determination of the behavioral patterns of customers.

Theoretical framework

This study is anchored on the following theories

The commitment trust theory

The commitment-Trust theory was developed by Robert and Shelby (1994), as a means of explaining the value of commitment and trust to the buying decisions of individuals. This was done to contrast the then believed notion that the major influencing factor in any relationship is power. The theory argues that there should be a central means of understanding relationship marketing, and this must be able to distinguish productive, effective, and relational exchanges from unsuccessful ones, and therefore presents two constructs as the means of achieving this; relational commitment, and trust. The theory states that when both (not one) commitment and trust are present between businesses and customers, it creates a conducive environment for direct cooperative behaviour for relationshipmarketing.

According to Spekman (1998), trust is so vital to any strategic relations that it can be seen as the cornerstone of it. In addition to this, Hrebiniak (1974), says that when trust is evidently present in any relationship, all parties involved will strive to maintain it cause of theimmense value that be will attach to it. These show that trust has an impact on the value attached to any and all kinds of relational exchanges, and can lead to building commitment in all parties involved. Commitment on the other hand has been seen as the foundation of relationships.

The concept of digital marketing

Digital marketing has successfully established a new era of communicationmedium that creates a wide range of choices for businesses to communicate with theircustomers, and for businesses to engage in market research by observing the online behavior and preferences of their customers overtime (Ponde & Jain, 2019). Digital marketing is the stage where the use of the internet and information technology is brought to bear in the initiation and execution of marketing activities (Neha, 2014). Bruno., Aikaterini, , Daniele, , Joonas, , Gaetano., Raffaele,

(2016) posits that digital marketing is primarily concerned with the carrying out of marketing and advertising activities through computerized technology such as cell phones, display advertising, and others to communicate with customers or consumers. Digital marketing has been used interchangeably with E-Marketing (Chivadi, , Olorunjuwon, & Muchie, 2019). , and defined to be the exchange of products and services between vendors and buyers through electronic devices and processes. In addition, Elisabeta (2014) posits that electronic marketing, is premised on the use of electronic and intuitive innovations to establish a connection between firms and its targeted consumers and customers.

Social media marketing

Niles (2014) posit that social media as the collective of online communications channels dedicated to community-based input, interaction, content-sharing and collaboration. Social media marketing gives opportunities for businesses to better communicate with their customers, and build loyalty (Kamarov, & Anatoley, 2014). At this business stage, businesses can promote their products and services, create an online community, and provide customer support through all forms of social media (Dayal, 2016; Esu, 2016; Grimsley, 2015; Jinadi & Hussein, 2014). thereby providing a cost-effective means of advancing brand awareness, brand recognition, and brand loyalty.

Email marketing

Digital marketing has however been recognized as a new and powerful way of digital marketing today. Khuu & Do (2018) described it as a seamless means of delivering advertising, promotional, and commercial campaigns to the inboxes of customers directly, thereby proving to be an effective tool for the attraction of customers. E- mail marketing is an important medium of marketing communication especially for companies seeking to build and maintain closer relationships with customers. Widespread adoption of e-mail as a means of distributing promotional messages has the advantages of low setup and distribution costs, targeted distribution of promotions such as discounts and coupons, and affordability by small and medium-sized businesses (Gunelius, 2011).

Online marketing

A study conducted by Erdogmus and Cicek (2012) found that campaigns on social media, comprising online advertising, were the independent variables that had the most significant positive effect on brand loyalty compared to content relevance and brand popularity among friends of consumers. Brand satisfaction has a positive influence on brand loyalty. A satisfied customer is likely to use same brand in future as well.

Customer patronage

Customer satisfaction is —customer's psychological Response to his/her or her positive evaluation of the consumption outcome in relation to his/her expectation''. Customers might expect brand provide functional or other expectation, but that depends on customer's interest.

Although all customers might not be able to list out the entire possible brand benefits due to the fact that customers might have little awareness or motivation to do so.

Empirical review

Dayal (2016) conducted a study on “Digital marketing and its impact on buying behaviour of youth”. Data for the study were drawn from both primary and secondary sources. The primary data were collected through the questionnaire whereas the secondary sources were published articles, research papers, census survey, published general reports among others. Respondents were selected using the simple random sampling technique and 100. Youngsters were selected. The simple regression was used to analyze the data. Finding of the study reveals that there exists a substantial increase in the percentage of online retailing in India and that more than 60 percent of web users in the country visit online retail sites. The study recommends that marketers need to understand the accessibility of the digital facilities to the youth segment before launching any product online among others. Therefore, the study came to a conclusion that digital marketing has a great impact on the buying behaviour of youth. Kamarov, and Anatoley (2014) conducted a study on “Effect of internet-based marketing on marketing performance”. Survey questionnaire was used to collect data from 311 mobile subscribers of 5 of the major cellular firms in Accra Metropolis of Ghana. The data was analyzed using correlation and multiple regression analysis. The findings reveal that internet-based marketing significantly influenced marketing performance through increased consumer purchase behaviour, sales volume, market share and profitability.

Afton and Ashton (2012) investigated the “Analysis of the relationship between digital marketing and customer loyalty”. Survey questionnaire was used to collect data from 151 respondents in Seakale City in Iran and correlation coefficient and regression analyses through the SPSS software were used to analyze the data. The results show that there exists a significant positive relationship between digital marketing and consumer purchase behaviour and loyalty. Results obtained from a study on the understanding of online shopping behaviour in the Indian context, indicated a significant increase of online stores in the life of Indian people to the point of addiction even though the market was (at the time the study was conducted) not fully developed. The study arrived at the conclusion that the e-commerce market has a great potential for youth segment.

Also, Imran and Zakhaev (2011) examined “Impact of internet marketing strategies on organizational marketing effectiveness”. The study used structured questionnaire to elicit data from 205 hotel guests in Delhi Metropolis of India. The simple regression was used to analyze the data collected. The results indicate that internet marketing strategies had a significant impact on customer awareness, patronage and loyalty. Therefore, the study came to the conclusion that internet marketing had a significant impact on marketing effectiveness.

Dilham, Sofiyah, and Muda (2018), carried out a study on The internet marketing effect on the customer loyalty level with brand awareness as intervening variables in Indonesia,

and found that Internet marketing indicators that have a significant influence on customer loyalty are just customer relationship and satisfaction variables, while process variables, online and exchange have no significant effect on customer loyalty to female SMEs in North Sumatera, and Internet marketing depicted with customer relationship variables and fulfillment satisfaction can affect the level of customer loyalty through existing brand awareness.

Methodology

Cross-sectional research design was adopted in the study. The primary data was gathered through well-structured questionnaire that were served to customers of Eateries. This study was conducted in Calabar. Thus, population for this study included all staff and customers of Eateries in Calabar, Cross River State.

Topman formula was used to determine the sample size of one hundred and thirty eight. The primary data collected from sampled respondents were displayed on frequency tables and analyzed using simple percentages. Simple regression statistical tool was employed in the study.

Analysis of data

Test of hypotheses

In testing the hypotheses stated in this study, a 0.05 level of significance was used.

Hypothesis one

Ho: Social media marketing has no significant effect on customer patronage of Eateries in Calabar.

Test Statistics: Simple linear regression analysis

Decision criteria: Accept the alternative hypothesis if ($P < .05$) and reject the null hypothesis, if otherwise. Interpretation of result. The results show the linear regression analysis of the feet of social media marketing on customer patronage of Eateries in Calabar. With r-value of 0.780 and a probability value (0.000) less than the 0.05 significance level, the results reveal that social media marketing affect customer patronage of Eateries in Calabar. From the results above, the relationship between both variables is 78.0 per cent. The R^2 value (0.807) implies that a change in social media marketing affects customer patronage of Eateries in Calabar by up to 80.7 per cent when other factors are held constant. Therefore, we reject the null hypothesis and concluded that social media marketing has a significant effect on customer patronage of Eateries in Calabar.

TABLE 1

Regression model summary showing the effect of social media marketing on customer patronage of Eateries in Calabar.

Model	R	R-square	Adjusted R-square	Std. error of the estimate
1	.780 ^a	.807	.806	1.84966
a. Predictors: (Constant), Social media marketing				

Source: Field survey (2024).

TABLE 2

ANOVA^a showing the effect of social media marketing on customer patronage of Eateries in Calabar.

Model	Sum of squares	df	Mean square	F	Sig.
Regression	1463.605	1	1463.605	554.396	.000b
Residual	351.106	133	2.640		
Total	1814.711	134			
a. Dependent Variable: customer patronage					
b. Predictors: (Constant), Social media marketing					

Source: Field survey (2024).

TABLE 3

Regression Coefficients^a showing the effect of social media marketing on customer patronage of Eateries in Calabar

Model	Unstandardized Coefficients B	Std. error	Standardized Coefficients Beta	T	Sig.
(Constant)	6.036	.257		23.509	.000
1. Social media marketing	1.685	.106	.780	15.888	.000
Dependent Variable: customer patronage					

Source: Field survey (2024).

Hypothesis two

Ho: Email marketing has no significant effect on customer patronage of Eateries in Calabar.

Test statistics: Simple linear regression analysis

Decision criteria: Accept the alternative hypothesis if ($P < .05$) and reject the null hypothesis, if otherwise.

Interpretation of result: The results show the linear regression analysis of the effect of Email marketing has no significant effect on customer patronage of Eateries in Calabar. With r-value of 0.891 and a probability value (0.000) less than the 0.05 significance level, the results reveal that Email marketing has no significant effect on customer patronage of Eateries in Calabar.. From the results above, the relationship between both variables is 89.1 per cent. The R^2 value (0.893) implies that a change in Email marketing affect customer patronage of Eateries by up to 89.3 per cent then other factors are held constant. Therefore, we reject the null hypothesis and include that email marketing has a significant effect on customer patronage

TABLE 4

Regression model summary showing the effect of Email marketing on customer patronage of Eateries

Model	R	R-square	Adjusted R-square	Std. error of the estimate
1	.891 ^a	.893	.892	2.06023
a. Predictors: (Constant), Email				

Source: Field survey (2024).

TABLE 5

ANOVA^a showing the effect of Email marketing on customer patronage

Model	Sum of squares	Df	Mean square	F	Sig.
Regression	1620.814	1	1620.814	1111.669	.000 ^b
1. Residual	193.897	133	1.458		
Total	1814.711	134			

a. Dependent Variable: customer patronage

b. Predictors: (Constant), Email

Source: Field survey (2024).

TABLE 6

Regression coefficients^a showing the effect of Email on customer patronage

Model	Unstandardized coefficients B	Std. error	Standardized T coefficients Beta	Sig.
(Constant)	6.851	.265	25.871	.000
1. Email	1.375	.112	.891	.000
a. Dependent Variable: customer patronage				
Source: Field survey (2024).				

Hypothesis three

Ho: Online marketing has no significant effect on customer patronage of Eateries

Test Statistics: Simple linear regression analysis

Decision criteria: Accept the alternative hypothesis if ($P < .05$) and reject the null hypothesis, if otherwise.

Interpretation of result

The results show the linear regression analysis of the effect of online marketing has no significant effect on customer patronage of Eateries. With r-value of 0.759 and a probability value (0.000) less than the 0.05 significance level, the results reveal that online marketing has a significant effect on customer patronage. From the results above, the relationship between both variables is 75.9 per cent. The R^2 value (0.852) implies that a change in online marketing influences customer patronage by up to 85.2 per cent when other factors are held constant. Therefore, we reject the null hypothesis and conclude that online marketing has a significant effect on customer patronage

TABLE 7

Regression model summary showing the effect of online marketing has no significant effect on customer patronage of Eateries

Model	R	R-square	Adjusted R-square	Std. error of the estimate
I	.759a	.852	.851	1.66468

a. Predictors: (Constant), Online marketing

Source: Field survey (2024).

TABLE 8

ANOVA^a showing the effect of Online marketing has no significant effect on customer patronage of Eateries.

Model	Sum of squares	Df	Mean square	F	Sig.
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	Regression	1546.410	1	1546.410	766.688	.000 ^b
1	Residual	268.301	133	2.017		
	Total	1814.711				

a. Dependent Variable: customer patronage

b. Predictors: (Constant), Online marketing

Source: Field survey (2024).

TABLE 9

Regression Coefficients^a showing the effect of online marketing has no significant effect on customer patronage of Eateries.

Model	Unstandardized Coefficients B	Std. error	Standardized Coefficients Beta	T	Sig.
(Constant)	5.859	.222		26.362	.000
1. Online	1.993	.103	.759	19.413	.000

a. Dependent Variable: customer patronage

Source: Field survey (2024)

Summary of findings

From the analysis of data gathered through relevant sources and test of hypothesis, the following findings emerged over the course of this study:

1. Social media marketing has direct significant effects on customer patronage of Eateries in Calabar.
2. Email marketing has significant effects on customer patronage of Eateries in Calabar
3. Online marketing has significant effects on customer patronage of Eateries in Calabar

Conclusion

The study evaluates the effect of digital marketing on customer patronage. The analysis of the data gotten showed that both social media marketing, email marketing and online marketing have a strong relationship with customer patronage. The study therefore concludes that digital marketing has a significantly positive relationship with customer patronage of Eateries in Calabar

Recommendations

Based on the findings of the research, the following recommendations are given:

1. Firms should give prompt and quick response to its customers" compliant by creating a simple and fast compliant handling system.
2. Firms should create a strong feedback system that enables them to relate effectively with customers and understand them better.
3. Firms should utilize social platforms to setup their communication platforms for interacting with their customers and clients.

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