



## RELATIONSHIP MARKETING PRACTICES AND CUSTOMER SATISFACTION OF ONLINE RETAIL FIRMS IN LAGOS, NIGERIA

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### Abstract

*In the online retail industry, customer satisfaction has been identified as a strategic tool for competitive advantage. As a result of lack of physical interaction and high customer churn rate, firms in the online retail industry are challenged to ensure customer satisfaction through relationship marketing. This study aims to investigate the effect of relationship marketing practices RMP on customer satisfaction. Cross-sectional survey research design was employed. The population of the study was 105,999. A sample size of 1,970 was arrived at using the Krejcie and Morgan formula. Stratified random and proportionate sampling technique were adopted in selecting the sample. A validated questionnaire was administered. The response rate was 85.6%. Data were analysed using descriptive and inferential statistics. The study found that RMP (website quality, trust, reliability, communication and personalization have positive significant effect on customer satisfaction of online retail firms. The study also found reliability to be the predominant RM variable affecting customer satisfaction. This study suggest that management of online retail firms should invest in RMP to improve customer satisfaction.*

*Keywords: Customer satisfaction, Online retailing, Relationship marketing, Reliability, Nigeria*

## INTRODUCTION

Maintaining customer satisfaction has become a great challenge for many online retail firms following an upsurge in competition arising from increased globalization of trade and customer expectations. The rise in the power of customers to make independent search and gather information without a direct communication with the electronic retailers has made it more difficult to understand the how and what is necessary to keep customers satisfied. With a click on the web browser, online customers are ready to churn (change) to the websites of next available competitors to achieve their different forms of satisfaction or expectations.

Globally, customer satisfaction has continued to decline with increase in customer expectations (Accenture, 2017). A report on customer experience by Price Waterhouse Coppers, Pwc, (2018) reveals a 21% variance between customer expectation and customer satisfaction in the retail industry. Bad customer experience was implicated in the report as the major reason for customers switch or churn; one bad customer experience was enough to make a firm loose up to 30% of customers to other competitors. Similarly, the trust attached to customer-generated content rather than information pushed out by firms makes customer satisfaction inevitable for business success. A related report by Forbes (2018) reveals that 67% of customers with bad customer experience will discourage other customers from buying from the firm, with about 42% of customers writing online reviews on their negative experiences on social media.

While the surge in retail ecommerce have led to a rise in total value of sales from \$1.915trillion in 2016 to reach \$,2.304trillion in 2017 (E-Marketer, 2018), compensations paid to customers and product returns with value as high as \$132 trillion annually in the United States of America USA (United State Postal Services USPS, 2018) have shown that there is a disconnect between customers and firms in the online retail industry. Furthermore, Critero, a UK Customer Brand Loyalty revealed issues centered around relationship marketing practices such as bad website, cumbersome return/refund process and long delivery timeline as some of the reason firms are losing customers in the ecommerce industry (Internet Retailing, 2019). In Nigeria, the Consumer Protection Council cried out regarding a 30% increase in customer complaints across channels, implicating dissatisfaction with customer experience as a major reason attributed to the complaints (Punch, Dec. 2017).

Compared to the developed countries such as Europe and North America, the online retail industry is still at its nascent stage in Africa (Economist Intelligence Unit EIU, 2017). Profiled with 29% of internet usage in Africa, valued at \$550 million a year, with growing popularity and investment in the industry, Nigeria is positioned as the biggest e-commerce market on the African continent (EIU, 2016). Whilst it has become important that firms align with

the adoption of technology and take advantage of the growing ecommerce industry with the benefits accrued, many firms have launched into the industry without a clear designed strategy on how to navigate and survive the virtual business environment (Mpinganjira, 2015) and this has led to failure of many online businesses with the statistics showing as high as 90% (Drucker, 2010 as cited in Mpinganjira, 2015).

One of the key determinants for business success in the retail business (online and offline) is proper understanding of customers in order to envisage their expectation (Grewal, Levy & Kumar, 2009). Generally, some studies have suggested various determinants and antecedents of satisfaction in the business environment (Lin, 2007; Tabaei, Fathian & Gholamian, 2011; Pawlasova & Klezl, 2017). In the virtual business environment, attributes such as website quality (Abbaspour & Hashim, 2015; Noronha & Rao, 2017), online privacy, financial security, third party certified seals on site and transparency (Chang, Cheung, & Tang, 2013; Maadi, Maadi, & Javidnia, 2016), order fulfilment, timely delivery, accurate product, return policy and after sales services (Nguyen, Leeuw & Dullaert, 2018); communication (Tuli & Bharadwaj, 2009) and personalization has been identified as some of the key determinants of customer satisfaction and success

While there are existing studies on the determinants of customer satisfaction in the online retailing, most of these researches have not addressed how a combination of relationship marketing practices may affect customer satisfaction in the online retailing. Thus, the objective of this study is to examine the effect of relationship marketing practices on customer satisfaction of online retail firms in Lagos, Nigeria. To determine the predominant relationship marketing variable affecting customer satisfaction of online retail firm in Lagos State, Nigeria.

The paper proceeds with a literature review addressing the various concepts of the study, theoretical review as well as empirical review. The section three present the methodology of the research. The subsequent section deals with result, analysis and discussion of the empirical findings and the last section covers the conclusion and recommendations of study.

## **LITERATURE REVIEW**

A systematic review from extant literature on relationship marketing and customer satisfaction was undertaken.

### **Relationship Marketing Practices**

Berry in 1983 introduced relationship marketing and used it in the service context. The author defined relationship marketing as the activities involved in the attraction, maintenance and enhancement of customer relationships. In a review of Relationship marketing definitions,

Harker (1999), noted about 26 substantial definitions of relationship marketing (RM) but concluded that Gronroos (1994) definition seemed to be the most comprehensive. The author defines relationship marketing as a process to identify and establish, maintain and enhance and when necessary also to terminate relationships with customers and other stakeholders, at a profit, so that the objectives of all parties are met, and that this is done by a mutual exchange and fulfilment of promise. The definition by Gronroos (1994) address the issue of customers, firms, stakeholders and the objective of the firms.

Relationship marketing had overtime been associated with helping firms build long term relationships with customers and facilitate customer retention. Zineldin and Philipson (2007) posit that relationship marketing have assisted firms to move from a single transaction approach to customer focused approach that ensure customer satisfaction and long-term relationship. RM have been attributed with benefits such as reduced cost of acquisition (Kotler & Keller, 2012), increased productivity and profitability (Sheth & Parvatiyer, 1995). Marketing literature has identified some of the underpinning variables of relationship marketing to include trust and commitment (Hunt & Arnett, 2006), Sin, *et al.*, (2005) trust, bonding, communication, shared value, empathy and reciprocity. Trust, commitment, communication and conflict handling (Ndubisi, 2007). These studies are however carried out in the offline context with fragmented work on the application of relationship marketing variables in the online market space (Verma, *et al.*, 2015). Relatedly, Chen *et al.*, 2008 posit that building relationship with customers is easier in the offline context compared to online context. In this study, a combination of relationship marketing components in the online and offline context would be studied to understand its effect on customers satisfaction. For instance, website quality (Noronha & Rao, 2017), trust (Bulut, 2015), reliability (Kovac, Naletina & Kuvac, 2017), communication (Alsubagh, 2015), Personalization (Halimi, *et al.*, 2011).

The website serves as a link between the buyer and the seller in the online retail environment. The interface enables online firms provide necessary information that prompts purchase decisions. Irrespective of designs put in place by online retailers to ensure website usability, the perception of the customers is subjective and differs from one customer to the other. From the user's viewpoint, Aladwani and Palvou (2002), defines website quality as the user's perception of the website attributes, meeting the purpose of use, and the holistic perceived performance of the website. Cebi (2013) posits that the quality of a firm's website has an influence on customers' perceptions of product quality thereby encouraging user satisfaction.

Trust is considered one of the fundamental aspects of relationship marketing orientation (Sin, Tse & Yin, 2005) and a critical variable in the online retailing where transactions are characterized by fear that either of the party may want to take advantage of the other (Fang,

Chiu & Wang ,2011). Jones and Leonard (2014) posit that lack of trust is a major inhibitor of online shopping as the fear of seller opportunism will distance buyers from making a purchase on the site. Mpinganjira, (2015) buttressed that while the attributes to build initial trust is essential for purchase intention and the initial purchase, the ability to sustain the initial trust and build on this is more important as inability to achieve this can result in loss of customers.

Zhao and Qin (2010) in their review of literature summarized reliability to mean fulfilment. That is fulfilment of promises made by the seller. Grewal, Gopalkrishnan, and Michael (2004) and David, Paul and Olivia (2011) have suggested fulfillment/reliability as an important and significant predictor of consumer perceived quality, satisfaction and loyalty. Reliability have been described as the foremost factor of service quality and have drawn a lot of attention in the recent time, a shortfall in service reliability have been attributed to issues such as increase in customer complaints, negative word of mouth, and lower customer loyalty (Bitner, Brown & Meuter, 2000).

Kang (2014) viewed communication as a tool to boost trust between parties to encourage both parties evaluate each other in a favourable way. Berry (2010) contends that communication initiates and builds relationships, it mediates ideas, thoughts and feelings, transfers information, solves problems and connects people. Therefore, the ability to give or pass timely and reliable information enhances relationships. Thus, in customer relationship, communication is key in expressing thoughts, feelings and emotions from the service provider to the customer.

Personalization have been described as an acceptable tactic that can help elongate relationship between firms and customers and help build customer loyalty (Halimi, et al.,2011). The increasing competition among businesses in various industries have given rise to a quest for differentiation in product and services with customization to make unique offerings to customer.

### **Customer satisfaction**

Globally, customer satisfaction has received a lot of attention in business practices and academic research due to its relevance to business success. Keeping customers satisfied is one of the key strategies to staying ahead of competition (Sheikh & Basti, 2015). Customer satisfaction is defined as the evaluation of service based on prior customers' expectation and actual performance after consumption (Tse & Wilton, 1988). That is, negative evaluation results to dissatisfied customer, positive evaluation brings forth satisfied customer, and the customer is described as delighted when firms perform beyond customers' expectations (Sheikh & Basti, 2015).

Extant literature has established customer satisfaction as a complicated concept with the definitions attached to it based on product or service experience (Amini & Akbari, 2014). In the online market space, customer satisfaction has become important owing to its outcome in areas such as electronic word of mouth (Gilaninia et al, 2011), repeat purchase (Pawlasová, & Klézl, 2017), and building long term relationship and sustaining profitability (Ting, Ariff, Zakuan, Sulaiman, & Saman, 2016). Online customer satisfaction (user satisfaction, electronic satisfaction) has been used to describe satisfaction in the online context. According to Amini and Akbari (2014), user satisfaction is defined as satisfaction derived by a customer as a result of previous experience and/or purchase on an online retail website. Similarly, Anderson and Srinivasan (2003) described electronic satisfaction as the fulfilment that comes with the shopping experience with an online retail firm. Eid (2011) described customer satisfaction or dissatisfaction as a customer response to perceived disconfirmation between the previous expectations (or other performance norms) and the actual performance of the perceived product or service after its use. Putting this into perspective, the researchers have described customer satisfaction as a subjective perception of the user which is based on customers experience and expectations.

Bai, et al., (2008) argue that an information system which meets the needs of its users will reinforce customer satisfaction. By contrast, if the system does not provide the needed information, its users will be dissatisfied and subsequently look elsewhere for information needs. Grewal, Gopalkrishnan, and Michael (2004) and David, Paul and Olivia (2011) have suggested fulfillment/reliability as an important and significant predictor of consumer perceived quality, satisfaction and loyalty. Similarly, Hsu (2008), mentioned service quality, information availability, ease of use, design and graphic style, privacy, security, fulfilment and reliability as part of the determinants of customer satisfaction in the online retail context. With recent research revealing that customer's expectations is the most important factor that determines customer satisfaction (Sheikh & Basti, 2015).

### **Theoretical Review**

The origin of The Expectation -Confirmation Theory can be traced back many decades where military experts believed that the fulfilment of expectation lead to positive change in morale (Jiang & Klein, 2009). However, the thought that relates the discrepancy in the expectation is pegged to the work of Oliver. The Expectation -Confirmation Theory (ECT) also known as The Expectation Disconfirmation Theory (EDT) was proposed by Oliver in 1980. The theory is widely used to explain and predict customer behavioral in terms of satisfaction, repeat purchase intention and their antecedent (Bhattacharjee 2001).

ECT has been explained using four main constructs: Expectation, Performance, Disconfirmation and satisfaction. It holds that repurchase and intention to continue use of a product or service is primarily determined by satisfaction which comes after usage. According to Oliver and DeSarbo (1988), the ECT is based on 4 assumptions: that consumers forms expectation about a product and or service prior to purchase. These expectations are gathered from online search, product attributes, communication from the firm; based on the perception of the usefulness of the product, the consumer agrees to use the product; third, from the result of the usage, the consumer does a review and compare the perceived expectation with the actual performance of the product and or service. If the products perform better than the initial expectation, a positive disconfirmation occurs, if the performance falls below expectation, a negative disconfirmation occurs, and a simple confirmation occurs when the expectation matches the performance. Fourth, based on the level of the expectation and the resultant performance, the customer forms a level of satisfaction.

ECT model have been criticized for putting into consideration revalidation of consumers expectation which comes to light after their consumption experience and the impact of the changes in expectations on subsequent cognitive process (Bhattacharjee, 2001). Relatively, the study of Lin Tsai and Chiu (2009) have argued that premise of ECT is inadequate to explain loyalty. While the study is substantial for satisfaction and intention to repurchase, there is a gap in between satisfaction and loyalty that is yet to be filled.

The popularity of ECT model came after its application to probe merchandise repurchase, the model has since then been used in several empirical studies in different contexts to explain and measure post purchase satisfaction and repurchase intention (Yu, 2010). Scholars have supported the usefulness of ECT in studying and predicting customer behavior in different context. Hong, Thong and Tam (2005) supported the ECT by extending the study to IT and validated the model to provide deeper insight to understanding and addressing customer retention and continuance usage of product and services. Lin, Tsai and Chiu (2009) explained the relevance of ECT understanding customers expectation and predicting their likely behavior. It is explained that once a user is satisfied with a website, there is a possibility of repeat purchase. Initial cost of customer acquisition, creating intention to use, satisfying customer and post purchase behavior which includes repurchase intention and in the long run customer loyalty and positive review are of importance in information system (IS) (Hossain & Quaddus, 2012). Eid (2011) maintained that ECT is empirically accurate; that its use to predict customer intention to repurchase a product is generated from the satisfaction level. Similarly, Bhattacharjee (2001) confirmed that the service expectation and service performance used in



ECT forms a baseline for satisfaction for customers which may in the long run lead to customer loyalty.

### **Relationship Marketing Practices and Customer Satisfaction**

Empirical findings have established a link between relationship marketing practices and customer satisfaction (Abbaspour & Hashim, 2015; Pawlasova & Klezi, 2017; Shafiee & Bazargan 2018). Iluno and Yakubu (2017) and Mpinganjira (2015) in their studies summarized customer satisfaction as an experience with varied dimensions of relationship marketing contributing to the experience. This significant linkage between relationship marketing dimensions and customer satisfaction also extends specifically to web quality of online retail firm and its impact on customer satisfaction (Noronha & Rao, 2015; Pawlasova & Klezi, 2017; Vega, 2015).

The findings of Kim and Lim (2016) and Noronha and Rao (2017) showed that perceived e-service quality significantly and positively affected customer satisfaction. Noronha and Rao (2017) investigated the role of website quality on customer satisfaction and revealed that information quality, system quality, service quality and website design influence customer satisfaction. With clear and understandable information identified as the prominent variable leading to customer satisfaction online. The author however buttressed that an average user of the site will exit a website and stop shopping when they experience difficulties navigating the site. This is in line with the findings of Hidayat, Saifullah and Ishak (2016) that found interface quality, information quality, customer service, and security and privacy have a positive impact on online customer satisfaction and online trust. While ease of use has been identified as a motivation towards the use of online shopping, study conducted by Napitupulu and Aditomo (2015) however revealed that perceived ease of use and perceived risk do not directly affect customer satisfaction.

With a focus on South African online customers, the study of Mpinganjira (2014) investigated repeat purchase of South African customers and found online customer satisfaction as an antecedent of repurchase intention. Furthermore, relationship marketing variables such as personalization, ease of communication and privacy shows significance effect towards online customer satisfaction while privacy shows the major pointer towards satisfaction of customer. The study is consistent with the argument that inability of online firms to keep information of customers private will degenerate to loss of trust (Eid, 2011). In contrast, the study of Eid (2011) argued that while perceive risk and privacy are strong determinant of trust, the factors have a relatively low effect on customer satisfaction.



In their study, Shafiee and Bazargan (2018) investigated the role of e-service quality and e-recovery in online shopping and found that e-recovery, influenced by responsiveness, compensation, and contact, can lead to improved customer satisfaction. Relatively, Kitapci, Akdogan and Dortyo (2014); Hau and Ngo (2012); Lin (2007) shows that the reliability and trust are significantly related to customer satisfaction.

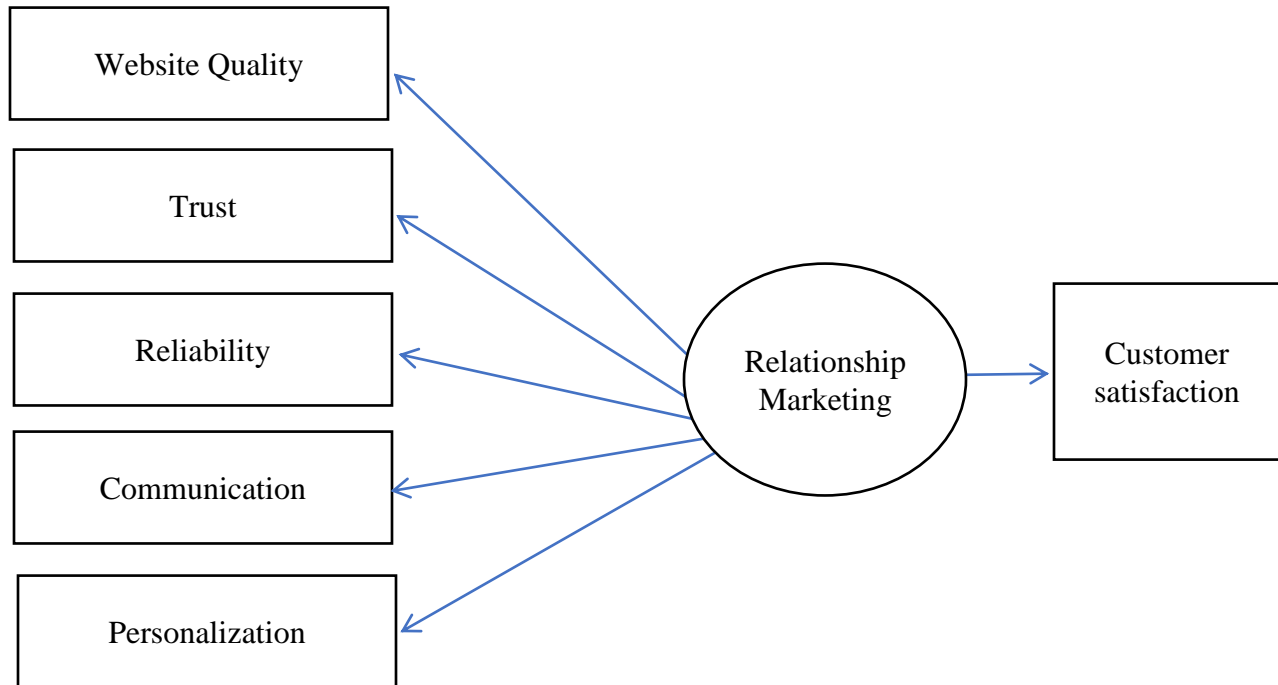


Figure 1: Researcher's Conceptual Model

## METHODOLOGY

The study adopted a cross sectional survey research design. The population for this study were students of government owned tertiary institutions in Lagos State, Nigeria that have patronized the online retail companies. The two-leading online B2C firms in Nigeria, Jumia and Konga that featured (50 most visited website in Nigeria by category) on Alexa ranking 2019 were the online retail firms selected for the study. Students were chosen because they are part of the generation Y and Z who have been described as the internet and digital generation with easy access to technology (PEW Research Center, 2019). Walczuch and Lundgren (2004) advocated the use of students for online retail research as they are conversant with the use of internet and easily navigate other related communication gadget for transactions. The population of the study was 105,999. A sample size of 1,970 was arrived at using the Krecjie and Morgan formula. Stratified random and proportionate sampling technique were adopted in

selecting the sample. Using a validated questionnaire, the survey resulted in 1, 687 responses representing 85.6%. Data were analysed using descriptive and inferential statistics.

Table 1: Sample size for the study

S/N	Higher Institutions	Sample	Percentage %
1	Lagos State University, Ojo	380	33.02
2	University of Lagos	379	28.3
3	Yaba College of Technology, Yaba, Lagos State	377	15.09
4	Lagos State Polytechnic, Lagos State.	379	23.59
		1515	100

Also, thirty percent (30%) which is 455 was added to compensate for non-response and wrongly filled questionnaires which brought the adjusted sample size to  $1,515+455=1,970$  for the students' adjusted sample size (Zikmund, 2000).

## ANALYSIS AND DISCUSSIONS OF RESULTS

Multiple regression analysis was used as specified in the regression model with customer satisfaction (CS) as dependent variable and Relationship marketing practices: website quality (WQ), trust (TR), reliability (RT), communication (CM), and personalization (PR) as independent variables. The regression test results are presented in Tables 2a-c.

Table 2a: Model Summary of Effect of Relationship Marketing Practices on Customer Satisfaction of Online Retail Firms in Lagos, Nigeria

Model Summary <sup>b</sup>				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	0.848 <sup>a</sup>	0.719	0.718	2.116

a. Predictors: (Constant), Personalization, Website Quality, Communication, Trust, Reliability  
b. Dependent Variable: Customer Satisfaction

The table 2a in the model summary, shows the amount of variance in the dependent variable, customer satisfaction that is explained by the model such as Website Quality (WQ), Trust (TR), Reliability (RT), Communication (CM), and Personalization (PR) which is expressed as R Square. In this model, the value is 0.719 and when expressed as a percentage, it is 71.9 per cent. This means that the econometric model which includes the website quality, trust, reliability, communication, and personalization explain 71.9 per cent of the variance in customer

satisfaction. Considering that the sample for this study was large as well as the predictor variables, the *Adj. R<sup>2</sup>* will provide a better estimation of the population value hence in this case; the *Adj. R<sup>2</sup>* is 0.71.8. This shows that the econometric model which includes website quality, trust, reliability, communication, and personalization explain 71.8 percent of the variance in customer satisfaction. This indicates that there were factors that were not studied in this survey which contribute to 28.2 per cent of customer satisfaction of online retail firms. Further research should be carried out to determine the rest of the 28.2 per cent that has not been explained on of customer satisfaction of online retail firms.

Table 2b: ANOVA for Relationship Marketing Practices and Customer Satisfaction

<b>ANOVA<sup>a</sup></b>						
Model		Sum of Squares	df	Mean Square	F	Sig.
2	Regression	19227.250	5	3845.450	858.641	.000 <sup>b</sup>
	Residual	7528.409	1681	4.479		
	Total	26755.659	1686			

a. Dependent Variable: Customer Satisfaction

b. Predictors: (Constant), Personalization, Website Quality, Communication, Trust, Reliability

The table 2b shows the statistical significance (ANOVA) of the results. It is used to test the null hypothesis. The model in this study has reached statistical significance (Sig=0.000; meaning  $p < 0.0005$ ) and  $F(5, 1681)$  of 858.641. This means that the model is statistically significance in explaining the effect of independent variables, website quality (WQ), trust (TR), reliability (RT), communication (CM), and personalization (PR) on the dependent variable, customer satisfaction (CS) online retail firms in Lagos, Nigeria. Hence at 95% confidence level, relationship marketing practices significantly affect customer satisfaction.

Table 2c. Regression Coefficients of Effect of Relationship Marketing Practices on Customer Satisfaction

<b>Coefficients<sup>a</sup></b>						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
2	(Constant)	1.852	0.301		6.152	0.000
	Website Quality	0.171	0.022	0.174	7.603	0.000
	Trust	0.072	0.024	0.076	3.014	0.003
	Reliability	0.270	0.029	0.258	9.336	0.000
	Communication	0.220	0.024	0.224	8.987	0.000
	Personalization	0.184	0.022	0.201	8.241	0.000

a. Dependent Variable: Customer Satisfaction

Table 2c presents the coefficient results of relationship marketing practices and customer satisfaction. The results reveal that positive significant effects were reported for all the relationship marketing practices: website quality ( $\beta = 0.171$ ,  $p < 0.05$ ), trust ( $\beta = 0.072$ ,  $p < 0.05$ ), reliability ( $\beta = 0.270$ ,  $p < 0.05$ ), communication ( $\beta = 0.220$ ,  $p < 0.05$ ), and personalization ( $\beta = 0.184$ ,  $p < 0.05$ ). The results reveal that relationship marketing practices have a significant positive effect on customer satisfaction of online retail firms in Lagos, Nigeria. Based on the results, the predictive model for customer satisfaction was formulated as:

$$CS = 1.852 + 0.171WQ + 0.072TR + 0.270RT + 0.220CM + 0.184PR \dots\dots\dots \text{Eq. (ii)}$$

Where: CS = Customer Satisfaction

WQ = Website Quality

TR = Trust

RT = Reliability

CM = Communication

PR = Personalization

1.852 = Constant when independent variable is equated to 0

According to the regression equation established, taking all relationship marketing practices constant at zero, customer satisfaction of online retail firms in Lagos was positive at 1.852 implying a surplus. The results indicate that when website quality, trust, reliability, communication, and personalization are increased by one unit, customer satisfaction will increase by factor of 0.171, 0.072, 0.270, 0.220, and 0.184 respectively. In order to compare how the different independent variables, relationship marketing practices have contributed to predicting the dependent variable, customer satisfaction, the standardized coefficients were used. The largest Beta under the standardized coefficients was reliability with 0.258 as its value. This means that reliability contributes the most and provided the strongest unique contribution in explaining customer satisfaction of online retail firms in Lagos followed by communication. Based on the findings, it can be stated that relationship marketing practices significantly affects customer satisfaction of online retail firms in Lagos. Therefore, the null hypothesis two ( $H_{02}$ ) which states that relationship marketing practices has no significant effect on customer satisfaction of online retail firms in Lagos, Nigeria was rejected ( $Adj. R^2 = 0.718$ ;  $F(5, 1681) = 858.641$ ).

## Discussion of findings

The results of multiple regression analysis for the effect of relationship marketing practices and customer patronage of online retail firms in Lagos State, Nigeria revealed that the relationship

marketing practices have a significant effect on customer patronage of online retail firms in Lagos State, Nigeria.

The findings of the study revealed that reliability is the predominant and highest contributory factor to customer satisfaction. This is evidenced in the attention given to proxy of reliability such as product conformance, order tracking, timely delivery, return and refund management and kindness of the delivery personnel over other measurement of relationship marketing practices. The finding of this study is in line with extant literature on the importance of reliability as a vital aspect of ecommerce (Gevaers, Van de Voorde & Vanellander, 2011; Kovac, Naletina, & Kuvac, 2017; Lim, Jin, & Srail, 2018). For instance, the study of Kovac, Naletina, & Kuvac, (2017) argued that the most important aspect of ecommerce for the final consumer is order delivery, as this is the stage at which customer receive item purchased online. The time difference between when a customer placed an order on the site and the time it is received in addition to inability to physically see and touch the product expected create anxiety and uncertainty for customers (Mpinganjira, 2015). In order to minimize the customer uncertainty level, reliability measures such as return policies are used to assure customers against complaint and dissatisfaction that may arise after item have been delivered (Petersen & Kumar, 2009). Thus, the extent to which product can be delivered in the right specification, right timing, right attitude of delivery personnel, update to order tracking and right return and refund policies are important determinant of customer satisfaction.

Empirically, previous studies have established a link between proxy of relationship marketing practices and customer satisfaction in online retailing (Abbaspour & Hashim, 2015; Mpinganjira, 2014; Pawlasova & Klezi, 2017). Relationship marketing practices such as personalization, ease of communication and privacy are identified as a pointer towards customer satisfaction among South Africans online shoppers (Mpinganjira, 2014). This is line with the findings of this study that showed communication and personalization as prominent factor leading to customer satisfaction in the online retail firms. The findings on the importance attached to ease of communication between online buyer and online seller are consistent with the argument of Kang (2014) that presented communication as a tool that facilitate trust and encourage parties involved view each other in a favorable way. Two-way communication in form of email, calls, social media engagement are some the ways in which online retailers can further address customers issues thereby increasing satisfaction level.

The findings on personalization are in line with the work of Halimi, Chavosh and Choshali (2011) that opined the relevance of personalization in building relationships. The activities of the firm in form of streamlining information on the site to fit into customers purchase history and ensure information and product are tailored towards specific need of the customer

are some of the importance of personalized service. Although the online retailing has clamored on the relevance of detailed information, too much of information not relevant to the customer may lead to information overload, thereby reducing customer satisfaction. Relatedly, the findings of Noronha and Rao (2017) that found website quality a determinant of customer satisfaction also aligns with the findings of this study that shows website quality (website interactivity, search facilities, simplified check out process, information quality, speed of loading page) have a significant influence on customer satisfaction.

In this study, the link between trust and customer satisfaction though showed a positive, it is however the least contributory factor to customer satisfaction. This is consistent with the work on Mpinganjira (2014) that showed a proxy of trust (privacy) as a major indicator towards customer satisfaction. Conversely, the study of Eid (2011) argued that perceive risk and privacy have relatively low effect on customer satisfaction. Based on these findings and the confirmatory findings of previous scholars in the field, it can therefore be stated that relationship marketing practices significantly affects customer satisfaction of online retail firms in Lagos State, Nigeria.

## **CONCLUSION AND RECOMMENDATIONS**

This study has demonstrated that the measurement of relationship marketing used in this study has a positive and significant influence on customers satisfaction. Hence, management and strategists of online retail firms aiming to improve customer satisfaction should invest and focus on practices such as website quality, trust, reliability, communication and personalization. The study established reliability as the predominant factor affecting customer satisfaction. Hence, online retail firms to increase customer satisfaction, should pay attention to proxy of reliability such as product conformance, timely delivery, seamless return and refund, order tracking and kindness of the personnel.

Earlier studies have demonstrated website quality and trust as predominant factors affecting customer satisfaction in online retailing, moreover, there is a tendency that the demography of the respondents (students) who are internet savvy and with the ability to take risk may have influenced the findings of this study with website and trust appearing as the least predominant factors.

From the theoretical perspective, the outcome of this study is in line with the expectation of confirmation theory. The theory the customer journey map and post purchase behavior of customer which gives an insight into the future intention of the customer towards same product, service and or firm. The theory also serves as a guide to owners of online retail firms to convey attainable expectations in order to manage the performance result.

The exclusive use of students for the study may limit the generalization of the findings from this study as other customer group may react differently to the variables. Future researchers might investigate other customer type like the working class and older age group to compare findings. Future studies could also be carried out in specific retail industry such as mobile, book, fashion, business to business and groceries, in order to understand the relationship marketing practices that affects customer patronage in the industry.

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